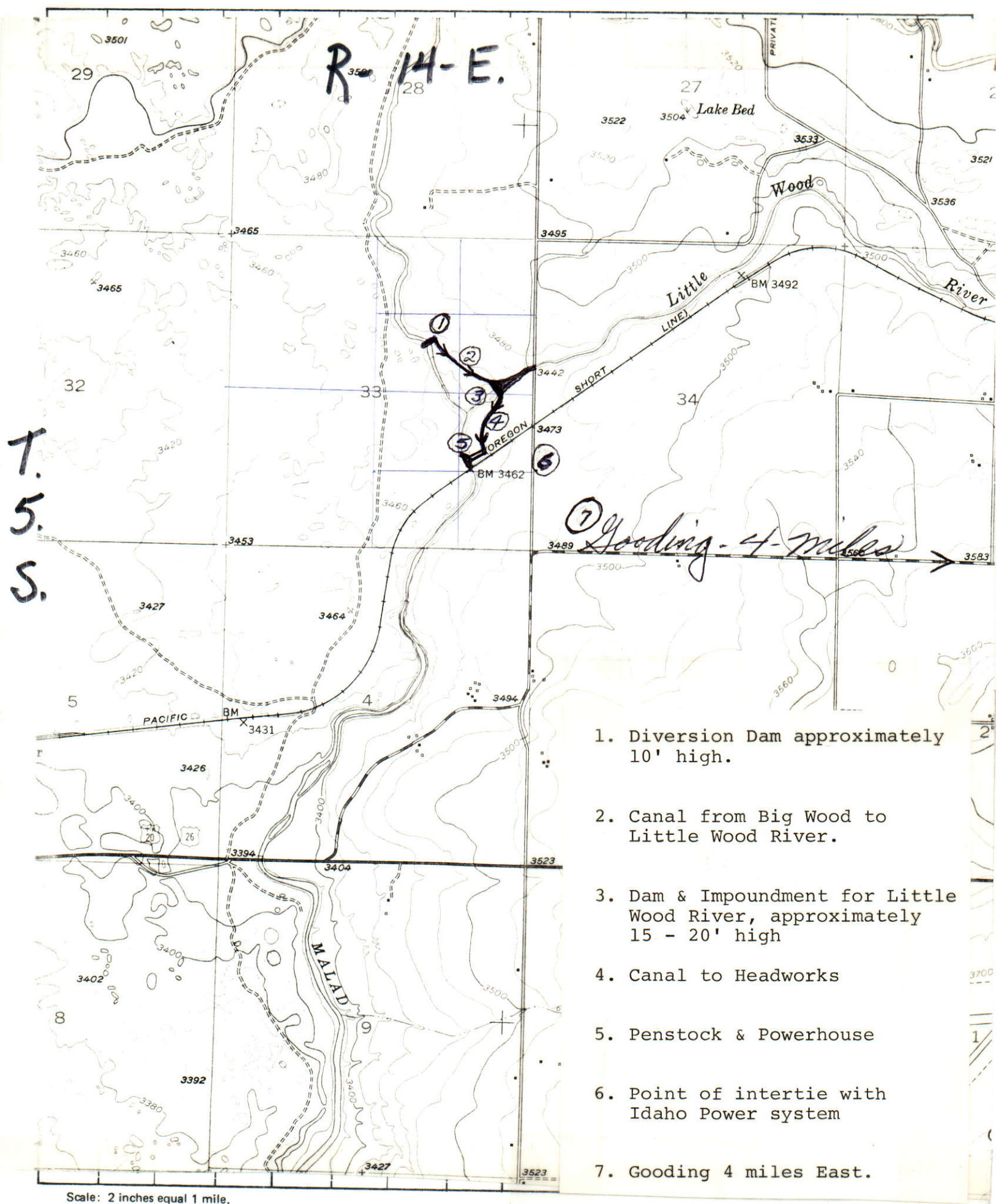


11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



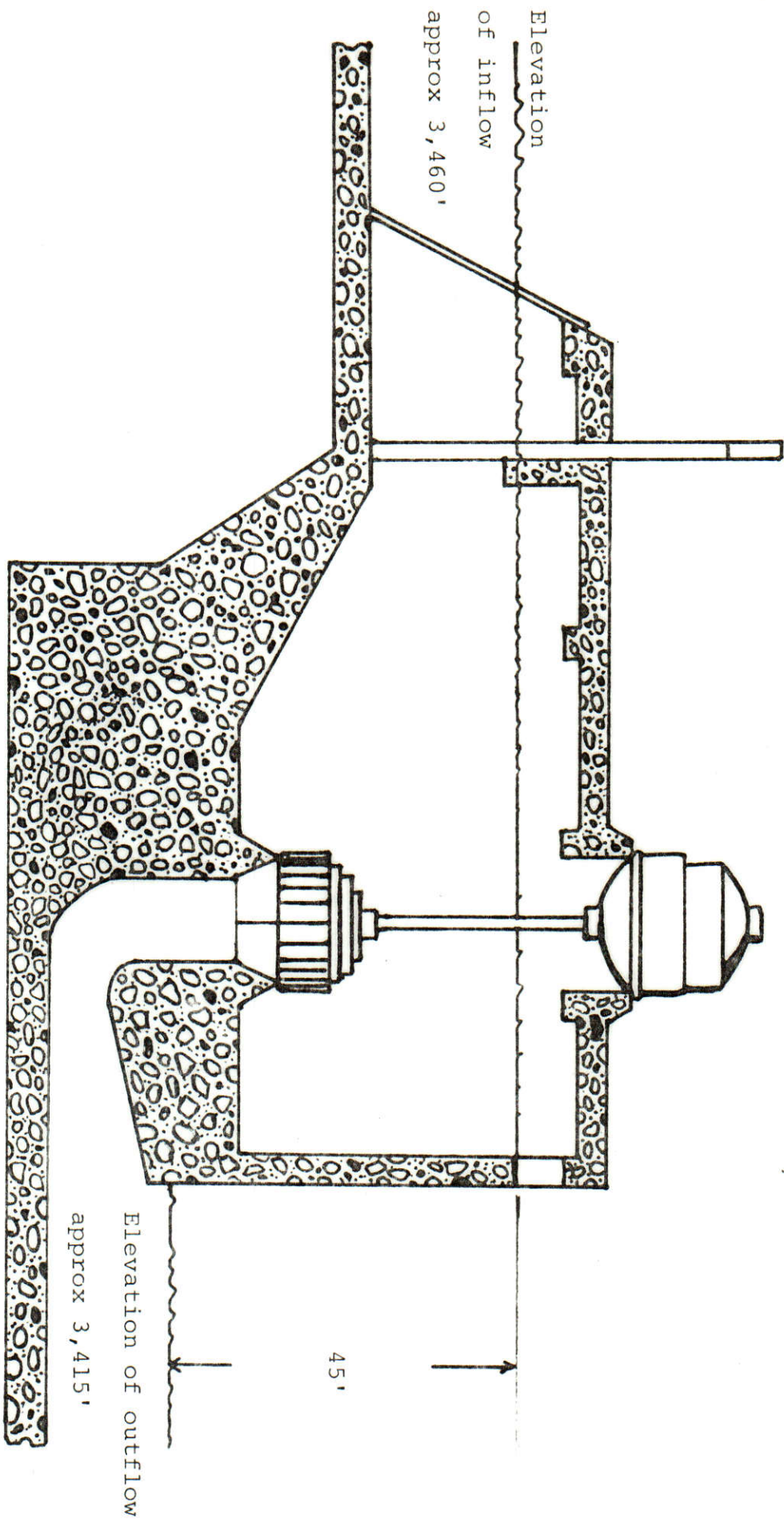
1. Diversion Dam approximately 10' high.
2. Canal from Big Wood to Little Wood River.
3. Dam & Impoundment for Little Wood River, approximately 15 - 20' high
4. Canal to Headworks
5. Penstock & Powerhouse
6. Point of intertie with Idaho Power system
7. Gooding 4 miles East.

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.

John H. Royle OK 2-20-81
John H. Royle
 (Applicant)
By Vernon Revencroft Agent.

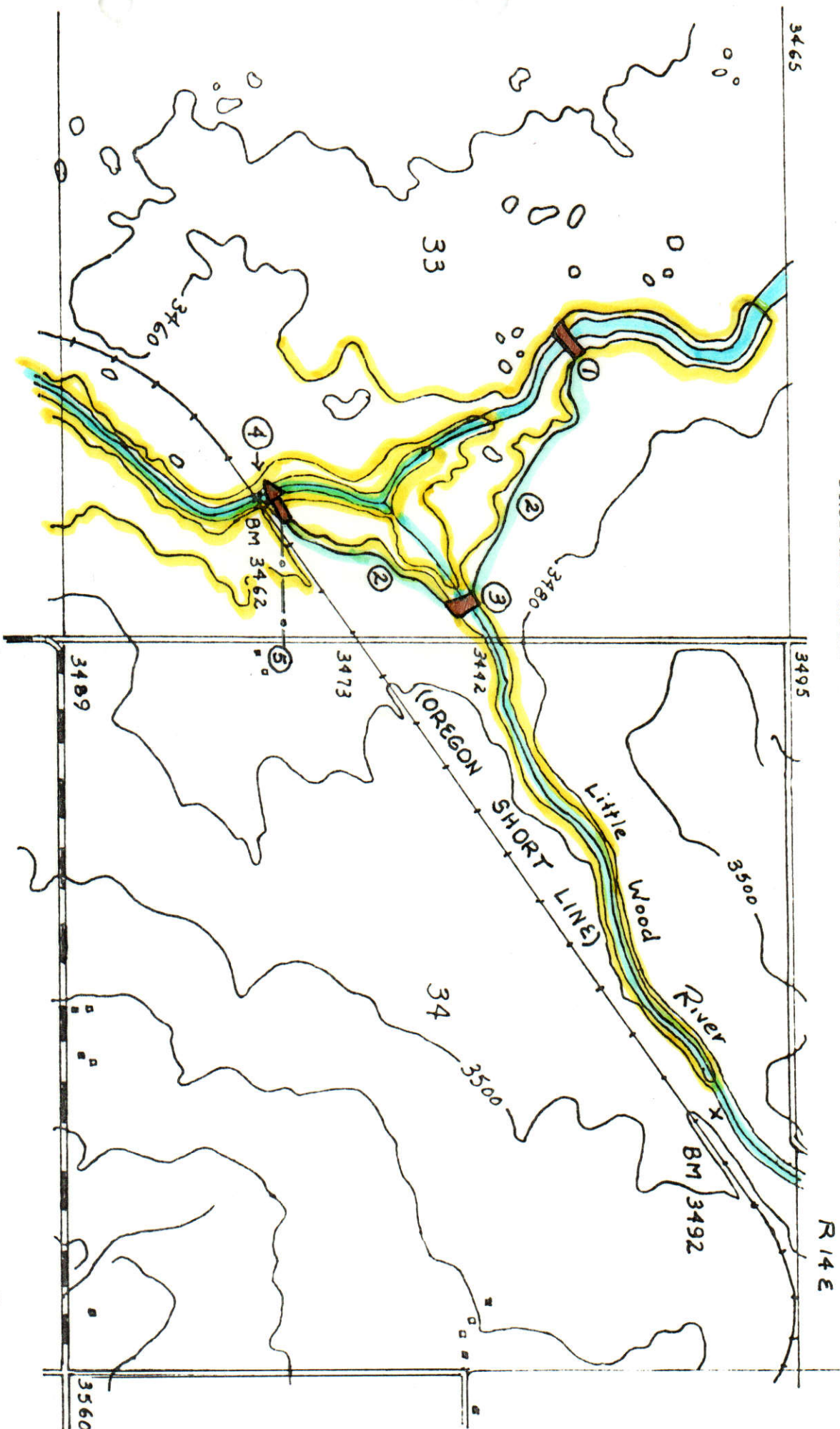
RECEIVED

KOYLE HYDRO PROJECT
GOODING, IDAHO



MICROFILMED

PROPOSED KOYLE RANCH POWER PROJECT



1. Diversion dam on Wood River approximately 15' high, approximate elevation of diversion 3,465'.
2. Canal.
3. Dam on Little Wood.
4. Penstock and power plant, approximate elevation 3,415'.
5. Intertie to Idaho Power existing three phase line.

MICROFILMED

RECEIVED
APR 17 1981
Department of Water Resources
Southern District Office

AFFIDAVIT of PUBLICATION

State of Idaho, }
County of Gooding } SS.

Gary Brock, being first duly sworn, deposes and says that he is the printer (publisher) of the Gooding County Leader, a newspaper published every week in Gooding, County of Gooding, State of Idaho, that said newspaper has been continuously and uninterruptedly published for a period of seventy-eight consecutive weeks prior to the first publication of the annexed notice, and is a newspaper qualified to publish legal notices as provided by act of the 1919 session of the legislature of the State of Idaho, known as House Bill 145; that the annexed advertisement was published once

each week for 2 consecutive issues in said newspaper proper and not in a supplement; that the date of the first publication

of said advertisement was on the 8 day of April

1981, and the date of the last publication was on the 15

day of April, 1981.

[Signature]

Subscribed and sworn to before me this 15

day of April, 1981.
(SEAL)

Gorman Ohio
NOTARY PUBLIC

GOODING COUNTY LEADER

Gooding, Idaho

COST OF PUBLICATION

Number of Lines in Notice 28

Number of Insertions 2

Lines tabular at 38

Lines straight at 28 29 812

Subsequent lines at 28 19 532

TOTAL COST 13 44

NOTICE OF APPLICATION FOR WATER RIGHT

Notice is hereby given that the following application(s) have been submitted for permit to appropriate the public waters of the State of Idaho:

37-7889

KOYLE, JOHN H.
RT 2 BOX 254, GOODING,
ID 83330

Source: LITTLE WOOD
RIVER tributary to MALAD
RIVER BIG WOOD RIVER
tributary to MALAD RIVER

Date Filed: 03/09/1981

Amount: 20.00 CFS

Diversion Point: SWNE SE-
NE Sec 33 T 05S R 14E,
GOODING Co.

Use: POWER (20.00 CFS)
from 01/01 to 12/31

Place of Use: NESE Sec 33 T
05S R 14E

Diversion Means: DIVER-
SION DAM & CANAL

ok map

PUBLICATION RATES

(Idaho Code, Rev. Statutes 1971)

7 pt. per line, straight	21c
7 pt. per line, tabular	315c
7 pt. per line, successive insertions	15c

36 **RECEIVED**

Nº 2730 23 1981

Department of Water Resources
Southern District Office

MICROFILMED



PERMIT NOS.

37-7889

37-7916

CONTROLLING WORKS

AT POWER CANAL INTAKE OFF OF BIG WOOD RIVER.

NOTE THE 3 RADIAL GATES WITH OPERATORS

(OPERATORS ARE CAPABLE OF BEING LOCKED)



GAGING STATION ON POWER CANAL

MICROFILMED

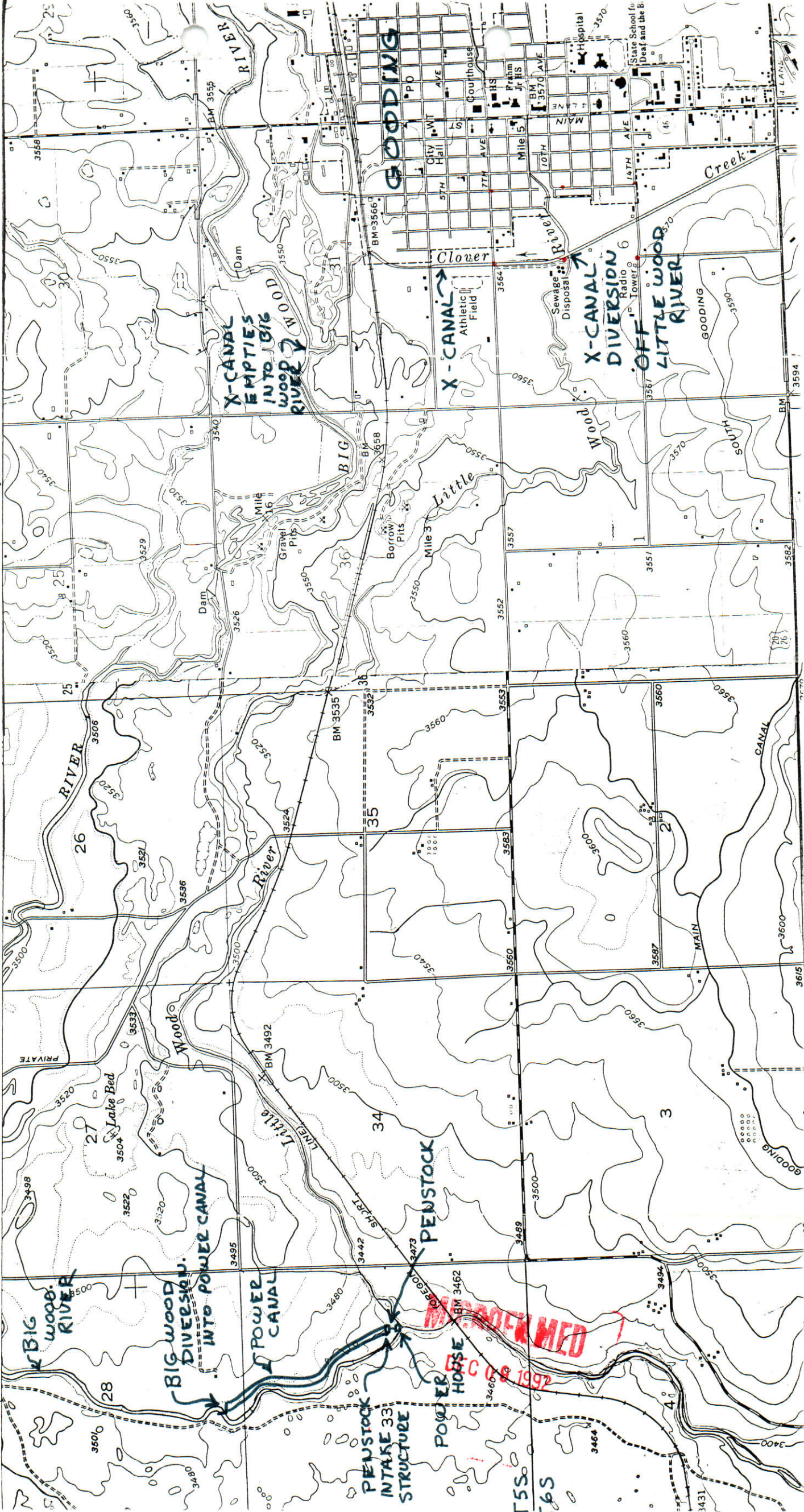
DEC 09 1992

GOODING BUTTE QUADRANGLE
IDAHO-GOODING CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

GOODING QUADRANGLE
IDAHO-GOODING CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

R14E

R14E RISE



KOYLE HYDRO RATING CURVE

STAFF GAUGE, FT	FLOW, CFS
2.32	2385
2.60	286
2.84	345
2.94	415

(FROM REID NUMBER MEASUREMENT)

STAFF
GAGE,
FEET

3.10
3.00
2.90
2.80
2.70
2.60
2.50
2.40
2.30

200 220 240 260 280 300 320 340 360 380 400 420

FLOW, CFS

MICROFILMED

DEC 09 1992

CUSTOMER J-11-B / KOYLE

PROPOSAL NO. VIII 1955 ITEM 1

SPECIAL NOTES

DESIGN CONDITIONS

CFS 4.5 EFF 87%

T.H.(FT.) 58

KW 192 S.G. 1.0

RPM 696 Generator

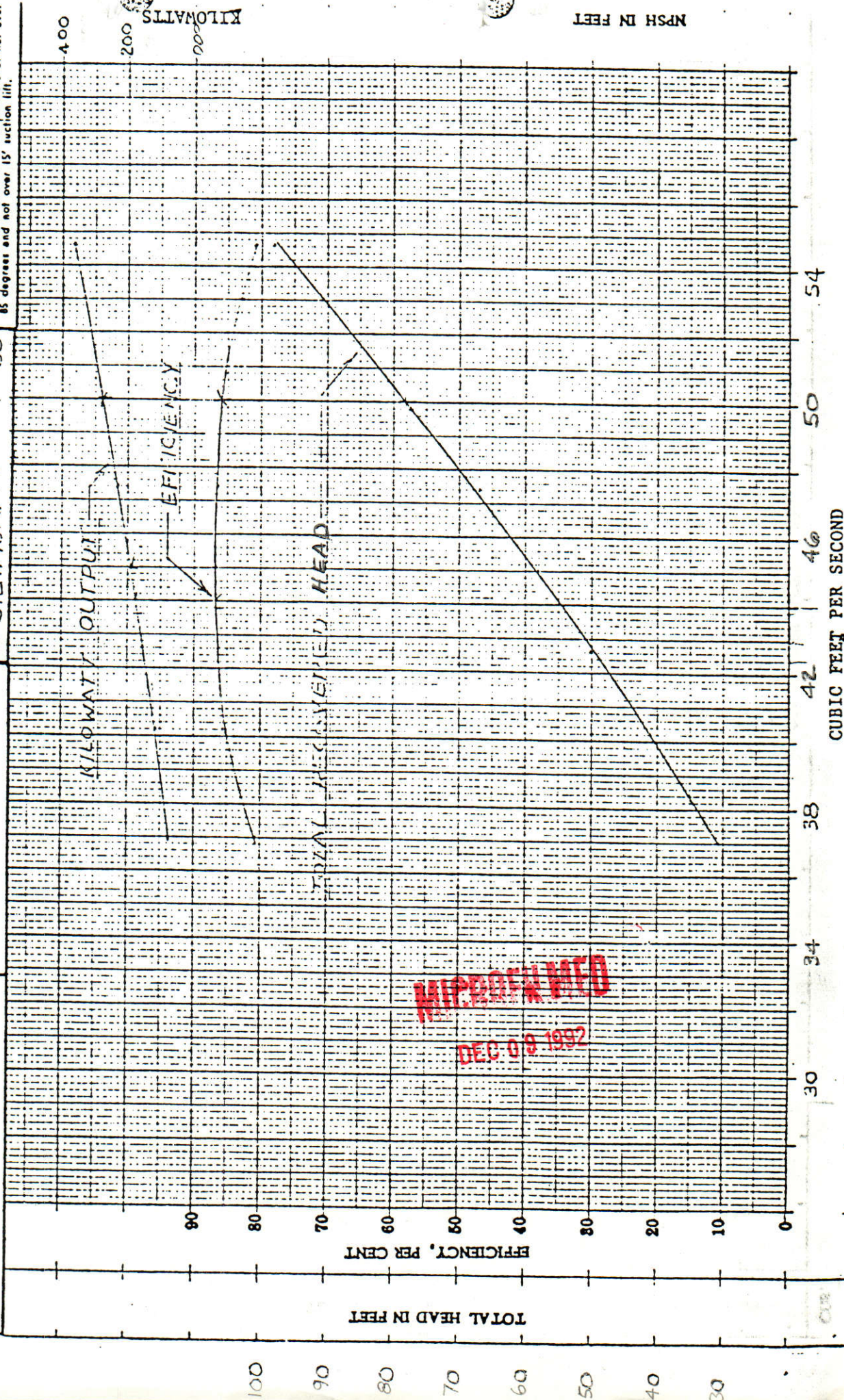
Ingersoll-Rand

CURVE 1052-33

TURBINE 33 WTH

Curves are approximate. Pump is guaranteed for one set of conditions. Capacity, head and efficiency guaranteed are based on shop test and when handling clear, cold, fresh water at a temperature of not over 85 degrees and not over 15' suction lift.

DRAWN BY J.E. MURPHY DATE 5 APR 83

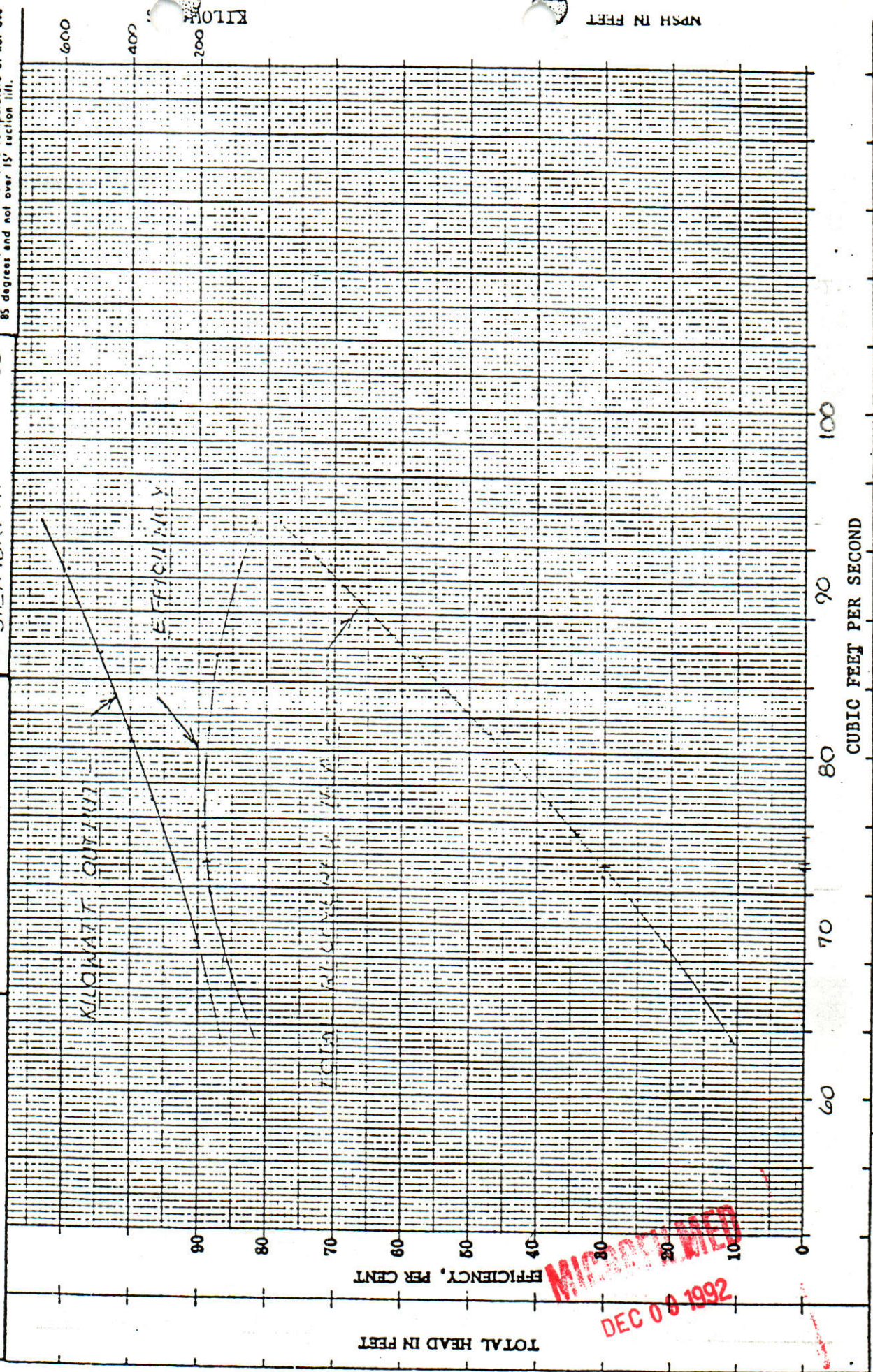


CUSTOMER J. W. B. / KOYLE
 PROPOSAL NO. VHT-1052 ITEM 2
 SPECIAL NOTES

DESIGN CONDITIONS
 CFS 77 EFF 89%
 T.H.(FT.) 58 KW 339 sg.1.0
 RPM 731 Generator

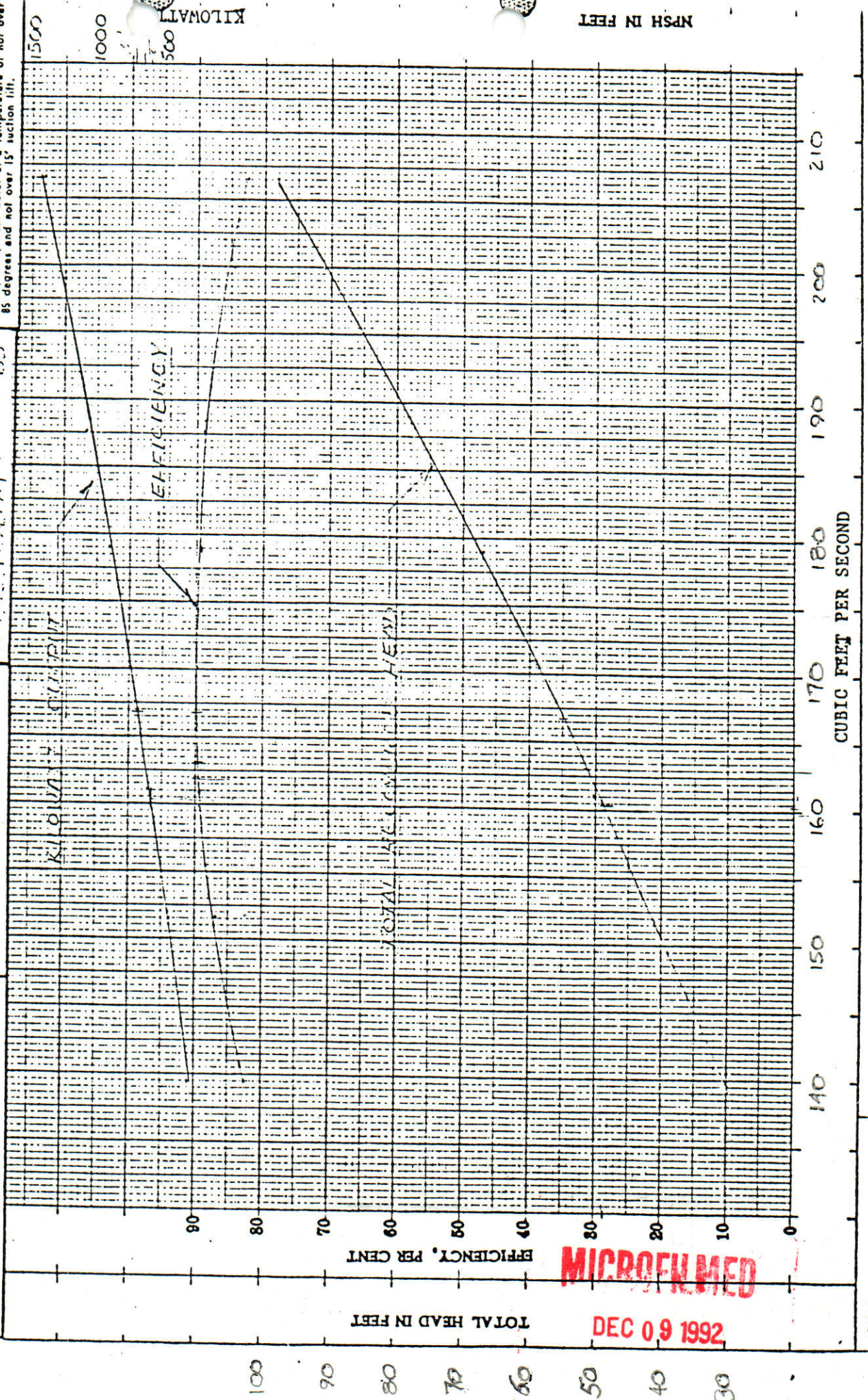
Ingersoll-Rand
 DRAWN BY J.E. MURPHY DATE 5AP83

CURVE 1052-36
 TURBINE 36 WTTM
 Curves are approximate. Pump is guaranteed for on set of conditions. Capacity, head and efficiency guarantee are based on shop test and when handling clear, cold, fresh water at a temperature of not over 85 degrees and not over 15' suction lift.



CURVE

CUSTOMER COYLE		DESIGN CONDITIONS		CURVE 1052-37	
PROPOSAL NO. 1052-37 ITEM 2		CFS 170	EFF 90%	TURBINE 39 WT-1	
SPECIAL NOTES		T.H.(FT.) 58 KW 749 SG. 1.0		Curves are approximate. Pump is guaranteed for one set of conditions. Capacity, head and efficiency guarantees are based on shop test and when handling clear, cold, fresh water at a temperature of not over 85 degrees and not over 15' suction lift.	
		RPM 454 Generator		DRAWN BY J. C. McMillan DATE 5/17/83	



NPSH IN FEET

KILOWATT

MICROFILMED

DEC 09 1992

John H. Koyle

Project No. 4052-002

NOTICE OF APPLICATION FOR EXEMPTION FOR SMALL
HYDROELECTRIC POWER PROJECT UNDER 5 MW CAPACITY
(December 10, 1981)

Take notice that on October 22, 1981, John H. Koyle (Applicant) filed an application, under Section 408 of the Energy Security Act of 1980 (Act) (16 U.S.C. §§2705, and 2708 as amended), for exemption of a proposed hydroelectric project from licensing under Part I of the Federal Power Act. The proposed small hydroelectric project, Project No. 4052 would be located on the Rio Wood River, near the town of Gooding, in Gooding County, Idaho. Correspondence with the Applicant should be directed to: John H. Koyle, Route #2, Gooding, Idaho 83330.

Project Description - The proposed project would consist of: (1) an 8-foot high rock-rubble diversion structure; (2) a canal; (3) headworks; (4) six 265-foot long, 30 inch diameter penstocks; (5) a powerhouse containing six generating units, each rated at 150 kW; and (6) a 1-mile long transmission line. The average annual energy generation is estimated to be 6.7 million kWh.

Purpose of Project - The power output from the project would be sold to the Idaho Power Company.

Agency Comments - The U.S. Fish and Wildlife Service, The National Marine Fisheries Service, and the Idaho Department of Fish and Game are requested, for the purposes set forth in Section 408 of the Act, to submit within 60 days from the date of issuance of this notice appropriate terms and conditions to protect any fish and wildlife resources or to otherwise carry out the provisions of the Fish and Wildlife Coordination Act. General comments concerning the project and its resources are requested; however, specific terms and conditions to be included as a condition of exemption must be clearly identified in the agency letter. If an agency does not file terms and conditions within this time period, that agency will be presumed to have none. Other Federal, State, and local agencies are requested to provide any comments they may have in accordance with their duties and responsibilities. No other formal requests for comments will be made. Comments should be confined to substantive issues relevant to the granting of an exemption. If an agency does not file comments within 60 days from the date of issuance of this notice, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

DC-A-28

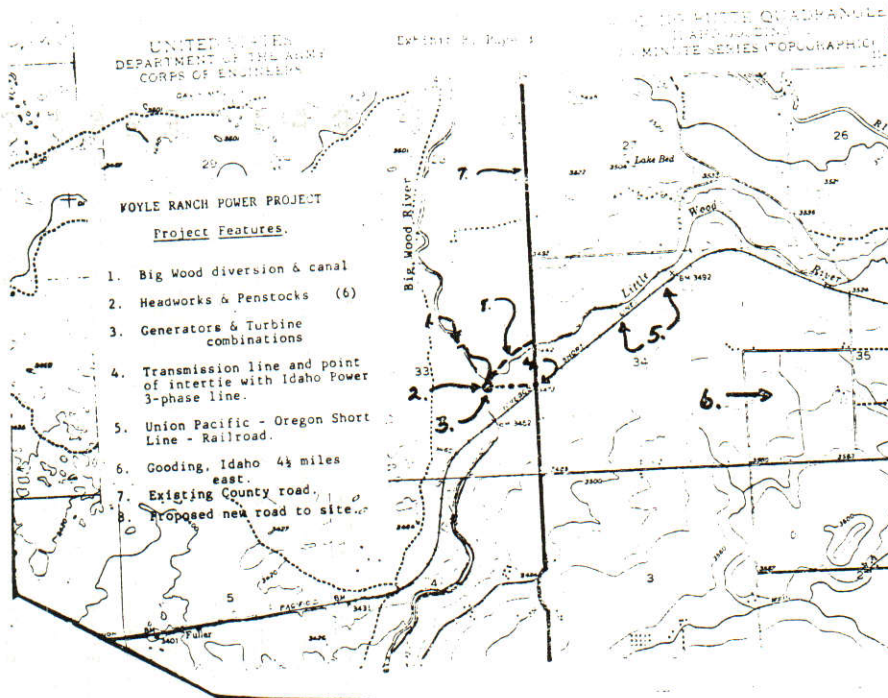
Competing Applications - Any qualified license applicant desiring to file a competing application must submit to the Commission, on or before **JAN 25 1982**, either the competing license application that proposes to develop at least 7.5 megawatts in that project, or a notice of intent to file such a license application. Submission of a timely notice of intent allows an interested person to file the competing license application no later than 120 days from the date that comments, protests, etc. are due. Applications for preliminary permit will not be accepted.

A notice of intent must conform with the requirements of 18 C.F.R. §4.33(b) and (c) (1980). A competing license application must conform with the requirements of 18 C.F.R. §4.33(a) and (d) (1980).

Comments, Protests, or Petitions to Intervene - Anyone may submit comments, a protest, or a petition to intervene in accordance with the requirements of the Rules of Practice and Procedure, 18 C.F.R. §1.8 or §1.10 (1980). In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a petition to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or petitions to intervene must be received on or before **JAN 25 1982**.

Filing and Service of Responsive Documents - Any filings must bear in all capital letters the title "COMMENTS", "NOTICE OF INTENT TO FILE COMPETING APPLICATION", "COMPETING APPLICATION", "PROTEST", or "PETITION TO INTERVENE", as applicable, and the Project Number of this notice. Any of the above named documents must be filed by providing the original and those copies required by the Commission's regulations to: Kenneth F. Plumb, Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426. An additional copy must be sent to: Fred F. Springer, Chief, Applications Branch, Division of Hydropower Licensing, Federal Energy Regulatory Commission, Room 208 RB at the above address. A copy of any notice of intent, competing application, or petition to intervene must also be served upon each representative of the Applicant specified in the first paragraph of this notice.

Kenneth F. Plumb
Secretary



DECLASSIFIED

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

John D. Koyle

Project No. 4052-000

NOTICE OF APPLICATION FOR PRELIMINARY PERMIT

(August 14, 1981)

Take notice that John D. Koyle (Applicant) filed on January 23, 1981, an application for preliminary permit (pursuant to the Federal Power Act, 16 U.S.C. § 815(a) - 825(d)) for Project No. 4052 known as the Koyle Ranch Project located on the Malet River in Gooding County, Idaho. The application is on file with the Commission and is available for public inspection. Correspondence with the Applicant should be directed to Mr. John Koyle, Route 12, Gooding, Idaho 83301.

Project Description - The proposed project would consist of: 1) two 10-foot high diversion structures; 2) a 1,350-foot long canal; 3) a 1,000-foot long canal; 4) a headworks structure; 5) an on-bank-type enclosure containing one generating unit rated at 250 kW and two generating units, each rated at 175 kW; and 6) a transmission line. The average annual energy generation is estimated to be 1.75 million kWh.

Proposed scope of studies under permit - A preliminary permit, if issued, does not authorize construction. Applicant seeks issuance of a preliminary permit for a period of 18 months, during which time it would conduct engineering, economic, environmental, and feasibility studies, and prepare an FERC license application.

The cost of the work to be done under the preliminary permit is estimated to be \$50,000.

Project No. 4052-000

- 2 -

Competing Applications - Anyone desiring to file a competing application must submit to the Commission, on or before October 19, 1981, either the competing application itself (see 18 C.F.R. § 4.33(a) and (d)(1980)) or a notice of intent (see 18 C.F.R. § 4.33(b) and (c)(1980)) to file a competing application. Submission of a timely notice of intent allows an interested person to file an acceptable competing application no later than the time specified in § 4.33(c).

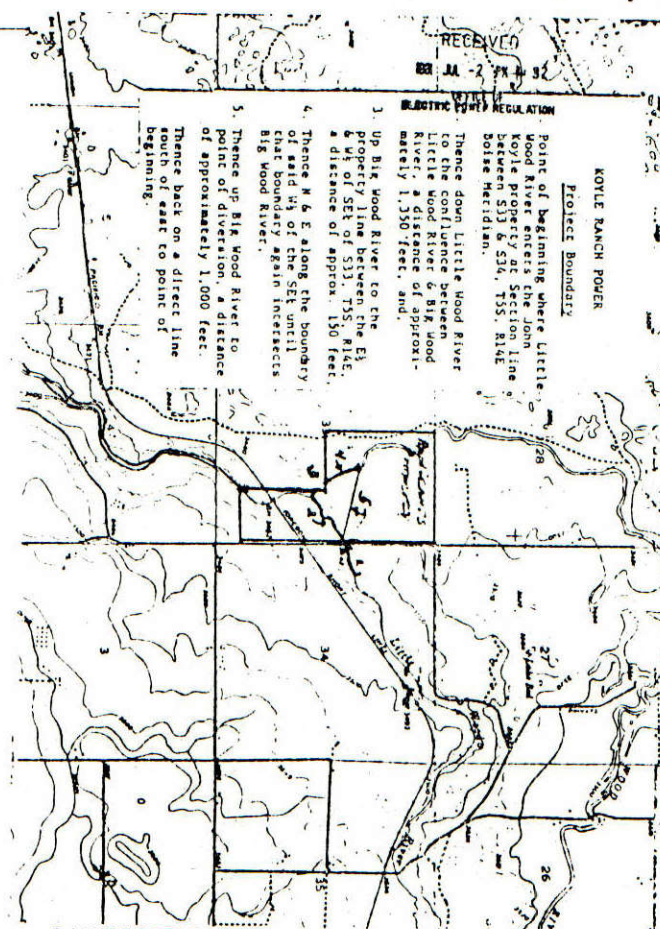
Agency Comments - Federal, State, and local agencies are invited to submit comments on the described application. (A copy of the application may be obtained by agencies only directly from the Applicant.) If an agency does not file comments within the time set below, it will be presumed to have no comments.

Comments, Protests, or Petitions to Intervene - Anyone may submit comments, a protest, or a petition to intervene in accordance with the requirements of the Rules of Practice and Procedure, 18 C.F.R. 1.8 or 1.10 (1980). In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a petition to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protest, or petition to intervene must be received on or before October 19, 1981.

Filing and Service of Responsive Documents - Any filings must bear in all capital letters the title "COMMENTS", "NOTICE OF INTENT TO FILE COMPETING APPLICATION", "COMPETING APPLICATION", "PROTEST", or "PETITION TO INTERVENE", as applicable, and the Project Number of this notice. Any of the above named documents must be filed by providing the original and those copies required by the Commission's regulations to: Kenneth F. Plumb, Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE, Washington, D.C. 20426. An additional copy must be sent to: Fred E. Springer, Chief, Applications Branch, Division of Hydropower Licensing, Federal Energy Regulatory Commission, Room 208 RB at the above address. A copy of any notice of intent, competing application, or petition to intervene must also be served upon each representative of the Applicant specified in the first paragraph of this notice.

Kenneth F. Plumb
Secretary

D-4-10



State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

WATER RIGHT NO. 37-07889

Priority: March 9, 1981

Maximum Diversion Rate: 20.00 CFS
Maximum Diversion Volume: 14479.6 AF

This is to certify, that BONNEVILLE PACIFIC CORP
C/O DAVID HIRSCHI
257 E 200 S
SUITE 800

SALT LAKE CITY UT 841110000 has complied with the terms and conditions of the permit, issued pursuant to Application for Permit dated March 9, 1981; and has submitted Proof of Beneficial Use on October 3, 1985. An examination indicates that the works have a diversion capacity of 300.000 cfs of water from:

LITTLE WOOD RIVER tributary to MALAD RIVER
BIG WOOD RIVER tributary to MALAD RIVER

source, and a water right has been established as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
POWER	01/01 to 12/31	20.00 CFS	14479.6 AF

LOCATION OF POINT(S) OF DIVERSION:

SWSE , Sec. 28, Township 05S, Range 14E
SWNE , Sec. 6, Township 06S, Range 15E
GOODING County

PLACE OF USE: POWER
TWN RGE SEC

05S 14E 33 NESE

CONDITIONS/REMARKS:

1. The maximum diversion volume is defined as the maximum allowable volume of water that may be diverted annually from the source under this right. The use of water confirmed by this right is limited to the amount which can actually be beneficially used. The maximum diversion volume may be adjusted to more accurately describe the beneficial use or to implement accepted standards of diversion and use efficiency.
2. This water right is appurtenant to the described place of use.
3. This right is subject to all prior water rights and may be forfeited by five years of non-use.
4. Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho law.

RECORDED

DEC 09 1992

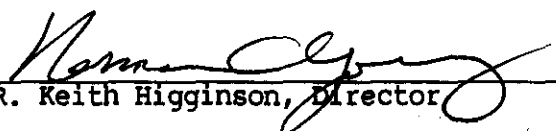
State of Idaho
Department of Water Resources**WATER RIGHT LICENSE**

WATER RIGHT NO. 37-07889

CONDITIONS/REMARKS:

5. The water right confirmed in this license for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this license and shall not give rise to any right or claim against any future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this license.
6. Use of water under this water right will be regulated by the watermaster of State Water District No. 37.
7. A measuring device of a type approved by this Department shall be required at the diversions of the Big and Little Wood Rivers if determined to be necessary by either the Department of Water Resources or the watermaster of Water District 37.
8. The diversion and use of water under this license is subject to review by the Director 25 years from the date of issuance. Upon appropriate findings relative to the interest of the public, the Director may cancel all or any part of the use authorized herein and may revise, delete or add conditions under which the right may be exercised.
9. Use of water pursuant to this right shall be non-consumptive.
10. Any loss of water to the Big Wood River or the Little Wood River resulting from conveyance and use pursuant to this license shall be mitigated with replacement water.
11. Use of water under this license shall not cause fluctuation in the flows of the Malad River which impairs the ability of prior right holders to divert their water.
12. This right is used in connection with Right No. 37-07916.
13. This license is subject to revocation pursuant to Section 42-350, Idaho Code.
14. Bypass flows in the the Big Wood River and Little Wood River must be maintained at sufficient levels to ensure protection of fish, wildlife, aquatic and riparian values.

This license is issued pursuant to the provisions of Section 42-219, Idaho Code. Witness the seal and signature of the Director, affixed at Boise, this 10TH day of NOVEMBER, 1992


ing for R. Keith Higginson, Director

DEC 09 1992

State of Idaho
Department of Water Resources

RECEIVED
JAN 14 1988

APPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 37-7889

Department of Water Resources

Date of Priority: March 9, 1981

Comes now BONNEVILLE PACIFIC CORP.
C/O DAVID HIRSCHI
185 S. STATE ST.
P.O. BOX 11898
SALT LAKE CITY, UT 84147

APPROVED

and represents to the Director of the

Idaho Department of Water Resources:

That he is the owner and holder of Permit to Appropriate the Public Waters of the
State of Idaho No. 37-7889 , and requests that the permit be changed as follows:

Source: LITTLE WOOD RIVER
Source: BIG WOOD RIVER

tributary to: MALAD RIVER
tributary to: MALAD RIVER

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>VOLUME</u>
Power	01/01 to 12/31	20.00 cfs	14479.6 afa

LOCATION OF POINT OF DIVERSION(S): SWSE , Sec. 28, Township 5S, Range 14E
SWNE , Sec. 6, Township 6S, Range 15E
Gooding County

PLACE OF USE: Power

TWN RGE SEC

5S 14E 33 NESE

Permit holder asserts that no one will be injured by such change and that such change
will be made at permit holder's own risk.

Signed at Salt Lake City, Utah, this 5th day of January, 1988.

BONNEVILLE PACIFIC CORPORATION

Robert N. Pratt
(Signature)
Robert N. Pratt, President

RECORDED

DEC 09 1992

State of Idaho
Department of Water ResourcesAPPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 37-7889

FOR DEPARTMENT USE ONLY

#48290

Preliminary check by KW Fee = \$20.00Received by ag Date 1-15-88

ACTION OF THE DEPARTMENT OF WATER RESOURCES

I, R. Keith Higginson, of the Department of Water Resources hereby approve the above Application for Amendment for Permit No. 37-7889 with the following;

CONDITIONS/REMARKS:

1. The right to the use of the water hereby confirmed is limited to the amount which can actually be beneficially used and is restricted and appurtenant to the lands or place of use and to the purpose herein described, as provided by the laws of Idaho.
2. This right is subject to all prior water rights and may be forfeited by five years of non-use.
3. Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho law.
4. The water right confirmed in this license for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this license and shall not give rise to any right or claim against any future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this license.
5. Use of water under this license is subject to control by the watermaster of State Water District No. 37.
6. A measuring device of a type approved by this Department shall be required at the diversions of the Big & Little Wood Rivers if determined to be necessary by either the Department of Water Resources or the watermaster of Water District 37.
7. This right is used in connection with Right 37-7916.

Witness my hand this 10TH day of NOVEMBER, 1992.Norman C Young
Acting for (Director)

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DEC 09 1992

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

Ident. No. 37-7889
RECEIVED
APPROVED
1981
Department of Water Resources
Southern District Office

To appropriate the public waters of the State of Idaho

1. Name of applicant John H. Koyle Phone 934-4060

Post office address Route #2, Box 254 Gooding, Idaho 83330

2. Source of water supply Big Wood and Little Wood Rivers which is a tributary of Snake River

3. Location of point of diversion is SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 33 Township 5-S

Range 14-E B.M. Gooding County, additional points of diversion if any: _____

SE $\frac{1}{4}$ of NE $\frac{1}{4}$ Section 33, Township 5-S

4. Water will be used for the following purposes:

Amount 20 c.f.s. for Hydrogeneration purposes from Jan 1 to Dec 31 (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

5. Total quantity to be appropriated:

a. 20 cubic feet per second and/or b. _____ acre-feet per annum.

6. Proposed diverting works:

a. Description of ditches, flumes, pumps, headgates, etc. Diversion dam, approx 10 ft high on Big Wood River and secondary structure approximately 15 feet height on Little Wood with connecting canal and a power drop back into the combined Malad River.

b. Height of storage dam No storage feet, active reservoir capacity None acre-feet; total reservoir capacity _____ acre-feet, materials used in storage dam: _____

Period of year when water will be diverted to storage _____ to _____ inclusive.
(Month/Day) (Month/Day)

c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet.

7. Time required for the completion of the works and application of the water to the proposed beneficial use is 5 years (minimum 1 year — maximum 5 years).

8. Description of proposed uses:

a. If water is not for irrigation:

(1) Give the place of use of water: NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 33 Township 5-S
Range 14-E B.M.

(2) Amount of power to be generated: 70 KW horsepower under 50 feet of head.

(3) List number of each kind of livestock to be watered _____
None

(4) Name of municipality to be served None, or number of families to be supplied with domestic water _____

(5) If water is to be used for other purposes describe: Power will be sold to Idaho Power Company under terms of PUC order.

RECEIVED

b. If water is for irrigation, indicate acreage in each subdivision in the tabulation below:

[illegible]

Total number of acres to be irrigated

c. Describe any other water rights used for the same purposes as described above.

None

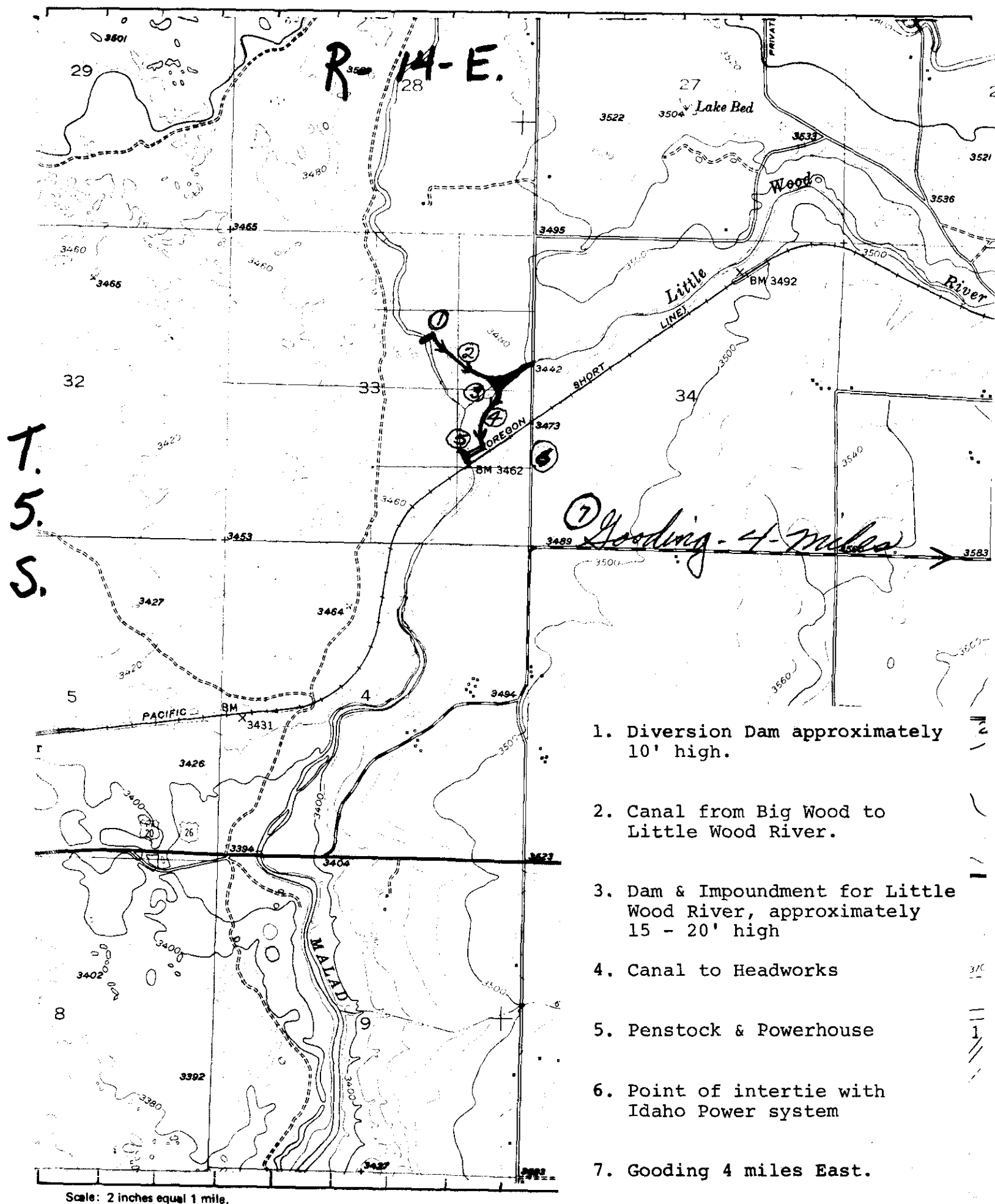
9. a. Who owns the property at the point of diversion John Koyle, applicant

b. Who owns the land to be irrigated or place of use John Koyle, applicant

c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing All property owned by applicant

10. Remarks None

11. Map of proposed project: show clearly the proposed point of diversion, place of use, section number, township and range number.



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.

John H. Royce OK 2-20-81
John H. Royce
 (Applicant)
By Vernon Brewcroft Agent.

RECEIVED

Proposed Priority 3/9/1981

Received by ab Date 3-9-81 Time 4:30

Preliminary check by (P) Fee \$ 425.⁰⁰ # 16904

Received by maeye Date 3/17/81

Publication prepared by Lh Date 3/23/81

Published in Gooding Co. Leader

Publication dates 4/8 + 4/15/81

Publication approved maeye Date 4/1/81

Protests filed by: None

Copies of protests forwarded by _____

Hearing held by _____ Date _____

Recommended for approval denial by JA R

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. 37-7889, and said application is hereby APPROVED.

1. Approval of said application is subject to the following limitations and conditions:

a. SUBJECT TO ALL PRIOR WATER RIGHTS.

b. Proof of construction of works and application of water to beneficial use shall be submitted on or before January 1, 19 87.

c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.

d. Other: A measuring device and lockable controlling works of a type acceptable to the Department shall be permanently installed and maintained as part of the diverting works.

Use of water under this permit is subject to control by the watermaster of State Water District No. 37, Big Wood River.

This permit is subject to the provisions of Sections 42-205 through 42-210, Idaho Code, restricting the sale, transfer, assignment, or mortgage of this permit. Failure to comply with these provisions is cause for immediate cancellation of this permit.

This project shall be operated in a manner that will not conflict or interfere with the future diversion of water for irrigation or other beneficial consumption.

This permit does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.

Witness my hand this 2nd day of February, 1982.

A. Glen Saylor
Chief, Operations Bureau



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

June 14, 1983

RE: **Assignment of Permit Nos. ~~37-7889~~ and 37-7916 -- Koyle Ranch**
Hydroelectric Project

Bonneville Pacific Corporation
c/o David P. Hirschi
Parsons Behle & Latimer
185 South State Street
P. O. Box 11898
Salt Lake City, UT 84147

Gentlemen:

This office has reviewed the Assignment of Water Rights and Permits dated June 13, 1983, between John H. Koyle and Margaret H. Koyle, as Assignors, and Bonneville Pacific Corporation, a Utah corporation qualified to do business in the State of Idaho, as Assignee.

This office has also reviewed the Assignment Agreement between the Koyles and Bonneville Pacific Corporation and certain loan commitments of First Interstate Bank of Utah, N. A. (Construction Lender) and New England Mutual Life Insurance Company (Permanent Lender), relating to the ownership and financing of the proposed Koyle Ranch Hydroelectric project.

This letter confirms that this office has received all of the documentation that we need to process the Assignment of the above referenced permits from John H. Koyle and Margaret H. Koyle to Bonneville Pacific Corporation. The material submitted satisfies the requirements of Section 42-206 and 42-207, Idaho Code, for the Assignment to Bonneville Pacific Corporation.

Sincerely,

NORMAN C. YOUNG
Administrator
Resources Administration Division

NCY:alw

cc: John H. Koyle

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
AFFIDAVIT FOR WATER RIGHTS TO BE USED
FOR POWER PURPOSES

RECEIVED

NOV 9 1981

Department of Water Resources

Ownership of Facilities: (To be completed for hydropower projects only)

The hydropower facility to be developed pursuant to the attached Application for
Permit:

☒ Will not utilize existing man-made irrigation facilities such as a dam or a canal.

☐ Will utilize existing man-made irrigation facilities such as a dam or a canal, and permission of the owner is documented in an affidavit attached hereto.

☐ Will utilize existing man-made irrigation facilities such as a dam or a canal and the owner of the facilities is the signee of this affidavit.

(check one)

John H. Kaye
Applicant

State of Idaho)
County of GOODING) ss.

On this 6th day of November, 1981, personally
appeared before me the signer(s) of the above instrument, who duly acknowledged
to me that he ~~(she)~~ ~~(they)~~ executed the same.

seal

David H. Rice
Notary Public residing at
Gooding, ID

My commission expires: 10-6-83

NOTARY PUBLIC

John W. Kayle
Route 2 - Box 254
Garding, Idaho
83330



Dept of Water Resources
State office - 450 W. State Street
Boise, Idaho

83720

MICROFILMED



Consulting Associates, Incorporated

BOISE OFFICE
VERNON RAVENSCROFT
HELEN CHENOWETH

PHONE (208) 345-2670
P.O. BOX 893
BOISE, IDAHO 83701

April 14, 1981

RECEIVED

APR 17 1981

Department of Water Resources
Southern District Office

Loren Holmes
Southern Idaho Regional Supervisor
Department of Water Resources
1041 Blue Lakes Blvd. North
Twin Falls, ID 83301

Dear Loren,

Re: Application for Permit No. 37-7889 - John Koyle.

I am attaching two descriptive items - one an excerpt from the U.S.G.S. map giving contours, approximate elevations and anticipated location of the two diversion structures, the canals, and the power plant. Also a conceptual drawing of the anticipated power plant.

Mr. Koyle is currently working with a professional surveyor and we are working to determine the exact water volumes available at this site. There will be a follow-up water filing, so please don't schedule hearings until both filings are in place.

If there is additional information desired, please let us know.

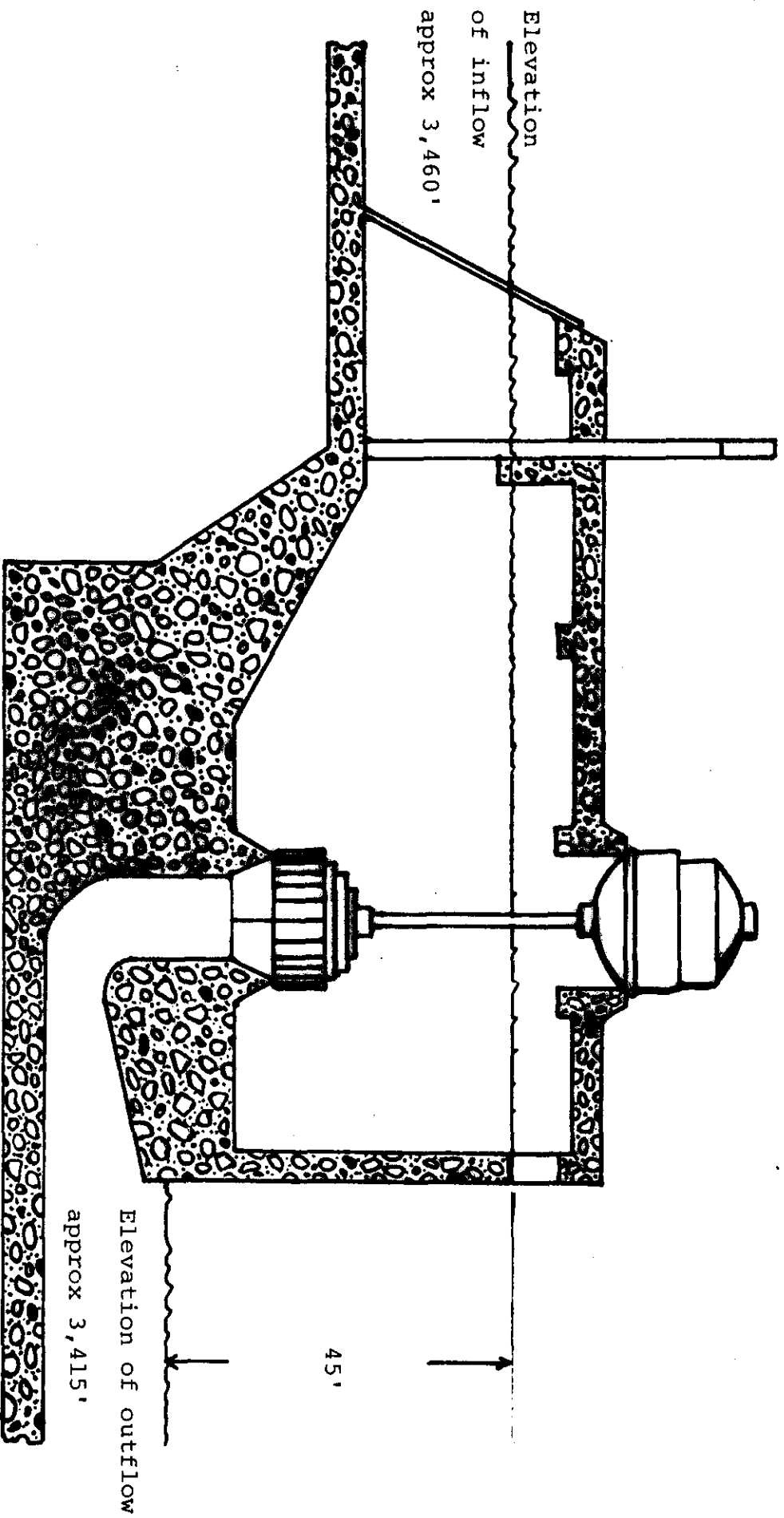
Personal regards,

Vernon F. Ravenscroft

VFR:tm

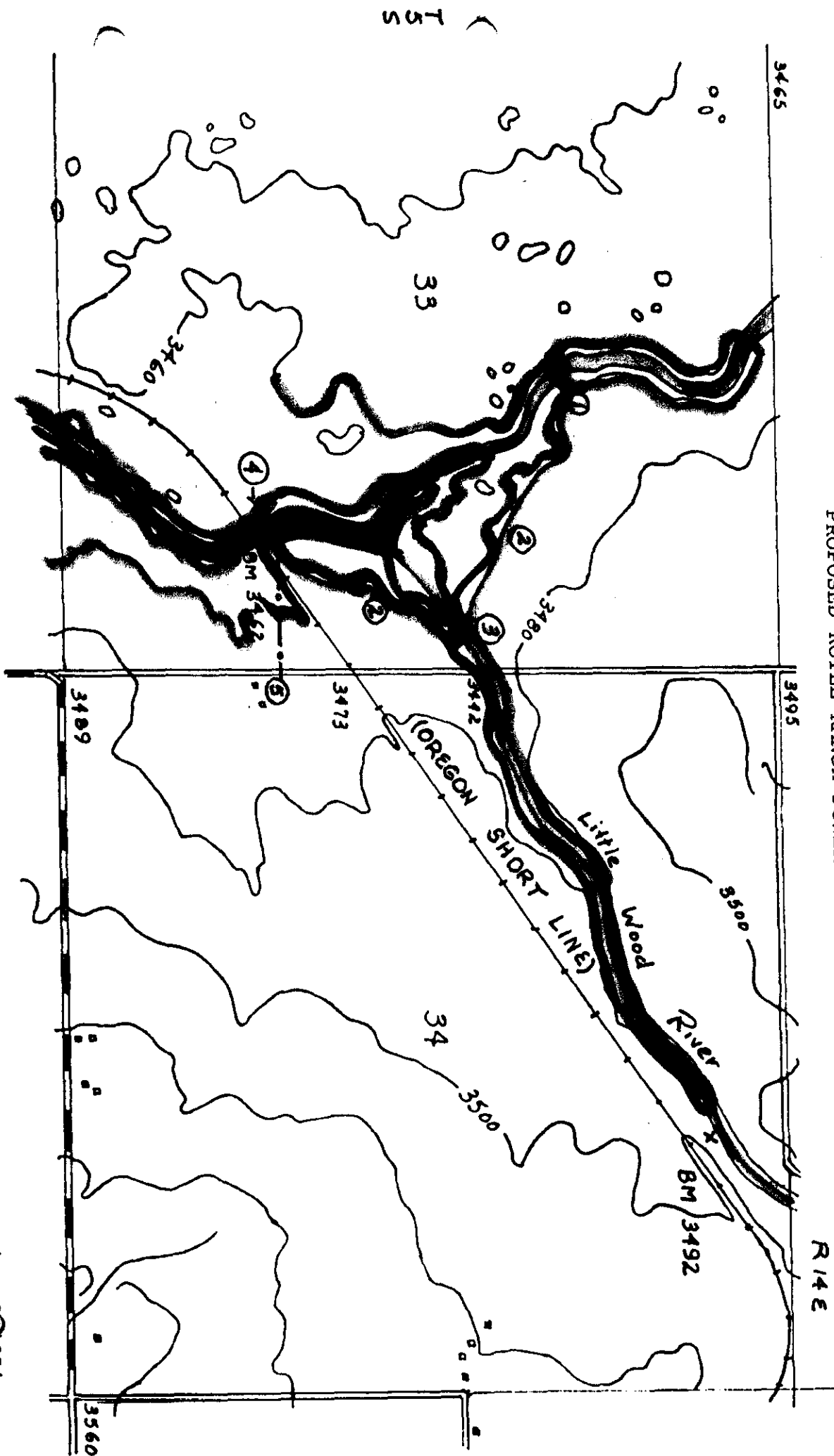
cc: John Koyle

KOYLE HYDRO PROJECT
GOODING, IDAHO



MICROFILMED

PROPOSED KOYLE RANCH POWER PROJECT



1. Diversion dam on Wood River approximately 15' high, approximate elevation of diversion 3,465'.
2. Canal.
3. Dam on Little Wood.
4. Penstock and power plant, approximate elevation 3,415'.
5. Intertie to Idaho Power existing three phase line.

MICROFILMED

RECEIVED

APR 17 1981

Department of Water Resources
Southern District Office

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
AFFIDAVIT OF RESIDENCY OR QUALIFICATION TO DO BUSINESS
IN AND UNDER THE LAWS OF IDAHO

A. Individual Applicant or Individual Members of a Partnership:

I John H. Koyle of Gooding, County of
(name) (city)

Gooding, State of Idaho, being duly sworn, do hereby certify that I am a bona fide resident
of the State of Idaho.

/s/ John H. Koyle

Subscribed and sworn to before me this 20 day of March, 19 81

/s/ Mary A. Hill

Notary Public

Residence Twins Falls, Ida 83301

My Commission expires Life

B. Corporation:

I _____ of _____, County of
(name) (city)

_____, State of Idaho, being first duly sworn, depose and say: That I am the designated
registered agent of the _____;
(name of corporation)

that as such I am in charge of the registered office of the said corporation as required by Section 30-1-12, *Idaho*
Code, at _____
(city)

Idaho, wherein are kept the corporate records required by Section 30-1-52, *Idaho Code*; and that _____
_____ is a corporation qualified to do business in the
(name of corporation)

State of Idaho under the laws of the State of Idaho.

/s/ _____

Subscribed and sworn to before me this _____ day of _____, 19 _____

/s/ _____

Notary Public

Residence _____

My Commission Expires _____

MILWAUKEE

AFFIDAVIT of PUBLICATION

State of Idaho, }
County of Gooding } SS.

Dary Brock, being first duly sworn, deposes and says that he is the printer (publisher) of the Gooding County Leader, a newspaper published every week in Gooding, County of Gooding, State of Idaho, that said newspaper has been continuously and uninterruptedly published for a period of seventy-eight consecutive weeks prior to the first publication of the annexed notice, and is a newspaper qualified to publish legal notices as provided by act of the 1919 session of the legislature of the State of Idaho, known as House Bill 145; that the annexed advertisement was published once

each week for 2 consecutive issues in said newspaper proper and not in a supplement; that the date of the first publication

of said advertisement was on the 8 day of April

1981, and the date of the last publication was on the 15

day of April

Subscribed and sworn to before me this 15

day of April, 1981.
(SEAL)

Garnett Davis
NOTARY PUBLIC

GOODING COUNTY LEADER Gooding, Idaho COST OF PUBLICATION

Number of Lines in Notice 28

Number of Insertions 2

Lines tabular at 38

Lines straight at 28 29 8.12

Subsequent lines at 28 19 5.32

TOTAL COST 13.44

PUBLICATION RATES

(Idaho Code, Rev. Statutes 1971)

7 pt. per line, straight	21c
7 pt. per line, tabular	215c
7 pt. per line, successive insertions	15c

30
RECEIVED

No. 2730 23 1981

Department of Water Resources
Southern District Office

MICROFILMED

BENEFICIAL USE REPORT
FOR
Rts. 37-7889 & 37-7916



State of Idaho
DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000
Phone: (208) 327-7900 FAX: (208) 327-7866

November 17, 1992

CECIL D. ANDRUS
GOVERNOR

R. KEITH HIGGINSON
DIRECTOR

BONNEVILLE PACIFIC CORP
% DAVID P HIRSCHI
257 E 200 S STE 800
SALT LAKE CITY UT 84111

RE: WATER RIGHT NOS. 37-07889 & 37-07916

Dear Water Right Holder(s):

Enclosed herewith are copies of the Water Right Licenses issued on the above referenced permits along with copies of your approved applications for amendment.

Should you have any questions regarding these documents, please feel free to contact our office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Johnson', written over the typed name.

JLM JOHNSON
Water Rights Supervisor

JJ:cz

Enclosure

RECORDED
DEC 09 1992

MEMORANDUM

TO: File no. 37-7889
FROM: Gary Spackman *Gary*
DATE: May 15, 1989
RE: Condition of license limiting term of license

The following condition should be added to the license:

This license is subject to review by the Director in the year 2019, 30 years from the date of this license. Upon review based on the public interest the license may be renewed, limited or cancelled.

MICROFILMED

DEC 09 1992



State of Idaho

DEPARTMENT OF WATER RESOURCES

STATE OFFICE, 1301 North Orchard Street Boise, Idaho 83706-2237 • (208) 334-4440

CECIL D. ANDRUS
Governor

R. KEITH HIGGINSON
Director

January 26, 1988

RE: Permit Nos. 37-7889 & 37-7916

Bonneville Pacific Corp.
c/o David P. Hirschi
257 E. 200 S., Suite 800
Salt Lake City, UT 84111

Dear Mr. Hirschi:

We are in the process of licensing the above referenced permits. Before we can complete processing, additional information is required so that a term of license issuance can be determined as required in Section 42-203B, Idaho Code. This statute requires the Department to determine a term of years for which the water right licenses should be issued, based upon one or all of the following:

- 1) the term of any power purchase contract
- 2) policy of the Idaho Public Utilities Commission
- 3) the term of a FERC license
- 4) existing downstream uses

Based upon this criteria, you should provide a copy of items 1, 2, or 3 which identifies the terms of such.

Please provide the above information within 15 days so that we may continue with the licensing process. If you have any questions, please feel free to contact us.

Sincerely,


JIM JOHNSON
Water Rights Supervisor

JJ:sc

MICROFILMED

DEC 09 1992

RECEIVED
JAN 14 1988

Bonneville Pacific Corporation

Department of Water Resources

January 12, 1988

Idaho Department of Water Resources
State House
Boise, Idaho 83720

Ref: Koyle Ranch Water Rights
Water Right Nos. 37-7916 and 37-7889

Att: Jim Johnson

Dear Mr. Johnson:

Enclosed please find executed Applications for Amendment relating to the above referenced water rights, together with two (2) checks for \$20.00 each made payable to the Idaho Department of Water Resources as filing fees for these Applications for Amendment.

If you have any questions regarding this or any other matter please contact our office at (208) 734-0551.

Respectfully Submitted,

BONNEVILLE PACIFIC CORPORATION


Orlin V. Clements, Jr.

OVC/adb

cc: Robert N. Pratt, BPC
Robert L. Wood, BPC
Jim Goff, BPC
David P. Hirschi, BPC

Enclosures (2)

MICROFILMED

DEC 9 1992

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
Boise, Idaho 83720



REASON CARRIED

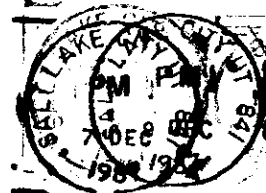
Unclaimed _____ Refused _____
Addressee unknown _____
Insufficient Address _____
No such street number _____
No such office in state _____
Do not deliver to this address _____

Return to

Return

257 E 200 S # 800

84111



PLEASE MAIL EARLY FOR CHRISTMAS

NO LONGER AT THIS ADDRESS

send to
257 East
SHC, UT

DEC 11 1987

Department of Water Resources

South, Suite 800

kw 12/21/87

November 24, 1987

BONNEVILLE PACIFIC CORP.
C/O DAVID HIRSCHI
185 S. STATE ST.
P.O. BOX 11898
SALT LAKE CITY, UT 84147

RE: Permit No. 37-7889

Dear Permit Holder(s):

The above referenced water right is in the process of being licensed. However, before a license can be issued, your permit must be amended to correspond with the findings of the Department's field examiner.

The enclosed application for amendment contains information that will be included on the license when it is issued. Please review carefully and if you concur, sign the amendment and return with the \$20.00 filing fee within 30 days.

If you do not concur with these findings or if you have any questions, please contact us within the 30-day period.

Sincerely,

JIM JOHNSON
Water Rights Supervisor

JJ:sc

Enclosure

MICROFILMED
DEC 09 1992

MEMORANDUM

TO: Jim Johnson
FROM: Gary Spackman *Gary*
DATE: July 30, 1987
RE: Field Examinations for Permits Nos. 37-7889 & 37-7916
CC: Reid Newby

I have reviewed the information submitted by J-U-B Engineers, Inc., and find that all of the items you requested have been addressed except for the measuring devices. It seemed to me initially that measuring devices should be installed. I contacted Reid Newby, Watermaster for District 37, and asked Reid whether he felt measuring devices were necessary.

Reid explained to me that because of commingling of North Side Canal Company water and water from the Little Wood River that installation of a measuring device at the Little Wood River diversion would be difficult. Reid stated that he is able to supply water to prior rightholders downstream from the point of diversion on the Little Wood by other means. He also stated that the measurement of water diverted from the Big Wood River is not required because no other rights are affected between the point of diversion and the point where the water is released back into the Malad River system.

For purposes of measuring the amount of water to determine the fee imposed by the irrigation district for water delivery, Reid uses a total volume determined by the kilowatts produced at the plant. Reid does not feel that additional measuring devices are necessary at the present time.

I recommend that we accept the information submitted and that we process the permit for licensing. A special condition probably should be imposed that measuring devices on both points of diversion may be required to be installed in the future if the watermaster determines that such measuring devices are necessary.

MICROFILMED

DEC 09 1992



J-U-B ENGINEERS, INC.

800 Falls Avenue • Twin Falls, Idaho 83301 • Telephone (208) 733-2414

March 27, 1987

RECEIVED

MAR 30 1987

Mr. Jim Johnson
Water Rights Supervisor
State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Department of Water Resources

Reference: Permits No. 37-7889 and 37-7916

Dear Mr. Johnson:

This letter serves to address the deficiencies noted in your letter to me dated March 16, 1987, regarding the Beneficial Use Examination for the above mentioned permits (Koyle Hydroelectric Project). In response to the deficiencies I offer the following:

- 1) Annual volume of water used by the power plant facility must be estimated from the operational records of the plant. Plant records indicate an average yearly power production of 5,100,000 KWH. Assuming an average net head to the turbines of 50 feet and an average turbine/generator efficiency of 80%, the yearly volume of water used is 124,478 acre-feet per year.
- 2) The rate of diversion and volume of the Little Wood River diverted into the X-canal is very difficult to determine for a number of reasons. First one needs to understand how the X-canal and Little Wood River confluence operates. Please refer to the U.S.G.S. quadrangle included in the Beneficial Use Field Report.

The X-canal mixes with the Little Wood River, and the combined flow then travels northerly via the X-canal until it dumps into the Big Wood River. During summer months, approximately 25 cfs proceeds on down the Little Wood River to satisfy irrigation water rights. During the non-irrigation months approximately 3 cfs (for stockwater purposes) proceeds on down the Little Wood River. All of the rest of the Little Wood River flows to the Big Wood River via the X-canal. This has been the scheme of operation since the X-canal was built (which is on the order of 50 to 60 years ago). The addition of the Koyle hydroelectric project has not altered nor changed this operating scheme in any way, shape, or form.

MICROFILMED

DEC 09 1992

Mr. Johnson
March 27, 1987
Page 2

Unfortunately, no records exist that would serve to quantify the volume and rate of diversion of the Little Wood River into the X-canal. Reid Newby, Watermaster of District No. 37, has a gaging station (No. 17) on the Little Wood River in Gooding which is located upstream of the confluence. Reid has a limited amount of data for this station. However, this data would just furnish flow data for the Little Wood River. The fact of the matter is there is not presently any way to accurately quantify the rate and volume of the Little Wood River entering the X-canal. As a result, there are no historical records even though it has been operated this way for over 50 years.

- 3) The rate of diversion of the Big Wood River into the Power Canal ranges up to 300 cfs depending upon the number, head conditions, and combination of turbines operating at any particular time. The volume of water diverted into the Power Canal is approximately the same volume of water used by the power plant facility plus any seepage losses and the flow, if any, that bypasses the turbines via the overflow spillway at the penstock intake structure. Neglecting any seepage losses and any flow passing over the overflow spillway (which is usually very minimal if any) the annual volume diverted into the Power Canal from the Big Wood River is 124,478 acre-feet per year (same volume as noted in Item #1).
- 4) The controlling works at the Power Canal intake off the Big Wood River consists of a reinforced concrete structure with three radial gates with manual lifting operators. These operators are capable of being locked in an open or closed position. (See attached photo.)

A gaging station is located on the Power Canal. This station has a staff gage with recorder. In addition, a trolley cable car spans the Power Canal to facilitate making current meter measurements. (See attached photo.) Reid Newby has a limited amount of readings and measurements taken at this gaging station. A rating curve for the Power Canal has been developed and was submitted with the Beneficial Use Field Report.

MICROFILMED

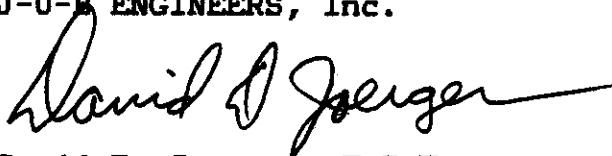
DEC 09 1992

Mr. Johnson
March 27, 1987
Page 3

If you need more information or have any questions regarding these responses to the deficiency items, please do not hesitate to call.

Sincerely yours,

J-U-B ENGINEERS, Inc.

A handwritten signature in dark ink, appearing to read "David D. Joerger", with a long horizontal flourish extending to the right.

David D. Joerger, E.I.T.

DDJ/sc

cc: Orlin V. Clements, Bonneville Pacific Corp.

Enclosures

UNRECORDED

DEC 09 1992

PERMIT NOS.

37-7889

37-7916



CONTROLLING WORKS

AT POWER CANAL INTAKE OFF OF BIG WOOD RIVER.

NOTE THE 3 RADIAL GATES WITH OPERATORS.

(OPERATORS ARE CAPABLE OF BEING LOCKED)



GAGING STATION ON POWER CANAL

MICROFILMED

DEC 09 1992

INTER-DEPARTMENT MEMO — 1

FROM Gary
TO Tom

DATE January 21, 1987

SUBJECT I agree that we should accept this field exam - but also request additional information. I've written comments in the margins of a copy of your notes.

Gary

SIGNATURE

TO: FILE

FROM: JIM J.

12-1-86

FIELD EXAM REVIEW OF COMPLIANCE WITH
RULES AND REGULATIONS

AUTHORITY OF REPRESENTATIVE:

3, 1. - NO AFFIDAVIT TO REPRESENT OWNER

Even though the Rules require affidavit - This was where proof in file already submitted in 1985 and the holder of the permit was mailed a field exam fee information form. The form only requires a letter. My concern is that there is not a ~~completed~~ ^{into form, in files.} completed exam fee form. We need to remedy this.

I/U DUE 1-1-87; B/U REPORT RECD 10-31-86

EXAMINATION FOR BENEFICIAL USE:

5, 1, 2. - N/A

5, 1, 3. - OK

5, 1, 4. - OK

5, 1, 5. - LOCAL DESCRIPTION WHERE WATER IS

IDENTIFIED TO PUBLIC SOURCE AFTER

USE AND IDENTIFICATION OF SOURCE IS

INCLUDED ON BENEFICIAL USE FIELD

REPORT. (THIS INFORMATION CAN BE

DETERMINED FROM MAP TITLED "BOONEVILLE

PACIFIC CORP AS CONSTRUCTED SURVEY")

I think we have enough info.

5, 1, 6. - REPORT DOES NOT ADDRESS IF A

MEASURING DEVICE AND LOCKABLE CONTROL

WORKS HAS BEEN INSTALLED.

(A WAIVER OF THIS CONDITION MAY BE

JUSTIFIED)

COMPLIANCE WITH OTHER CONDITIONS ARE

OK

MICROFILMED

DEC 09 1992

5, 1, 7. - N/A

- Why do you think this should be waived? With diversion this large it seems that a measuring device should be maintained at both the Big Wood & Little Wood diversions with control structures

5, 1, 8. - N/A

5, 1, 9. - N/A

Need this →

5, 1, 10. - ANNUAL VOLUME NOT SHOWN

5, 1, 11. - N/A

→

5, 1, 12. - NOT SURE WHAT IS REQ'D.

5, 1, 13. - OK - 1-1 to 12-31

5, 1, 14. - OK - AMT MEASURED 247.78 cfs

We need this →

5, 1, 15. - PLANT CAPACITY NOT GIVEN:

5, 1, 16. - P/D - SWSE 5.28, - (AMENDMENT REQUIRED)

P/U - SAME AS PERMIT

POINT OF INJECTION - (X CANAL INTO BIG WOOD RIVER NOT INCLUDED)

Need to know

← AMOUNT OF WATER FROM LITTLE WOOD R. NOT IDENTIFIED.

← AMOUNT OF WATER SUPPLIED BY X CANAL (NORTHSIDE CANAL COMPANY) NOT IDENTIFIED.

Need to know how much diverted

5, 1, 17. - N/A

5, 2, 1. - REPORT MAY BE INCOMPLETE.

5, 2, 2. - ITEMS NEEDED TO COMPLETE REPORT.

✓ 1. PLANT CAPACITY

✓ 2. AMOUNT OF LITTLE WOOD RIVER DIVERTED INTO X CANAL

✓ 3. ANNUAL VOLUME

2

4. ADDRESS QUESTION OF WATER SUPPLIED BY NORTH SIDE CANAL CO.

MIDDOT MED

DEC 09 1982

- ✓ 5. ADD LEGAL DESCRIPTION OF POINT OF INJECTION INTO BIG WOOD RIVER.
- ✓ 6. MEASURING DEVICES MAY BE REQUIRED AT DIVERSION INTO X CANAL, AND POWER CANAL.

5, 2, 3. - RECOMMEND TO ACCEPT REPORT BUT REQUEST ADDITIONAL INFORMATION.

See comment above 5, 2, 4. - RECOMMEND - WAIVING MEASURING DEVICE REQUIREMENT.

5, 3, 1. THRU 5, 3, 5. AND 5, 4. - N/A

WATER MEASUREMENT

- 6, 1, 1. - OK
- ✓ 6, 1, 2. - VOLUME NOT INCLUDED
- 6, 2. - SEE ITEMS 5, 2, 3. (2.), & (4.)
- 6, 3. -
 - A. CURRENT METER
 - B. 9-5-1986
 - C. REID NEWBY & DAVE JOERGER
 - ✓ D. LOCATION DESCRIPTION NOT GIVEN

6, 4. - OK

6, 5. - OK

MICROFILMED

DEC 09 1992

DRAWINGS, MAP, AND SCHEMATIC DIAGRAM:

7, 1, 1. - OK

7, 1, 2. - OK

7, 1, 3. - OK

7, 1, 4. - OK, EXCEPT LOCATION OF MEASUREMENT TAKEN
NOT ADDRESSED

7, 1, 5. - NO PHOTOS TAKEN

LICENSE EXAMINATION FEE:

8, 1, THRU 8, 1, 5. - N/A

8, 2, 1. - OK

8, 2, 2. - N/A

PENALTY:

MICROFILMED

DEC 09 1992

— INTER-DEPARTMENT MEMO — 1

DATE 12-1-86

FROM JIM

TO GARY

SUBJECT FIELD EXAM REVIEW

ATTACHED IS MY REVIEW OF THE BENEFICIAL
USE REPORT PREPARED BY JUB ENGINEERS FOR PERMITS
37-7889 AND 37-7916.

SINCE THIS REVIEW REPRESENTS THE FIRST HYDRO-
POWER EXAM DONE BY NON-DEPARTMENT STAFF I HAVE
NOT TAKEN ANY STEPS TO REQUEST REMEDY TO THE
DEFICIENCIES FOUND UNTIL YOU, GLEN AND NORM HAD A
CHANCE TO REVIEW.

SIGNATURE

IF YOU CONCUR WITH LISTED DEFICIENCIES RETURN AND I
WILL PREPARE CORRESPONDANCE

TO: FILE

FROM: JIM J.

12-1-86

FIELD EXAM REVIEW OF COMPLIANCE WITH
RULES AND REGULATIONS

AUTHORITY OF REPRESENTATIVE:

3,1. - NO AFFIDAVIT TO REPRESENT OWNER
IN FILE

3,2. - B/U DUE 1-1-87; B/U REPORT REC'D 10-31-86

EXAMINATION FOR BENEFICIAL USE:

5,1,2. - N/A

5,1,3. - OK

5,1,4. - OK

5,1,5. - LEGAL DESCRIPTION WHERE WATER IS
RETURNED TO PUBLIC SOURCE AFTER
USE NOT IDENTIFICATION OF SOURCE IS
INCLUDED ON BENEFICIAL USE FIELD
REPORT. (THIS INFORMATION CAN BE
DETERMINED FROM MAP TITLED "BOONEVILLE
PACIFIC CORP AS CONSTRUCTED SURVEY")

5,1,6. - REPORT DOES NOT ADDRESS IF A
MEASURING DEVICE AND LOCKABLE CONTROL-
LING WORKS HAS BEEN INSTALLED.
(A WAIVER OF THIS CONDITION MAY BE
JUSTIFIED)

COMPLIANCE WITH **MINOR MED** CONDITIONS ARE
OK

DEC 09 1992

5,1,7. - N/A

5, 1, 8. - N/A

5, 1, 9. - N/A

→ 5, 1, 10. - ANNUAL VOLUME NOT SHOWN

5, 1, 11. - N/A

→ 5, 1, 12. - NOT SURE WHAT IS REQ'D.

5, 1, 13. - OK - 1-1 to 12-31

5, 1, 14. - OK - AMT MEASURED 247.78 cfs

→ 5, 1, 15. - PLANT CAPACITY NOT GIVEN: 292 cfs

5, 1, 16. - P/D - SWSE 5.28, - (AMENDMENT REQUIRED)

P/U - SAME AS PERMIT

POINT OF INJECTION - (X CANAL INTO BIG WOOD
RIVER NOT INCLUDED)

AMOUNT OF WATER FROM LITTLE WOOD R.
NOT IDENTIFIED.

AMOUNT OF WATER SUPPLIED BY X CANAL
(NORTHSIDE CANAL COMPANY) NOT
IDENTIFIED.

5, 1, 17. - N/A

MICROFILMED

DEC 09 1992

5, 2, 1. - REPORT MAY BE INCOMPLETE.

5, 2, 2. - ITEMS NEEDED TO COMPLETE REPORT.

1. PLANT CAPACITY OK - 292 cfs

2. AMOUNT OF LITTLE WOOD RIVER DIVERTED
INTO X CANAL

3. ANNUAL VOLUME

4. ADDRESS QUESTION OF WATER SUPPLIED BY
NORTH SIDE CANAL CO.

5. ADD LEGAL DESCRIPTION OF POINT OF INJECTION INTO BIG WOOD RIVER.
6. MEASURING DEVICES MAY BE REQUIRED AT DIVERSION INTO X CANAL, AND POWER CANAL.

5, 2, 3. - RECOMMEND TO ACCEPT REPORT BUT REQUEST ADDITIONAL INFORMATION.

5, 2, 4. - RECOMMEND - WAIVING MEASURING DEVICE REQUIREMENT.

5, 3, 1. THRU 5, 3, 5. AND 5, 4. - N/A
WATER MEASUREMENT

6, 1, 1. - OK

6, 1, 2. - VOLUME NOT INCLUDED

6, 2. - SEE ITEMS 5, 2, 2. (2.), & (4.)

6, 3. - A. CURRENT METER

B. 9-5-1986

C. REID NEWBY & DAVE JOERGER

D. LOCATION DESCRIPTION NOT GIVEN

6, 4. - OK

6, 5. - OK

MICROFILMED
DEC 09 1992

DRAWINGS, MAP, AND SCHEMATIC DIAGRAM:

7, 1, 1. - OK

7, 1, 2. - OK

7, 1, 3. - OK

7, 1, 4. - OK, EXCEPT LOCATION OF MEASUREMENT TAKEN
NOT ADDRESSED

7, 1, 5. - NO PHOTOS TAKEN

LICENSE EXAMINATION FEE:

8, 1. THRU 8, 1, 5. - N/A

8, 2, 1. - OK

8, 2, 2. - N/A

PENALTY:

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J-U-B ENGINEERS, INC.

800 Falls Avenue • Twin Falls, Idaho 83301 • Telephone (208) 733-2414

October 30, 1986

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Department of Water Resources
Southern Region Office

Mr. Loren Holmes
Department of Water Resources
1041 Blue Lakes Boulevard North
Twin Falls, Idaho 83301

RE: Beneficial Use Examinations for Permits No. 37-7889 and
37-7916 - Koyle Hydroelectric Project

Dear Loren:

This letter serves to formally notify you that J-U-B ENGINEERS, Inc., has been retained by Bonneville Pacific Corporation to conduct the Proof of Beneficial Use field examination for the above noted project and permits.

The beneficial use field report was prepared under the supervision of Mr. David L. Curtis, P.E., of our Boise office who is a certified water rights field examiner. The field examination was conducted on September 5, 1986.

Sincerely yours,

J-U-B ENGINEERS, Inc.

David D. Joerger

DDJ/sc

cc: Mr. Orlin V. Clements, Bonneville Pacific Corp.

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STATE OF IDAHO

DEPARTMENT OF WATER RESOURCES

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Koylc .4

Department of Water Resources
Southern Region Office

PROOF OF BENEFICIAL USE

OCT 31 1986

Department of Water Resources

The Idaho Department of Water Resources will consider this form as a statement that the permit holder(s) has completed development under this permit and that water has been applied according to the provisions of the permit for the beneficial use(s) described below:

Permit No. 37-7889

Name(s) of Permit Holder: John H. Koylc

Post Office Address: Rt #2 Box 254 Gooding ID 83370

Telephone No. 934-4060

Source of Water: Big and Little Wood Rivers

Extent of Use:

Domestic _____ (number of households)

Stockwater _____ (number and type of stock)

Irrigation _____ (acres)

Other/Remarks Power

Indicate the date water was first diverted and beneficially used under this permit: April, 1984

Measuring Device: Required? ☒ Yes ☐ No
Installed? ☒ Yes ☐ No

Flow Measurement Port: Required? ☐ Yes ☐ No
Installed? ☐ Yes ☐ No

Person to contact to accompany the Department representative during the field examination:

Turbine Generator Service
(Name)

252 Deere St. Twin Falls, ID 83303-1180 733-5863
(Address) (Telephone Number)

The above information is a true statement of the extent to which the above numbered permit has been developed.

9-25-86
Date

John H. Koylc DEC 09 1992
Signature of Permit Holder (and Title, if appropriate)

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SEP 30 1986

Form 219
6/86

STATE OF IDAHO

Department of Water Resources DEPARTMENT OF WATER RESOURCES

BENEFICIAL USE FIELD REPORT

37-7889

Permit No. 37-7916

A. GENERAL INFORMATION

1. Owner: John H. Koyle

Phone No. 934-4060

Current Address: Route #2, Box 254, Gooding, Idaho 83330

2. Accompanied by: -

EXAM. DATE: Sept. 5, 1986

Address: -

Phone No. -

Relationship to Permit Holder: -

3. Source: Big Wood & Little tributary to Snake River
Wood Rivers

B. OVERLAP REVIEW

1. Other water rights with same place of use: None

☐ Copies Attached

2. Other water rights with same point of diversion: None

☐ Copies Attached

☐ Copies of Field Exam's Attached

C. SYSTEM DESCRIPTION

1. **Diversion System Diagram:** Indicate all major components and distances between components. Indicate weir size/ditch size/pipe i.d. as applicable. ☒ Alternative diagram attached See as-built survey blueprint.

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Scale: 1" = 2,000'

2. ☒ Copy of U.S.G.S. Quadrangle Attached
Showing location(s) of point(s) of diversion and
place(s) of use (required).

☐ Aerial Photo Attached
(required for irrigation of 10 acres or more).

☐ Photo of Diversion and System Attached
(required for all but single household domestic groundwater, and stockwater).

System Description (continued)

3. **Narrative:** Description (As operating at time of measurement. Indicate pressure, number of sprinklers, etc.)
 Water is diverted from the Little Wood River to the Big Wood River via the X-canal just west of Gooding. Water is then diverted from the Big Wood River into a power canal. The diversion consists of a concrete weir wall (approx. 125' long) across the Big Wood River. A structure consisting of three radial gates is located at the entrance of the power canal. Water passes through the canal and then enters a concrete penstock intake structure. A 132' long sharp crested overflow spillway weir is located on the penstock intake structure. The water flows to the powerhouse through a 151' long, 7' diameter penstock. The powerhouse contains three turbines and is located at the confluence of the Little and Big Wood Rivers. All three turbines were in operation the time of measurement. (See as constructed survey blueprint and USGS map)

NOTE: The X-canal diversion from the Little Wood River to the Big Wood River is administered by the Northside Canal Company under an agreement with the owner of the project.

☐ See Remarks on page 4 for continuation

Well or Diversion Identification No.*	Generator Make	KW	Motor Serial No.	Turbine	
				Make	Discharge Size
N/A	Westinghse.	192	N/A	Ingersoll Rand	45 CFS
N/A	Westinghse.	339	N/A	Ingersoll Rand	77 CFS
N/A	Westinghse.	749	N/A	Ingersoll Rand	170 CFS

*Code to correspond with No. on map and aerial photo

5. Point(s) of Diversion:

Ident. No.	Gov't. Lot	1/4	1/4	1/4	Sec.	Twp.	Rge.	County	Method of Determination/Remarks
			SW	SE	28	5S	14E	Gooding	Big Wood River Diversion
			SW	NE	6	6S	15E	Gooding	X-Canal Diversion off Little Wood River to Big Wood River

6. Place(s) of Use:

Indicate Method of Determination As-Built Survey.

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
5S	14E	33													X				

REC'D

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Do not use this space

Do not use this space

D. FLOW MEASUREMENTS

☒ Additional Data Sheets Attached

1.

Measurement Equipment	Type	Make	Model No.	Serial No.	Size	Calib. Date
Current Meter	Price	Gurley	AA	6059		

2. Measurements:

A rating curve for the power canal that conveys water to the powerhouse has been developed based on flow measurements and staff gage readings taken by Reid Newby, Watermaster of District #37. (See attached sheet.) A total flow of 247.78 CFS was determined to be passing through the three turbine units during reading taken by Reid Newby and Dave Joerger of J-U-B ENGINEERS, Inc., on 9/5/86. (See attached calculation sheets.)

E. FLOW CALCULATIONS

☒ Additional Computation Sheets Attached

1. Measured Method: Flow was determined using the standard current meter measurement procedure (average of velocities at two-tenths and eight-tenths depth below the water surface).
2. Alternate Method for Checking Purposes: Certified turbine rating curves can be used to determine flow if the net head to the turbine is determined (See attached turbine curves.).

F. PUMP EFFICIENCY DATA (Optional) Not Applicable

Discharge Pressure: _____ psi x 2.31 = _____ ft (1); Dynamic pumping level: _____ ft (2)
Total Head: (1) + (2) = _____ (3) ; Flow rate: _____ cfs (4)

Water HP: (3) x (4) ÷ 8.8 = _____ (5)
Meter Input KW: 3.6 x _____ KH x _____ CTR or _____ MULT x _____ PTR x _____ N/ _____ T = _____ (6)
Meter Input HP: (6) x 1.34 = _____ (7)
Panel Input KW: _____ Ave PF x _____ Ave Volts x _____ Ave Ampsx .001732 = _____ (6)
Panel Input HP: (6) x 1.34 = _____ (7) Efficiency: (5)/(7) x 100 = _____ %

G. VOLUME CALCULATIONS Not Applicable

1. Volume Calculations for Irrigation:

$V_{I.R.} = (\text{Acres Irrigated}) \times (\text{Irrigation Requirement}) =$ _____
 $V_{D.R.} = [\text{Diversion Rate (cfs)}] \times (\text{Days in Irrigation Season}) \times 1.9835 =$ _____
 $V = \text{Smaller of } V_{I.R.} \text{ and } V_{D.R.} =$ _____

2. Volume Calculations for Other Uses:

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H. REMARKS AND OVERLAP REVIEW ANALYSIS

The measured quantity of water (247 CFS) is significantly less than the allowed combined permit amount of 300 CFS. However, if the attached turbine curves are examined, one can see the turbines use a combined flow of 292 CFS at the design head of 58 feet. At higher heads, the combined flow approaches the 300 CFS permit limit. During the water measurement, the head to the turbines was less than the 58 to 60 foot range due to a higher water surface in the Malad River. As a result, the flow was less than the 300 CFS. It is felt the plant can and does utilize 300 CFS during the optimum head conditions. As a result, it is felt the full 300 CFS shall be granted for beneficial use.

I. RECOMMENDATIONS

1. Recommended Amounts

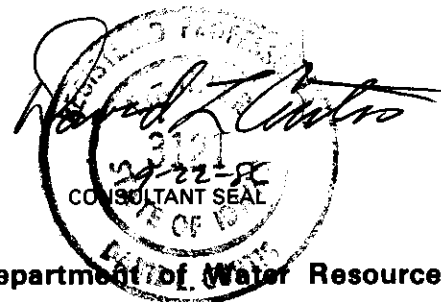
Beneficial Use	Period of Use		Rate of Diversion Q (cfs)	Annual Volume V (afa)
	From	To		
Power Generation	Jan. 1	Dec. 31	300 CFS	
Totals:			300 CFS	

2. Recommended Amendments

- ☒ Change P.D. as reflected above ☐ Add P.D. as reflected above ☐ None
☐ Change P.U. as reflected above ☐ Add P.U. as reflected above ☐ Other

J. AUTHENTICATION

Field Examiner's Name David L. Curtis
Signature David L. Curtis
Certification Date 22 Sept., '86
Field Report Preparation Date 22 Sept., '86



K. Licensing recommendation shall be prepared by an Idaho Department of Water Resources employee on a computer printout attached hereto.

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ANGLE CO-EFFICIENT	DIST. FROM INITIAL POINT	WINDS	REVOLUTIONS	TIME IN SECONDS	VELOCITY		ADJUSTED FOR HOR. ANGLE OR	AREA	DIS. CHARGE
					AT POINT	MEAN IN VERTICAL			
	6.0	1.0	0			0		0	0
B	8.0	2.0	2.80			.15		5.60	-84
	10.0	2.0	4.20			.15		8.40	1.26
	12.0	2.0	5.30		1.00	.80		10.60	8.48
					.60				
	14.0	2.0	6.00		1.05	.95		12.00	11.40
					.85				
	16.0	2.0	5.90		1.30	1.30		11.80	15.34
					1.30				
	18.0	2.0	6.00		1.40	1.22		12.00	14.64
					1.05				
	20.0	2.0	6.10		1.40	1.30		12.20	15.86
					1.20				1.00
	22.0	2.0	6.10		1.20	1.10		12.20	13.42
					1.00				
	24.0	2.0	6.00		1.45	1.32		12.00	15.84
					1.20				
	26.0	2.0	6.00		1.50	1.35		12.00	16.20
					1.20				
	28.0	2.0	6.10		1.50	1.35		12.20	16.47
					1.20				
	30.0	2.0	6.10		1.45	1.32		12.20	16.10
					1.20				
	32.0	2.0	5.90		1.55	1.35		11.80	15.93
					1.15				
	34.0	2.0	5.95		1.40	1.20		11.90	14.28
					1.05				
	36.0	2.0	5.95		1.30	1.18		11.90	14.04
					1.05				
	38.0	2.0	6.00		1.40	1.30		12.00	15.60
					1.20				
	40.0	2.0	6.00		1.35	1.10		12.00	13.20
					.85				
	42.0	2.0	6.00		1.35	1.08		12.00	12.96
					.80				
	44.0	2.0	5.90		1.20	1.20		11.80	14.16
					1.20				
	46.0	2.0	5.90		1.20	1.18		11.80	13.92
					1.15				
	48.0	2.0	5.70		.55	.65		11.40	7.41
					.75				
	50.0	2.0	5.10		.50	.58		10.40	6.03
					.65				
	52.0	2.0	3.50			.55		7.00	3.85
	54.0	1.0	3.20			0		3.20	0
R.B 2 20/100								277.24	
								218.41	

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KOYLE POWER CANAL CURRENT METER DATA

Station Number Koyle's Hydro Plant 37 H.P.
 Date 9-5 1986 Party Reid, Newby & Dave J. J. J.
 Width 48' Area 248.4' Vel. 1.12 G.H. 2.65 Disch. 277.24
 Method 268 No. secs. 25 G. H. change 0 in 1 hrs. Susp. 300
 Method coef. - Hor. angle coef. - Susp. coef. - Meter No. 6259

GAGE READINGS			
TIME	RECORDED	INSIDE	OUTSIDE
<u>1:20 PM</u>	<u>2.65</u>		<u>2.65</u>
<u>1:20 PM</u>	<u>2.65</u>		<u>2.65</u>
WEIGHTED M.G.H.			
G. H. CORRECTION			
CORRECT M. G. H.			

Date rated 7-84 Used rating

for rod - susp. Meter 1.0 ft.

above bottom of wt.

Wading, cable, ice, boat, upstr., downstr.,

side bridge 10 feet, mile, above,

below gage.

Measurement rated excellent (2%), good (5%), fair (8%), poor (over 8%), based on

following conditions: Cross section Levee - mud

Flow Slow & Steady Weather Clear & Warm

Other - Air - °F @ -

Gage Good - Staff Water - °F @ -

Record removed NO Intake flushed NO

Control Channel Agutic Growth on Edges

Remarks 111' Phase Section on

132' wide 2" Head

Little Island W.S. 7.5' Below Staff

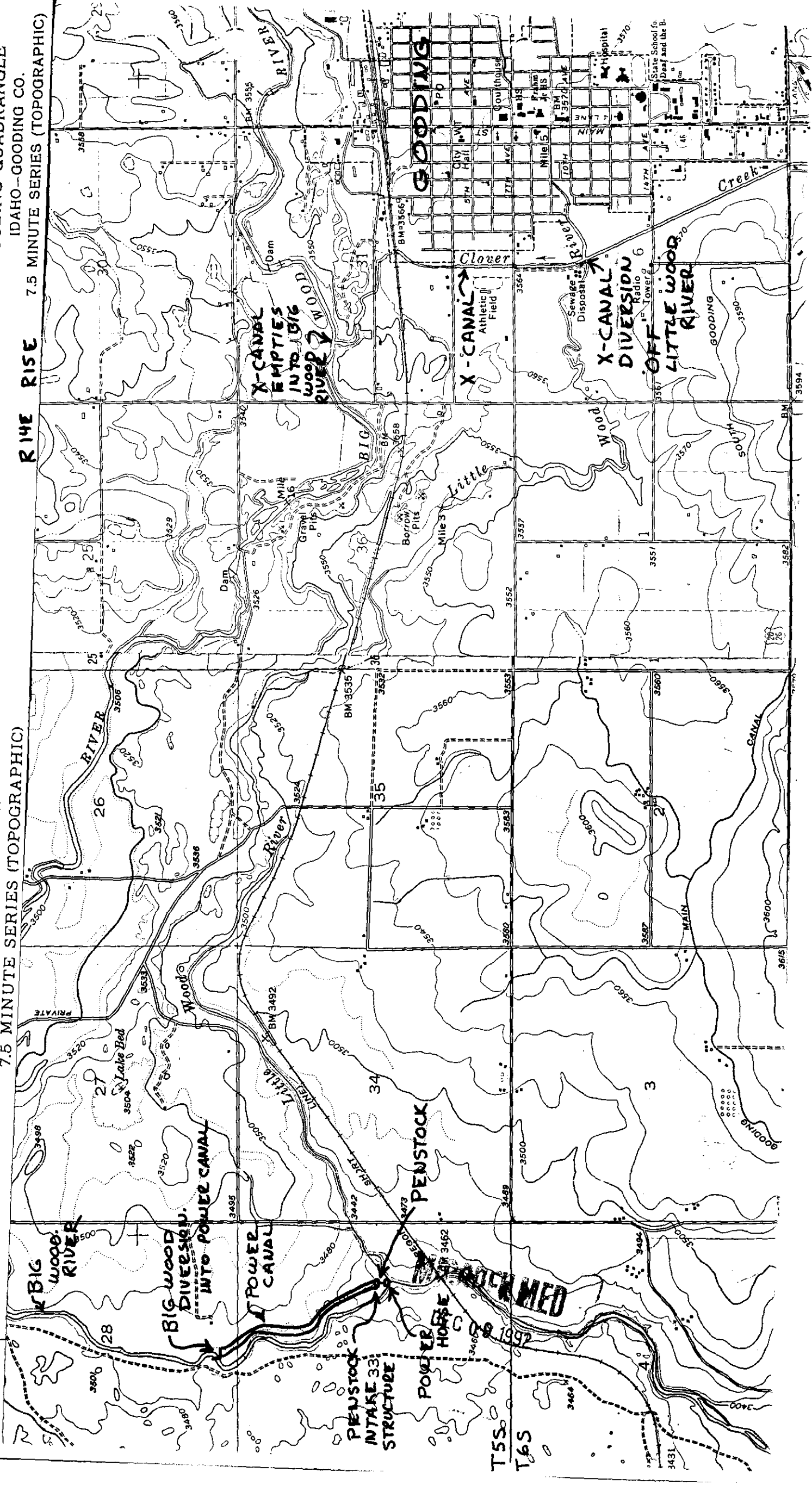
East 50' Ch. Hydrant on island

G. H. of zero flow - ft.

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GOODING BUTTE QUADRANGLE
IDAHO-GOODING CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

GOODING QUADRANGLE
IDAHO-GOODING CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

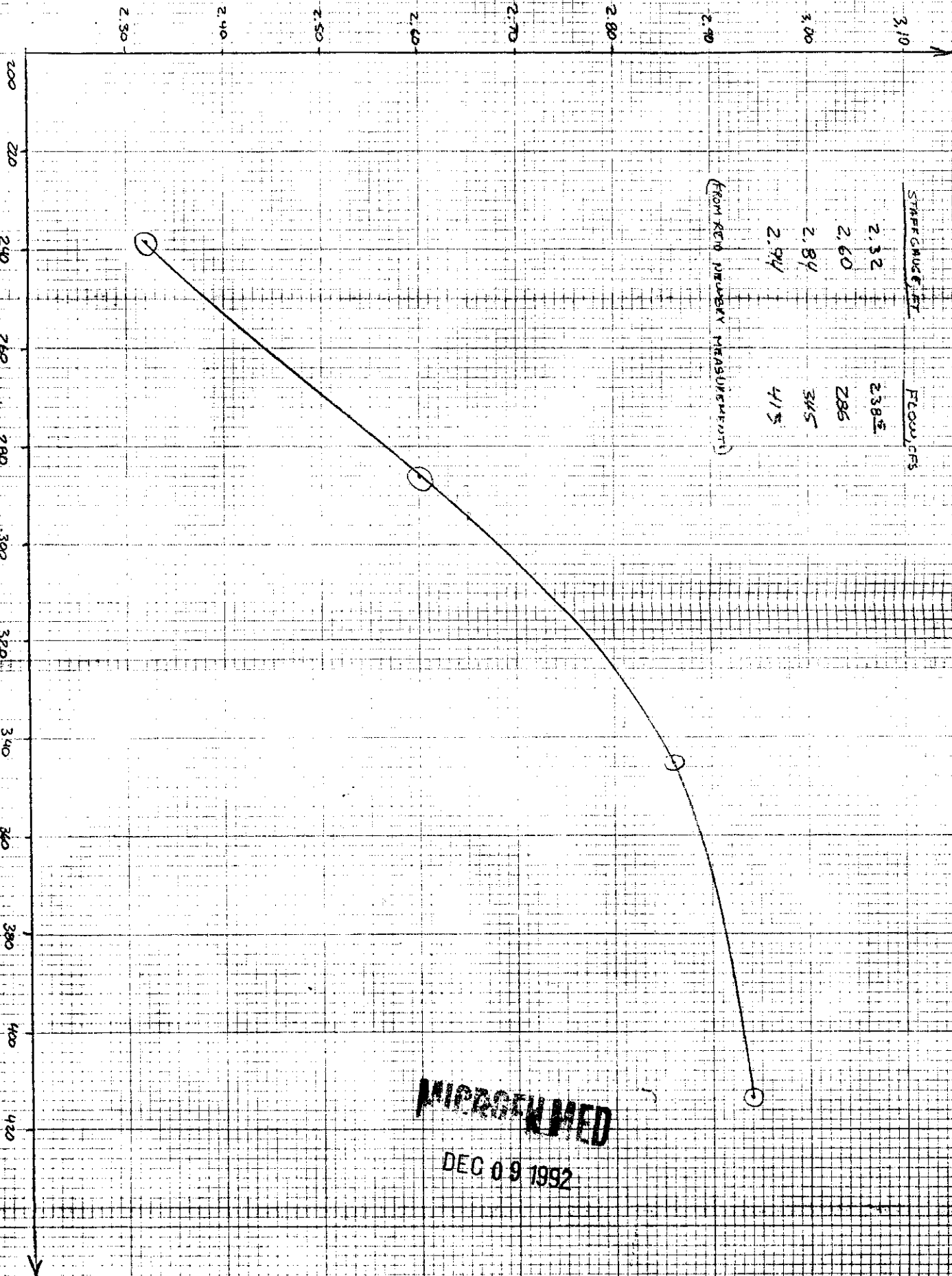


KOYLE HYDRO RATING CURVE

STAFF GAUGE ELEV.	FLOW, CFS
2.32	238 [±]
2.60	286
2.84	345
2.94	415

(FROM KEO NUMBER MEASUREMENT)

STAFF
GAGE,
FEET



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FLOW, CFS

QW MEASUREMENT CALCULATION,
ROYLE HYDROELECTRIC PROJECT

9/5/86

Power Canal: Current meter measurement = $277 \frac{24}{100}$ CFS

Sharp Crested Spillway Weir at Penstock Intake Structure: 2" head
Weir is 132' long

$$\begin{aligned} Q_w &= C_w L h^{1.5} & C_w &= 3 \frac{28}{100} \\ &= 3 \frac{28}{100} (132) \left(\frac{2}{12} \right)^{1.5} \\ &= 29 \frac{46}{100} \text{ CFS} \end{aligned}$$

$$\begin{aligned} Q \text{ TO PLANT} &= Q_{\text{CANAL}} - Q_{\text{WEIR}} \\ &= 277 \frac{24}{100} - 29 \frac{46}{100} \\ &= 247 \frac{78}{100} \text{ CFS} \end{aligned}$$

$$\underline{\underline{Q_{\text{PLANT}} = 247 \frac{78}{100} \text{ CFS}}}$$

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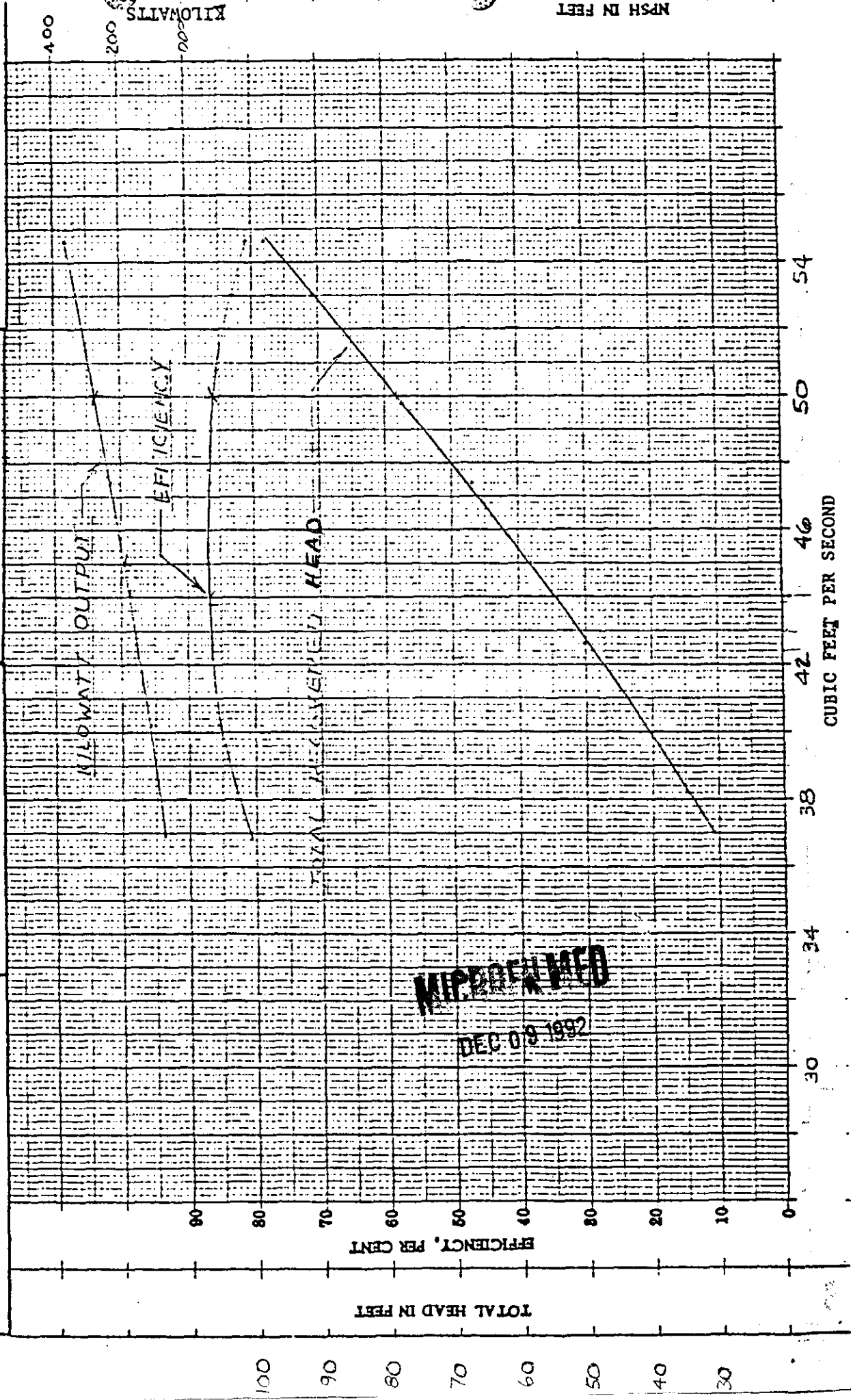
CURVE 1052-33
 TURBINE 33 WTH

Ingersoll-Rand
 DRAWN BY J.E. MURPHY DATE 5AP 83

DESIGN CONDITIONS
 CFS 4.5 EFF 87%
 T.H. (FT.) 58 KW 192 S.G. 1.0
 RPM 696 Generator

CUSTOMER J.D.B./KOYLE
 PROPOSAL NO. VIII 0055 ITEM 1
 SPECIAL NOTES

Curves are approximate. Pump is guaranteed for one set of conditions. Capacity, head and efficiency guarantees are based on shop test and when handling clear, cold, fresh water at a temperature of not over 85 degrees and not over 15' suction lift.



CUSTOMER J.O.B/KOYLE

PROPOSAL NO. VHT-1052 ITEM 2

SPECIAL NOTES

DESIGN CONDITIONS

CFS 77 EFF 89%

T.H.(FT.) 58 KW 339 SG.1.0

RPM 731 Generator



INgersoll-Rand

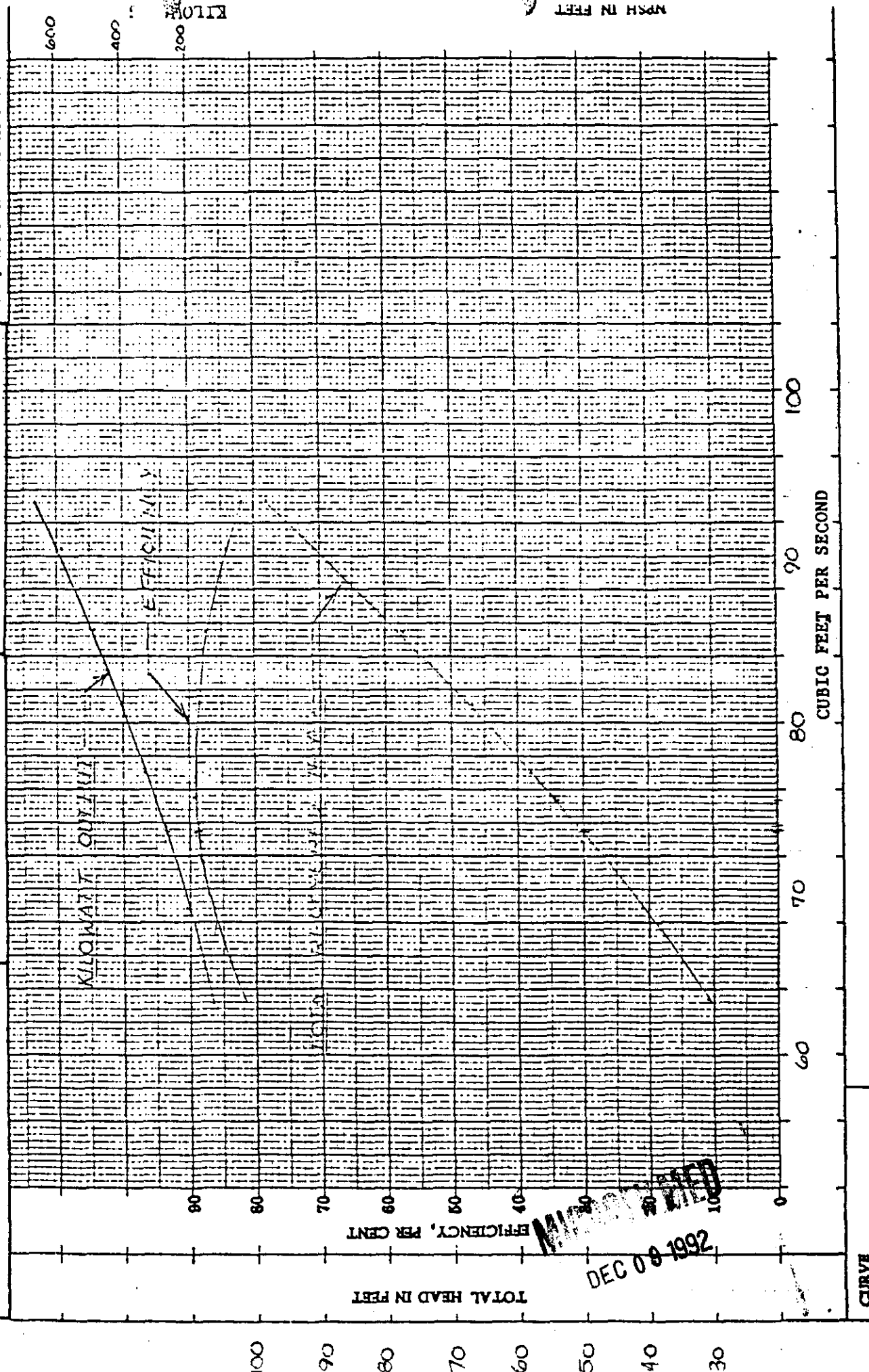
DRAWN BY J.E. MURPHY DATE 5AP 83

CURVE

1052-36

TURBINE 36 WTTM

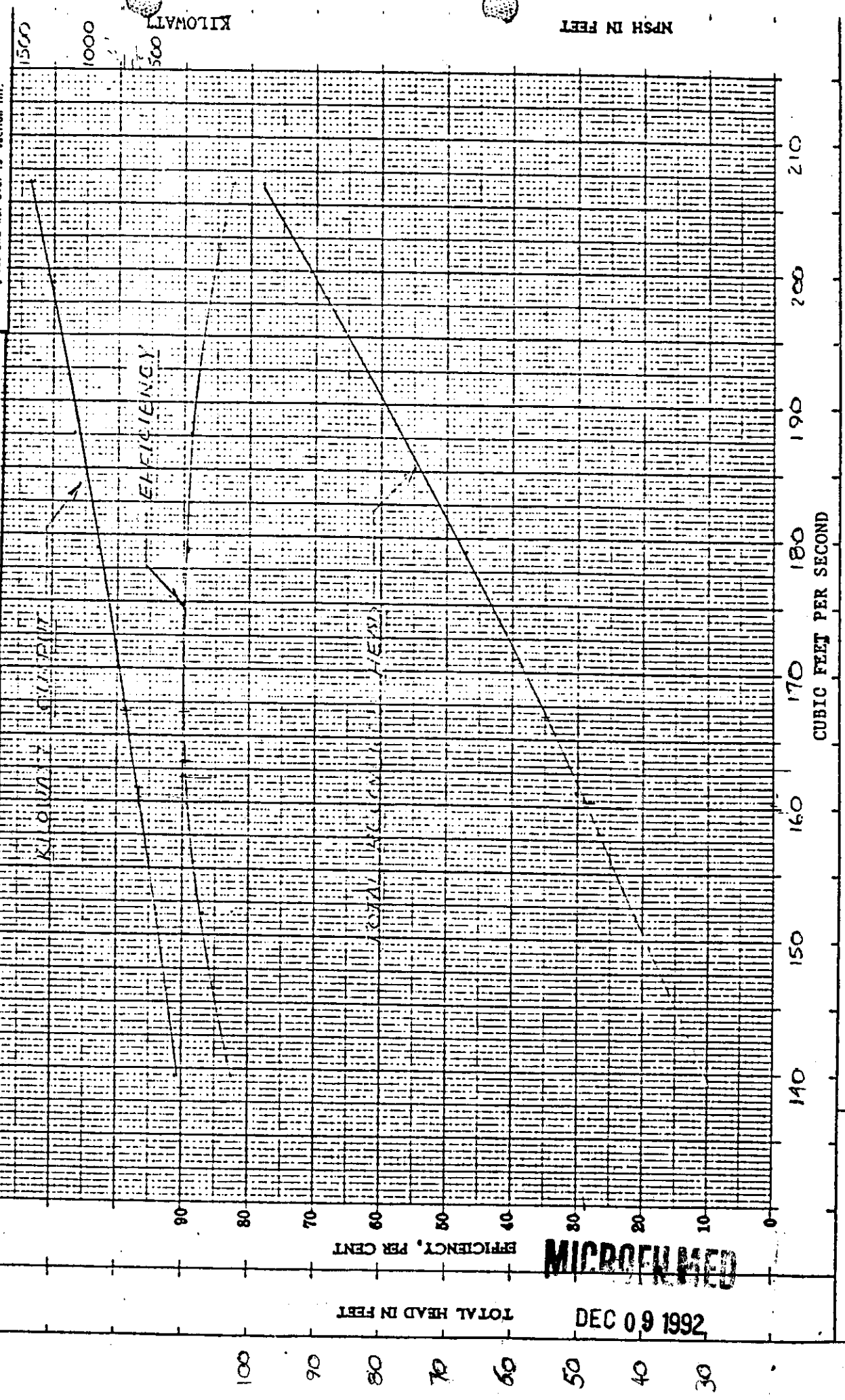
Curves are approximate. Pump is guaranteed for one set of conditions. Capacity, head and efficiency guaranteed are based on shop test and when handling clear, cold, fresh water at a temperature of not over 85 degrees and not over 15' suction lift.



WPSH IN FEET

KILOWATT

CUSTOMER COYLE		DESIGN CONDITIONS		CURVE 1052-39	
PROPOSAL NO. 1052-39 ITEM 3		CFS 170	EFF 90%	TURBINE 39 WTM-1	
SPECIAL NOTES		T.H. (FT) 50 KW 749 SG 1.0		Curves are approximate. Pump is guaranteed for one set of conditions. Capacity, head and efficiency guarantees are based on shop test and when handling clear, cold, fresh water at a temperature of not over 85 degrees and not over 15' suction lift.	
		RPM 454 Generator		DRAWN BY J.C. FULFORD DATE 5/1/83	



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BILLING CODE 6717-01-M

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Mr. John Koyle) Project No. 4052-008

NOTICE OF AVAILABILITY OF FINAL ENVIRONMENTAL ASSESSMENT

(February 3, 1999)

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's (Commission's) regulations, 18 CFR part 380 (Order 486, 52 F.R. 47897), the Commission's Office of Hydropower Licensing has reviewed an application to modify the minimum flow required by article 2 of the exemption for the Koyle Ranch Power Project, No. 4052-008. Article 2 requires the exemptee to release a minimum flow of 5 cubic feet per second (cfs) from June 16 through March 31, and 80 cfs from April 1 through June 15. The exemptee proposes a year round release of five cfs. The Koyle Ranch Power Project is located on the Big Wood River, near Gooding, Idaho. A Final Environmental Assessment (FEA) was prepared for the proposed modification in flow. The FEA finds that approving the exemptee's proposal would not constitute a major federal action significantly affecting the quality of the human environment.

The FEA was written by staff in the Office of Hydropower Licensing, Federal Energy Regulatory Commission. Copies of the FEA can be viewed in the Public Reference Room, Room 2-A, of the Commission's offices at 888 First Street, N.E., Washington, D.C. 20426. The EA can also be viewed on the web at www.ferc.fed.us. Please call (202)208-2222 for assistance.

Linwood A. Watson, Jr.
Acting Secretary

DC-A-31

37-7889

ENVIRONMENTAL ASSESSMENT

REQUEST FOR MINIMUM FLOW MODIFICATION

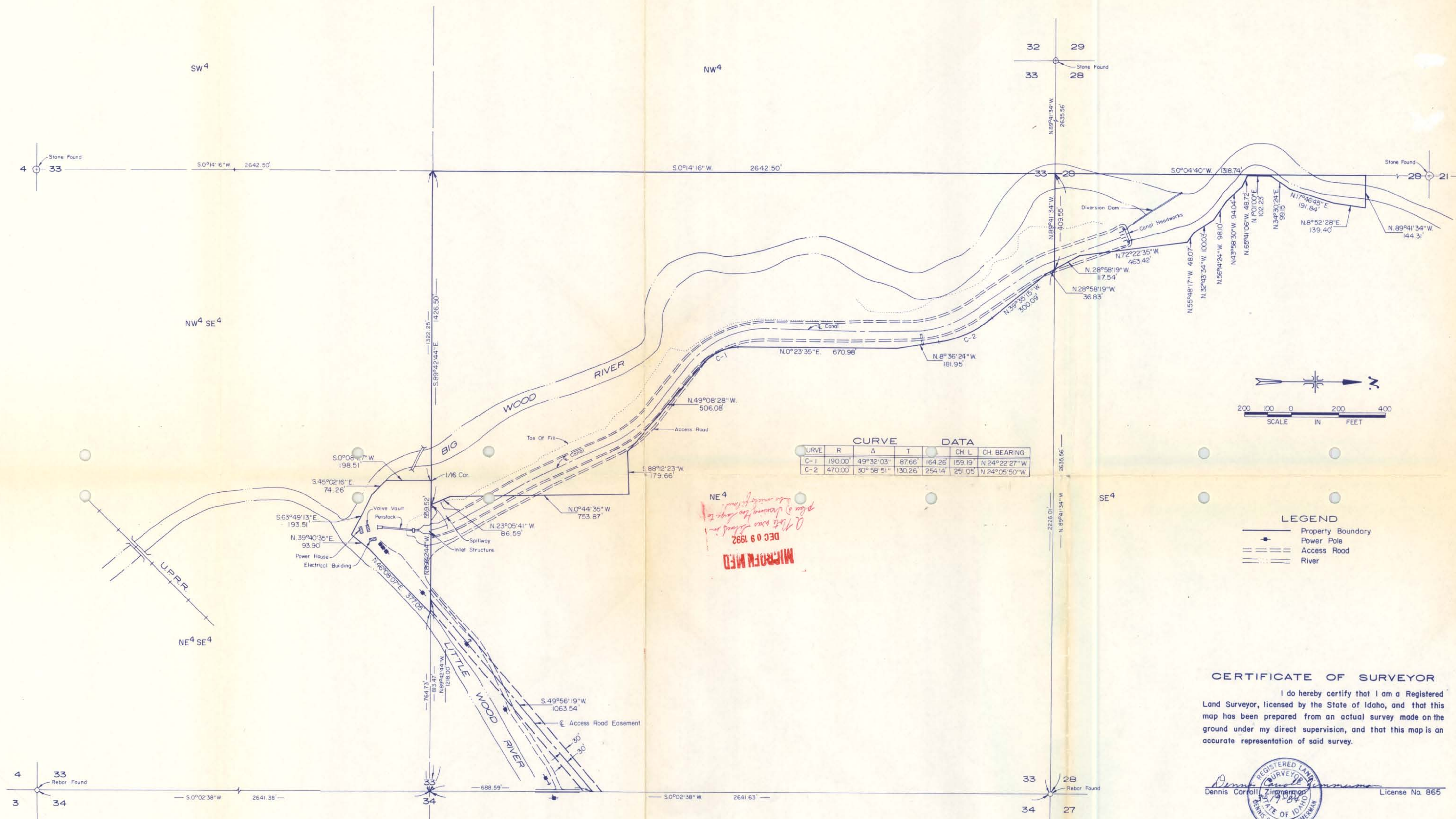
Koyle Ranch Power Project

FERC Project No. 4052-008

Idaho

Federal Energy Regulatory Commission
Office of Hydropower Licensing
Division of Licensing and Compliance
888 First Street, NE
Washington, DC 20426

January 1999



CURVE		DATA			
CURVE	R	Δ	T	CH. L	CH. BEARING
C-1	190.00	49°32'03"	87.66'	164.26'	N 24°22'27" W
C-2	470.00	30°58'51"	130.26'	254.14'	N 24°05'50" W

- LEGEND**
- Property Boundary
 - Power Pole
 - Access Road
 - River

CERTIFICATE OF SURVEYOR

I do hereby certify that I am a Registered Land Surveyor, licensed by the State of Idaho, and that this map has been prepared from an actual survey made on the ground under my direct supervision, and that this map is an accurate representation of said survey.

Dennis Carroll Zimmerman
Dennis Carroll Zimmerman License No. 865
REGISTERED LAND SURVEYOR
STATE OF IDAHO

BONNEVILLE PACIFIC CORP.
AS CONSTRUCTED SURVEY

A PORTION OF
E1/2 SEC. 33, T.5 S., R.14 E., B.M.
GOODING COUNTY, IDAHO



J-U-B ENGINEERS, INC.
Engineers Surveyors Planners
Twin Falls, Idaho

DES.	DR. K. K.	CK.	SHEET 1 OF 1
DATE MARCH, 1984		DWG. NO. T840319	

NE 4
A plat was filed in
2661 6 0 9 1992
MICROFILMED

ENVIRONMENTAL ASSESSMENT

Project Name: Koyle Ranch Power Project, FERC No. 4052-008

A. APPLICATION

1. Application type: Request for Minimum Flow Modification
2. Dates filed: February 25, 1998, and May 5, 1998
3. Applicant: Mr. John Koyle
4. Water Body: Big Wood River
5. Nearest City or Town: Gooding
6. County and State: Gooding County, Idaho

B. PURPOSE AND NEED FOR ACTION

On February 25, 1998, Koyle Hydro, Inc (exemptee) filed a request for Commission approval to modify its minimum flow requirements at the Koyle Ranch Power Project (Project No. 4052). The exemptee supplemented its application on May 5, 1998.

Article 2 requires the exemptee to release a minimum flow of five cubic feet per second (cfs) from June 16 through March 31, and 80 cfs from April 1 through June 15. The exemptee proposes to modify this release schedule and release five cfs year-round.

The purpose of this Environmental Assessment (EA) is to summarize the environmental impacts of a reduction in flow from 80 cfs to 5 cfs from April 1 through June 15 and to assess what measures should be implemented to minimize any adverse impacts to the environment.

C. DESCRIPTION OF EXISTING PROJECT

The Koyle Ranch Power Project is located on the Big Wood River, near Gooding, in Gooding County, Idaho. The project consists of: (1) an 8-foot-high, rock-rubble diversion structure; (2) canal; (3) headworks; (4) a powerhouse containing three generating units 1/ with a total installed capacity of 1,405 kW and hydraulic capacity of approximately 300 cfs; and a (6) one-mile-long transmission line.

- 1/ The project, as authorized, contains six generating units. This discrepancy is currently being reviewed by the Commission.

D. PROPOSED ACTION AND ALTERNATIVES

1. Description of the proposed action

Article 2 requires the exemptee to release a minimum flow of 5 cfs from June 16 through March 31, and 80 cfs from April 1 through June 15. The exemptee proposes to modify this release schedule and release five cfs year-round.

2. Reasonable Alternatives

There are no reasonable alternatives to the proposed action.

3. No-action alternative

Under the no-action alternative, the licensee will continue to maintain releases as required by article 2 of the exemption.

E. CONSULTATION

The U.S. Fish and Wildlife Service (FWS) and Idaho Department of Fish and Game (IDFG) commented on the exemptee's request to amend article 2 in letters dated March 20, 1995, and November 1, 1996, respectively. The FWS deferred comment to the IDFG.

The IDFG states the lower 3,500 feet of the 4,000-foot bypassed reach has no riparian habitat and is impassible to migrating fish due to the high gradient, confined channel, and minimal fish habitat. In the upper 500 feet of the bypassed reach, the topography flattens and supports small riparian vegetation areas and some wildlife habitat. The IDFG states the proposed continuous flow of five cfs should be adequate to maintain this riparian habitat and aquatic ecosystem.

The IDFG recommends the exemptee evaluate the proposed five cfs minimum flow over ten years. Photo points in the upper bypassed reach should be established in order to evaluate the effects of the flow modification on the existing riparian vegetation. The IDFG suggests that photos be taken biannually at these locations at approximately the same times each year. The photos should be submitted to the IDFG and the FWS. If the photos show a detectable decrease in riparian vegetation, the IDFG recommends the exemptee reestablish a release of 80 cfs from April 1 through June 15. If no appreciable difference is detected, the IDFG states the five cfs continuous flow will be adopted.

The licensee's application was noticed by the Commission on April 21, 1998 with the comment period ending on May 28, 1998. No comments were received.

F. AFFECTED ENVIRONMENT

The Koyle Ranch Power Project is on the Big Wood River in south central Idaho approximately 4.5 miles west of Gooding, Idaho. The Big Wood River and Little Wood River join just downstream of the powerhouse to form the Malad River, which then enters the Snake River (FERC, 1998).

In general, the topography is generally flat to rolling with much of the land surrounding the project used for agriculture or pasture (Koyle, 1981). The Malad River cuts through a narrow basalt gorge downstream of the powerhouse. The project is located on private property and access to the area requires permission from the exemptee.

1. Aquatic Resources

Water quality in the vicinity varies throughout the year. Spring flows consist of runoff from the Sawtooth Mountains and foothills of the surrounding region, while in the summer and fall, flows consist of irrigation waste water high in nutrients and other chemicals (FERC, 1998).

The project's bypassed reach is approximately 4,000 feet long (IDFG, 1996). The lower 3,500 feet consists of vertical basalt rock formations with no riparian habitat. The high gradient of this reach and confined channel also makes it impassible to fish (IDFG, 1996). The upper 500 feet is characteristically different, with less gradient and patches of riparian vegetation (IDFG, 1996).

Numbers of game fish in the project area are considered extremely low given the water quality and limited usable habitat. Game species occasionally found in the project area may include bass, bluegill, perch, bullhead, and catfish. Non-game species include carp, minnows, and suckers (FERC, 1998, Koyle 1981). Fish screens installed at the downstream end of the power canal are used to prevent fish from entering the intake (FERC, 1998).

2. Vegetation and Wildlife

In the upland areas, sagebrush and rabbit brush dominate while in the riparian areas, *Salix* spp. and grasses are common. Basalt outcrops along many stretches of river shoreline support no vegetation. The project area is inhabited by a variety of animals including pheasant, quail, beaver, skunks, rabbits, cormorants, and rockchucks (FERC, 1998).

3. Land Use and Recreation

The project is on a private ranch and no public use facilities exist at the project. Fishing, and waterfowl and upland bird hunting occasionally occurs, but recreation is very limited. No project areas are open to the public (FERC, 1998).

Current land use of the surrounding area is agriculture.

4. Cultural Resources

No known sites listed in the National Register of Historic Places are located within the project boundary (Preservation Press, 1994).

G. ENVIRONMENTAL IMPACTS

Proposed Action

1. Aquatic Resources

The project's 4,000-foot long bypassed reach is impassible to fish and provides little habitat to aquatic species. Five cfs is currently released throughout most of the year, i.e., June 16 through March 31. Given the characteristics of this river reach, i.e., high gradient and confined channel with little usable habitat, five cfs released from April 1 through June 15 should be sufficient to maintain the existing aquatic habitat in the bypassed reach.

2. Wildlife and Vegetation

The exemptee's proposal does not involve any land clearing or land disturbing activities, therefore no direct displacement of wildlife or habitat will occur. Although vegetation is sparse along the banks of the bypassed reach, some small areas of vegetation are found in the upper 500 feet of the bypassed reach. Given five cfs is the current release during most of the year, including the warmer and drier summer months, this should be adequate to support this vegetation. The potential does exist, however, that this riparian vegetation will decrease as a result of the reduced flow.

3. Land Use and Recreation

No public recreation areas are found at the project therefore no impact on recreation is expected.

4. Cultural Resources

The Area of Potential Effect (APE) is considered the bypassed reach. No known properties exist within the APE which are listed or eligible for listing on the National Register of Historic Places. Five cfs is currently released from June 16 through March 31. Therefore, no impacts on cultural or archeological resources are expected.

No-Action Alternative

Under the no-action alternative, the exemptee will continue to release the required minimum flow of 80 cfs from April 1 through June 15.

H. ISSUES AND RECOMMENDATIONS

The exemptee's proposal will provide for a year round release of five cfs into the bypassed reach. The licensee consulted with the resource agencies regarding the proposed flow reduction. A flow reduction from 80 cfs to 5 cfs from April 1 through June 15 should not affect fish, terrestrial wildlife, recreation, or cultural resources in the project area. The reduced flow may affect the size and distribution of riparian vegetation in the upper 500 feet of the bypassed reach. Monitoring this vegetation in coordination with the IDFG and FWS, as recommended by IDFG, will allow for a direct evaluation of any adverse effects resulting from the proposed flow reduction.

The exemptee should take photographs of the project's upper bypassed reach twice yearly for ten years, as recommended by IDFG. The exemptee should determine the appropriate times and locations for taking these photographs in consultation with IDFG. These photographs, along with a written description of any observed changes, should be provided to the FWS and IDFG each year within 60 days of the last photograph taken. If any changes in this vegetation are found to be unacceptable to the resource agencies during this review, the exemptee should reestablish the 80 cfs minimum flow from April 1 through June 15. At the end of the monitoring period, the exemptee should submit a report, along with comments from the IDFG and FWS, notifying the Commission whether the five cfs continuous flow will be adopted.

I. CONCLUSIONS

Commission staff evaluated the environmental effects of the proposed action and the no-action alternative. Approving the exemptee's application will establish a five cfs year-round flow at the Koyle Ranch Power Project. No adverse impacts are expected on fishery resources, wildlife, recreation, or cultural resources. The exemptee should take photographs of the project's upper bypassed reach twice yearly for ten years, as recommended

by IDFG. The exemptee should determine the appropriate times and locations for taking these photographs in consultation with IDFG. If these changes are found unacceptable to the resource agencies, the exemptee should reestablish the 80 cfs minimum flow from April 1 through June 15. Approval of the application, with the recommended monitoring, would not constitute a major federal action significantly affecting the quality of the human environment.

J. LITERATURE REVIEW

Federal Energy Regulatory Commission (FERC). 1998. Environmental and Public Use Inspection Report, dated May 21, 1998.

Koyle, John H. 1981. Application for Exemption of Small Hydroelectric Power Project From Licensing, dated May 30, 1981.

Preservation Press. 1994. National Register of Historic Places 1966-1994: cumulative list through January 1, 1994. p 62.

Prepared by Diana Shannon, FERC Staff Aquatic Ecologist

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BOISE, ID 83720-0098

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Koyle Hydro Inc.

)

Project No. 4052-008

ORDER AMENDING ARTICLE 2

(Issued February 3, 1999)

Koyle Hydro Inc. (exemptee), filed for Commission approval on February 24, 1998, and supplemented on May 5, 1998, a request to amend article 2 of its exemption for the Koyle Ranch Power Project. The project is located on the Big Wood River, near the town of Gooding, in Gooding County, Idaho.

Article 2 requires the exemptee to release a minimum flow of 80 cubic feet per second (cfs) from April 1 through June 15 and 5 cfs from June 16 through March 31. The exemptee requests article 2 be modified to require the release of a minimum flow of five cfs throughout the year. The exemptee requested comments from the Idaho Department of Fish and Game (IDFG) and the U.S. Fish and Wildlife Service (FWS) on the proposed flow reduction.

AGENCY COMMENT

The FWS and IDFG commented on the exemptee's request to amend article 2 in letters dated March 20, 1995, and November 1, 1996, respectively. The FWS deferred comment to the IDFG.

The IDFG states the lower 3,500 feet of the 4,000-foot bypassed reach has no riparian habitat and is impassible to migrating fish due to the high gradient, confined channel, and minimal fish habitat. In the upper 500 feet of the bypassed reach, the topography flattens and supports small riparian vegetation areas and some wildlife habitat. The IDFG states the proposed continuous flow of five cfs should be adequate to maintain this riparian habitat and aquatic ecosystem.

The IDFG recommends the exemptee evaluate the proposed five cfs minimum flow over ten years. Photo points in the upper bypassed reach should be established in order to evaluate the effects of the flow modification on the existing riparian vegetation. The IDFG suggests that photos be taken twice yearly at these locations at approximately the same times each year and submitted to the IDFG and the FWS for interpretation. If the photos show a detectable decrease in riparian vegetation, the IDFG recommends the exemptee reestablish a release of 80 cfs from April 1 through June 15. If no appreciable difference is detected, the IDFG states the five cfs continuous flow will be adopted.

DC-A-1

Project No. 4052-008

-2-

37-7889.

DISCUSSION

The exemptee consulted with the FWS and IDFG regarding their request to reduce the minimum flow required by article 2. The IDFG concurs with a continuous minimum flow of five cfs provided that photographs of the upper bypassed reach show no detectable changes in riparian habitat.

Commission staff prepared an environmental assessment (EA) for the proposed change in minimum flow. In the EA, staff concluded that no adverse impacts are expected on fishery resources, wildlife, recreation, or cultural resources in the project area, and that the proposed flow reduction would not constitute a major federal action significantly affecting the quality of the human environment. Staff concluded the exemptee should monitor for changes that occur in the riparian vegetation, as recommended by IDFG. By implementing this monitoring, changes to the riparian vegetation found in the upper bypassed reach will be identified via photographs taken twice each year for ten years. If these changes are found unacceptable to the resource agencies, the exemptee should reestablish the 80 cfs minimum flow from April 1 through June 15. The exemptee should determine the appropriate locations for taking the photographs in consultation with IDFG. These photographs, along with a written description of any observed changes, should be provided to the FWS and IDFG each year within 60 days of the last photograph taken.

A minimum flow of five cfs is currently released into the bypassed reach from June 16 through March 31. Evaluating any changes in vegetation for ten years should ensure the agencies are provided with sufficient information to assess whether the continuous release of five cfs should be permanently adopted. The exemptee should submit a report, along with comments from the IDFG and FWS, by September 15, 2008, notifying the Commission whether the five cfs continuous flow will be adopted.

The exemptee's request to amend article 2, with the modifications discussed, should be approved.

The Director orders:

(A) The exemptee's request to amend article 2 of its exemption, filed on February 24, 1998, and supplemented on May 5, 1998, as modified in paragraph (B) and (C), is approved.

(B) For ten years following the date of issuance of this order, the exemptee shall evaluate vegetation changes in the upper bypassed reach by taking photographs biannually at specific locations determined in consultation with Idaho Department of Fish and Game (IDFG). These photographs, along with a written description of any observed changes, shall be provided to the FWS and IDFG each year within 60 days of the last photograph taken.

If these changes are found unacceptable to the IDFG and FWS, the exemptee shall reestablish the 80 cfs minimum flow from April 1 through June 15.

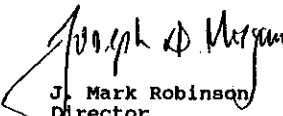
(C) By September 15, 2008, the exemptee shall submit a report to the Commission indicating whether a continuous flow of five cubic feet per second (cfs) is permanently adopted for the project. This report shall include comments from the IDFG and U.S. Fish and Wildlife Service. Each agency shall be given 30 days to comment.

(D) Unless otherwise directed in this order, the exemptee shall file an original and seven copies of any filing required by this order with:

The Secretary
Federal Energy Regulatory Commission
Mail Code: DLC, HL-11.2
888 First Street, NE
Washington, DC 20426

In addition, the exemptee shall serve copies of these filings on any entity specified in this order to be consulted on matters related to these filings. Proof of service on these entities shall accompany the filings with the Commission.

(E) This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to CFR § 385.713.


J. Mark Robinson
Director
Division of Licensing and Compliance

ENVIRONMENTAL ASSESSMENT

REQUEST FOR MINIMUM FLOW MODIFICATION

Koyle Ranch Power Project

FERC Project No. 4052-008

Idaho

**Federal Energy Regulatory Commission
Office of Hydropower Licensing
Division of Licensing and Compliance
888 First Street, NE
Washington, DC 20426**

January 1999

ENVIRONMENTAL ASSESSMENT

Project Name: Koyle Ranch Power Project, FERC No. 4052-008

A. APPLICATION

1. Application type: Request for Minimum Flow Modification
2. Dates filed: February 25, 1998, and May 5, 1998
3. Applicant: Mr. John Koyle
4. Water Body: Big Wood River
5. Nearest City or Town: Gooding
6. County and State: Gooding County, Idaho

B. PURPOSE AND NEED FOR ACTION

On February 25, 1998, Koyle Hydro, Inc (exemptee) filed a request for Commission approval to modify its minimum flow requirements at the Koyle Ranch Power Project (Project No. 4052). The exemptee supplemented its application on May 5, 1998.

Article 2 requires the exemptee to release a minimum flow of five cubic feet per second (cfs) from June 16 through March 31, and 80 cfs from April 1 through June 15. The exemptee proposes to modify this release schedule and release five cfs year-round.

The purpose of this Environmental Assessment (EA) is to summarize the environmental impacts of a reduction in flow from 80 cfs to 5 cfs from April 1 through June 15 and to assess what measures should be implemented to minimize any adverse impacts to the environment.

C. DESCRIPTION OF EXISTING PROJECT

The Koyle Ranch Power Project is located on the Big Wood River, near Gooding, in Gooding County, Idaho. The project consists of: (1) an 8-foot-high, rock-rubble diversion structure; (2) canal; (3) headworks; (4) a powerhouse containing three generating units 1/ with a total installed capacity of 1,405 kW and hydraulic capacity of approximately 300 cfs; and a (6) one-mile-long transmission line.

- 1/ The project, as authorized, contains six generating units. This discrepancy is currently being reviewed by the Commission.

D. PROPOSED ACTION AND ALTERNATIVES

1. Description of the proposed action

Article 2 requires the exemptee to release a minimum flow of 5 cfs from June 16 through March 31, and 80 cfs from April 1 through June 15. The exemptee proposes to modify this release schedule and release five cfs year-round.

2. Reasonable Alternatives

There are no reasonable alternatives to the proposed action.

3. No-action alternative

Under the no-action alternative, the licensee will continue to maintain releases as required by article 2 of the exemption.

E. CONSULTATION

The U.S. Fish and Wildlife Service (FWS) and Idaho Department of Fish and Game (IDFG) commented on the exemptee's request to amend article 2 in letters dated March 20, 1995, and November 1, 1996, respectively. The FWS deferred comment to the IDFG.

The IDFG states the lower 3,500 feet of the 4,000-foot bypassed reach has no riparian habitat and is impassible to migrating fish due to the high gradient, confined channel, and minimal fish habitat. In the upper 500 feet of the bypassed reach, the topography flattens and supports small riparian vegetation areas and some wildlife habitat. The IDFG states the proposed continuous flow of five cfs should be adequate to maintain this riparian habitat and aquatic ecosystem.

The IDFG recommends the exemptee evaluate the proposed five cfs minimum flow over ten years. Photo points in the upper bypassed reach should be established in order to evaluate the effects of the flow modification on the existing riparian vegetation. The IDFG suggests that photos be taken biannually at these locations at approximately the same times each year. The photos should be submitted to the IDFG and the FWS. If the photos show a detectable decrease in riparian vegetation, the IDFG recommends the exemptee reestablish a release of 80 cfs from April 1 through June 15. If no appreciable difference is detected, the IDFG states the five cfs continuous flow will be adopted.

The licensee's application was noticed by the Commission on April 21, 1998 with the comment period ending on May 28, 1998. No comments were received.

F. AFFECTED ENVIRONMENT

The Koyle Ranch Power Project is on the Big Wood River in south central Idaho approximately 4.5 miles west of Gooding, Idaho. The Big Wood River and Little Wood River join just downstream of the powerhouse to form the Malad River, which then enters the Snake River (FERC, 1998).

In general, the topography is generally flat to rolling with much of the land surrounding the project used for agriculture or pasture (Koyle, 1981). The Malad River cuts through a narrow basalt gorge downstream of the powerhouse. The project is located on private property and access to the area requires permission from the exemptee.

1. Aquatic Resources

Water quality in the vicinity varies throughout the year. Spring flows consist of runoff from the Sawtooth Mountains and foothills of the surrounding region, while in the summer and fall, flows consist of irrigation waste water high in nutrients and other chemicals (FERC, 1998).

The project's bypassed reach is approximately 4,000 feet long (IDFG, 1996). The lower 3,500 feet consists of vertical basalt rock formations with no riparian habitat. The high gradient of this reach and confined channel also makes it impassible to fish (IDFG, 1996). The upper 500 feet is characteristically different, with less gradient and patches of riparian vegetation (IDFG, 1996).

Numbers of game fish in the project area are considered extremely low given the water quality and limited usable habitat. Game species occasionally found in the project area may include bass, bluegill, perch, bullhead, and catfish. Non-game species include carp, minnows, and suckers (FERC, 1998, Koyle 1981). Fish screens installed at the downstream end of the power canal are used to prevent fish from entering the intake (FERC, 1998).

2. Vegetation and Wildlife

In the upland areas, sagebrush and rabbit brush dominate while in the riparian areas, *Salix* spp. and grasses are common. Basalt outcrops along many stretches of river shoreline support no vegetation. The project area is inhabited by a variety of animals including pheasant, quail, beaver, skunks, rabbits, cormorants, and rockchucks (FERC, 1998).

3. Land Use and Recreation

The project is on a private ranch and no public use facilities exist at the project. Fishing, and waterfowl and upland bird hunting occasionally occurs, but recreation is very limited. No project areas are open to the public (FERC, 1998).

Current land use of the surrounding area is agriculture.

4. Cultural Resources

No known sites listed in the National Register of Historic Places are located within the project boundary (Preservation Press, 1994).

G. ENVIRONMENTAL IMPACTS

Proposed Action

1. Aquatic Resources

The project's 4,000-foot long bypassed reach is impassible to fish and provides little habitat to aquatic species. Five cfs is currently released throughout most of the year, i.e., June 16 through March 31. Given the characteristics of this river reach, i.e., high gradient and confined channel with little usable habitat, five cfs released from April 1 through June 15 should be sufficient to maintain the existing aquatic habitat in the bypassed reach.

2. Wildlife and Vegetation

The exemptee's proposal does not involve any land clearing or land disturbing activities, therefore no direct displacement of wildlife or habitat will occur. Although vegetation is sparse along the banks of the bypassed reach, some small areas of vegetation are found in the upper 500 feet of the bypassed reach. Given five cfs is the current release during most of the year, including the warmer and drier summer months, this should be adequate to support this vegetation. The potential does exist, however, that this riparian vegetation will decrease as a result of the reduced flow.

3. Land Use and Recreation

No public recreation areas are found at the project therefore no impact on recreation is expected.

4. Cultural Resources

The Area of Potential Effect (APE) is considered the bypassed reach. No known properties exist within the APE which are listed or eligible for listing on the National Register of Historic Places. Five cfs is currently released from June 16 through March 31. Therefore, no impacts on cultural or archeological resources are expected.

No-Action Alternative

Under the no-action alternative, the exemptee will continue to release the required minimum flow of 80 cfs from April 1 through June 15.

H. ISSUES AND RECOMMENDATIONS

The exemptee's proposal will provide for a year round release of five cfs into the bypassed reach. The licensee consulted with the resource agencies regarding the proposed flow reduction. A flow reduction from 80 cfs to 5 cfs from April 1 through June 15 should not affect fish, terrestrial wildlife, recreation, or cultural resources in the project area. The reduced flow may affect the size and distribution of riparian vegetation in the upper 500 feet of the bypassed reach. Monitoring this vegetation in coordination with the IDFG and FWS, as recommended by IDFG, will allow for a direct evaluation of any adverse effects resulting from the proposed flow reduction.

The exemptee should take photographs of the project's upper bypassed reach twice yearly for ten years, as recommended by IDFG. The exemptee should determine the appropriate times and locations for taking these photographs in consultation with IDFG. These photographs, along with a written description of any observed changes, should be provided to the FWS and IDFG each year within 60 days of the last photograph taken. If any changes in this vegetation are found to be unacceptable to the resource agencies during this review, the exemptee should reestablish the 80 cfs minimum flow from April 1 through June 15. At the end of the monitoring period, the exemptee should submit a report, along with comments from the IDFG and FWS, notifying the Commission whether the five cfs continuous flow will be adopted.

I. CONCLUSIONS

Commission staff evaluated the environmental effects of the proposed action and the no-action alternative. Approving the exemptee's application will establish a five cfs year-round flow at the Koyle Ranch Power Project. No adverse impacts are expected on fishery resources, wildlife, recreation, or cultural resources. The exemptee should take photographs of the project's upper bypassed reach twice yearly for ten years, as recommended

by IDFG. The exemptee should determine the appropriate times and locations for taking these photographs in consultation with IDFG. If these changes are found unacceptable to the resource agencies, the exemptee should reestablish the 80 cfs minimum flow from April 1 through June 15. Approval of the application, with the recommended monitoring, would not constitute a major federal action significantly affecting the quality of the human environment.

J. LITERATURE REVIEW

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Preservation Press. 1994. National Register of Historic Places 1966-1994: cumulative list through January 1, 1994. p 62.

Prepared by Diana Shannon, FERC Staff Aquatic Ecologist

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

NOTICE OF AMENDMENT OF ARTICLE 2

(April 21, 1998)

RECEIVED

APR 28 1998

Department of Water Resources

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

- a. Type of Application: Amendment of article 2
- b. Project No: 4052-008
- c. Date Filed: February 24, 1998
- d. Applicant: Koyle Hydro, Inc.
- e. Name of Project: Koyle Ranch Power Project
- f. Location: Big Wood River, near Gooding, in Gooding County, Idaho
- g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)-825(r)
- h. Applicant Contact: Mr. John Koyle
Koyle Hydro, Inc.
1774 So. 1500 E.
Gooding, ID 83330
(208) 934-4060
- i. FERC Contact: Diana Shannon, (202) 208-7774
- j. Comment Date: MAY 28, 1998
- k. Description of Proposed Action: Koyle Hydro Inc., exemptee for the Koyle Ranch Power Project, requests article 2 be modified to require the release of a minimum flow of five cfs throughout the year. Currently, article 2 requires a release of five cfs from June 16 through March 31 and 80 cfs from April 1 through June 15.
- l. This notice also consists of the following standard paragraphs: B, C1, and D2.

Project No. 4052-008

- 2 -

37-7889
37-7916

B. Comments, Protests, or Motions to Intervene -- Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

C1. Filing and Service of Responsive Documents -- Any filings must bear in all capital letters the title "COMMENTS", "RECOMMENDATIONS FOR TERMS AND CONDITIONS", "PROTEST", OR "MOTION TO INTERVENE", as applicable, and the Project Number of the particular application to which the filing refers. Any of the above-named documents must be filed by providing the original and the number of copies provided by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426. A copy of any motion to intervene must also be served upon each representative of the Applicant specified in the particular application.

D2. Agency Comments -- Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Linwood A. Watson, Jr.
Acting Secretary

NAME AND ADDRESS OF SENDER

DEPARTMENT OF WATER RESOURCES
STATEHOUSE
BOISE, IDAHO 83720

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4	138507	Geobon II Assoc. Ltd. Partnership 1200 Quail St., Suite 260 Newport Beach, CA 92660 37-8096 & 37-8251											
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7	138508	Bonneville Pacific Corp. c/o Vernon F. Ravenscroft P.O. Box 983 Boise, ID 83701 37-7857, 37-7865, 37-7922											
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9													
10	138509	Shorock Hydro, Inc. Box 1787 Twin Falls, ID 83303-1787 37-7911 & 37-7863											
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MEMORANDUM

TO: Jim Johnson
FROM: Gary Spackman *Gary*
DATE: July 30, 1987
RE: Field Examinations for Permits Nos. 37-7889 & 37-7916
CC: Reid Newby

I have reviewed the information submitted by J-U-B Engineers, Inc., and find that all of the items you requested have been addressed except for the measuring devices. It seemed to me initially that measuring devices should be installed. I contacted Reid Newby, Watermaster for District 37, and asked Reid whether he felt measuring devices were necessary.

Reid explained to me that because of commingling of North Side Canal Company water and water from the Little Wood River that installation of a measuring device at the Little Wood River diversion would be difficult. Reid stated that he is able to supply water to prior rightholders downstream from the point of diversion on the Little Wood by other means. He also stated that the measurement of water diverted from the Big Wood River is not required because no other rights are affected between the point of diversion and the point where the water is released back into the Malad River system.

For purposes of measuring the amount of water to determine the fee imposed by the irrigation district for water delivery, Reid uses a total volume determined by the kilowatts produced at the plant. Reid does not feel that additional measuring devices are necessary at the present time.

I recommend that we accept the information submitted and that we process the permit for licensing. A special condition probably should be imposed that measuring devices on both points of diversion may be required to be installed in the future if the watermaster determines that such measuring devices are necessary.

MICROFILMED

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FE-1071, July 1983 447-945

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 c/o David Hirschi
 185 S. State St.
 P.O. Box 11898
 Salt Lake City, UT 84147

4. Type of Service:

- ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

18506

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6. Signature - Agent

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7. Date of Delivery

8. Address of Addressee (ONLY if requested and fee paid)

37-7889 & 37-7916

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BOISE, IDAHO 83720

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Department of Water Resources

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Bonneville Pacific Corporation

Department of Water Resources

June 25, 1987

Mr. A. Kenneth Dunn, Director
Department of Water Resources
450 West State Street
Boise, Idaho 83720

Re: Bonneville Pacific Corporation Water Permit
Nos. 37-7889 and 37-7916

Dear Mr. Dunn:

This letter will confirm our telephone conversation this date wherein I indicated that pursuant to your letter to Bonneville Pacific Corporation dated May 7, 1987, relating to the above-referenced water permits, Bonneville Pacific Corporation through its Twin Falls office has been working with Reed Newby, the Watermaster of the affected area, to measure the water flows in the canals servicing the Koyle Ranch Hydroelectric Project.

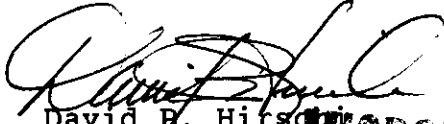
Delays in finalizing these measurements have been incurred due to the failure of metering equipment and we are continuing to work with Mr. Newby to satisfy him and your department that no water losses are occurring with respect to the hydroelectric project being serviced by the above-referenced permits.

We will keep your office advised as further information becomes available concerning this measurement program.

We appreciate the additional time which you have provided to us to finalize this matter and we will pursue the same with due diligence.

Very truly yours,

BONNEVILLE PACIFIC CORPORATION


David B. Hirsch
General Counsel

RECEIVED

DPH:ts

cc: Robert L. Wood
Orlin V. Clements

DEC 09 1992



State of Idaho

DEPARTMENT OF WATER RESOURCES

STATE OFFICE, 450 W. State Street, Boise, Idaho

CECIL D. ANDRUS

Governor

A. KENNETH DUNN

Director

Mailing address:
Statehouse
Boise, Idaho 83720
(208) 334-4440

May 7, 1987

CERTIFIED MAIL

Bonneville Pacific Corp.
c/o David Hirschi
185 S. State St.
P. O. Box 11898
Salt Lake City, UT 84147

Gentlemen:

Re: Permit Nos. 37-7889 and 37-7916

Department records show that the above referenced permits were issued to you for the purpose of hydropower generation purposes. One of the conditions of approval of the permit was that the use of water be non-consumptive. The assumption that hydropower uses are non-consumptive in nature is the very reason the department could justify approving late in time appropriations on stream systems which essentially have been fully appropriated in most cases for many years.

The department has been advised by watermasters in several water districts that substantial loss is occurring in some of the conveyance systems, particularly those where water is delivered to the power generating facility through a non-enclosed conduit, and the only use being made of the water is power generation.

You are hereby required to determine the loss occurring within your hydropower project and to provide the information to the department within twenty (20) days of the date of this letter. The determination must be made by a professional engineer licensed to practice in Idaho or by a certified water right examiner using procedures acceptable to the department. In the interim, if the watermaster has measurements indicating that water is being lost within your project and that the water is needed by holders of prior rights, he has been instructed to regulate your diversion as needed to protect the prior rights, even though the herein required loss measurement has not been completed.

The runoff from surface water sources in 1987 is by far less than a normal year, so it is very likely any diversion for hydropower use experiencing a loss will be shut off by the duly authorized water master.

RECORDED

DEC 09 1992

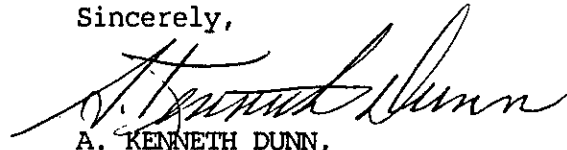
Authority for regulation of diversions by the watermaster is provided in Section 42-607, Idaho Code.

Hydropower users subject to being shut off may want to augment the stream system through acquisition of stored water or non-tributary water from some external source of supply in exchange for the water being lost in their conveyance system. Such arrangements may require approval under Section 42-222, Idaho Code.

Prior notice of the watermaster's action to regulate diversions cannot always be provided. If your generating equipment is subject to damage by the reduction of water flows, it is your responsibility to contact the watermaster to arrange a procedure to provide for regulation of the diversion without damage to your facilities.

Please feel free to contact the department if you have questions.

Sincerely,



A. KENNETH DUNN,
Director

c: Regional office
Watermaster

RECEIVED

DEC 09 1992

April 17, 1987

BONNEVILLE PACIFIC CORP.
C/O DAVID HIRSCHI
185 S. STATE ST.
P.O. BOX 11898
SALT LAKE CITY, UT 84147

RE: Permit No. 37-7889

Dear Permit Holder(s):

The above referenced water right is in the process of being licensed. However, before a license can be issued, your permit must be amended to correspond with the findings of the Department's field examiner.

The enclosed application for amendment contains information that will be included on the license when it is issued. Please review carefully and if you concur, sign the amendment and return with the \$20.00 filing fee within 30 days.

If you do not concur with these findings or if you have any questions, please contact us within the 30-day period.

Sincerely,

JIM JOHNSON
Water Rights Supervisor

JJ:sc

Enclosure

NOT RECORDED

DEC 09 1992



State of Idaho

DEPARTMENT OF WATER RESOURCES

STATE OFFICE, 450 W. State Street, Boise, Idaho

CECIL D. ANDRUS

Governor

A. KENNETH DUNN

Director

Mailing address:

Statehouse

Boise, Idaho 83720

(208) 334-4440

March 16, 1987

RE: Permit Nos. 37-7889 & 37-7916

JUB Engineers, Inc.
Attn: David D. Joerger
800 Falls Ave.
Twin Falls, ID 83301

Dear Mr. Joerger:

We are in receipt of the Beneficial Use Examinations for the above referenced permits for Koyle Hydroelectric Projects.

While the examination information is acceptable, we have noted some deficiencies that need to be addressed:

1. Annual volume of water used by the power plant facility is required.
2. Rate of diversion and volume of Little Wood River diverted into the X Canal is required.
3. Rate of diversion and volume of Big Wood River diverted into the Power Canal is required.
4. Compliance with a measuring device and lockable controlling works of a type acceptable to the Department needs to be addressed.

According to the provisions of Rule 5,2,3., this information shall be received within 30 days of receipt of this correspondence. Failure to comply with the request within 30 days will cause the priority date of the permits to advance one day for every day the information submittal is late.

RECEIVED

DEC 09 1992

Page 2

Please be advised that additional information may be requested as further review of this file is made. If you have any questions, please let me know.

Sincerely,

JIM JOHNSON
Water Rights Supervisor

JJ:sc

DEC 09 1992



State of Idaho

DEPARTMENT OF WATER RESOURCES

STATE OFFICE, 450 W. State Street, Boise, Idaho

JOHN V. EVANS

Governor

A. KENNETH DUNN

Director

37-7889
KOYLE, JOHN H.
RT. 2 BOX 254
GOODING, ID 83330

Mailing address:
Statehouse
Boise, Idaho 83720

138749

April 30, 1986

CERTIFIED MAIL

EXAMINATION FEE NOTICE

Dear Permit Holder:

Department records show that proof of beneficial use has been submitted for the above-referenced permit, but that a field examination has not yet been conducted to determine the extent of beneficial use of the water for licensing purposes.

House Bill 671 (effective April 4, 1986) enacted by the 1986 Idaho Legislature requires the payment of a fee before this department can conduct the field examination needed to issue a license confirming use of water under the permit. This letter is notification that the license examination fee is due within sixty (60) days of the date of this letter. The examination fee information sheet (enclosed) must be returned with the fee.

As an alternative to submitting the fee, the department will accept a field examination report completed by a certified water right examiner from the private sector. If you choose to have the examination done by a certified water right examiner, you need not submit the license examination fee to the department, but you must within sixty (60) days of the date of this letter return to the department, the examination fee information sheet showing appropriate information together with a statement from the certified examiner to verify that you have retained a certified examiner to conduct the field examination. If you choose this alternative, a completed field examination report must be submitted within one year of the date of this letter. You cannot later change your decision to use this alternative and submit the fee needed for the department to conduct the field examination, but you may change to another certified examiner.

Certified water right examiners are licensed engineers, geologists, or land surveyors certified by the department to conduct water right examinations. The procedure for certifying examiners results from the recently enacted HB 671 and is being developed at this time. Listing

DEC 09 1992

of certified water right examiners will be available from this department when examiners have been certified.

If your permitted use, in fact, has already been examined by the department and you have not asked to have the examination repeated, the fee requirement is not applicable to your permit. If you believe this is the case, please contact the department.

The license examination fee is to be based on the amount of water you indicate you have developed, as listed in item 6 on the examination fee information sheet. The amount of water on which the examination fee is based can be less than the permitted amount, if less water has been diverted and beneficially used. The licensed amount of water, however, will not exceed the amount you claim on the examination fee information sheet. The enclosed license examination fee schedule shows a listing of applicable fees.

FAILURE TO SUBMIT WITHIN THE SIXTY (60) DAY PERIOD, THE FEE OR THE STATEMENT THAT A CERTIFIED EXAMINER HAS BEEN RETAINED TO MAKE THE FIELD EXAMINATION, WILL BE CAUSE TO ADVANCE THE PRIORITY OF THE PERMIT ONE DAY FOR EACH DAY THAT THE FEE SUBMITTAL IS LATE.

FAILURE TO SUBMIT THE FEE OR THE COMPLETED FIELD EXAMINATION REPORT WITHIN A YEAR WILL BE CAUSE TO CONSIDER THE PROOF OF BENEFICIAL USE TO BE INCOMPLETE AND TO LAPSE THE PERMIT.

The attached examination fee information sheet and the fee may be submitted to the following department offices.

Northern Region

Idaho Dept. of Water Resources
4055 Government Way
Coeur d'Alene, ID 83814
Phone: 765-4639

Eastern Region

Idaho Dept. of Water Resources
150 Shoup Ave., Suite 15
Idaho Falls, ID 83401
Phone: 525-7161

Southern Region

Idaho Dept. of Water Resources
1041 Blue Lakes Blvd. North
Twin Falls, ID 83301
Phone: 734-3578

Western Region

Idaho Dept. of Water Resources
450 W. State St., (Third Floor)
Boise, ID 83720
Phone: 334-2190

Sincerely,



L. GLEN SAXTON
Chief, Operations Bureau

Enclosures

DEC 09 1992

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
Southern Region

1041 Blue Lakes Blvd. N.
Twin Falls, Idaho 83301
(208) 734-3578

FEBRUARY 11, 1986

BONNEVILLE PACIFIC CORPORATION
200 E. TEMPLE - SUITE 300
SALT LAKE CITY UT 84111

RE: Permit No. 37-7689

Dear Permit Holder:

We acknowledge receipt of your statement submitted as proof of beneficial use for the above referenced permit.

Before a license can be issued, a field examination must be made by a representative of this department.

A field examiner will contact you to arrange to examine your system.

If you have any questions regarding the field examination, please contact this office by phone at 734-3578 or in person at our office at 1041 Blue Lakes Blvd. N. Twin Falls, Idaho.

Sincerely,
s/Mary A. Newby
Secretary

RECEIVED

DEC 09 1992

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
PROOF OF BENEFICIAL USE

RECEIVED
OCT 3 1985

Department of Water Resources

The Idaho Department of Water Resources will consider this form as a statement that the permit holder(s) has completed development under this permit and that water has been applied according to the provisions of the permit for the beneficial use(s) described below:

Permit No. 37-7889

Name(s) of Permit Holder: BONNEVILLE PACIFIC CORPORATION

Post Office Address: 200 E. TEMPLE SUITE 300

SALT LAKE CITY, UTAH 84111 Telephone No. 801- 363-1900

Source of Water: BIG WOOD RIVER AND LITTLE WOOD RIVER

Extent of Use:

Domestic _____ (number of households)

Stockwater _____ (number and type of stock)

Irrigation _____ (acres)

Other/ Remarks POWER GENERATION 20 cfs

Indicate the date water was first diverted and beneficially used under this permit: DECEMBER 1983

Measuring Device: Required? ☒ Yes ☐ No
Installed? ☒ Yes ☐ No

Flow Measurement Port: Required? ☐ Yes ☒ No
Installed? ☐ Yes ☒ No

Person to contact to accompany the Department representative during the field examination:

ORLIN CLEMENTS

(Name)

834 FALLS AVE. TWIN FALLS, IDAHO 83301

(Address)

208-734-0551

(Telephone Number)

The above information is a true statement of the extent to which the above numbered permit has been developed.

Oct 2, 1985
Date

Prince W. Olsen U.P. Operations
Signature of Permit Holder (and Title, if appropriate)

MICROFILMED

1-28-85

NOTICE OF ASSIGNMENT OF WATER PERMITS AND ACKNOWLEDGMENT
BY STATE OF IDAHO DEPARTMENT OF WATER RESOURCES

State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Re: Water Permit Nos. 37-7889 and 37-7916 -- Koyle
Ranch Hydroelectric Project

Gentlemen:

Reference is made to Water Permit Nos. 37-7889 and 37-7916 (the "Permits"), which were initially issued by the State of Idaho Department of Water Resources to John H. Koyle. Mr. Koyle has assigned to Bonneville Pacific Corporation, a Utah corporation (the "Company"), under the Assignment of Water Rights and Permits dated June 13, 1983 from John H. Koyle and Margaret H. Koyle, as assignors, to the Company, as assignee, all the rights and duties of Mr. Koyle in and to the Permits as set forth therein.

You are hereby notified that the Company has granted a security interest to First Security Bank of Utah, National Association, a national banking association, and First Security Bank of Idaho, National Association, a national banking association (collectively the "Security Trustee"), under the Indenture of Mortgage and Security Agreement dated as of May 1, 1984, a copy of which is enclosed herewith, between the Company, as debtor, and the Security Trustee, as secured party, in all the right, title, interest, claims and demands now held or hereafter acquired by the Company in, under and to the Permits.

This instrument may be executed in any number of counterparts, each such counterpart constituting an original but all together one and the same instrument.

Dated:

BONNEVILLE PACIFIC CORPORATION

By L. Wayne Johnson
Its Vice President

Acknowledged, consented and agreed to on the date
hereof.

STATE OF IDAHO DEPARTMENT OF WATER
RESOURCES

By A. Dennis Shuman
Its DIRECTOR

MICROFILMED

ACCEPTANCE OF TRUSTS BY CO-TRUSTEE

ACCEPTANCE OF TRUSTS BY CO-TRUSTEE (the "Acceptance") dated as of May 1, 1984, by FIRST SECURITY BANK OF IDAHO, NATIONAL ASSOCIATION (the "Co-Trustee"), whose post office address is Post Office Box 7069, Boise, Idaho 83730.

RECITALS:

A. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the hereinafter defined Mortgage.

B. Bonneville Pacific Corporation, a Utah corporation (the "Debtor"), has entered into a Note Agreement dated as of May 1, 1983 (the "Note Agreement"), with the Purchaser. The Note Agreement, as amended, provides for, among other things, the commitment of the Purchaser to purchase the 14% Secured Notes of the Debtor (the "Notes") not exceeding an aggregate principal amount of \$1,622,500. The Notes are to be dated the date of issue, to bear interest at the rate of 14% per annum prior to maturity, to be payable in 40 consecutive installments of both principal and interest, and to be payable quarterly on the Interest Payment Dates.

C. The Debtor has entered into an Indenture of Mortgage and Security Agreement dated as of May 1, 1984 (the "Mortgage"), with First Security Bank of Utah, National Association, as trustee (the "Security Trustee"). The Mortgage provides for, among other things, the assignment by the Debtor to the Security Trustee of all right, title and interest of the Debtor in the Land, the Water Rights, the Facility and certain other rights and properties of the Debtor, as security for the full and complete performance by the Debtor of its obligations under the Note Agreement and the Notes.

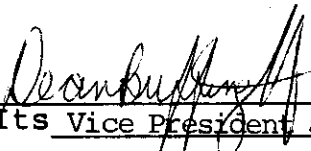
D. In the Mortgage, the Debtor and the Security Trustee jointly appoint the Co-Trustee as co-trustee, jointly with the Security Trustee, for the purpose of holding the lien and security interest granted by the Debtor under the Mortgage in the Water Rights, as defined in the Mortgage and as described in Exhibit A hereto.

NOW, THEREFORE, the Co-Trustee, in consideration of the premises and other good and valuable consideration, receipt whereof is hereby acknowledged, hereby accepts its appointment as co-trustee under Mortgage for the purposes set forth therein, and agrees that it shall be entitled to the benefits accruing to and subject to the duties and responsibilities of, a trustee under the Mortgage, as set forth therein.

11/1/84

IN WITNESS WHEREOF, the Co-Trustee has caused this Acceptance to be executed on its behalf by one of its Vice Presidents & Trust Officers, and its corporate seal to be hereunto affixed, and said Seal and this Acceptance to be attested to by one of its Senior Vice Presidents all as of the day and year first above written. and Assistant Secretary

FIRST SECURITY BANK OF IDAHO,
NATIONAL ASSOCIATION, as
Co-Trustee

By 
Its Vice President and Trust Officer

[SEAL]

Attest:


Senior Vice President and Assistant Secretary
Jack W. Schwartz

STATE OF IDAHO)
)
COUNTY OF ADA) SS:

On the 29th day of October, 1984,
personally appeared before me Dean Buffington,
who being by me duly sworn, did say that he is the
Vice President of First Security Bank of Idaho,
National Association, and said instrument was signed in
behalf of said bank by authority of its by-laws and of a
resolution of its Board of Directors, and said Dean
Buffington acknowledged to me that said bank
executed the same.

Sherrin Cox
Notary Public

[SEAL]

Residing at: Boise

My Commission Expires:

11-13-85

UNRECORDED

DESCRIPTION OF WATER RIGHTS

Water Rights evidenced by Applications for Permit,
Identification Nos. 37-7889 and 37-7916, respectively,
approved by State of Idaho, Department of Water Resources

EXHIBIT A

MICROFILMED

VERIFIED DJ

3-21-85

WATER RIGHT NUMBER 37-7889

OWNER LAST NAME - KOYLE
ADDRESS LINE 1 - RT. 2 BOX 254
ADDRESS LINE 3 -

FIRST NAME - JOHN H.
ADDRESS LINE 2 -
CITY - GOODING

ORIG OWNER -

STATE - ID ZIP CODE - 83330

SOURCE - LITTLE WOOD RIVER
SOURCE - BIG WOOD RIVER

TRIBUTARY OF - MALAD RIVER
TRIBUTARY OF - MALAD RIVER

STAGE - PERMIT

STATUS -

PRIORITY - 03-09-1981 COUNTY - GOODING

TOTAL DIV. RATE - 20.0000 -CFS

TOTAL DIV. VOLUME -

.00 AFA

TRFR/AMEND -

WATER DIST. - 37

DLE/CAREY ACT -

RIGHT BASIS -

DIVERSION POINT - SWNE 33 05S 14E LOT

REDIV -

0.0

0.0

0.0

0.0

0.0

0.0

0.0

0.0

0.0

0.0

0.0

0.0

SENE 33 05S 14E LOT

REDIV -

0.0

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0.0

0.0

0.0

0.0

0.0

FROM - 01-01 TO - 12-31 USE - POWER

USE DIV. RATE -

20.0000 CFS

USE DIV. VOLUME -

.00 AFA

USE - POWER

PLACE OF USE - TWN 05S RNG 14E SEC 33 TRACT NESE LOT

AC

DECREE NAME -

DATE -

TOTAL ACRES

0

REMARKS - HEAD = 50 FT

NON IRRIG USE -

OTHER RIGHTS FOR SAME USE -

PROOF DUE - 01-01-1987 PERMIT/DENIED - 02-15-1982 PROTESTED -

HEARING -

OLD NO. -

PROOF MADE - P FLD EXAM - COND. OF APPROVAL - 05 08A 17 01E 25

DIVERSION MEANS - DIVERSION DAM & CANAL



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

December 18, 1984

Chapman and Cutler
Attn: Lucinda S. Stanton
111 West Monroe Street
Chicago, Illinois 60603

Re: Koyle Hydroelectric Project, Water Right Permit
Nos. 37-7889 and 37-7916

Dear Ms. Stanton:

The purpose of this letter is to acknowledge receipt of your letter dated November 21, 1984, and the three associated enclosures related to the above-referenced hydroelectric project.

Pursuant to previous correspondence, this office accepts and recognizes the following documents:

1. Notice of Assignment of Water Permits and Acknowledgment by State of Idaho Department of Water Resources.
2. Indenture of Mortgage and Security Agreement.
3. Acceptance of Trusts by Co-Trustee.

At this time we consider that the two water right permits remain in the name of Bonneville Pacific Corporation, pursuant to our Acknowledgment of Assignment dated June 14, 1983. We also recognize that a security interest in the permits has been granted to the First Security Bank of Utah, National Association and the First Security Bank of Idaho, National Association under the Indenture of Mortgage and Security Agreement dated as of May 1, 1984. As indicated in my letter dated November 9, 1984, this Assignment of Security Interest is acceptable because the First Security Bank of Idaho, National Association is a bank that is qualified to do business in Idaho.

MICROFILMED

Chapman and Cutler
Lucinda S. Stanton
December 18, 1984
Page 2

At this time our records are complete based on the information that you have provided and no further documentation is required to described the transactions of which we have been notified to date.

Sincerely,



DAVID R. TUTHILL, JR., P.E.
Supervisor, Water Allocation Section

DRT/lis

cc: Mr. Ralf M. Lucke

UNRECORDED

Law Offices of

CHAPMAN AND CUTLER

a partnership including professional corporations

Theodore S. Chapman
1877-1943
Henry E. Cutler
1879-1959

111 West Monroe Street, Chicago, Illinois 60603

TWX 910-221-2103 Telex 206281
Telephone 312 845-3000

Salt Lake City Office
50 South Main Street
Salt Lake City, Utah 84144
Telephone 801 533-0066

November 21, 1984

RECEIVED
NOV 26 1984

DEPARTMENT OF WATER
RESOURCES
Statehouse
Boise, Idaho 83720

Department of Water Resources

Attention: Mr. A. Kenneth Dunn

Re: \$1,622,500 14% Secured Notes due 1985-1994
of Bonneville Pacific Corporation (Koyle
Ranch Hydroelectric Project)

Dear Mr. Dunn:

Pursuant to your letter of May 17, 1984 we are enclosing
herewith one originally executed copy of each of the following
documents:

1. Notice of Assignment of Water Permits and
Acknowledgment by State of Idaho Department
of Water Resources.
2. Indenture of Mortgage and Security Agreement.
3. Acceptance of Trusts by Co-Trustee.

Thank you for your attention to this matter. Please
contact me should you have any questions.

Very truly yours,

CHAPMAN AND CUTLER

By Lucinda S. Stanton
Lucinda S. Stanton
Legal Assistant

LSS/klm
Enclosures

Please acknowledge receipt of the above-mentioned
documents on this 26 day of November, 1984.

RECEIVED

DEPARTMENT OF WATER RESOURCES

By David R. Tuttle Supv. Water Allocation
Section



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

November 19, 1984

Mr. Ralf M. Lucke
Security Title Company, Inc.
102 Fifth Avenue East
P.O. Box 28
Gooding, ID 83330

Re: Koyle Ranch Hydroelectric Project, Water Right Permit Nos. 37-7889
and 37-7916

Dear Mr. Lucke:

We are in receipt of the Acceptance of Trusts by Co-Trustee in which the First Security Bank of Idaho, National Association, accepts its appointment as Co-Trustee for the purpose of holding the lien and security interest granted by the debtor, Bonneville Pacific Corporation, under a mortgage of the above-referenced water rights.

Please be advised that because the First Security Bank of Idaho, National Association, is a bank that is qualified to do business in Idaho, the bank can indeed act as Co-Trustee of a loan with respect to the hydropower project identified by the above-referenced water right permits. Also please be advised that the permits remain in the name of John H. Koyle, since no assignment of the permits has been executed.

In the letter from Ms. Lucy S. Stanton, a paralegal with Chapman and Cutler, she requested that the document be filed and returned to her. Therefore, because we have received and examined the original, signed document, we will retain only a copy for our files and are returning enclosed the original for your use. Please advise this office if further documentation of this transaction is required.

Sincerely,

DAVID R. TUTHILL, JR., P.E.
Supervisor, Water Allocation Section

DRT/lis

Enclosure

MICROFILMED

RECEIVED

NOV 7 1984

Department of Water Resources
Southern District Office

ACCEPTANCE OF TRUSTS BY CO-TRUSTEE

ACCEPTANCE OF TRUSTS BY CO-TRUSTEE (the "Acceptance") dated as of May 1, 1984, by FIRST SECURITY BANK OF IDAHO, NATIONAL ASSOCIATION (the "Co-Trustee"), whose post office address is Post Office Box 7069, Boise, Idaho 83730.

RECITALS:

A. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the hereinafter defined Mortgage.

B. Bonneville Pacific Corporation, a Utah corporation (the "Debtor"), has entered into a Note Agreement dated as of May 1, 1983 (the "Note Agreement"), with the Purchaser. The Note Agreement, as amended, provides for, among other things, the commitment of the Purchaser to purchase the 14% Secured Notes of the Debtor (the "Notes") not exceeding an aggregate principal amount of \$1,622,500. The Notes are to be dated the date of issue, to bear interest at the rate of 14% per annum prior to maturity, to be payable in 40 consecutive installments of both principal and interest, and to be payable quarterly on the Interest Payment Dates.

C. The Debtor has entered into an Indenture of Mortgage and Security Agreement dated as of May 1, 1984 (the "Mortgage"), with First Security Bank of Utah, National Association, as trustee (the "Security Trustee"). The Mortgage provides for, among other things, the assignment by the Debtor to the Security Trustee of all right, title and interest of the Debtor in the Land, the Water Rights, the Facility and certain other rights and properties of the Debtor, as security for the full and complete performance by the Debtor of its obligations under the Note Agreement and the Notes.

D. In the Mortgage, the Debtor and the Security Trustee jointly appoint the Co-Trustee as co-trustee, jointly with the Security Trustee, for the purpose of holding the lien and security interest granted by the Debtor under the Mortgage in the Water Rights, as defined in the Mortgage and as described in Exhibit A hereto.

NOW, THEREFORE, the Co-Trustee, in consideration of the premises and other good and valuable consideration, receipt whereof is hereby acknowledged, hereby accepts its appointment as co-trustee under Mortgage for the purposes set forth therein, and agrees that it shall be entitled to the benefits accruing to and subject to the duties and responsibilities of, a trustee under the Mortgage, as set forth therein.

MICROFILMED

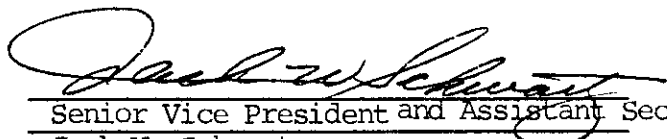
IN WITNESS WHEREOF, the Co-Trustee has caused this Acceptance to be executed on its behalf by one of its Vice Presidents & Trust Officers and its corporate seal to be hereunto affixed, and said Seal and this Acceptance to be attested to by one of its Senior Vice Presidents all as of the day and year first above written. and Assistant Secretary

FIRST SECURITY BANK OF IDAHO,
NATIONAL ASSOCIATION, as
Co-Trustee

By 
Its Vice President and Trust Officer

[SEAL]

Attest:


Senior Vice President and Assistant Secretary
Jack W. Schwartz

STATE OF IDAHO)
) SS:
COUNTY OF ADA)

On the 29th day of October, 1984,
personally appeared before me Dean Buffington,
who being by me duly sworn, did say that he is the
Vice President of First Security Bank of Idaho,
National Association, and said instrument was signed in
behalf of said bank by authority of its by-laws and of a
resolution of its Board of Directors, and said Dean
Buffington acknowledged to me that said bank
executed the same.

Sherrill Port
Notary Public

[SEAL]

Residing at: *Boise*

My Commission Expires:

11-13-85

MICROFILMED

DESCRIPTION OF WATER RIGHTS

Water Rights evidenced by Applications for Permit,
Identification Nos. 37-7889 and 37-7916, respectively,
approved by State of Idaho, Department of Water Resources

EXHIBIT A

MICROFILMED

Law Offices of

CHAPMAN AND CUTLER

a partnership including professional corporations

111 West Monroe Street, Chicago, Illinois 60603

TWX 910-221-2103 Telex 206281

Telephone 312 845-3000

Theodore S. Chapman
1877-1943
Henry E. Cutler
1879-1959

Salt Lake City Office
50 South Main Street
Salt Lake City, Utah 84144
Telephone 801 533-0066

November 1, 1984

RECEIVED

NOV 7 1984

Department of Water Resources
Salt Lake District Office

Mr. Ralf M. Lucke
Security Title Company, Inc.
102 Fifth Avenue East
P. O. Box 28
Gooding, Idaho 83330

Re: Keyle Ranch HydroElectric Project

Dear Mr. Lucke:

Please find enclosed one copy of the Acceptance of Trusts By Co-Trustee to be filed with Idaho State Board of Water Rights.

Please have the document filed at your earliest convenience and returned to me.

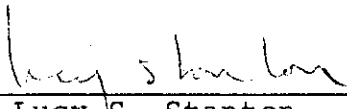
Thank you for your assistance in this matter.

Very truly yours,

CHAPMAN AND CUTLER

Department of Water Resources

By



Lucy S. Stanton
Paralegal

LSS:sao
Enclosure

RECEIVED

RECEIVED

FEB 22 1982

Department of Water Resources

37-7889
37-7916

- 2 -

18 PERC 162,238

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

John H. Koyle) Project No. 4052-002

ORDER GRANTING EXEMPTION FROM LICENSING OF A
SMALL HYDROELECTRIC PROJECT OF 5 MEGAWATTS OR LESS
(Issued February 17, 1982)

The Applicant 1/ filed an application for exemption from all or part of Part I of the Federal Power Act pursuant to 18 C.F.R. Part 4 SUBPART K (1980) implementing in part Section 408 of the Energy Security Act (Act) of 1980 for a project as described in the attached public notice. 2/ 3/

Notice of the application was published in accordance with Section 408 of the Act and the Commission's regulations and comments were requested from interested Federal and State agencies including the U. S. Fish and Wildlife Service and the State Fish and Wildlife Agency. All comments, protests and petitions to intervene that were filed have been considered. No agency has any objection relevant to issuance of this exemption.

Standard Article 2 included in this exemption, requires compliance with any terms and conditions that Federal or State fish and wildlife agencies have determined appropriate to prevent loss of, or damage to, fish and wildlife resources. The terms and conditions referred to in Article 2 are contained in any letters of comment by these agencies which have been forwarded to the Applicant in conjunction with this exemption.

- 1/ John H. Koyle, Project No. 4052, filed on October 22, 1981.
- 2/ Pub. Law 96-294, 94 Stat. 611. Section 408 of the ESA amends inter alia, Sections 405 and 408 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. §§2705 and 2708).
- 3/ Authority to act on this matter is delegated to the Deputy Director, Office of Electric Power Regulation under §375.308 of the Commission's regulations 45 Fed. Reg. 21216 (1980), as amended by Order No. 112 in Pocket No. RM81-5, issued November 21, 1980, (45 Fed. Reg. 79024).

DC-A-30

Should the Applicant contest any terms or conditions that were proposed by Federal or State agencies in their letters of comment as being outside the scope of Article 2, the Commission shall determine whether the disputed terms or conditions are outside the scope of Article 2.

It is ordered that:

(A) The Koyle Ranch Project No. 4052 as described and designated in John H. Koyle's application filed on October 22, 1981, is exempted from all of the requirements of Part I of the Federal Power Act, including licensing, subject to the standard articles in §4.106 of the Commission's regulations attached hereto as Form P-2, 18 C.F.R. §4.106 45 Fed. Reg. 76115 (November 18, 1980).

(B) This order is final unless a petition appealing it to the Commission is filed within 30 days from the date of its issuance, as provided in Section 1.7(d) of the Commission's regulations, 18 C.F.R. 1.7(d)(1981), as amended, 44 Fed. Reg. 46449 (1981). The filing of a petition appealing this order to the Commission or an application for rehearing as provided in Section 313(a) of the Act does not operate as a stay of the effective date of this order, except as specifically ordered by the Commission.

Robert E. Cackowski

Robert E. Cackowski
Deputy Director, Office of
Electric Power Regulation

RECEIVED

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Project No. 4052-002

John H. Koyle

Project No. 4052-002

NOTICE OF APPLICATION FOR EXEMPTION FOR SMALL
HYDROELECTRIC POWER PROJECT UNDER 5 MW CAPACITY
(December 10, 1981)

Take notice that on October 22, 1981, John H. Koyle (Applicant) filed an application, under Section 408 of the Energy Security Act of 1980 (Act) (16 U.S.C. §§2705, and 2708 as amended), for exemption of a proposed hydroelectric project from licensing under Part I of the Federal Power Act. The proposed small hydroelectric project, Project No. 4052 would be located on the Big Wood River, near the town of Gooding, in Gooding County, Idaho. Correspondence with the Applicant should be directed to: John H. Koyle, Route #2, Gooding, Idaho 83330.

Project Description - The proposed project would consist of: (1) an 8-foot high rock-rubble diversion structure; (2) a canal; (3) headworks; (4) six 265-foot long, 30 inch diameter penstocks; (5) a powerhouse containing six generating units, each rated at 150 kW; and (6) a 1-mile long transmission line. The average annual energy generation is estimated to be 6.7 million kWh.

Purpose of Project - The power output from the project would be sold to the Idaho Power Company.

Agency Comments - The U.S. Fish and Wildlife Service, The National Marine Fisheries Service, and the Idaho Department of Fish and Game are requested, for the purposes set forth in Section 408 of the Act, to submit within 60 days from the date of issuance of this notice appropriate terms and conditions to protect any fish and wildlife resources or to otherwise carry out the provisions of the Fish and Wildlife Coordination Act. General comments concerning the project and its resources are requested; however, specific terms and conditions to be included as a condition of exemption must be clearly identified in the agency letter. If an agency does not file terms and conditions within this time period, that agency will be presumed to have none. Other Federal, State, and local agencies are requested to provide any comments they may have in accordance with their duties and responsibilities. No other formal requests for comments will be made. Comments should be confined to substantive issues relevant to the granting of an exemption. If an agency does not file comments within 60 days from the date of issuance of this notice, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Competing Applications - Any qualified license applicant desiring to file a competing application must submit to the Commission, on or before ~~June 25, 1982~~ ^{June 25, 1981}, either the competing license application that proposes to develop at least 7.5 megawatts in that project, or a notice of intent to file such a license application. Submission of a timely notice of intent allows an interested person to file the competing license application no later than 120 days from the date that comments, protests, etc. are due. Applications for preliminary permit will not be accepted.

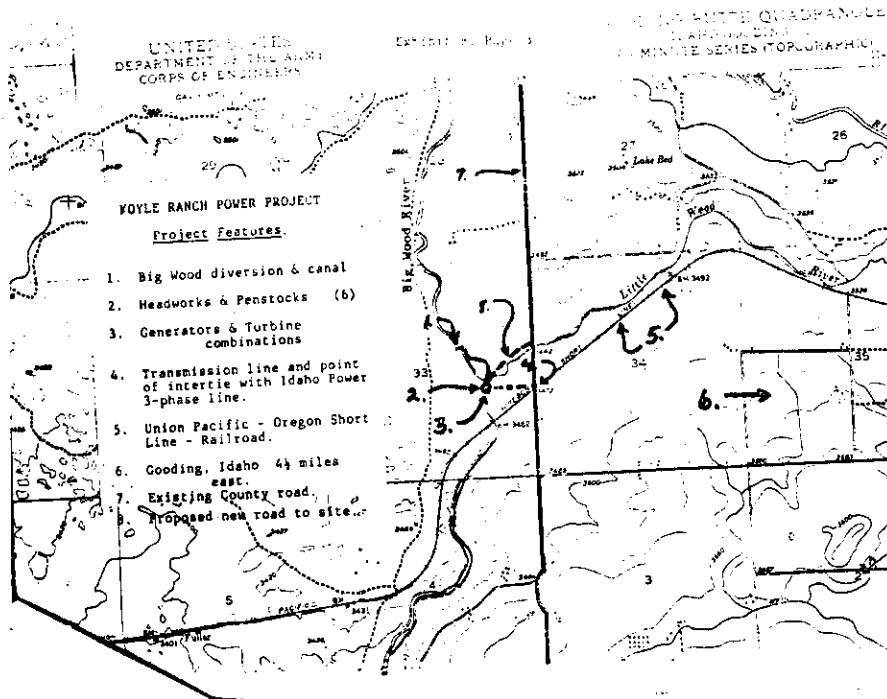
A notice of intent must conform with the requirements of 18 C.F.R. §4.33(b) and (c) (1980). A competing license application must conform with the requirements of 18 C.F.R. §4.33(a) and (d) (1980).

Comments, Protests, or Petitions to Intervene - Anyone may submit comments, a protest, or a petition to intervene in accordance with the requirements of the Rules of Practice and Procedure, 18 C.F.R. §1.8 or §1.10 (1980). In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a petition to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or petitions to intervene must be received on or before ~~June 25, 1982~~ ^{June 25, 1981}.

Filing and Service of Responsive Documents - Any filings must bear in all capital letters the title "COMMENTS", "NOTICE OF INTENT TO FILE COMPETING APPLICATION", "COMPETING APPLICATION", "PROTEST", or "PETITION TO INTERVENE", as applicable, and the Project Number of this notice. Any of the above named documents must be filed by providing the original and those copies required by the Commission's regulations to: Kenneth F. Plumb, Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, D.C. 20426. An additional copy must be sent to: Fred F. Springer, Chief, Applications Branch, Division of Hydropower Licensing, Federal Energy Regulatory Commission, Room 208 RB at the above address. A copy of any notice of intent, competing application, or petition to intervene must also be served upon each representative of the Applicant specified in the first paragraph of this notice.

Kenneth F. Plumb
Secretary

DC-A-28



§ 4.106 Standard terms and conditions of exemption from licensing.

Any exemption from licensing granted under this subpart for a small hydroelectric power project is subject to the following standard terms and conditions:

(a) Article 1. The Commission reserves the right to conduct investigations under sections 4(g), 306, 307, and 311 of the Federal Power Act with respect to any acts, complaints, facts, conditions, practices, or other matters related to the construction, operation, or maintenance of the exempt project. If any term or condition of the exemption is violated, the Commission may revoke the exemption, issue a suitable order under section 4(g) of the Federal Power Act, or take appropriate action for enforcement, forfeiture, or penalties under Part III of the Federal Power Act.

(b) Article 2. The construction, operation, and maintenance of the exempt project must comply with any terms and conditions that any Federal or state fish and wildlife agencies have determined are appropriate to prevent loss of, or damage to, fish or wildlife resources or otherwise to carry out the purposes of the Fish and Wildlife Coordination Act, as specified in Exhibit E of the application for exemption from licensing or in the comments submitted in response to the notice of the exemption application.

(c) Article 3. The Commission may accept a license application by any qualified license applicant and revoke this exemption if actual construction or development of any proposed generating facilities has not begun within 18 months, or been completed within four years, from the date on which this exemption was granted. If an exemption is revoked, the Commission will not accept a subsequent application for exemption within two years of the revocation.

(d) Article 4. This exemption is subject to the navigation servitude of the United States if the project is located on navigable waters of the United States.

(e) Article 5. This exemption does not confer any right to use or occupy any Federal lands that may be necessary for the development or operation of the project. Any right to use or occupy any Federal lands for those purposes must be obtained from the administering Federal land agencies. The Commission may accept a license application by any qualified license applicant and revoke this exemption, if any necessary right to use or occupy Federal lands for those purposes has not been obtained within one year from the date on which this exemption was granted.

CONFIDENTIAL

LAW OFFICES OF
PARSONS, BEHLE & LATIMER

A PROFESSIONAL CORPORATION

185 SOUTH STATE STREET, SUITE 700
POST OFFICE BOX 11898
SALT LAKE CITY, UTAH 84147-0898
TELEPHONE (801) 532-1234
TELECOPIER (801) 521-9868

1101 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20036-4803
TELEPHONE (202) 659-0862

FORMERLY
DICKSON, ELLIS, PARSONS & MCCREA
1882-1959

OF COUNSEL
GEORGE W. LATIMER
CONSTANCE K. LUNDBERG

KEITH E. TAYLOR
JAMES B. LEE
JOHN A. DAHLSTROM
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T. PATRICK CASEY
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HENRY D. MARSH
D. R. CHAMBERS
BYRON W. MILSTEAD
LOIS A. BAAR
JAMES E. MORTON
MICHAEL L. LARSEN
JONATHAN K. BUTLER
SUSAN R. POULTER
JULIA C. ATTWOOD

October 2, 1984

RECEIVED
OCT 4 1984

Kay Walker
Technical Records Specialist
State Of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Department of Water Resources

Re: Permit Numbers 37-7889 and 37-7916 (Koyle Ranch
Hydroelectric Project)

Dear Ms. Walker:

In your letter of August 23, 1984, you inquired as to the status of the assignment of the above-referenced permits referred to in the letter of the Director of the Department dated May 17, 1984. The loan contemplated by the above-described assignment will be consummated prior to by the end of October, 1984. I will forward to you copies of the assignment document following the closing of the loan.

Very truly yours,

Craig B. Terry
Craig B. Terry,
of and for
PARSONS, BEHLE & LATIMER

CBT:jp

MICROFILMED
no response
2/28/85
KW
10-5-84

August 23, 1984

RE: Permit Nos. 37-7889 & 37-7916
Koyle Ranch Hydroelectric Project

Mr. Craig B. Terry
Parsons, Behle & Latimer
Box 11898
Salt Lake City, UT 84147

Dear Mr. Terry:

On May 17, 1984, the Director of this Department sent correspondence to you regarding an assignment of the above referenced permits. We are enclosing a copy of that letter for your referral.

As of this date, we have not received any more information regarding the assignment of these permits. If the loan has been closed, we need to be advised of such so that we can complete our processing.

Please advise us of the status of the assignments by September 30, 1984, so we can finalize the update of these permits. If you have any questions regarding this matter, please feel free to contact our office.

Sincerely,

KAY WALKER
Technical Records Specialist

KW:sc

Enclosure

RECEIVED

May 17, 1984

Mr. Craig B. Terry
Parsons, Behle & Latimer
P. O. Box 11898
Salt Lake City, UT 84147

Dear Mr. Terry:

RE: Water Permit Nos. 37-7889 and 37-7916
Koyle Ranch Hydroelectric Project

This office has reviewed the undated Notice of Assignment of Water Permits and Acknowledgment by State of Idaho Department of Water Resources form to be executed by Bonneville Pacific Corporation as debtor under the Indenture of Mortgage, and Security Agreement dated as of May 1, 1984, in favor of First Security Bank of Utah, National Association, and First Security Bank of Idaho, National Association, a corporation qualified to do business in the State of Idaho, as secured party, known collectively as the "Security Trustee."

Upon their appropriate execution by the parties, the documents submitted for review satisfy the requirements of Section 42-206 and 42-207, Idaho Code.

Chapman and Cutler, counsel for New England Mutual Life Insurance Company, the lender, is hereby authorized to date and deliver the enclosed six executed copies of the Notice of Assignment of Water Permits and Acknowledgment by State of Idaho Department of Water Resources on the date of closing the loan.

Please provide the department with executed copies of these documents after the closing of the loan.

Sincerely,

A. KENNETH DUNN
Director

AKD:alw

MICROFILMED

file copy
5-16-84

NOTICE OF ASSIGNMENT OF WATER PERMITS AND ACKNOWLEDGMENT
BY STATE OF IDAHO DEPARTMENT OF WATER RESOURCES

State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Re: Water Permit Nos. 37-7889 and 37-7916 -- Koyle
Ranch Hydroelectric Project

Gentlemen:

Reference is made to Water Permit Nos. 37-7889 and 37-7916 (the "Permits"), which were initially issued by the State of Idaho Department of Water Resources to John H. Koyle. Mr. Koyle has assigned to Bonneville Pacific Corporation, a Utah corporation (the "Company"), under the Assignment of Water Rights and Permits dated June 13, 1983 from John H. Koyle and Margaret H. Koyle, as assignors, to the Company, as assignee, all the rights and duties of Mr. Koyle in and to the Permits as set forth therein.

You are hereby notified that the Company has granted a security interest to First Security Bank of Utah, National Association, a national banking association, and First Security Bank of Idaho, National Association, a national banking association (collectively the "Security Trustee"), under the Indenture of Mortgage and Security Agreement dated as of May 1, 1984, a copy of which is enclosed herewith, between the Company, as debtor, and the Security Trustee, as secured party, in all the right, title, interest, claims and demands now held or hereafter acquired by the Company in, under and to the Permits.

This instrument may be executed in any number of counterparts, each such counterpart constituting an original but all together one and the same instrument.

Dated:

BONNEVILLE PACIFIC CORPORATION

By _____
Its _____

Acknowledged, consented and agreed to on the date
hereof.

STATE OF IDAHO DEPARTMENT OF WATER
RESOURCES

By B. A. Kenneth Dunn
Its DIRECTOR

MICROFILMED



01752 46

CONSIGNEE

FORWARDER AIRBILL NO.



A 0 1 7 5 2 4 4 6

SHIPPER'S ACCOUNT NO.

SHIPPER'S REFERENCE

ORIGIN

723435110

0972.4

SLC

DESTIN.

DATE

PIECES

WEIGHT

FROM (SHIPPER) SENT BY:

PARSONS BEILC AND LATIMER

Craig R. Terry
105 SOUTH STATE
SALT LAKE CITY, UT

84115

PLEASE USE FULL ADDRESSES
NO. P.O. BOX

TELEPHONE

(801) 5321234

ZIP CODE

83720

TELEPHONE

TO (CONSIGNEE) ATTN. OF:

Mr. Glen R. Saxton
Department of Water Resources
450 West State Street
Boise, Idaho

SERVICE

CHARGE

WEIGHT

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EXPRESS☐

HANDLING

☐

VISA PAK

☐

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☐

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Legal Documents

TOTAL DECLARED
VALUE
(FOR CARRIER'S
INSURANCE ONLY)

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01752446

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INSURANCE COVERAGE?YES ☐NO ☒INSURED
AMOUNT*

* NOT TO EXCEED \$10,000 OR EQUIVALENT

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5/15/84

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RECIPIENT☐ CREDIT CARD
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DATE

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Jill Clemens

DATE

5/16/84

TIME

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CAJANE11/83

TERMS AND CONDITIONS

By tendering materials for shipment via DHL's DOCUMENT COURIER SERVICE or SMALL PARCEL EXPRESS SERVICE, the Shipper agrees to the terms and conditions stated herein and to DHL's STANDARD CONDITIONS OF CARRIAGE which are incorporated into this contract by reference and which are available from or for inspection at any DHL office. No agent or employee of DHL or the Shipper may alter or modify these terms and conditions.

1. THE AIRBILL

This DHL AIRBILL is NON-NEGOTIABLE, and the Shipper acknowledges that it has been prepared by the Shipper or by DHL on behalf of the Shipper. The Shipper warrants that it is the owner of the goods transported hereunder, or it is the authorized agent of the owner of the goods, and that it hereby accepts DHL's terms and conditions for itself and as agent for and on behalf of any other person having any interest in the shipment.

2. SHIPPER'S OBLIGATIONS AND ACKNOWLEDGEMENTS

The Shipper warrants that each article in the shipment is properly described on this AIRBILL and has not been declared by DHL to be unacceptable for transport, and that the shipment is properly marked and addressed and packed to ensure safe transportation with ordinary care in handling.

The Shipper hereby acknowledges that DHL may abandon and/or release any item consigned by the Shipper to DHL, which DHL has declared to be unacceptable or which the Shipper has undervalued for Customs' purposes or misdescribed hereon, whether intentionally or otherwise, without incurring any liability whatsoever to the Shipper and the Shipper will save and defend, indemnify and hold DHL harmless from all claims, damages, fines and expenses arising therefrom.

The Shipper shall be liable for all costs and expenses related to the shipment and for costs incurred in either returning the shipment to the Shipper or warehousing the shipment pending disposition.

3. RIGHT OF INSPECTION OF SHIPMENT

DHL has the right, but not the obligation, to inspect any shipment including, without limitation, opening the shipment.

4. LIEN ON GOODS SHIPPED

DHL shall have a lien on any goods shipped for all freight charges, customs duties, advances or other charges of any kind arising out of the transportation hereunder and may refuse to surrender possession of the goods until such charges are paid.

5. LIMITATION OF LIABILITY

The liability of DHL for any loss or damage to the shipment (which term shall include all documents or parcels consigned to DHL under this AIRBILL) is limited to the lesser of:

- US \$100, or
- The amount of loss or damage to a document or parcel actually sustained, or
- The Actual Value of the document or parcel as determined under section 6 hereof, without regard to its commercial utility or special value to the Shipper.

6. ACTUAL VALUE

- The Actual Value of a document (which term shall include any item of no commercial value which is transported hereunder) shall be ascertained by reference to its cost of preparation or replacement, reconstruction, or reconstitution value at the time and place of shipment, whichever is less.
- The Actual Value of a parcel (which term shall include any item of commercial value which is transported hereunder) shall be ascertained by reference to its cost of repair or replacement, resale, or fair market value at the time and place of shipment, whichever is less. In no event shall such value exceed the original cost of the article actually paid by the Shipper plus 10%.

7. CONSEQUENTIAL DAMAGES EXCLUDED

DHL shall not be liable, in any event, for any consequential or special damages or other indirect loss, however arising, whether or not DHL had knowledge that such damages might be incurred, including, but not limited to, loss of income, profits, interest, utility or loss of market.

8. LIABILITIES NOT ASSUMED

While DHL will endeavour to exercise its best efforts to provide expeditious delivery in accordance with regular delivery schedules, DHL WILL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE FOR DELAY IN PICK-UP, TRANSPORTATION OR DELIVERY OF ANY SHIPMENT, REGARDLESS OF THE CAUSE OF SUCH DELAY.

Further, DHL shall not be liable for any loss, damage, mis-delivery or non-delivery:

- due to act of God, force majeure occurrence or any cause reasonably beyond the control of DHL, or
- caused by:
 - The act, default or omission of the Shipper, the Consignee or any other party who claims an interest in the shipment (including violation of any term or condition hereof), or of any person other than DHL, or of any Customs' or other Government Officials, or of any Postal Service, forwarder or other entity or person to whom a shipment is tendered by DHL for transportation to any location not regularly served by DHL, regardless of whether the Shipper requested or had knowledge of such third-party delivery arrangement;
 - The nature of the shipment or any defect, characteristic, or inherent vice thereof;
 - Electrical or magnetic injury, erasure, or other such damage to electronic or photographic images or recordings in any form.

9. CLAIMS

- Any claim must be brought by the Shipper and delivered in writing to the office of DHL nearest the location at which the shipment was accepted within 30 days of the date of such acceptance. No claim may be made against DHL outside of that time limit.
- No claim for loss or damage will be entertained until all transportation charges have been paid. The amount of any such claim may not be deducted from any transportation charges owed DHL.

10. APPLICABILITY

These terms and conditions shall apply to, and inure to the benefit of DHL AIRWAYS, INC. and its authorized agents and affiliated companies, and their officers, directors and employees.

11. MATERIALS NOT ACCEPTABLE FOR TRANSPORT

DHL will not carry:

Currency	Stamps	Works of Art	Negotiable instruments in bearer form
Jewelry	Precious metals	Precious Stones	Lewd, obscene, or pornographic materials
Bullion	Fire Arms	Explosives	Industrial carbons and diamonds
Cashier's checks	Money orders	Traveler's checks	IATA restricted articles, including hazardous or combustible materials
Antiques	Plants	Animals	Property the carriage of which is prohibited by any law, regulation or statute of any federal, state or local government of any country from, to or through which the shipment may be carried.
Pharmaceuticals	Drugs	Foodstuffs	
Liquor	Tobacco	Perishables	

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INSURANCE

- At the request of the Shipper and upon payment therefor, DHL will arrange insurance on behalf of the Shipper in an amount not exceeding US \$10,000.00.
- The insurance coverage shall be governed by all of the terms and conditions contained in the policy of insurance issued by the insurance carrier.
- CONSEQUENTIAL DAMAGES AND LOSS OR DAMAGE RESULTING FROM DELAYS IN TRANSPORTATION ARE NOT COVERED BY ANY SUCH POLICY OF INSURANCE.**

LAW OFFICES OF
PARSONS, BEHLE & LATIMER

A PROFESSIONAL CORPORATION

185 SOUTH STATE STREET, SUITE 700
POST OFFICE BOX 11898
SALT LAKE CITY, UTAH 84147
TELEPHONE (801) 532-1234
TELECOPIER (801) 521-9668

1101 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20036
TELEPHONE (202) 659-0862

FORMERLY
DICKSON, ELLIS, PARSONS & McCREA
1882-1959

OF COUNSEL
GEORGE W. LATIMER
CONSTANCE K. LUNDBERG

KEITH E. TAYLOR
JAMES B. LEE
JOHN A. DAHLSTROM
GORDON L. ROBERTS
F. ROBERT REEDER
WILLIAM L. CRAWFORD
LAWRENCE E. STEVENS
DANIEL M. ALLRED
HOWARD J. MARSH
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DAVID S. DOLOWITZ
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C.C. PARSONS
1907-1968

CALVIN A. BEHLE
1947-

VAL R. ANTCHAK
PATRICK J. GARVER
SPENCER E. AUSTIN
JOHN B. WILSON
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CRAIG B. TERRY
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PATRICIA J. WINMILL
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JAMES E. MORTON
MICHAEL L. LARSEN
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SUSAN R. POULTER

May 15, 1984

RECEIVED
MAY 16 1984

Mr. L. Glen Saxton
Chief, Operations Bureau
State of Idaho
Department of Water Resources
State Office
450 West State Street
Boise, Idaho 83720

Department of Water Resources

Re: Water Permit Numbers 37-7889 and 37-7916
Koyle Ranch Hydroelectric Project

Dear Glen:

I am enclosing for execution by the Department of Water Resources six (6) copies of a Notice of Assignment of Water Permits and Acknowledgment by State of Idaho Department of Water Resources.

Also enclosed is a copy of the Indenture of Mortgage and Security Agreement dated as of May 1, 1984 between Bonneville Pacific Corporation and First Security Bank of Utah, National Association. The Indenture of Mortgage and Security Agreement has not yet been executed. However, I will send to you a copy of the Indenture of Mortgage and Security Agreement as soon as it has been executed.

I call your attention to pages 39 and 40 of the Indenture of Mortgage and Security Agreement, which provides that First Security Bank of Idaho, National Association, is appointed as a co-trustee for the purpose of holding the lien and security interest granted by the Debtor in the water rights described in Exhibit C attached thereto.

MICROFILMED

L. Glen Saxton
May 15, 1984
Page 2

The addition of First Security Bank of Idaho, National Association as a co-trustee should satisfy your concern regarding compliance with Idaho Code Section 42-207.

Please arrange for execution of all six (6) copies of the enclosed Notice of Assignment of Water Permits and Acknowledgment by State of Idaho Department of Water Resources. Please leave the Notices undated. Chapman and Cutler, counsel for New England Mutual Life Insurance Company, the lender, requests that you authorize them, by separate cover letter, to date and deliver the enclosed Notice of Assignment of Water Permits and Acknowledgment by State of Idaho Department of Water Resources on the date of closing the loan.

If you have any questions regarding the above request, please do not hesitate to telephone me. I will mail to you immediately following the loan closing a signed copy of the Indenture of Mortgage and Security Agreement.

Very truly yours,

Craig B. Terry

Craig B. Terry
of and for
PARSONS, BEHLE & LATIMER

CBT:jp
Enclosures

cc: Mr. Wynn Johnson

UNRECORDED

A DENOTES DELETION
UNDERLINE DENOTES ~~CHANGES~~

Draft Dated: May 4, 1984.

Marked show revisions from
form attached to the Note Agreement
dated as of May 1, 1983.

INDENTURE OF MORTGAGE
AND SECURITY AGREEMENT

REC'd
DWR
MAY 16, 1984

Dated as of May 1, 1984

Between

BONNEVILLE PACIFIC CORPORATION

Debtor

and

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION

Security Trustee

(Koyle Ranch Hydroelectric Project)

MICROFILMED

This instrument was prepared by:

Robert P. Davis
Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

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ATTACHMENTS TO INDENTURE OF MORTGAGE AND SECURITY AGREEMENT:

Schedule 1 -- Operating Expense Categories

Exhibit A -- Form of 14% Secured Note

Exhibit B -- Description of Land

Exhibit C -- Description of Water Rights

Exhibit D -- Description of Facility

Exhibit E -- Description of Construction Contracts

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INDENTURE OF MORTGAGE
AND SECURITY AGREEMENT

INDENTURE OF MORTGAGE AND SECURITY AGREEMENT (the "Mortgage") dated as of May 1, 1984 between BONNEVILLE PACIFIC CORPORATION, a Utah corporation (the "Debtor"), whose post office address is 200 East South Temple, Suite 300, Salt Lake City, Utah 84111, and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION (the "Security Trustee"), whose post office address is 79 South Main Street, Salt Lake City, Utah 84111.

RECITALS:

A. The defined terms used in this Mortgage shall have the respective meanings indicated in Section 1 unless elsewhere defined or the context shall otherwise require.

B. The Debtor has entered into a Note Agreement dated as of May 1, 1983 (the "Note Agreement") with the Purchaser. The Note Agreement, as amended, provides for, among others, the commitment of the Purchaser to purchase on or before May 1, 1984, the 14% Secured Notes due 1984 - 1994 of the Debtor, not exceeding an aggregate principal amount of \$1,622,500. The Notes are to be dated the date of issue, to bear interest at the rate of 14% per annum prior to maturity, to be payable in 40 consecutive installments of both principal and interest, and to be payable quarterly on the Interest Payment Dates with the final such installment being payable on _____, 1994. The Notes are to be otherwise substantially in the form set forth as Exhibit A hereto.

C. The proceeds of the Notes are to be applied by the Debtor to finance a portion of the cost to the Debtor of a hydro-electric facility constructed on the Land.

D. All of the requirements of law have been fully complied with and all other acts and things necessary to make this Mortgage a valid, binding and legal instrument to secure the Indebtedness Hereby Secured have been done and performed.

NOW, THEREFORE, the Debtor in consideration of the premises and of the payment of the proceeds of the issuance and sale of the Notes to the Debtor in the total amount of \$1,622,500 and other good and valuable consideration, receipt whereof is hereby acknowledged, and in order to secure the equal and pro rata payment of both the principal of and premium, if any, and interest upon Notes at any time outstanding hereunder according to their tenor and effect, and to secure the payment of all other Indebtedness Hereby Secured and the performance and observance of

all the covenants and conditions contained in the Notes, this Mortgage and the Note Agreement, does hereby mortgage, assign, pledge and hypothecate unto the Security Trustee, its successors in trust and assigns, forever, and grants to the Security Trustee, its successors in trust and assigns, forever, a security interest in, all and singular the following described properties, rights, interests and privileges (hereinafter sometimes referred to as the "mortgaged property"):

DIVISION I

All right, title and interest of the Debtor in that certain real property (the "Land") described in Exhibit B attached hereto.

DIVISION II

All right, title and interest of the Debtor in the water and water rights (the "Water Rights") described in Exhibit C attached hereto.

DIVISION III

All right, title and interest of the Debtor in all buildings, other constructions, structures and improvements, together with all appurtenances thereto, and all heating, sprinkler and electric light systems, boilers, plumbing, electrical switchgear, duct work, reactors, distribution lines, tracks, tanks and switches and other machinery and equipment used or useful by the Debtor which are classified as fixtures and a part of the freehold under applicable laws, whether such right, title or interest is now owned or hereafter acquired by conveyance, lease, servitude or otherwise, and which are located on the Land.

DIVISION IV

The Facility, as the same is now and will hereafter be constituted, whether now owned by the Debtor or hereafter acquired, together with all accessories, equipment, parts and appurtenances appertaining or attached to the Facility, whether now owned or hereafter acquired, and all substitutions, renewals and replacements of and additions, improvements, accessions and accumulations to any and all of said Facility together with all the rents, issues, income, profits and avails thereof.

DIVISION V

All right, title, interest, claims and demands of the Debtor in, to and under

A. the Construction Contracts, and all right, title, interest, claims and demands of the Debtor under the purchase orders, installation contracts and other agreements in respect thereof,

B. the Assignment Agreement and the Assignment of Water Rights,

C. the Water Agreement,

D. the FERC Exemption, and

E. any and all other contracts and agreements relating to the Facility or any rights or interests therein to which the Debtor is now or may hereafter be a party,

together with all rights, powers, privileges, licenses, easements, options and other benefits of the Debtor under each thereof, including, without limitation, the right to make all waivers and agreements, to give and receive duplicate copies of all notices and other instruments or communications, to take such action upon the occurrence of a default thereunder, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted thereby or by law, and to do any and all other things which the Debtor is or may be entitled to do thereunder.

DIVISION VI

All right, title, interest, claims and demands of the Debtor, as seller under the Power Sales Agreement, together with all rights, powers, privileges and other benefits of the Debtor as seller thereunder, including, without limitation, the immediate and continuing right to receive all moneys payable to or receivable by the Debtor pursuant thereto, and the right to make all waivers and agreements, to give and receive duplicate copies of all notices and other instruments or communications, to take such action upon the occurrence of an Event of Default, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted thereby or by law, and to do any and all other things whatsoever which the Debtor is or may be entitled to do thereunder; it being the intent and purpose hereof that the assignment and transfer to the Security Trustee of said rights, powers, privileges and other benefits shall be effective and operative immediately and shall

continue in full force and effect, and the Security Trustee shall have the right to collect and receive said moneys for application in accordance with the provisions of Section 5 hereof at all times during the period from and after the date of this Mortgage until the Indebtedness Hereby Secured has been fully paid and discharged.

DIVISION VII

Funds now or hereafter held pursuant to Section 5 and Section 6 hereof.

SUBJECT, HOWEVER, to Permitted Encumbrances.

TO HAVE AND TO HOLD the mortgaged property unto the Security Trustee, its successors and assigns, forever, IN TRUST NEVERTHELESS, upon the terms and trust herein set forth, for the equal and proportionate benefit, security and protection of all present and future holders of the Notes outstanding hereunder from and after the issuance of the Notes, without preference, priority or distinction of any Note over any other Note by reason of priority at the time of issue, sale, negotiation, date of maturity thereof or otherwise for any cause whatsoever; provided always, however, that these presents are upon the express condition that if the Debtor shall pay or cause to be paid all the Indebtedness Hereby Secured and shall observe, keep and perform all the terms and conditions, covenants and agreements herein and in the Note Agreement and the Notes contained, then these presents and the estate hereby granted and conveyed shall cease and this Mortgage shall become null and void; otherwise this Mortgage shall remain in full force and effect.

SECTION 1. DEFINITIONS.

The following terms shall have the following meanings for all purposes of this Mortgage:

"Assignment Agreement" shall mean the Assignment Agreement dated June 13, 1983, between the Koyles and the Debtor, substantially in the form attached to the Note Agreement as Exhibit B.

"Assignment of Water Rights" shall mean the Assignment of Water Rights and Permits dated June 13, 1983, between the Koyles and the Debtor, substantially in the form attached to the Note Agreement as Exhibit C thereto, as approved by the Idaho Department of Water Resources in its letter dated June 14, 1983 to the Debtor.

"Canal Company" shall mean the Northside Canal Company, Ltd., a non-profit Idaho irrigation corporation.

"Casualty Occurrence" shall mean the destruction of all or substantially all of the Facility or damage to the Facility to such an extent that, in the good faith determination of the Debtor as approved by its Board of Directors (which determination shall be made as soon as practical after the occurrence of such damage, but in no event later than 90 days after such occurrence), the repair of the Facility is impracticable or uneconomic.

"Condemnation" shall mean the condemnation (which shall include a requisition of use by any governmental authority only when such requisition is by its terms for a specified period of more than three years) or taking of all or substantially all of the Project.

"Construction Contracts" shall mean the contracts described in Exhibit E hereto, in each case relating to the construction of the Facility, as assigned pursuant to the Assignment of Contracts dated June 21, 1983 from the Koyles to the Debtor.

"Construction Lender" shall mean First Interstate Bank of Utah, N.A.

"Default" shall mean any event which would constitute an Event of Default if any requirement in connection therewith for the giving of notice, or the lapse of time, or the happening of any further condition, event or act, had been satisfied.

"Eligible Securities" shall mean (a) Certificates of Deposit issued by a bank or trust company organized under the laws of the United States or any state thereof having capital, surplus and undivided profits aggregating at least \$25,000,000, (b) Certificates of Deposit issued by, and money market and savings accounts of, First Security Bank of Utah, National Association, so long as First Security Bank of Utah, National Association shall be acting as Security Trustee hereunder, and (c) direct obligations of the United States of America.

"Event of Default" is defined in Section 7.1 hereof.

"Facility" shall mean those personal property components of the hydroelectric plant which are described in Exhibit D hereto, together with any and all appliances, parts, instruments, appurtenances, accessories and other equipment from time to time incorporated or installed in the hydroelectric plant which are the property of the Debtor.

"FERC Exemption" shall mean the Order Granting Exemption from Licensing for a Conduit Hydroelectric Project issued

February 17, 1982, Project No. 4052-002, by the Office of Electric Power Regulation, Federal Energy Regulatory Commission.

"Indebtedness Hereby Secured" shall mean the outstanding Notes and all principal thereof (and premium, if any) and interest thereon and all additional amounts and other sums at any time due and owing from or required to be paid by the Debtor under the terms of the outstanding Notes or this Mortgage.

"Interest Payment Dates" shall mean the ____ day of each _____, _____, _____ and _____, commencing _____, 198_, with the last such date being _____ 199_.

"Koyles" shall mean John H. Koyle and Margaret H. Koyle, husband and wife, residing at Route 2, Box 254, Gooding, Idaho 83330.

"Land" is defined in Division I of the granting clauses hereof.

"Note" shall mean any of, and "Notes" shall mean all of, the then outstanding Notes from time to time issued hereunder. The term "outstanding" when used with reference to Notes shall mean, as of any particular time, all Notes delivered by the Debtor hereunder and secured hereby, except:

(a) Notes theretofore cancelled by the Security Trustee or delivered to the Security Trustee for cancellation;

(b) Notes for the payment or prepayment of which moneys in the necessary amount shall have been deposited in trust with the Security Trustee;

(c) Notes in lieu of or in substitution for which other Notes shall have been delivered pursuant to the terms of Section 2 hereof; and

(d) Notes held by or under the direct or indirect control of the Debtor (unless all of the Notes have been purchased by the Debtor).

The term "Noteholder" shall mean a Person in whose name a Note is registered in the Register.

"Note Agreement" is defined in Recital B hereof.

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"Officer's Certificate" shall mean a certificate signed by the Chairman of the Board, the President, a Vice President or the Treasurer of any corporation or a general partner of any partnership (and if a corporate general partner, signed on behalf of said general partner by its Chairman of the Board, President, any
^

Vice President or Treasurer) or the trustee of any trust, and delivered to the Security Trustee.

"Operative Agreements" shall have the meaning specified in the Note Agreement.

"Permitted Contest" shall mean a good faith contest by the Debtor, in a manner which the Security Trustee determines will not result in the imposition of any criminal penalty on, or adversely affect the title, property or right of, any Noteholder or the Security Trustee, of the legality or validity of any of the taxes, assessments, levies, fees or other governmental charges, or other claims, liens or impositions (collectively referred to in this paragraph as "charges") which, under the terms of this Security Agreement, are required to be paid by the Debtor. If the Security Trustee obtains an opinion of counsel for purposes of making such determination, the Debtor shall reimburse the Security Trustee for any reasonable legal fees incurred in obtaining such legal opinion. No contest which would otherwise be a Permitted Contest shall be carried on or maintained by the Debtor after the time limited for the payment of any such charges unless the Debtor, at its option, (i) shall pay the amount involved under protest, or (ii) shall procure and maintain a stay of all proceedings to enforce any collection of such charges, together with all penalties, interest, costs and expenses, by a deposit of a sufficient sum of money or by a good and sufficient undertaking as may be required or permitted by law to accomplish such stay, or (iii) shall deposit with the Security Trustee, as security for the performance by the Debtor of its obligations hereunder with respect to such charges, an amount equal to the principal of the contested charges, plus such further amounts as the Security Trustee may reasonably require from time to time to cover all penalties, interest, costs and expenses that may accrue during the period of the contest. In the event any such contest is made by the Debtor, the Debtor shall, within five days after final determination thereof, fully pay and discharge the amount determined to be due in any such contest, together with all penalties, fines, interest, costs or expenses that may have accrued thereon or that may result from any such action by the Debtor, whereupon if no Event of Default shall have occurred and be continuing, the Security Trustee shall return to the Debtor all amounts, if any, deposited by the Debtor in accordance with clause (iii) of the third sentence of this paragraph.

"Permitted Encumbrances" shall with respect to the Project mean (i) the security interest of the Security Trustee hereunder; (ii) any liens thereon for taxes, assessments, levies, fees and other governmental and similar charges not due and payable or the amount or validity of which is being contested by a Permitted Contest; (iii) any liens of mechanics, suppliers, materialmen and laborers for work or service performed or materials furnished in connection with the Project which are not

due and payable or the amount or validity of which is being contested by a Permitted Contest; (iv) rights reserved to or vested in any government or public authority to condemn or appropriate the Project or control or regulate the Project or the use of the Project in any manner; and (v) ^Arestrictions and minor defects, encumbrances and irregularities in the title to the Land which, in the aggregate, do not materially impair the use of the Project or materially and adversely affect the value thereof.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization, and a government or agency or political subdivision thereof.

"Power Company" shall mean Idaho Power Company, a Maine corporation, and any corporation which succeeds thereto by merger or consolidation or which acquires all or substantially all of the assets thereof.

"Power Sales Agreement" shall mean the Agreement dated February 15, 1983, as amended by Amendment No. 1 thereto dated as of March 1, 1983, in each case between the Koyles and the Debtor, joint venturers, and the Power Company and substantially in the form attached to the Note Agreement as Exhibit E, as assigned to the Debtor pursuant to the Assignment Agreement.

"Project" shall mean the hydroelectric facility known as the Koyle Ranch Hydroelectric Project, comprised of the Land, the Water Rights and the Facility.

"Property" shall mean any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Purchaser" shall mean New England Mutual Life Insurance Company, and its successors and assigns under the Note Agreement.

"Register" is defined in Section 2.3 hereof.

"Registered Note" is defined in Section 2.3 hereof.

"Reserve Fund" shall mean the reserve fund created pursuant to Section 6 hereof.

"Security" shall have the same meaning as in Section 2(1) of the Securities Act of 1933, as amended.

"Water Agreement" shall mean the Agreement dated ^AMay 4, 1983, between the Canal Company and John H. Koyle, substantially in the form attached to the Note Agreement as Exhibit D, as assigned to the Debtor pursuant to the Assignment Agreement.

"Water Rights" is defined in Division II of the granting clauses hereof.

Terms not otherwise defined herein shall have the respective meanings assigned thereto in the Note Agreement.

SECTION 2. EXECUTION, PAYMENT, REGISTRATION, ETC. OF NOTES.

Section 2.1. Execution of Notes. The Notes shall be signed on behalf of the Debtor by any person who, at the date of the actual execution of such Note, shall be a proper officer of the Debtor. Only such Notes as shall bear thereon a certificate of authentication substantially in the form set forth in Exhibit A hereto shall be entitled to the benefits of this Mortgage or be valid or obligatory for any purpose. Such certificate by the Security Trustee upon any Note executed by the Debtor shall be conclusive evidence that the Note so authenticated has been duly authenticated and delivered hereunder and that the holder is entitled to the benefits of this Mortgage. The authentication by the Security Trustee of any Note issued hereunder shall not be construed as a representation or warranty by the Security Trustee as to the validity or security of this Mortgage or of such Note, and the Security Trustee shall in no respect be liable or answerable for the use made of such Note or the proceeds thereof. The Security Trustee shall, upon presentation to it of Notes duly executed on behalf of the Debtor, authenticate such Notes upon the written request of the Debtor so to do and shall thereupon deliver such Notes to or upon the written order of the Debtor signed by the President or a Vice President of the Debtor.

Section 2.2. Payment of Notes.

(a) The principal of, premium, if any, and interest on the Notes shall be payable at the principal office of the Security Trustee, in lawful money of the United States of America. Payment of principal and interest on the Notes shall be made only upon presentation of such Notes to the Security Trustee for notation thereon of the amount of such payment.

(b) Notwithstanding the foregoing provisions of paragraph (a) of this Section 2.2, if any Note is held by a Noteholder, other than the Security Trustee, named in a written notice from the Debtor to the Security Trustee and stating that the provisions of this paragraph shall apply, the Security Trustee shall make payment of interest on such Note and shall make payments or prepayments (except in the case of a payment or prepayment which will discharge all indebtedness of the Debtor evidenced by such Note) of the principal thereof, and any premium, by check, duly mailed, by first-class mail, postage prepaid, or delivered to such Noteholder at its address appearing on the Register as defined in Section 2.3 and such holder (or person for

whom such holder is a nominee) will, before selling, transferring or otherwise disposing of such Note, present such Note to the Security Trustee for transfer and notation as provided in Sections 2.4 and 2.5. Upon written notice from any Noteholder, other than the Security Trustee, or its nominee given not less than 30 days prior to the payment or prepayment of the Notes, the Security Trustee will cause all payments and prepayments of the principal of, and premium, if any, and interest on the Notes held by such Noteholder or its nominee to be made to any bank in the continental United States as shall be specified in such notice by wire transfer in immediately available Federal Reserve Funds to such bank, on each such date such payment or prepayment is due, provided that such bank has facilities for the receipt of a wire transfer. The Security Trustee will transmit any such wire transfer from its offices not later than 10:00 A.M., Salt Lake City, Utah time on each such date payment or prepayment is due.

Section 2.3. Registered Notes; the Register. The Notes shall be issuable as fully registered Notes in the form attached hereto as Exhibit A. The Debtor shall cause to be kept at the principal office of the Security Trustee a register for the registration and transfer of Registered Notes (herein called the "Register"). The names and addresses of the holders of the Notes, the transfers of the Notes and the names and addresses of the transferees of all Notes shall be registered in the Register.

Section 2.4. Transfers and Exchanges of Notes; Lost or Mutilated Notes.

(a) The holder of any Note may transfer such Note upon the surrender thereof at the principal office of the Security Trustee. Thereupon, the Debtor shall execute in the name of the transferee a new Note or Notes in aggregate principal amount equal to the original principal amount of the Note so surrendered, and the Security Trustee shall authenticate and deliver such new Note or Notes to such transferee.

(b) The holder of any Note may at any time surrender such Note at the principal office of the Security Trustee in exchange for an equal aggregate principal amount of Notes.

(c) All Notes presented or surrendered for transfer shall be accompanied by a written instrument or instruments of assignment or transfer, in form satisfactory to the Security Trustee, duly executed by the holder or by its attorney duly authorized in writing. The Debtor and the Security Trustee shall not be required to make a transfer or an exchange of any Note for a period of ten days preceding any Interest Payment Date with respect thereto.

(d) No notarial seal shall be necessary for the transfer or exchange of any Note pursuant to this Section 2.4, and

the holder of any Note issued as provided in this Section 2.4 shall be entitled to any and all rights and privileges granted under this Mortgage to a holder of a Note.

(e) In case any Note shall become mutilated or be destroyed, lost or stolen, the Debtor, upon the written request of the holder thereof, shall execute and deliver a new Note in exchange and substitution for the mutilated Note, or in lieu of and in substitution for the Note so destroyed, lost or stolen. The applicant for a substituted Note shall furnish to the Debtor and to the Security Trustee such security or indemnity as may be required by them to save each of them harmless from all risks, and the applicant shall also furnish to the Debtor and to the Security Trustee evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Note and of the ownership thereof. In case any Note which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Debtor may, instead of issuing a substitute Note, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Note), if the applicant for such payment shall furnish to the Debtor and to the Security Trustee such security or indemnity as they may require to save them harmless, and shall evidence to the satisfaction of the Debtor and the Security Trustee the mutilation, destruction, loss or theft of such Note and the ownership thereof. If the Purchaser or its nominee is the owner of any mutilated, destroyed, lost or stolen Note, then the affidavit of its President, Vice President, Assistant Vice President, Treasurer, Secretary or Assistant Secretary in form reasonably satisfactory to the Debtor and the Security Trustee setting forth the fact of destruction, loss or theft and the Purchaser's ownership of the Note at the time of such mutilation, destruction, loss or theft shall be accepted as satisfactory evidence thereof and no indemnity shall be required as a condition to execution and delivery of a new Note other than the written agreement of the Purchaser, in form reasonably satisfactory to the Debtor and the Security Trustee, to indemnify the Debtor and the Security Trustee.

Section 2.5. The New Notes.

(a) Each new Note (herein, in this Section 2.5, called a "New Note") issued pursuant to Section 2.4(a), (b) or (e) in exchange for or in substitution or in lieu of an outstanding Note (herein, in this Section 2.5, called an "Old Note") shall be dated the date of such Old Note. The Security Trustee shall mark on each New Note (i) the date to which principal and interest have been paid on such Old Note, (ii) all payments and prepayments of principal previously made on such Old Note which are allocable to such New Note, and (iii) the amount of each installment payment payable on such New Note. Each installment payment payable on such New Note on any date shall bear the same proportion to the installment payment payable on such Old Note on such date as the

original principal amount of such New Note bears to the original principal amount of such Old Note. Interest shall be deemed to have been paid on such New Note to the date on which interest shall have been paid on such Old Note, and all payments and prepayments of principal marked on such New Note, as provided in clause (ii) above, shall be deemed to have been made thereon.

(b) Upon the issuance of a New Note pursuant to Section 2.4(a), (b) or (e), the Debtor may require the payment of a sum to reimburse it for, or to provide it with funds for, the payment of any tax or other governmental charge or any other charges and expenses connected therewith which are paid or payable by the Debtor.

(c) All New Notes issued pursuant to Section 2.4(a), (b) or (e) in exchange for or in substitution or in lieu of Old Notes shall be valid obligations of the Debtor evidencing the same debt as the Old Notes and shall be entitled to the benefits and security of this Mortgage to the same extent as the Old Notes.

(d) Upon the issuance of any Note pursuant to this Mortgage, the Security Trustee shall deliver to the holder thereof an amortization schedule with respect to such Note setting forth the amount of the installment payments to be made on such Note after the date of issuance thereof and the unpaid principal balance of such Note after each such installment payment.

Section 2.6. Cancellation of Notes. All Notes surrendered for the purpose of payment, redemption, transfer or exchange shall be delivered to the Security Trustee for cancellation or, if surrendered to the Security Trustee, shall be cancelled by it, and no Notes shall be issued in lieu thereof except as expressly required or permitted by any of the provisions of this Mortgage. The Security Trustee shall deliver a certificate to the Debtor specifying any cancellation of Notes which has been made. All such cancelled Notes shall be held by the Security Trustee until this Mortgage shall have been discharged, at which time the Security Trustee shall either deliver such cancelled Notes in a manner necessary to effect the discharge and release of this Mortgage or, if no such delivery is necessary, such Notes shall be delivered to or disposed of as directed by the Debtor.

Section 2.7. Security Trustee as Agent. The Security Trustee is hereby appointed the agent of the Debtor for the payment, registration, transfer and exchange of Notes. Subject to the provisions of Section 2.2, Notes may be presented for payment at, and notices or demands with respect to the Notes or this Mortgage may be served or made at, the principal office of the Security Trustee.

Section 2.8. Ownership. The Person in whose name any Note shall be registered shall be deemed and treated as the owner

thereof for all purposes of this Mortgage and neither the Debtor nor the Security Trustee shall be affected by any notice to the contrary. Payment of or on account of the principal of, premium, if any, and interest on such Note shall be made only to or upon the order in writing of such registered owner. For the purpose of any request, direction or consent hereunder, the Debtor and the Security Trustee may deem and treat the registered owner of any Note as the owner and holder thereof without production of such Note.

SECTION 3. COVENANTS AND WARRANTIES OF THE DEBTOR.

The Debtor covenants, warrants and agrees for the benefit of the Security Trustee and the holders of the Notes as follows:

Section 3.1. Further Assurances. The Debtor agrees that at any time and from time to time, upon the written request of the Security Trustee, the Debtor will promptly and duly execute and deliver any and all such further instruments and documents as the Security Trustee may deem desirable in obtaining the full benefit of the security intended to be afforded hereby and of the rights and powers herein granted.

Section 3.2. Acts of Debtor. The Debtor hereby warrants and represents that it has the right, power and authority to grant, bargain, sell, release, convey, assign, transfer, mortgage, hypothecate, pledge, confirm and create a security interest in, the mortgaged property unto the Security Trustee for the uses and purposes herein set forth and that the Debtor has good title to the mortgaged property free and clear of all liens, charges and other encumbrances whatsoever, subject to Permitted Encumbrances. Without limiting the foregoing, the Debtor hereby further warrants and represents that it has not assigned or pledged (except to the Construction Lender, which assignment and pledge has been terminated and released concurrently with the delivery of this Mortgage), and hereby covenants that it will not assign or pledge, so long as this Mortgage shall remain in effect, any of its right, title or interest in and to the mortgaged property, to anyone other than the Security Trustee.

Section 3.3. After-Acquired Property. Any and all property described or referred to in the granting clauses hereof which is hereafter acquired shall ipso facto, and without any further conveyance, assignment or act on the part of the Debtor or the Security Trustee, become and be subject to the lien and security interest herein granted as fully and completely as though specifically described herein, but nothing in this Section 3.3 contained shall be deemed to modify or change the obligation of the Debtor under Section 3.1 hereof.

Section 3.4. Actions with Respect to Mortgaged Property. The Debtor will not without the written consent of the Security Trustee:

(a) declare a default or exercise the remedies of seller or assignee, as the case may be, under, or terminate, modify or accept a surrender of, or offer or agree to any termination, modification or surrender of, the Power Sales Agreement, the Assignment Agreement, the Assignment of Water Rights, the Water Agreement or the FERC Exemption (except as otherwise expressly provided herein); or

(b) receive or collect or permit the receipt or collection of any payment of moneys payable under the the Power Sales Agreement, prior to the date for the payment thereof provided for thereby or assign, transfer or hypothecate (other than to the Security Trustee hereunder) any moneys then due or to accrue in the future under the Power Sales Agreement; or

(c) sell, mortgage, transfer, assign or hypothecate (other than to the Security Trustee hereunder) its interest in the Project or any part thereof or in any amount to be received by it from the use or disposition of the Project.

Section 3.5. Power of Attorney. The Debtor does hereby irrevocably constitute and appoint the Security Trustee its true and lawful attorney with an interest and full power of substitution, for it and in its name, place and stead (i) to ask, demand, collect, receive and receipt for any and all income and other sums which are assigned under the granting clauses hereof and to endorse the name of the Debtor on all commercial paper given in payment or in part payment thereof, and (ii) without limiting provisions of the foregoing clause (i) hereof, during the continuance of any Event of Default under this Mortgage, to sue for, compound and give acquittance for, to settle, adjust or compromise any claim for any and all such income and other sums which are assigned under the granting clauses hereof as fully as the Debtor could itself do, and in its discretion to file any claim or take any other action or proceedings, either in its own name or in the name of the Debtor or otherwise, which the Security Trustee may deem necessary or appropriate to protect and preserve the right, title and interest of the Security Trustee in and to such income and other sums and the security intended to be afforded hereby.

Section 3.6. Taxes. The Debtor agrees to pay all license and registration fees and all taxes, assessments (including without limitation all assessments for public improvements or benefits), water, sewer and other rents, rates and charges, excises, license fees, permit fees, inspection fees, levies, ,

imposts, duties, charges or withholdings of any nature whatsoever, including without limitation sales, gross receipts, use or similar taxes, together with any penalties, fines or interest thereon imposed against the Debtor or the mortgaged property or any part thereof by any Federal, state or local government or taxing authority in the United States, upon or with respect to the mortgaged property or any part thereof.

Section 3.7. Insurance.

(a) Required Insurance Coverages and Limits. The Debtor agrees that it will at its own cost and expense at all times (i) keep the Project insured against loss by fire, wind-storm, explosion and flood and with extended coverage and against all such other risks as are customarily insured against by companies owning property of a similar character and engaged in a business similar to that engaged in by the Debtor, in an amount not less than the principal amount of the Notes from time to time outstanding together with accrued and unpaid interest thereon, and (ii) maintain general public liability insurance with respect to the Project against damage because of bodily injury, including death, or damage to property of others, such insurance to afford protection to the limit of not less than \$1,000,000 combined single limit in respect of bodily injury, death and damage to property of others. Any such insurance described in clauses (i) and (ii) above may, with the written consent of the Security Trustee, have applicable thereto deductible provisions of not more than \$100,000 provided that such deductible provisions shall not be higher than one customarily carried by companies owning property of a similar character and engaged in a business similar to that engaged in by the Debtor or by the Debtor for similar such plants which it owns or operates. All such insurance shall cover the interests of the Debtor in the Project or, as the case may be, shall protect the Security Trustee and the Debtor in respect of public liability risks arising out of the condition, maintenance, use, ownership or operation of the Project and shall provide that losses, if any, in respect of the Project shall be payable to the Security Trustee (except as provided below) under a standard mortgage loss payable clause satisfactory to the Security Trustee. The Debtor also agrees that it will at all times during the term maintain all-risk business interruption insurance, in form and substance satisfactory to the Security Trustee, with respect to the Project, including coverage against loss from earthquake and flood, in an amount at least equal to \$1,622,500, provided that if at any time and from time to time payments pursuant to paragraph (B) of Article IV of the Power Sales Agreement in the aggregate for any period are less than the principal and interest due on the Notes during such period, the Debtor shall obtain and maintain insurance coverage, satisfactory to the Security Trustee, insuring against loss from the interruption of business as a result of high or low water flow at the Project, until the end of any subsequent quarter in which such

payments under the Power Sales Agreement were in the aggregate in excess of such principal and interest due during such quarter. Any such business interruption insurance (including such high and low water insurance) shall provide for all payments thereunder to be made to the Security Trustee for application by the Security Trustee pursuant to Section 5 hereof. Debtor agrees to effect all insurance provided for in this Section 3.7 with good and responsible insurance companies not reasonably objected to by the Security Trustee. All such policies shall provide that the same shall not be cancelled or terminated without at least 30 days' prior written notice to the Security Trustee, and shall provide for at least 30 days' prior written notice to the Security Trustee as of the date on which such policies shall terminate by lapse of time if not renewed. No such policy shall contain a provision (i) under which the Debtor is a co-insurer, or (ii) relieving the insurer thereunder of liability for any loss by reason of the existence of other policies of insurance covering the Project against the peril involved, whether collectible or not, or by reason of the breach or violation by Debtor of any warranties, declarations or conditions contained in such policies. Any such insurance may be carried under blanket policies maintained by the Debtor so long as such policies otherwise comply with the provisions of this Section 3.7(a). If general public liability insurance shall be carried under any blanket policy which is subject to aggregate annual claim limitations, the Debtor shall keep the Security Trustee advised from time to time of the amount of any such limitations.

(b) Adjustment of Losses. The loss, if any, under any insurance covering the Project required to be carried by paragraph (a) of this Section shall be adjusted with the insurance companies by the Debtor, or otherwise collected, including the filing of proceedings deemed advisable by the Debtor, subject to the approval of the Security Trustee if the loss exceeds \$10,000. The loss so adjusted shall be paid to the Security Trustee unless the amount thereof is \$10,000 or less, in which case such amount shall be paid directly to the Debtor. All such policies shall provide that the loss, if any, under such insurance shall be adjusted and paid as provided in this Mortgage.

(c) Evidence of Insurance. The Debtor shall furnish the Security Trustee with certificates or other satisfactory evidence of maintenance of the insurance required hereunder and shall with respect to any renewal policy or policies, furnish certificates evidencing such renewal prior to the expiration date of the original policy or policies. Each such certificate or other evidence of insurance shall identify the insurance carrier, the type of insurance, the coverage limits and the policy term. On or before the Closing Date and March 1 in each year hereafter, the Debtor will deliver to the Security Trustee a report by a firm of independent insurance brokers (which may be the Debtor's regular insurance agency) chosen by the Debtor and satisfactory to

the Security Trustee setting forth the insurance obtained by the Debtor pursuant to this Section 3.7 and then in effect and stating that, in the opinion of such firm, such insurance complies with the requirements of this Section 3.7.

Section 3.8. Maintenance, Replacement of Parts; Alterations, Modifications and Additions.

(a) Maintenance. The Debtor at its sole cost and expense shall maintain, service and repair the Project to keep it in satisfactory operating condition (normal wear and tear excepted) so as to fulfill its original functional purpose to the same extent as the Debtor, in the prudent management of its own properties, maintains, services and repairs similar property owned by it and in any event, to the extent required to maintain the Project in good repair and in compliance with all applicable laws, rules and regulations noncompliance with which would materially adversely affect the Project or the operation thereof. In the event of any damage to or destruction of the Project, or any part thereof, by fire or other casualty, unless such damage or destruction shall constitute a Casualty Occurrence, the Debtor shall, at its own expense, with reasonable promptness, repair, restore or rebuild the same so that upon the completion of such repair, restoration or rebuilding the value and utility of the Project shall be at least equal to the value and utility of the Project immediately prior to the happening of such casualty.

(b) Replacement of Parts. The Debtor, at its sole cost and expense, will, with reasonable promptness, replace all appliances, parts, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature (herein for the purpose of this paragraph collectively called "Components") which may from time to time be incorporated or installed in or attached to the Project and which may from time to time become worn out, lost, stolen, destroyed, seized, confiscated, damaged beyond repair or permanently rendered unfit for use by damage or obsolescence. All replacement Components shall be free and clear of all liens and rights of others except Permitted Encumbrances and shall be in as good operating condition as, and shall have a value and utility at least equal to, the Components replaced assuming such replaced Components were in the condition and repair required to be maintained by the terms hereof.

The Debtor at its sole cost and expense, will, with reasonable promptness, replace all appliances, parts, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature (herein for the purpose of this Section 3.8 collectively called "Parts") which may from time to time constitute a part of the Facility and which may from time to time become worn out, lost, stolen, destroyed, seized, confiscated, damaged beyond repair or permanently rendered unfit for use by damage or obsolescence. All replacement Parts shall be free and clear of

all liens and rights of others except Permitted Encumbrances and shall be in as good operating condition as, and shall have a value and utility at least equal to, the Parts replaced assuming such replaced Parts were in the condition and repair required to be maintained by the terms hereof.

(c) Required Alterations. The Debtor, at its sole cost and expense, shall, with reasonable promptness, make such alterations, modifications and additions (herein for the purpose of this Section 3.8 collectively called "Alterations") to the Project as may be required from time to time to meet the requirements of applicable law or of any Federal, state or local governmental authority having jurisdiction.

(d) Optional Alterations. In addition to the foregoing, the Debtor at its own expense, may from time to time make such Alterations to the Facility as the Debtor may deem desirable in the proper conduct of its business and which are not inconsistent with the continuing operation of the Facility in accordance with its original functional purpose; provided, that any such Alteration made by the Debtor pursuant to this paragraph shall not diminish the value or utility of the Facility below the value and utility thereof immediately prior to such Alteration, assuming the Facility was then in the condition and repair required to be maintained by the terms of this Mortgage.

(e) Reports of Alterations. On or before March 1 of each calendar year after the date of this Mortgage, the Debtor shall furnish the Security Trustee with a report describing in reasonable detail all Alterations to the Facility of the character referred to in this Section 3.8 involving, in any case, a cost to the Debtor in excess of \$20,000 which have been made during the period from the date of this Mortgage in the case of the first such report or during the period from the last previous report in the case of all subsequent reports.

Section 3.9. Location and Use. The Debtor agrees that the Facility will be used solely in the conduct of its business and will at all times be and remain in the exclusive possession and control of the Debtor on the Land, provided that the Debtor may deliver possession of any part or portion of the Facility to any manufacturer, contractor or supplier designated by the Debtor, for purposes of realizing the benefits of any warranty or in order to comply with the obligations and rights of the Debtor under Section 3.8 hereof, but the rights of any such party in possession of such part or portion of the Facility shall be subject and subordinate to the terms of this Mortgage, including without limitation, the right of the Security Trustee to take possession of the Facility pursuant to Section 7.2 hereof. In the event that pursuant to the foregoing sentence hereof any part or portion of the Facility having a value in excess of \$20,000 is removed from the Land, the Debtor shall give the Security Trustee not less than

ten days' prior written notice of such intended removal and shall deliver to the Security Trustee promptly after such removal and in any event within 15 days thereafter the opinion of the Debtor's counsel that such removal shall not impair or adversely affect the security interest in such part or portion of the Facility of the Debtor, that all necessary recordings and filings under applicable law have been duly made in the public offices wherein such recordings or filings are necessary to protect the validity and effectiveness of this Mortgage and that all fees, taxes and charges payable in connection therewith have been paid in full by the Debtor. The Debtor covenants and warrants that the Project will at all times be used and operated under and in compliance with the laws of the jurisdiction in which it may be operated, and in compliance with all lawful acts, rules, regulations and orders of any commissions, boards or other legislative, executive or judicial bodies or officers having power to regulate or supervise the use of such property; provided, however, the Debtor may in good faith contest in any reasonable manner the application of any such rule, regulation or order to the extent that such contest, in the opinion of independent counsel for the Security Trustee, will prevent the forfeiture or sale of the Project or any portion thereof and will not have any adverse effect on the lien and security interest of the Security Trustee in the Project or any portion thereof hereunder.

Section 3.10. Liens. The Debtor agrees that it will keep the Project free and clear of any and all liens, charges and encumbrances other than Permitted Encumbrances.

Section 3.11. Marking. The Debtor covenants and warrants that each major component of the Facility is plainly, permanently and conspicuously marked by stencilling or by a metal tag or plate affixed thereto, and a marker or sign placed in the area of the principal entrance to the Facility, each setting forth the following legend:

THIS FACILITY IS OWNED BY BONNEVILLE PACIFIC CORPORATION AND IS SUBJECT TO A MORTGAGE AND SECURITY INTEREST GRANTED TO FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, AS SECURITY TRUSTEE.

The Debtor covenants and agrees to replace any stencilling, tag or plate and sign or marker which may be removed or destroyed or become illegible and to indemnify the Security Trustee against any liability, loss or expense incurred by it as a result of the failure to maintain such markings.

Section 3.12. Consolidation, Merger and Sale of all Assets. The Debtor will not merge or consolidate with any other corporation or sell, lease or otherwise dispose of all or substantially all of its assets to any person, firm or corporation, unless (i) in any such transaction the rights and powers of the

Security Trustee and the Noteholders will not be adversely affected, (ii) immediately after such transaction, no Default or Event of Default shall have occurred and be continuing, and (iii) if the Debtor is a party to the merger or consolidation or is the transferring corporation, any corporation which is to be the surviving or acquiring corporation in such transaction (A) shall be a corporation organized and existing under the laws of the United States of America or a state thereof, (B) shall (unless the Debtor is the survivor), by agreement in writing, expressly assume the due and punctual payment of the principal of and premium, if any, and interest on the Notes and the due and punctual performance and observance of all the covenants and provisions of this Mortgage and the other Operative Agreements to which the Debtor is a party, and (C) shall, immediately after giving effect to such transaction, have a net worth and net current assets not less than the net worth and the net current assets, respectively, of the Debtor immediately prior to such transaction. The Debtor agrees that in the event the Debtor is merged with another corporation, is consolidated with another corporation or sells all or substantially all of its assets, then within 30 days thereafter the Debtor will deliver to the Security Trustee an Officer's Certificate stating that such merger, consolidation or sale was consummated in accordance with this Section and attaching a true copy of the assumption referred to in clause (iii)(B) above and an opinion of counsel stating that (x) such merger, consolidation or sale does not adversely affect the rights of the Security Trustee or the Noteholders, (y) the surviving or successor corporation is duly organized and validly existing under the laws of the United States of America or a state thereof and (z) (unless the Debtor is the surviving corporation) the surviving or successor corporation has effectively assumed all of the Debtor's obligations hereunder and under the other Operative Agreements and such obligations are fully enforceable against such corporation.

Section 3.13. Financial Statements and Reports;
Inspection and Certificates.

(a) Financial Statements and Other Reports. The Debtor agrees that it will maintain its financial statements in a manner which fairly presents the financial condition of the Project and the results of the Project's operations and changes in its financial position in accordance with generally accepted accounting principles consistently applied. The Debtor will furnish to the Security Trustee and each Noteholder:

(i) Quarterly Statements - As soon as practicable after the end of the first, second, and third quarterly fiscal periods in each fiscal year of the Debtor, and in any event within 60 days thereafter, duplicate copies of financial statements covering operations of the Project, setting forth in each case in comparative form the amount for the corresponding periods of the preceding fiscal

year, all in reasonable detail and attested as complete and correct in all material respects, subject to changes resulting from fiscal year-end adjustments, by a financial officer of the Debtor.

(ii) Annual Statements - As soon as practicable after the end of each fiscal year, and in any event within 120 days thereafter, duplicate copies of financial statements covering operations of the Project, setting forth in each case in comparative form the figures for the previous fiscal year and accompanied by an opinion of a firm of independent certified public accountants of recognized national standing stating that such financial statements present fairly the financial condition of the Project and have been prepared in accordance with generally accepted accounting principles consistently applied (except for changes in application in which such accountants concur);

(iii) Notice of Default or Claimed Default - Immediately upon becoming aware of the existence of a Default or an Event of Default, a written notice specifying the nature of the Default or Event of Default or claimed default and what action the Debtor is taking or proposes to take with respect thereto;

(iv) Information in Respect of Damages Etc. - Such information and data as the Security Trustee or any Noteholder may from time to time request as to location and the existence and status of any claims for damages (whether against the Project or against the Debtor) arising out of the use, operation or condition of the Project and such other data pertinent to the Project and the condition, use, repair and operation thereof as any such party from time to time may reasonably request. Without limiting the foregoing, the Debtor agrees that, without any such request, it will furnish the Security Trustee and each Noteholder with prompt written notice of (x) any claim for damages arising out of the use, operation or condition of the Project if the amount of such claim exceeds \$10,000 and (y) any damage, loss, theft or destruction, partial or complete, of any of the Project, if the amount thereof exceeds \$10,000; and

(v) Request for Information - Such other information as the Security Trustee or any Noteholder may reasonably request.

(b) Officer's Certificate. Each set of financial statements delivered by the Debtor pursuant to this Section will be accompanied by an Officer's Certificate stating that the signer has reviewed the relevant terms of this Mortgage and the other

Operative Agreements and has made, or caused to be made, under his supervision, a review of the transactions and conditions of the Debtor from the beginning of the fiscal period covered by the statements of operations being delivered therewith to the date of the certificate and that such review has not disclosed the existence during such period of any condition or event which constitutes an Event of Default or Default, or, if any such condition or event existed or exists, specifying the nature and period of existence and what action the Debtor has taken or proposes to take with respect thereto.

(c) Project Report. Each set of financial statements of the Debtor delivered pursuant to this Section will be accompanied by a report of an officer of the Debtor familiar with the status and condition of the Project which describes the status, condition and location of the Project, including whether any part of the Project is not then in the condition required by this Mortgage and, if so, what the Debtor is doing or intends to do in connection therewith.

(d) Inspection. Subject to the Debtor's reasonable safety and security requirements, the Debtor will permit any representative of the Security Trustee or any Noteholder (in the case of any such party, at such party's risk and expense) to visit and inspect the Project, and to discuss the affairs, finances and accounts with respect thereto and with respect to the Debtor with the officers and (after notice to the Debtor) independent certified public accountants (and by this provision, the Debtor authorizes said accountants to discuss with such representative the finances and affairs of the Debtor), all at such reasonable times and as often as may be reasonably requested.

Section 3.14. Opinions of Counsel. The Debtor agrees at its own expense to furnish to the Security Trustee (i) promptly after the execution and delivery of any supplement and amendment hereto, an opinion of counsel satisfactory to the Security Trustee and who may be independent counsel to the Debtor stating that in the opinion of such counsel, such supplement or amendment to this Mortgage (or a financing statement, continuation statement or similar notice thereof if and to the extent required by applicable law) has been properly recorded or filed for record in all public offices in which such recording or filing is necessary to perfect the lien and security interest provided by this Mortgage as a valid first lien and security interest in the Project, and (ii) within 30 days prior to March 1 in each year beginning in 1985, an opinion of counsel satisfactory to the Security Trustee and who may be independent counsel to the Debtor stating that this Mortgage (or financing statements or similar notices thereof if and to the extent required by applicable law) have been properly recorded or filed for record in all public offices in which such recording or filing is necessary to perfect the security interest provided by the Mortgage as a valid first lien and security

interest in the Project, and stating the requirements of applicable law with respect to the rerecording or refiling of this Mortgage (or financing statements, continuation statements or similar notices thereof to the extent required by applicable law) prior to March 1 of the succeeding year in order to maintain such rights, titles and interests of the Security Trustee.

SECTION 4. POSSESSION, USE AND RELEASE OF PROPERTY.

Section 4.1. Possession of Mortgaged Property. So long as no Event of Default has occurred and is continuing, the Debtor shall be suffered and permitted to remain in full possession, enjoyment and control of the Project and to manage, operate and use the same and each part thereof with the rights and franchises appertaining thereto; provided, always, that the possession, enjoyment, control and use thereof shall at all times be subject to the observance and performance of the terms of this Mortgage.

Section 4.2. Release of Parts. The Security Trustee shall, upon request of the Debtor, execute a release in respect of any part or parts of the Facility which are removed and replaced in accordance with the provisions of Section 3.8(b) hereof.

Section 4.3. Condemnation. The Debtor immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the mortgaged property or any portion thereof, shall notify the Security Trustee of the pendency of such proceedings. The Security Trustee may participate in any such proceedings, and the Debtor from time to time will deliver or cause to be delivered to the Security Trustee all instruments requested by it to permit such participation. In the event of such condemnation proceedings, the award or compensation payable to the Debtor shall be paid to the Security Trustee, and such award or compensation shall be retained by the Security Trustee as part of the mortgaged property and applied in accordance with Section 5.1(d) hereof. The Security Trustee shall be under no obligation to question the amount of the award or compensation and the Security Trustee may accept any such award or compensation. In any such condemnation proceedings the Security Trustee may be represented by counsel.

Section 4.4. Release of Facility - Consent of Noteholders. In addition to the release pursuant to the foregoing sections, the Debtor may sell or otherwise dispose of the Land or any portion thereof then subject to the lien of this Mortgage, and the Security Trustee shall release the same from the lien and security interest hereof, to the extent and on the terms and upon compliance with the conditions provided for in any written consent given thereto at any time or from time to time by the holder or holders of all the Indebtedness Hereby Secured.

Section 4.5. Protection of Purchaser. No purchaser in good faith of property purporting to be released hereunder shall be bound to ascertain the authority of the Security Trustee to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority; nor shall any purchaser, in good faith, of any item or unit of the mortgaged property be under obligation to ascertain or inquire into the conditions upon which any such sale is hereby authorized.

SECTION 5. APPLICATION OF ASSIGNED MONEYS RECEIVED BY THE SECURITY TRUSTEE.

Section 5.1. Application of Moneys. As more fully set forth in the granting clauses hereof, the Debtor has hereby granted to the Security Trustee a security interest in, among other things, the amounts payable by the Power Company pursuant to the Power Sales Agreement, as security for the Notes. The Debtor has also agreed, pursuant to the terms hereof that condemnation awards and insurance proceeds (to the extent herein provided) shall be paid to the Security Trustee for application hereunder. So long as no Event of Default has occurred and is continuing to the knowledge of the Security Trustee:

(a) Payments under Power Sales Agreement. The amounts from time to time received by the Security Trustee which constitute payments under the Power Sales Agreement shall be applied as follows:

FIRST, on each monthly anniversary of the original issuance of the Notes, to the payment of operating expenses in accordance with Schedule 1 hereto as evidenced by an Officer's Certificate of the Debtor setting forth the actual amount of such expenses incurred during the immediately preceding quarterly period; and

SECOND, on each Interest Payment Date to replenish the Reserve Fund of moneys applied to the payment of the Notes pursuant to Section 6.2 hereof; and

THIRD, on (i) each monthly anniversary of the original issuance of the Notes that is not an Interest Payment Date, the Security Trustee shall set aside and hold pursuant to this Section 5.1(a) moneys in the amount of one-third of the next succeeding installment of principal and interest on the Notes and pay the balance of the amounts constituting payments under the Power Sales Agreement to or upon the order of the Debtor, and (ii) each Interest Payment Date,

the Security Trustee shall apply the amounts set aside pursuant to clause (i) above together with such other amounts received by the Security Trustee constituting payments under the Power Sales Agreement due on or before such Interest Payment Date as are necessary to the payment of the installments of principal and interest (and, in each case, first to interest and then to principal) on the Notes due on such Interest Payment Date; and

FOURTH, on each Interest Payment Date, the balance, if any, of such amounts shall be paid to or upon the order of the Debtor.

Moneys held pursuant to this Section 5.1(a) shall be invested by the Security Trustee in Eligible Securities as directed by the Debtor or failing such timely direction, as the Security Trustee shall determine; provided, that such Eligible Securities shall mature not later than the monthly anniversary of the original issuance of the Notes next succeeding the receipt of such moneys. Interest paid in respect of such Eligible Securities shall be applied in the manner provided for in this Section 5.1(a).

(b) Business Interruption Insurance Proceeds. The amount, if any, received by the Security Trustee which constitutes payment on any business interruption insurance policy (including coverage against high and low water flows) shall be held, invested and applied in the manner set forth in Section 5.1(a) hereof, except that (i) all moneys received under the Power Sales Agreement shall be applied before any application of moneys under this Section 5.1(b), and (ii) no distribution shall be made to the Debtor unless such interruption shall have ceased.

(c) Insurance Proceeds. The amounts received by or payable to the Security Trustee from time to time which constitute insurance proceeds in respect of any damage to or destruction of the Facility or any part thereof (less the actual costs, fees and expenses incurred in the collection thereof) shall be applied or dealt with as follows:

(1) All such proceeds actually received on account of any such damage or destruction other than a Casualty Occurrence shall be paid over to the Debtor or as it may direct from time to time, as restoration, replacement, rebuilding, alterations and additions ("Restoration")

progress, to pay (or reimburse the Debtor for) the cost of Restoration, if the amount of such proceeds received by the Security Trustee, together with such additional amounts, if any, theretofore expended by the Debtor out of its own funds for Restoration are sufficient to pay the estimated cost of completing Restoration, but only upon a written application of the Debtor accompanied by an Officer's Certificate of the Debtor showing in reasonable detail the nature of Restoration, the actual cash expenditures made to date for Restoration, the estimated cost (which shall be verified by an accompanying certificate of an engineer or architect not an employee of the Debtor) to complete Restoration and stating that no Default or Event of Default has occurred and is continuing to the knowledge of the Debtor. Upon the written request of the Debtor, accompanied by evidence satisfactory to the Security Trustee that Restoration has been completed and the costs thereof paid in full and that there are no mechanics' or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall be paid over or assigned to the Debtor or as it may direct, upon receipt by the Security Trustee of a supplement hereto sufficient, as shown by an opinion of counsel (which may be counsel for the Debtor), to grant a lien and security interest in any additions to or substitutions for the Facility to the Security Trustee, which opinion shall also cover the filing and/or recording of such supplement (or a financing statement or similar notice thereof if and to the extent permitted or required by applicable law) so as to perfect the lien and security interest in such additions or substitutions, or in the alternative an opinion that no such supplement is required for such purpose.

Upon the payment and satisfaction of all Indebtedness Hereby Secured, all such insurance proceeds shall be released to or upon the order of the Debtor.

(2) All such proceeds actually received on account of any such damage or destruction which constitutes a Casualty Occurrence shall be applied first, to the payment of the unpaid principal balance of the Notes, together with accrued interest thereon to the date of prepayment, and second, the balance to or upon the order of the Debtor.

(d) Condemnation Awards. Except in the case of a Condemnation, any amounts received by the Security Trustee from time to time which constitute the award, compensation or damages payable for the condemnation or taking of all or any part of the Facility for any public or quasipublic use (less the actual costs, fees and expenses incurred in the collection thereof) shall be applied to the cost of Restoration in the same manner and subject to the same conditions as provided in Section 5.1(c)(1) hereof with respect to insurance proceeds. Upon the written request of the Debtor, accompanied by evidence satisfactory to the Security Trustee that Restoration has been completed and the cost thereof has been paid in full and that there are no mechanics' or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such award shall be paid over or assigned to the Debtor or as it may direct. Upon the payment and satisfaction of all Indebtedness Hereby Secured, any such award shall be released to or upon the order of the Debtor. In the case of a Condemnation, any amounts received by the Security Trustee which constitute the award, compensation or damages payable therefor shall be applied in the manner set forth in Section 5.1(c)(2) hereof.

Section 5.2. Default. If an Event of Default has occurred and is continuing to the knowledge of the Security Trustee, all amounts received by the Security Trustee shall be applied in the manner provided for in Section 7 hereof in respect of proceeds and avails of the mortgaged property. If a Default which has not matured into an Event of Default has occurred and is continuing to the knowledge of the Security Trustee, such amounts shall be held by the Security Trustee until either (i) such Default shall have been cured or waived, or (ii) the first sentence of this Section 5.2 is applicable.

SECTION 6. RESERVE FUND.

Section 6.1. Deposit in Reserve Fund. The Security Trustee hereby acknowledges receipt of the sum of \$150,000 for a Reserve Fund as security for the Indebtedness Hereby Secured.

Section 6.2. Reserve Fund Moneys Held as Collateral. All moneys in the Reserve Fund shall be held by the Security Trustee as part of the mortgaged property and to the extent sums paid under the Power Sales Agreement or the business interruption insurance policy are not sufficient to pay operating expenses and the Notes as contemplated by clauses FIRST and THIRD of Section 5.1(a) hereof and by Section 5.1(b) hereof, moneys held in the Reserve Fund shall be applied to the payment of operating

expenses and the Notes in the manner and order contemplated as set forth in said clauses FIRST and THIRD of Section 5.1(a).

Section 6.3. Investment of Reserve Fund Moneys. Moneys in the Reserve Fund shall be invested by the Security Trustee in Eligible Securities as directed by the Debtor or failing such timely direction by the Debtor, as the Security Trustee shall determine; provided, that such Eligible Securities shall mature not later than the next succeeding monthly anniversary of the original issuance of the Notes after the investment by the Security Trustee therein. Interest paid in respect of such Eligible Securities shall be applied by the Security Trustee first to replenish the Reserve Fund of moneys applied to the payment of the Notes pursuant to Section 6.2 hereof, and second, the balance, if any, of such interest shall, provided no Default or Event of Default shall have occurred and be continuing, be paid to the Debtor.

SECTION 7. DEFAULTS AND REMEDIES.

Section 7.1. Events of Default. Any of the following occurrences or acts shall constitute an "Event of Default" under this Mortgage:

(a) Default in payment of an installment of the principal of, premium, if any or interest on, any Note when and as the same shall become due and payable, whether at the due date thereof or at the date fixed for prepayment or by acceleration or otherwise, and any such default shall continue unremedied for more than 5 days; or

(b) Default on the part of the Debtor in the due observance or the performance of the provisions of Section 3.7 hereof; or

(c) Default on the part of the Debtor in the due observance or the performance of any other covenant or other agreement to be observed or performed by it under this Mortgage or the Note Agreement and such default shall continue unremedied for thirty days after written notice from the Security Trustee to the Debtor specifying the default and demanding the same to be remedied; or

(d) Any material representation or warranty made by the Debtor in the Note Agreement or in any certificate or other statement furnished by the Debtor to the Security Trustee or the Purchaser in connection with the execution and delivery of the Note Agreement or made on the Closing Date under the Note Agreement shall prove to be untrue in any material respect as of the date of the issuance or making thereof; or

(e) The Debtor shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in any voluntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing; or

(f) An involuntary case or other proceeding shall be commenced against the Debtor seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 30 days; or

(g) Final judgment or judgments for the payment of money aggregating in excess of \$50,000 shall be outstanding against the Debtor and any one of such judgments has been outstanding for more than 30 days from the date of its entry and has not been discharged in full or stayed; or

(h) Default shall have occurred and be continuing for ten days under the Power Sales Agreement, or the Power Sales Agreement shall cease to be in full force and effect for any reason whatsoever; or

(i) Default shall have occurred and be continuing under the Water Agreement for a period of 20 days, or the Water Agreement shall cease to be in full force and effect for any reason whatsoever.

Section 7.2. Security Trustee's Rights. The Debtor agrees that when any Event of Default has occurred and is continuing, the Security Trustee may, without limitation of all other rights and remedies available at law or in equity in such event, exercise any one or more or all, and in any order, of the remedies hereinafter set forth, it being expressly understood that no remedy herein conferred is intended to be exclusive of any other remedy or remedies; but each and every remedy shall be cumulative

and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute.

(a) The Security Trustee may, and upon the written request of the holders of at least 25% in principal amount of the Notes then outstanding shall, by notice in writing to the Debtor, declare the entire unpaid balance of the Notes to be immediately due and payable, and thereupon all such unpaid balance, together with all accrued interest thereon, shall be and become immediately due and payable.

(b) The Security Trustee personally, or by agents or attorneys, shall have the right (subject to compliance with any applicable mandatory legal requirements) to enter into and upon all or any part of the mortgaged property and to exclude the Debtor wholly therefrom, and having and holding the same may use, operate, manage and control the mortgaged property and conduct the business thereof and to collect and receive all earnings, revenues, rents, issues, proceeds and income of the mortgaged property and every part thereof and may maintain, repair and renew the mortgaged property and make replacements, alterations, additions and improvements thereto or remove and dispose of any portion of the mortgaged property and may otherwise exercise any and all of the rights and powers of the Debtor in respect thereof.

(c) The Security Trustee may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession, and either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to the Debtor once at least ten days prior to the date of such sale, and any other notice which may be required by law, sell and dispose of said mortgaged property, or any part thereof, or interest therein, at public auction to the highest bidder, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Security Trustee may determine, and at any place (whether or not it be the location of the mortgaged property or any part thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further notice, and the Security Trustee or the holder or holders of any Notes, or of any interest therein, may bid and become the purchaser at any such sale.

(d) The Security Trustee may proceed to protect and enforce this Mortgage and the Notes by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the mortgaged property or any part thereof, or, subject to the provisions of Section 9 hereof, for the recovery of judgment for the Indebtedness Hereby Secured or for the enforcement of any other proper, legal or equitable remedy available under applicable law.

(e) The Security Trustee may proceed to exercise all rights, privileges and remedies of the Debtor under the Agreements described in Division V and VI of the granting clauses hereof and may exercise all such rights and remedies either in the name of the Security Trustee or in the name of the Debtor for the use and benefit of the Security Trustee.

Section 7.3. Acceleration Clause. In case of any sale of the mortgaged property, or of any part thereof, pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Mortgage, the principal of and premium, if any, on the Notes, if not previously due, and the interest accrued thereon and all other sums required to be paid by the Debtor pursuant to this Mortgage, shall at once become and be immediately due and payable; also in the case of any such sale, the purchaser or purchasers, for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use any Note or Notes and any claims for interest matured and unpaid thereon, in order that there may be credited as paid on the purchase price the sum apportionable and applicable to the Notes including principal and interest thereof out of the net proceeds of such sale after allowing for the proportion of the total purchase price required to be paid in actual cash.

Section 7.4. Waiver by Debtor. To the extent now or at any time hereafter enforceable under applicable law, the Debtor covenants that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor claim, take nor insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the mortgaged property or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction, nor, after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the

property so sold or any part thereof, and hereby expressly waives for itself and on behalf of each and every Person, except decree or judgment creditors of the Debtor, acquiring any interest in or title to the mortgaged property or any part thereof subsequent to the date of this Mortgage, all benefit and advantage of any such law or laws, and covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to the Security Trustee, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

Section 7.5. Effect of Sale. Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Debtor in and to the property sold and shall be a perpetual bar, both at law and in equity, against the Debtor, its successors and assigns, and against any and all persons claiming the property sold or any part thereof under, by or through the Debtor, its successors or assigns.

Section 7.6. Application of Sale and Other Proceeds. The purchase money proceeds and/or avails of any sale of the mortgaged property, or any part thereof, and the proceeds and the avails of any remedy hereunder shall be paid to and applied as follows:

First, to the payment of costs and expenses of foreclosure or suit, if any, and of such sale, and of all proper expenses, liability and advances, including legal expenses and attorneys' fees, incurred or made hereunder by the Security Trustee or the holder or holders of the Note and of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made;

Second, to the payment of the whole amount then due, owing and unpaid upon the Notes for principal, premium, if any, and interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon the Notes, then ratably according to the aggregate of such principal and the accrued and unpaid premium, if any, and interest, with application on each Note to be made, first, to the unpaid principal thereof, second, to unpaid premium, if any, thereon, and third, to unpaid interest thereon; such application to be made upon presentation of the several Notes, and the notation thereon of the payment, if partially paid, or the surrender and cancellation thereof, if fully paid; and

Third, to the payment of the surplus, if any, to the Debtor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

Section 7.7. Discontinuance of Remedies. In case the Security Trustee shall have proceeded to enforce any right under this Mortgage by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case the Debtor, the Security Trustee and the holders of the Notes shall be restored to their former positions and rights hereunder with respect to the property subject to the lien and security interest created under this Mortgage.

Section 7.8. Cumulative Remedies. No delay or omission of the Security Trustee or of the holder of any Note to exercise any right or power arising from any default, shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Security Trustee or the holder of any Note of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom except as may be otherwise provided therein. No remedy hereunder is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing; nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the Indebtedness Hereby Secured operate to prejudice, waive or affect the security of this Mortgage or any rights, powers or remedies hereunder, nor shall the Security Trustee or the holder of any Note be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

SECTION 8. THE SECURITY TRUSTEE.

The Security Trustee accepts the trusts hereunder and agrees to perform the same, but only upon the terms and conditions hereof, including the following, to all of which the Debtor and the respective holders of the Notes at any time outstanding by their acceptance thereof agree:

Section 8.1. Duties of Security Trustee. The Security Trustee undertakes (i) except while an Event of Default actually known to the Security Trustee shall have occurred and be continuing, to perform such duties and only such duties as are specifically set forth in this Mortgage, and (ii) while an Event of Default actually known to the Security Trustee shall have occurred and be continuing, to exercise such of the rights and powers as are vested in it by this Mortgage and to use the same degree of care and skill in their exercise as an ordinary prudent

man would exercise or use under the circumstances in the conduct of his own affairs.

The Security Trustee upon receipt of instruments furnished to the Security Trustee pursuant to the provisions of this Mortgage shall examine the same to determine whether or not such instruments conform to the requirements of this Mortgage.

Section 8.2. Security Trustee's Liability. No provision of this Mortgage shall be construed to relieve the Security Trustee from liability for its own negligent action, negligent failure to act, or its own wilful misconduct, except that:

(a) unless an Event of Default actually known to the Security Trustee shall have occurred and be continuing, the Security Trustee shall not be liable except for the performance of such duties as are specifically set forth in this Mortgage and no implied covenants or obligations shall be read into this Mortgage against the Security Trustee but the duties and obligations of the Security Trustee shall be determined solely by the express provisions of this Mortgage; and

(b) in the absence of bad faith on the part of the Security Trustee, the Security Trustee may rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected in acting upon, any resolution, Officer's Certificate, opinion of counsel, Note, request, notice, consent, waiver, order, signature guaranty, notarial seal, stamp, acknowledgment, verification, appraisal, report, stock certificate, or other paper or document believed by the Security Trustee to be genuine and to have been signed, affixed or presented by the proper party or parties; and

(c) in the absence of bad faith on the part of the Security Trustee, whenever the Security Trustee, or any of its agents, representatives, experts or counsel, shall consider it necessary or desirable that any matter be proved or established, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by an Officers' Certificate; provided, however, that the Security Trustee, or such agent, representative, expert or counsel, may require such further and additional evidence and make such further investigation as it or they may consider reasonable; and

(d) the Security Trustee may consult with counsel and the advice or opinion of such counsel shall be full

and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance with such advice or opinion of counsel; and

(e) the Security Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction or request of the holders of the Notes; and

(f) the Security Trustee shall not be liable for any error of judgment made in good faith by an officer of the Security Trustee unless it shall be proved that the Security Trustee was negligent in ascertaining the pertinent facts; and

(g) the Security Trustee shall not be deemed to have knowledge of any Default or Event of Default unless and until an officer of the Corporate Trust Department of the Security Trustee who customarily handles corporate trusts shall have actual knowledge thereof or the Security Trustee shall have received written advice thereof from the holder of any Note; and

(h) whether or not an Event of Default shall have occurred, the Security Trustee shall not be under any obligation to take any action under this Mortgage which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it by the security afforded to it by the terms of this Mortgage, unless and until it is requested in writing so to do by one or more holders of Notes outstanding hereunder and furnished, from time to time as it may require, with reasonable security and indemnity; and

(i) whether or not an Event of Default shall have occurred, whenever it is provided in this Mortgage that the Security Trustee consent to any act or omission by any Person or that the Security Trustee exercise its discretion in any manner, the Security Trustee may (but need not) seek the written acquiescence of the holders of at least 66-2/3% in principal amount of the Notes then outstanding and, unless written evidence of such acquiescence has been received by the Security Trustee, it shall be fully justified in refusing so to consent or so to exercise its discretion, provided, however, holders of 66-2/3% in principal amount of the Notes from time to time outstanding shall have the right, upon furnishing to the Security Trustee such indemnification as the Security Trustee shall reasonably request, by an instrument in writing delivered to the Security Trustee, to determine which of the remedies herein set forth shall be adopted

and to direct the time, method and place of conducting all proceedings to be taken under the provisions of this Mortgage for the enforcement thereof or of the Notes; provided, however, that the Security Trustee shall have the right to decline to follow any such direction if the Security Trustee shall be advised by counsel that the action or proceedings so directed may not lawfully be taken or would be unjustly prejudicial to holders of Notes not parties to such direction.

Section 8.3. No Responsibility of Security Trustee for Recitals. The recitals and statements contained herein and in the Notes (except for the Security Trustee's certificate of authentication endorsed on the Notes) shall be taken as the recitals and statements of the Debtor, and the Security Trustee assumes no responsibility for the correctness of the same, nor shall the Security Trustee have any responsibility for or any liability with respect to any disclosure, warranty, representation or concealment or failure to disclose in connection with the offering, solicitation, sale or distribution of the Notes by the Debtor or by any other Person.

The Security Trustee makes no representation as to the validity or sufficiency of this Mortgage, or of the Notes secured hereby, the security hereby or thereby afforded, the title of the Debtor to the mortgaged property or the descriptions thereof, or the filing or recording or registering of this Mortgage or any other document.

The Security Trustee shall not be concerned with or accountable to anyone for the use or application of any deposited moneys which shall be released or withdrawn in accordance with the provisions of this Mortgage or of any Property or Securities or the proceeds thereof which shall be released from the lien hereof in accordance with the provisions of this Mortgage.

Section 8.4. Certain Limitations on Security Trustee's Rights to Compensation and Indemnification. Except to the extent otherwise expressly provided in the Operative Agreements, the Security Trustee shall have no right against the holder of any Note for the payment of compensation for its services hereunder or any expenses or disbursements incurred in connection with the exercise and performance of its powers and duties hereunder or any indemnification against liabilities which it may incur in the exercise and performance of such powers and duties but on the contrary, shall look solely to the Debtor under Section 2.4 of the Note Agreement for such payment and indemnification, and it shall have no lien on or security interest in the mortgaged property as security for such compensation, expenses, disbursements and indemnification.

Section 8.5. Status of Moneys Received. All moneys received by the Security Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys, except to the extent required by law, and may be deposited by the Security Trustee under such general conditions as may be prescribed by law in the Security Trustee's general banking department, and the Security Trustee shall be under no liability for interest on any moneys received by it hereunder (except as otherwise expressly provided herein). The Security Trustee and any affiliated corporation may become the owner of any Note secured hereby and be interested in any financial transaction with the Debtor or any affiliated corporation, or the Security Trustee may act as depository or otherwise in respect to other securities of the Debtor or any affiliated corporation, all with the same rights which it would have if not the Security Trustee.

Section 8.6. Resignation of Security Trustee. The Security Trustee may resign and be discharged from the trusts created hereby by delivering notice thereof, by first-class mail postage prepaid to the Debtor and all holders of the Notes at the time outstanding, specifying a date (not earlier than 60 days after the date of such notice) when such resignation shall take effect.

Such resignation shall take effect on the day specified in such notice, unless previously a successor Security Trustee shall have been appointed as provided in Section 8.8, in which event such resignation shall take effect immediately upon the appointment of such successor Security Trustee.

Section 8.7. Removal of Security Trustee. The Security Trustee may be removed at any time, for or without cause, by an instrument or instruments in writing executed by the holders of a majority in aggregate principal amount of the Notes, other than the Security Trustee, at the time outstanding and delivered to the Security Trustee with a copy to the Debtor, specifying the removal and the date when it shall take effect.

Section 8.8. Appointment of Successor Security Trustee. In case at any time the Security Trustee shall resign or be removed or become incapable of acting, a successor Security Trustee may be appointed by the holders of a majority in aggregate principal amount of the Notes, other than the Security Trustee, at the time outstanding, by an instrument or instruments in writing executed by such Noteholders and filed with such successor Security Trustee.

Until a successor Security Trustee shall be so appointed by the Noteholders, the Debtor shall appoint a successor Security Trustee to fill such vacancy, by an instrument in writing executed by the Debtor and delivered to the successor Security Trustee. If

all or substantially all of the mortgaged property shall be in the possession of one or more receivers, trustees, liquidators or assignees for the benefit of creditors, then such receivers, trustees, custodians, liquidators or assignees may, by an instrument in writing delivered to the successor Security Trustee, appoint a successor Security Trustee. Promptly after any such appointment, the Debtor, or any such receivers, trustees, custodians, liquidators or assignees, as the case may be, shall give notice thereof by first class mail postage prepaid to each holder of the Notes at the time outstanding.

Any successor Security Trustee so appointed by the Debtor, or such receivers, trustees, custodians, liquidators or assignees, shall immediately and without further act be superseded by a successor Security Trustee appointed by the holders of a majority in aggregate principal amount of the Notes (other than the Security Trustee) then outstanding.

If a successor Security Trustee shall not be appointed pursuant to this Section within 60 days after a vacancy shall have occurred in the office of Security Trustee, the holder of any Note (other than the Security Trustee) or such retiring Security Trustee (unless the retiring Security Trustee is being removed) may apply to any court of competent jurisdiction to appoint a successor Security Trustee, and such court may thereupon, after such notice, if any, as it may consider proper, appoint a successor Security Trustee.

Section 8.9. Succession of Successor Security Trustee. Any successor Security Trustee appointed hereunder shall execute, acknowledge and deliver to the Debtor and the predecessor Security Trustee an instrument accepting such appointment, and thereupon such successor Security Trustee, without any further act, deed, conveyance or transfer, shall become vested with the title to the mortgaged property, and with all the rights, powers, trusts, duties and obligations of the predecessor Security Trustee in the trust hereunder, with like effect as if originally named as Security Trustee herein.

Upon the request of any such successor Security Trustee, however, the Debtor and the predecessor Security Trustee shall execute and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Security Trustee the title to the mortgaged property and all such rights, powers, trusts, duties and obligations of the predecessor Security Trustee hereunder, and the predecessor Security Trustee shall also assign and deliver to the successor Security Trustee any Property subject to the lien of this Mortgage which may then be in its possession.

Section 8.10. Eligibility of Security Trustee. The Security Trustee shall be a state or national bank or trust company in good standing, organized under the laws of the United States of America or of the States of Illinois, Massachusetts, Utah or Idaho, and having its principal office in the cities of Chicago, Boston, Salt Lake City or Boise, having a capital, surplus and undivided profits aggregating at least \$25,000,000, if there be such a bank or trust company willing and able to accept such trust upon reasonable and customary terms.

In case the Security Trustee shall cease to be eligible in accordance with the provisions of this Section, the Security Trustee shall resign immediately in the manner and with the effect specified in Section 8.6 hereof.

Section 8.11. Successor Security Trustee by Merger. Any corporation into which the Security Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Security Trustee shall be a party, or any state or national bank or trust company in any manner succeeding to the corporate trust business of the Security Trustee as a whole or substantially as a whole, if eligible as provided in Section 8.10 hereof, shall be the successor of the Security Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything to the contrary contained herein notwithstanding.

Section 8.12. Co-Trustees. (a) At any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the mortgaged property may at the time be located, the Debtor and the Security Trustee jointly shall have power and shall execute and deliver all instruments, to appoint one or more persons approved by the Security Trustee, to act as co-trustee, or co-trustees, jointly with the Security Trustee, or separate trustee or separate trustees, of all or any part of the mortgaged property, and to vest in such person or persons in such capacity, such title to the mortgaged property or any part thereof, and such rights, powers, duties, trusts or obligations as the Debtor and the Security Trustee may consider necessary or desirable. If the Debtor shall not have joined in such appointment within 15 days after the receipt by it of a request so to do, or in case an Event of Default referred to in Section 7 hereof shall have occurred and be continuing, the Security Trustee alone shall have power to make such appointment.

(b) The Debtor and the Security Trustee hereby jointly appoint First Security Bank of Idaho, National Association, a national banking association qualified to do business in and under the laws of the State of Idaho, as required by Sections 42-206 and 42-207 of the Idaho Code, whose post office address is P.O. Box 7069, Boise, Idaho 83730, Attention: Corporate Trust Department,

to act as co-trustee, jointly with the Security Trustee, for the purpose of holding the lien and security interest granted by the Debtor under this Mortgage in the Water Rights described in Division II of the granting clause hereof and in Exhibit C hereto, and only for such purpose.

SECTION 9. LIMITATIONS OF LIABILITY.

Anything in this Mortgage to the contrary notwithstanding, neither the Security Trustee nor the holder of any Note, nor the successors or assigns of any of said persons, shall have any claim, remedy or right to proceed against the Debtor in its individual capacity, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any penalty or assessment or otherwise, for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by the Notes or for the payment of any liability resulting from the breach of any representation, agreement or warranty of any nature whatsoever set forth in this Mortgage, from any source other than the mortgaged property. The Security Trustee by the execution of this Mortgage and the holders of the Notes by their acceptance thereof, waive and release any personal liability of the Debtor in its individual capacity for and on account of such indebtedness or such liability, and the Security Trustee and the holders of the Notes agree to look solely to the mortgaged property, including the sums payable pursuant to the Power Sales Agreement, for the payment of said indebtedness or the satisfaction of such liability; provided, however, nothing herein contained shall limit, restrict or impair the rights of the holders of the Notes or the Security Trustee to accelerate the maturity of the Notes upon a default under this Mortgage, to bring suit and obtain a judgment against the Debtor on the Notes, to bring ^A suit and obtain a judgment for damages against the Debtor for the Debtor's gross negligence or wilfull misconduct, or to exercise all rights and remedies provided under this Mortgage or otherwise realize upon the mortgaged property.

SECTION 10. SUPPLEMENTS; WAIVERS.

Section 10.1. Supplemental Indentures Without Noteholder Consent. The Debtor and the Security Trustee from time to time and at any time, subject to the restrictions in this Mortgage contained, may enter into an indenture or indentures supplemental hereto and which thereafter shall form a part hereof for any one or more or all of the following purposes:

- (a) to add to the covenants and agreements to be observed by, and to surrender any right or power reserved to or conferred upon the Debtor;

(b) to subject to the lien of this Mortgage additional Property hereafter acquired by the Debtor and intended to be subjected to the lien of this Mortgage and to correct and amplify the description of any property subject to the lien of this Mortgage; or

(c) to permit the qualification of this Mortgage under the Trust Indenture Act of 1939, as amended, or any similar Federal statute hereafter in effect, except that nothing herein contained shall permit or authorize the inclusion of the provisions referred to in Section 316(a)(2) of said Trust Indenture Act of 1939 or any corresponding provision in any similar Federal statute hereafter in effect;

and the Debtor covenants to perform all requirements of any such supplemental indenture. No restriction or obligation imposed upon the Debtor may, except as otherwise provided in this Mortgage, be waived or modified by such supplemental indentures, or otherwise.

Section 10.2. Waivers and Consents by Noteholders; Supplemental Indentures with Noteholders' Consent. Upon the waiver or consent of the holders of at least 66-2/3% in aggregate principal amount of Notes then outstanding (a) the Debtor may take any action prohibited, or omit the taking of any action required, by any of the provisions of this Mortgage or any indenture supplemental hereto, or (b) the Debtor and the Security Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding, changing or eliminating any provisions of this Mortgage or of any indenture supplemental hereto or modifying in any manner the rights and obligations of the holders of the Notes and the Debtor; provided, that no such waiver or supplemental indenture shall (i) impair or affect the right of any holder to receive payments or prepayments of the principal of and payments of the ~~A~~premium, if any, and interest on its Note, as therein and herein provided, without the consent of such holder, (ii) permit the creation of any Lien with respect to any of the mortgaged property, without the consent of the holders of all the Notes at the time outstanding, (iii) effect the deprivation of the holder of any Note of the benefit of the lien of this Mortgage upon all or any part of the mortgaged property without the consent of such holder, (iv) reduce the aforesaid percentage of the aggregate principal amount of Notes, the holders of which are required to consent to any such waiver or supplemental indenture pursuant to this Section, without the consent of the holders of all of the Notes at the time outstanding, or (v) modify the rights, duties or immunities of the Security Trustee without the consent of the holders of all of the Notes at the time outstanding.

Section 10.3. Notice of Supplements. Promptly after the execution by the Debtor and the Security Trustee of any supplemental indenture or agreement pursuant to the provisions of

Section 10.1 or 10.2 hereof, the Security Trustee shall give written notice, setting forth in general terms the substance of such supplemental indenture or agreement, together with a conformed copy thereof, mailed first-class postage prepaid, to each holder of the Notes at its address set forth in the Register. Any failure of the Security Trustee to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture or agreement.

Section 10.4. Opinion of Counsel Conclusive as to Supplements. The Security Trustee is hereby authorized to join with the Debtor in the execution of any such supplemental indenture or agreement authorized or permitted by the terms of this Mortgage and to make the further agreements and stipulations which may be therein contained, and the Security Trustee may receive an opinion of counsel selected by the Security Trustee (which may be counsel for the Debtor) as conclusive evidence that any supplemental indenture or agreement executed pursuant to the provisions of this Section 10 complies with the requirements of this Section 10.

SECTION 11. MISCELLANEOUS.

Section 11.1. Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage contained by or on behalf of the Debtor or by or on behalf of the Security Trustee shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

Section 11.2. Severability. Any provision of this Mortgage which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 11.3. Communications. All communications provided for herein shall be in writing. Communications to the Debtor or the Security Trustee shall be deemed to have been given (unless otherwise required by the specific provisions hereof in respect of any matter) when addressed and delivered as follows:

If to the Debtor: Bonneville Pacific Corporation
200 East South Temple
Suite 300
Salt Lake City, Utah 84111

Attention: President

If to the Security
Trustee:

First Security Bank of Utah,
National Association
79 South Main Street
Salt Lake City, Utah 84111

Attention: Corporate Trust Department

or to the Debtor or the Security Trustee at such other address as the Debtor or the Security Trustee may designate by notice duly given in accordance with this Section to the other parties. Communications to the holder of a Note shall be deemed to have been given (unless otherwise provided for by the specific provisions hereof in respect of any matter) when delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, addressed to such holder at its address set forth in the Register.

Section 11.4. Release. The Security Trustee shall release this Mortgage and the lien and security interest granted hereby by proper instrument or instruments upon presentation of satisfactory evidence that all Indebtedness Hereby Secured has been fully paid or discharged.

Section 11.5. Counterparts. This Mortgage may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one Mortgage.

Section 11.6. Governing Law. This Mortgage and the Notes shall be construed in accordance with and governed by the laws of the State of Idaho.

Section 11.7. Headings. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this Mortgage nor shall they affect its meaning, construction or effect.

IN WITNESS WHEREOF, the Debtor has caused this Mortgage to be executed, and First Security Bank of Utah, National Association in evidence of its acceptance of the trusts hereby created, has caused this Mortgage to be executed on its behalf by one of its _____ and its corporate seal to be hereunto affixed, and said Seal and this Mortgage to be attested by one of its _____ all as of the day and year first above written.

BONNEVILLE PACIFIC CORPORATION

By _____
Its _____

^ DEBTOR

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION

By _____
Its _____

^ SECURITY TRUSTEE

[SEAL]

Attest:

STATE OF UTAH)
) SS.:
COUNTY OF SALT LAKE)

On the _____ day of _____ 1984, personally
appeared before me _____ who being by
me duly sworn, did say that he is the _____
of First Security Bank of Utah, National Association and said
instrument was signed in behalf of said bank by authority of its
bylaws and of a resolution of its Board of Directors, and
said _____ acknowledged to me that
said bank executed the same.

[SEAL]

NOTARY PUBLIC

Residing at: _____

My Commission Expires:

STATE OF UTAH)
) SS.:
COUNTY OF SALT LAKE)

On the _____ day of _____ 1984, personally
appeared before me _____, who being by me duly
sworn, did say that he is the _____ of Bonneville
Pacific Corporation, and said instrument was signed in behalf of
said corporation by the authority of said corporation's bylaws and
of a resolution of its Board of Directors, and said _____
acknowledged to me that said corporation executed the same.

[SEAL]

NOTARY PUBLIC

Residing at: _____

My Commission Expires:

OPERATING EXPENSE CATEGORIES

Moneys to be applied pursuant to clause FIRST of Section 5.1(a) of the foregoing Mortgage may be so applied in respect of the following categories of operating expenses only:

1. Labor
2. Insurance Premiums
3. Federal, State and local taxes
4. Miscellaneous operating supplies
5. Repair and Maintenance
6. Service Contracts

Schedule 1
(to Mortgage)

BONNEVILLE PACIFIC CORPORATION
14% SECURED NOTE DUE 1984 - 1994

No. R-

\$

, 198_

FOR VALUE RECEIVED, the undersigned, BONNEVILLE PACIFIC CORPORATION, a Utah corporation (the "Debtor"), promises to pay to

or registered assigns,
the principal sum of

DOLLARS (\$ _____)

together with interest from the date hereof until maturity at the rate of 14% per annum (computed on the basis of a 360-day year of 12 consecutive 30-day months) in 39 installments of principal and interest each in the amount of \$ _____ payable on _____, and on each succeeding _____, _____ and _____ thereafter to and including _____, with a final installment on _____ in an amount equal to the entire principal and interest remaining unpaid as of said date, and to pay interest (computed on the basis of a 360-day year of 12 consecutive 30-day months) at such higher rate, not in excess of 16% per annum, as shall be the highest rate a borrower such as the Debtor may pay by law on any overdue principal and (to the extent permitted by applicable law) overdue premium, if any, and interest from the due date thereof until paid, payable on demand. Such principal, premium, if any, and interest shall be payable upon presentation of this Note at the principal corporate trust office of First Security Bank of Utah, National Association (the "Security Trustee") located at 79 South Main Street, Salt Lake City, Utah 84111, the Security Trustee under the Indenture of Mortgage and Security Agreement dated as of May 1, 1984 (herein together with any supplements and amendments thereto called the "Mortgage") from the Debtor to the Security Trustee.

This Note is one of the Debtor's 14% Secured Notes due 1984 - 1994 (the "Notes") which are equally and ratably secured by the Mortgage. Reference is hereby made to the Mortgage for a description of the property subject thereto, the nature and extent

^{-A}
^ % of the original principal amount.

EXHIBIT A
(to Mortgage)

of the security for the Notes, the rights of the holders of the Notes, the Security Trustee and the Debtor in respect of such security and otherwise, ^certain rights of the Debtor, and the terms upon which the Notes are to be authenticated and delivered. As provided in the Mortgage, the aggregate principal amount of Notes which may be issued thereunder shall not exceed \$1,622,500.

This Note and any other Notes outstanding under the Mortgage may be declared due prior to its and their expressed maturity date, all in the events, on the terms and in the manner provided for in the Mortgage, and certain prepayments (which are required to be applied ratably on all outstanding Notes) are required to be made thereon. The Debtor agrees to make the required prepayments on the Notes in accordance with the provisions of the Mortgage.

The Debtor shall, to the extent permitted by applicable law, indemnify the holder hereof against any loss, damage and expense such holder incurs if the unpaid principal sum of this Note, or any portion thereof, is paid prior to the maturity date thereof, whether by operation of law ^ or in connection with an acceleration by such holder or the Security Trustee pursuant to Section 7.2(a) of the Mortgage or otherwise. Such indemnification shall include, without limitation, payment to such holder by the Debtor of:

(a) the present value, computed as of the date of prepayment, at the yield on 8-3/4% United States Treasury Bonds due August 1994 as most recently reported in The Wall Street Journal (or if the same is not then published, another similar journal selected by such holder) as of the date of repayment, of the installments of principal and interest thereafter payable hereunder ^ (computed on a quarterly basis);

LESS

(b) the amount so prepaid;

PLUS

(c) the amount, as reasonably estimated by such holder, of such holder's out-of-pocket ^ costs and expenses in reinvesting the amount prepaid (i.e., the sums determined under (a) and (b) above), including, without limitation, transaction and processing fees and costs, legal fees and brokerage expenses and such holder's expenses incurred in terminating any servicing agreement related to the loan.

If the foregoing indemnity is determined to be unenforceable in whole or in part, such holder may, at its option, pursue any other legal or equitable right or remedy now or hereafter available to such holder.

The terms and provisions of the Mortgage and the rights and obligations of the Debtor and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the Mortgage.

On and subject to the conditions contained in the Mortgage, this Note is transferable by the registered holder hereof in person or by its duly authorized attorney on that Register (as defined in the Mortgage) to be kept for that purpose at said principal office of the Security Trustee. On and subject to the conditions contained in the Mortgage, this Note is exchangeable for Notes of other denominations. The Debtor and the Security Trustee may deem and treat the person in whose name a Note is registered on said Register as the absolute owner and holder hereof (whether or not this Note shall be overdue) for the purpose of receiving payment and for all other purposes, and neither the Debtor nor the Security Trustee shall be affected by any notice to the contrary.

This Note shall not be valid until the certificate of authentication hereon shall have been signed by the Security Trustee.

This Note and the Mortgage are governed by the laws of the State of Idaho.

Anything in this Note to the contrary notwithstanding, neither the Security Trustee nor any holder hereof, nor their respective successors or assigns, shall have any claim, remedy or right to proceed against the Debtor in its individual capacity, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any penalty or assessment or otherwise, for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note or for the payment of any liability resulting from the breach of any representation, agreement or warranty of any nature whatsoever set forth in the Mortgage, from any source other than the mortgaged property (as defined in the Mortgage). The Security Trustee by its execution of the Mortgage and the holder of this Note by its acceptance hereof, waive and release any personal liability of the Debtor in its individual capacity for and on account of such indebtedness or such liability, and the Security Trustee and the holder of this Note agree to look solely to the mortgaged property for the payment of said indebtedness or the satisfaction of such liability; provided, however, nothing herein contained shall limit, restrict or impair the right of the Security Trustee to accelerate the maturity of this Note upon a default under the

Mortgage, to bring suit and obtain a judgment against the Debtor on this Note, to bring suit and obtain a judgment for damages against the Debtor for the Debtor's gross negligence or willfull misconduct, or to exercise all rights and remedies provided under the Mortgage or otherwise realize upon the mortgaged property.

IN WITNESS WHEREOF, the Debtor has caused this Note to be duly executed.

BONNEVILLE PACIFIC CORPORATION

By _____
Its _____

This Note is one of the Notes described in the within-mentioned Mortgage.

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION,
as Security Trustee

By _____
Its _____

NOTICE:

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933 OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OR IF AN EXEMPTION FROM SUCH REGISTRATIONS IS AVAILABLE.

DESCRIPTION OF LAND

Tract I

Township 5 South, Range 14 East, Boise Meridian

Section 33

Part NE $\frac{1}{4}$ SE $\frac{1}{4}$

Gooding County, Idaho

Beginning at the East Quarter Corner of Section 33;

thence N 89° 42' 44" W, 764.73 feet along the Northerly boundary of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ said Section 33 to the True Point of Beginning;

thence continuing N 89° 42' 44" W, 557.52 feet to the Northwest corner of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ said Section 33;

thence S 0° 08' 27" W, 198.51 feet along the Westerly boundary of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ said Section 33 to a point on the Easterly rim of the Big Wood River Canyon;

thence Southeasterly along the Big Wood River the following two courses and distances:

S 45° 02' 16" E, 74.26 feet;

S 63° 49' 13" E, 193.51 feet to the confluence of the Big Wood River and the Little Wood River;

thence Northeasterly along the Northerly rim of the Little Wood River Canyon the following two courses and distances:

N 39° 40' 35" E, 93.90 feet;

N 46° 08' 07" E, 377.05 feet to a point on the Northerly boundary of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ said Section 33, being the True Point of Beginning, containing 2.67 acres, more or less.

Tract II

Township 5 South, Range 14 East, Boise Meridian

Section 33

Part NE $\frac{1}{4}$

Gooding County, Idaho

Beginning at the East Quarter corner of Section 33;

thence N 89° 42' 44" W, 980.00 feet along the Southerly boundary of the NE $\frac{1}{4}$ said Section 33 to the True Point of Beginning:

thence N 27° 42' 44" W, 980.00 feet;

thence N 46° 03' 41" W, 630.54 feet;

thence N 0° 23' 35" E, 670.98 feet;

thence N 8° 36' 24" W, 310.00 feet;

thence N 34° 33' 21" W, 444.22 feet to a point on the Northerly boundary of the NE $\frac{1}{4}$ said Section 33;

thence N 89° 41' 34" W, 450.00 feet along the Northerly boundary of the NE $\frac{1}{4}$ said Section 33 to the Northwest corner thereof;

thence S 0° 14' 16" W, 2642.50 feet along the Westerly boundary of the NE $\frac{1}{4}$ said Section 33 to the Southwest corner thereof;

thence S 89° 42' 44" E, 1664.5 feet along the Southerly boundary of the NE $\frac{1}{4}$ of said Section 33 to the True Point of Beginning, containing 60.08 acres, more or less.

Tract III

Township 5 South, Range 14 East, Boise Meridian

Section 28

Part SW $\frac{1}{4}$ SE $\frac{1}{4}$

Gooding County, Idaho

Beginning at the Southeast corner of Section 28;

thence N 89° 41' 34" W, 2185.56 feet along the Southerly boundary of said Section 28 to the True Point of Beginning:

thence N 15° 34' 47" W, 584.09 feet;

thence N 55° 48' 17" W, 48.07 feet;

thence N 32° 43' 34" W, 100.03 feet;

thence N 56° 14' 24" W, 98.10 feet;

thence N 43° 58' 30" W, 94.04 feet;

thence N 65° 41' 06" W, 48.72 feet;

thence N 1° 01' 00" E, 102.23 feet;

thence N 34° 30' 24" E, 99.15 feet;

thence N 17° 46' 45" E, 191.84 feet;

thence N 8° 52' 28" E, 139.40 feet;

thence N 89° 41' 34" W, 144.31 feet to the Westerly boundary of said SW $\frac{1}{4}$ SE $\frac{1}{4}$;

thence S 0° 04' 40" W, 1318.74 feet along the Westerly boundary of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ said Section 28 to the South Quarter Corner thereof;

thence S 89° 41' 34" E, 450.00 feet along the Southerly boundary of said Section 28 to the True Point of Beginning, containing 6.63 acres, more or less.

AND ALSO

A seventy (70) feet wide strip of land for an access roadway over and across a portion of the NE $\frac{1}{4}$ Section 33, Township 5 South, Range 14 East of the Boise Meridian, being centered on the following described centerline;

Beginning at the East Quarter Corner of Section 33;

thence N 0° 02' 38" E, 555.49 feet along the Easterly boundary of said Section 33 to the Point of Beginning;

thence S 59° 29' 24" W, 754.83 feet;

thence S 49° 03' 35" W, 256.43 feet to a point on the Southerly boundary of the NE $\frac{1}{4}$ said Section 33, said point being the Point of Ending.

From the point of ending the East Quarter Corner of said Section 33 bears S 89° 42' 44" E, 843.61 feet.

DESCRIPTION OF WATER RIGHTS

^
Water Rights evidenced by Applications for Permit,
Identification Nos. 37-7889 and 37-7916, respectively,
approved by State of Idaho, Department of Water Resources

EXHIBIT C
(to Mortgage)

DESCRIPTION OF FACILITY

One completed hydroelectric project sized for 300 cfs of water and at least 969 kw of electrical output, more particularly described as:

Diversion Dam

Control Gates

Stop-Log Structure

+ 3320 lineal feet of earthen canal spillway and steel wear plate.

Headwork structure with trash racks and railings

151 lineal feet of 84" Primary Penstock

65 feet Penstock manifold and thrust blocks

Powerhouse and valve box

22 lineal feet of 54" Secondary Penstock

22 lineal feet of 36" Secondary Penstock

21 lineal feet of 30" Secondary Penstock

Butterfly Valves and Actuators

Valve Box

Powerhouse

EXHIBIT D
(to Mortgage)

Switchhouse

Programmable Controller

High Intensity Exit Door Lights (6)

Transmission Intertie

Remote Monitor and Printer

1 1500 KVA 3PH Terra Transformer

Serial Number

0078EA64K02L

Lot Series 81000 type medium voltage controllers, rated 2400-V, 3 0, 60 Hz, NEMA I-A enclosed, consisting of:

3 Induction Generator Controls

1 Fuse Loan-Interrupter Feeder Switch

1 Non-fused Loan-Interrupter Incoming Line Switch

1 Incoming Line Auxiliary Unit

1 Model 33 WTH Kaplan Turbine/Generator set

Serial Number 088329

45 cfs capacity, 192 kw capacity

1 Model 36 WTTM Kaplan Turbine/Generator Set

Serial Number 08830

77 cfs capacity, 339 kw capacity

1 Model 39 WTM Kaplan Turbine/Generator Set

Serial Number 088331

170 cfs capacity, 749 kw capacity

DESCRIPTION OF CONSTRUCTION CONTRACTS

1. The Turn-key Construction Agreement dated June 17, 1983 between the Debtor, as owner, and Interwest Hydro, Inc., an Idaho corporation, as contractor.
2. The Butterfly Valve Equipment Purchase Agreement dated June 9, 1983 between John H. Koyle, as owner, and Folsom Associates, Inc., as contractor.
3. The Contract dated March 8, 1983 between the Debtor, as buyer, and Siemens-Allis, Inc., as seller.
4. The Contract dated June 6, 1983 between the Debtor, as owner, and A&J Construction Co., Inc., as contractor.
5. The Turbine/Generators Equipment Purchase Agreement between the Debtor, as buyer, and Ingersoll-Rand Company, as seller.
6. The Transformer Equipment Purchase Agreement dated March 18, 1983 between John H. Koyle, as buyer, and RTE Corporation, as seller.
7. The Agreement for Engineering Services dated September 16, 1982 between John H. Koyle, as owner, and J-U-B Engineers, Inc., as engineer.

April 4, 1984

Mr. Craig B. Terry
PARSONS, BEHLE & LATIMER
185 South State Street, Suite 700
P.O. Box 11898
Salt Lake City, Utah 84147

RE: Water Permit Nos. 37-7889 and 37-7916 -
Koyle Ranch Hydroelectric Project

Dear Mr. Terry:

This is in response to your letter of March 12, 1984 in which you ask for review of a proposed notice of assignment form. The notice makes reference to the earlier assignment of the above-referenced rights from the Koyles to Bonneville Pacific Corporation on June 13, 1983. The Department of Water Resources acknowledged and consented to this assignment by its letter of June 14, 1983.

The proposed notice of assignment form also notifies the Department that Bonneville Pacific granted a security interest in the permits to First Security Bank of Utah, National Association, under an Indenture of Mortgage and Security Agreement dated as of October 1, 1983.

With respect to the mortgage of a permit to appropriate water for power purposes Idaho Code, § 42-207 (1977) provides in pertinent part as follows:

42-207. Sale, transfer, assignment or mortgage of permit. - Whenever the holder of a permit to appropriate water for power purposes within the state of Idaho, desires to . . . mortgage such permit so held by him, he shall file with the director of the department of water resources a copy of the . . . mortgage . . . together with such proof as the director of the department of water resources may require that the . . . mortgagee, or one or

MICROFILMED

Craig B. Terry
April 4, 1984
Page 2

more of the trustees under any mortgage trust indenture, possesses the qualifications set forth in section 42-206, and that such transfer is made in good faith, and not for purposes of speculation or delay; and the . . . mortgaging of any such permit except as herein provided shall be void, it being the express intention of the legislature to prohibit the transfer of permits to appropriate water for power purposes by mortgaging the same or otherwise, except in accordance with the provisions of this act.

Any notice or acknowledgement form which the Department is expected to sign regarding the mortgage of the permits should indicate compliance with the requirements of I.C. § 42-207. The proposed notice form forwarded to the Department does not indicate that the requirements of the statute have been satisfied.

Sincerely,

L. Glen Saxton
Chief, Operations Bureau

LGS:jh

RECEIVED

LAW OFFICES OF
PARSONS, BEHLE & LATIMER

A PROFESSIONAL CORPORATION

185 SOUTH STATE STREET, SUITE 700
POST OFFICE BOX 11898
SALT LAKE CITY, UTAH 84147
TELEPHONE (801) 532-1234
TELECOPIER (801) 521-9868

1101 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20036
TELEPHONE (202) 659-0862

FORMERLY
DICKSON, ELLIS, PARSONS & McCREA
1982-1989

C.C. PARSONS
1907-1966

CALVIN A. BEHLE
1947-

OF COUNSEL
GEORGE W. LATIMER
CONSTANCE K. LUNDBERG

KEITH E. TAYLOR
JAMES B. LEE
JOHN A. DAHLSTROM
GORDON L. ROBERTS
F. ROBERT REEDER
WILLIAM L. CRAWFORD
LAWRENCE E. STEVENS
DANIEL M. ALLRED
HOWARD J. MARSH
YAN M. ROSS
ERIE V. BOORMAN
DAVID S. DOLOWITZ
KENT W. WINTERHOLLER
KATHLENE W. LOWE
BARBARA K. POLICH
RANDY L. DRYER
CHARLES H. THRONSON
DAVID R. BIRD
RAYMOND J. ETCHEVERRY
FRANCIS M. WIKSTROM
DAVID W. TUNDERMANN
KREGE B. CHRISTENSEN
JAMES M. ELEGANTE
DAVID R. HIRSCHI

VAL R. ANTCAK
PATRICK J. GARVER
SPENCER E. AUSTIN
JOHN B. WILSON
ROBERT C. HYDE
CRAIG B. TERRY
DAVID A. ANDERSON
KENT O. ROCHE
PATRICIA J. WINMILL
JAN R. BENSON
RANDY M. GRIMSHAW
J. STEPHEN RUSSELL
T. PATRICK CASEY
ALICE L. HEARST
HENRY D. MARSH
D. R. CHAMBERS
BYRON W. MILSTEAD
LOIS A. BAAR
JAMES E. MORTON
MICHAEL L. LARSEN
JONATHAN K. BUTLER
SUSAN R. POULTER

March 12, 1984

RECEIVED
MAR 15 1984

Mr. Glen Saxton
State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Department of Water Resources

Re: Water Permit Nos. 37-7889 and 37-7916 -- Koyle Ranch
Hydroelectric Project

Dear Glen:

Pursuant to our telephone conversation on March 9, 1984, I am enclosing a revised Notice of Assignment of Water Permits and Acknowledgement by State of Idaho Department of Water Resources. I have revised the consent language on the bottom of the page to reflect the requirement that any assignee of the Permits must either be an actual bona fide resident of the State of Idaho or a corporation organized or qualified to do business in and under the laws of the State of Idaho, as required by Sections 42-206 and 42-207 of the Idaho Code. Hopefully, the revisions will satisfy your concerns regarding the form of the Notice.

Also enclosed for your files is a copy of the Assignment of Water Rights and Permits dated June 13, 1983 by and between John H. Koyle and Margaret H. Koyle, husband and wife, as Assignors, and Bonneville Pacific Corporation, as Assignee. Also enclosed is a copy of a letter dated June 14, 1983 to Bonneville Pacific

MICROFILMED

Mr. Glen Saxton
March 12, 1984
Page 2

Corporation from Norman C. Young, Administrator of the Idaho Department of Water Resources, acknowledging the consent of the Idaho Department of Water Resources to the assignment of the above-described Permits to Bonneville Pacific Corporation.

If you have further concerns regarding the form of the enclosed Notice, please advise me as soon as possible. As I indicated to you previously, I shall contact you later in the month regarding the execution of the Notice by the State of Idaho Department of Water Resources.

Very truly yours,

Craig B. Terry

Craig B. Terry,
of and for
PARSONS, BEHLE & LATIMER

CBT:jp
Enclosures

MICROFILMED

ASSIGNMENT OF WATER RIGHTS AND PERMITS

THIS ASSIGNMENT, made and entered into this 13th day of JUNE, 1983, by and between JOHN H. KOYLE and MARGARET H. KOYLE, husband and wife, hereinafter referred to as "Assignors", and BONNEVILLE PACIFIC CORPORATION, a Utah corporation qualified to do business in the State of Idaho, hereinafter referred to as "Assignee",

W I T N E S S E T H:

WHEREAS, Assignors have obtained approved Permits for the use of water resources in the State of Idaho, Permit Nos. 37-7889 and 37-7916, hereinafter referred to as the "Permits", copies of which are attached hereto as Schedule I and by this reference made a part hereof; and

WHEREAS, in connection with that certain Assignment Agreement between Assignors and Assignee, of even date herewith, incorporated herein by this reference, Assignors desire hereby to assign to Assignee all of their right, title and interest in and to said Permits for the purpose of holding said Permits for and on behalf of the Koyle Ranch Hydro-Electric Project (the "Project"), located in Gooding, Idaho, on land more particularly described in Exhibit "A" of said Assignment Agreement.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and adequacy of

MICROFILMED

which are hereby acknowledged, the parties hereto agree as follows:

1. Assignors hereby assign to Assignee all of their right, title and interest in and to said Permits as contained in Schedule I attached hereto to hold for and on behalf of the Project during the entire term of the Project as more specifically set forth in said Assignment Agreement.

2. Assignee hereby accepts the assignment of said Permits as contained in Schedule I in accordance with the terms hereof.

3. Assignee agrees to allow the rights and interests referred to in said Permits to be used in connection with the Project in accordance with said Assignment Agreement.

4. That to induce the Assignee to accept this assignment and the rights and obligations pursuant thereto, Assignors hereby represent to the Assignee as follows:

- (a) That the Assignors have duly performed all of the conditions presently required under said Permits;
- (b) That said Permits are in full force and effect;
- (c) That upon approval of the Department of Water Resources, State of Idaho, said Permits are assignable; and
- (d) That Assignors agree to defend, indemnify and hold Assignee harmless from and against any loss, costs, expense, cause of action, claim or fee, including reasonable attorneys' fees, which may

be incurred by Assignee in connection with this assignment provided that any such loss or fee is not the result of any breach or negligence on the part of Assignee.

5. That in consideration of the Assignors executing and delivering this Assignment, Assignee covenants with Assignors as follows:

- (a) That the Assignee will duly keep, observe and perform all of the terms, conditions and provisions of the Permits that are to be kept, observed and performed by the Assignors;
- (b) That Assignees will not further assign the rights or Permits conveyed hereunder (except for purposes of securing financing) without the prior written consent of Assignors and the prior written consent of the Director or Administrator of the Department of Water Resources, State of Idaho; and
- (c) That at the end of the Assignment Agreement term as described in said Assignment Agreement, Assignee will assign the Permits to Assignors and this Agreement shall thereafter become null and void.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

ASSIGNORS:

John H. Koyle
JOHN H. KOYLE
Margaret H. Koyle
MARGARET H. KOYLE

ASSIGNEE:

BONNEVILLE PACIFIC CORPORATION

By L. Wynn Johnson
Its VICE PRESIDENT

SCHEDULE I

Approved Application for Water Permit
Nos. 37-7889 and 37-7916

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

To appropriate the public waters of the State of Idaho

Ident. No. 37-7887

RECEIVED
APPROVED
1981
Department of Water Resources
Southern District Office1. Name of applicant John H. Koyle Phone 934-4060Post office address Route #2, Box 254 Gooding, Idaho 833302. Source of water supply Big Wood and Little Wood Rivers which is a tributary of Snake River3. Location of point of diversion is SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 33 Township 5-SRange 14-E B.M. Gooding County, additional points of diversion if any: _____SE $\frac{1}{4}$ of NE $\frac{1}{4}$ Section 33, Township 5-S

4. Water will be used for the following purposes:

Amount 20 c.f.s. Hydrogeneration purposes from Jan 1 to Dec 31 (both dates inclusive)
(cfs or acre-feet per annum)Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

5. Total quantity to be appropriated:

a. 20 cubic feet per second and/or b. _____ acre-feet per annum.

6. Proposed diverting works:

a. Description of ditches, flumes, pumps, headgates, etc. Diversion dam, approx 10 fthigh on Big Wood River and secondary structure approximately 15feet height on Little Wood with connecting canal and a powerdrop back into the combined Malad River.b. Height of storage dam No storage feet, active reservoir capacity None acre-feet; total reservoir

capacity _____ acre-feet, materials used in storage dam: _____

Period of year when water will be diverted to storage _____ to _____ inclusive.
(Month/Day) (Month/Day)

c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet.

7. Time required for the completion of the works and application of the water to the proposed beneficial

use is 5 years (minimum 1 year - maximum 5 years).

8. Description of proposed uses:

a. If water is not for irrigation:

(1) Give the place of use of water: NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 33 Township 5-SRange 14-E B.M.(2) Amount of power to be generated: 70 kw horsepower under 50 feet of head.

(3) List number of each kind of livestock to be watered _____

None

(4) Name of municipality to be served None, or number of families to be
supplied with domestic water _____(5) If water is to be used for other purposes describe: Power will be soldto Idaho Power Company under terms of PUC order.

MICROFILMED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCESAPPLICATION FOR PERMIT **APPROVED**

To appropriate the public waters of the State of Idaho

1. Name of applicant John H. Royle Phone 934-4060
Post office address Route 2, Box 254, Garding, ID 83330
2. Source of water supply Big Wood & Little Wood which is a tributary of for Mohl and then
tributary of Snake river
3. Location of point of diversion is Big Wood SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 33 Township 5S
Range 14E B.M. Garding County, additional points of diversion if any: Little Wood SE $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 33 - Township 5S Range 14E B.M.
4. Water will be used for the following purposes:
Amount 280 for Hydropower purposes from Jan 1 to Dec 31 (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
5. Total quantity to be appropriated:
a. 280 cubic feet per second and/or b. _____ acre-feet per annum.
6. Proposed diverting works:
a. Description of ditches, flumes, pumps, headgates, etc. Big Wood: simple rock and cement
diversion approx. 10' high - diversion via canal and cement flume.
Little Wood - same - join flows from both to support one
generation facility
b. Height of storage dam none feet, active reservoir capacity none acre-feet; total reservoir
capacity NA acre-feet, materials used in storage dam: NA
Period of year when water will be diverted to storage none to NA inclusive.
(Month/Day) (Month/Day)
c. Proposed well diameter is NA inches; proposed depth of well is NA feet.
7. Time required for the completion of the works and application of the water to the proposed beneficial
use is 5 years (minimum 1 year - maximum 5 years).
8. Description of proposed uses:
a. If water is not for irrigation:
(1) Give the place of use of water: NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 33 Township 5S
Range 14E B.M.
(2) Amount of power to be generated: 1100 KW installed capacity. (In combination
800 KW total horsepower under 50 feet of head.
with previous application
(3) List number of each kind of livestock to be watered none
(4) Name of municipality to be served none, or number of families to be
supplied with domestic water _____
(5) If water is to be used for other purposes describe: _____

MICROFILMED



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

June 14, 1983

RE: Assignment of Permit Nos. 37-7889 and 37-7916 -- Koyle Ranch
Hydroelectric Project

Bonneville Pacific Corporation
c/o David P. Hirschi
Parsons Behle & Latimer
185 South State Street
P. O. Box 11898
Salt Lake City, UT 84147

Gentlemen:

This office has reviewed the Assignment of Water Rights and Permits dated June 13, 1983, between John H. Koyle and Margaret H. Koyle, as Assignors, and Bonneville Pacific Corporation, a Utah corporation qualified to do business in the State of Idaho, as Assignee.

This office has also reviewed the Assignment Agreement between the Koyles and Bonneville Pacific Corporation and certain loan commitments of First Interstate Bank of Utah, N. A. (Construction Lender) and New England Mutual Life Insurance Company (Permanent Lender), relating to the ownership and financing of the proposed Koyle Ranch Hydroelectric project.

This letter confirms that this office has received all of the documentation that we need to process the Assignment of the above referenced permits from John H. Koyle and Margaret H. Koyle to Bonneville Pacific Corporation. The material submitted satisfies the requirements of Section 42-206 and 42-207, Idaho Code, for the Assignment to Bonneville Pacific Corporation.

Sincerely,

NORMAN C. YOUNG
Administrator
Resources Administration Division

NCY:alw

cc: John H. Koyle

MICROFILMED

NOTICE OF ASSIGNMENT OF WATER PERMITS AND ACKNOWLEDGEMENT
BY STATE OF IDAHO DEPARTMENT OF WATER RESOURCES

State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Re: Water Permit Nos. 37-7889 and 37-7916 -- Koyle Ranch
Hydroelectric Project

Gentlemen:

Reference is made to Water Permit Nos. 37-7889 and 37-7916 (the "Permits"), which were initially issued by the State of Idaho Department of Water Resources to John H. Koyle. Mr. Koyle has assigned to Bonneville Pacific Corporation, a Utah corporation (the "Company"), under the Assignment of Water Rights and Permits dated June 13, 1983 from John H. Koyle and Margaret H. Koyle, as assignors, to the Company, as assignee, all the rights and duties of Mr. Koyle in and to the Permits as set forth therein.

Paul
You are hereby notified that the Company has granted a security interest to First Security Bank of Utah, National Association, a national banking association (the "Security Trustee"), under the Indenture of Mortgage and Security Agreement dated as of October 1, 1983 between the Company, as debtor, and the Security Trustee, as secured party, in all the right, title, interest, claims and demands now held or hereafter acquired by the Company in, under and to the Permits.

This instrument may be executed in any number of counterparts, each such counterpart constituting an original but all together one and the same instrument.

Dated:

BONNEVILLE PACIFIC CORPORATION

By: _____
Its: _____

ackd
Acknowledged, consented and agreed to on the date hereof, subject to the requirement that any assignee of the Permits, if a person, must be an actual bona fide resident of the State of Idaho, and if a corporation, must be organized or qualified to do business in and under the laws of the State of Idaho, as required by Sections 42-206 and 42-207 of the Idaho Code.

STATE OF IDAHO DEPARTMENT OF
WATER RESOURCES

BY: _____
Its: _____

MICROFILMED

RECEIVED
MAR 9 1984

LAW OFFICES OF
PARSONS, BEHLE & LATIMER

A PROFESSIONAL CORPORATION

185 SOUTH STATE STREET, SUITE 700
POST OFFICE BOX 11898
SALT LAKE CITY, UTAH 84147
TELEPHONE (801) 532-1234
TELECOPIER (801) 521-9868

1101 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20036
TELEPHONE (202) 659-0862

FORMERLY
DICKSON, ELLIS, PARSONS & McCREA
1882-1959

C.C. PARSONS
1907-1968

CALVIN A. BEHLE
1947-

OF COUNSEL
GEORGE W. LATIMER
CONSTANCE K. LUNOBERG

Department of Water Resources

ANTHONY ZAK
PATRICK J. GARVER
SPENCER E. AUSTIN
JOHN B. WILSON
ROBERT C. HYDE
CRAIG B. TERRY
DAVID A. ANDERSON
KENT O. ROCHE
PATRICIA J. WINMILL
JAN R. BENSON
RANDY M. GRIMSHAW
J. STEPHEN RUSSELL
T. PATRICK CASEY
ALICE L. HEARST
HENRY D. MARSH
D. R. CHAMBERS
BYRON W. MILSTEAD
LOIS A. BAAR
JAMES E. MORTON
MICHAEL L. LARSEN
JONATHAN K. BUTLER
SUSAN R. POULTER

KEITH E. TAYLOR
JAMES B. LEE
JOHN A. DAHLSTROM
GORDON L. ROBERTS
F. ROBERT REEDER
WILLIAM L. CRAWFORD
LAWRENCE E. STEVENS
DANIEL M. ALLRED
HOWARD J. MARSH
YAN M. ROSS
ERIE V. BOORMAN
DAVID S. DOLOWITZ
KENT W. WINTERHOLLER
KATHLENE W. LOWE
BARBARA K. POLICH
RANDY L. DRYER
CHARLES H. THRONSON
DAVID R. BIRD
RAYMOND J. ETCHEVERRY
FRANCIS M. WIKSTROM
DAVID W. TUNDERMANN
KREGE B. CHRISTENSEN
JAMES M. ELEGANTE
DAVID R. HIRSCHI

March 7, 1984

Mr. Glen Saxton
State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho, 83720

Re: Water Permits No.'s 37-7889 and 37-7916 -- Koyle
Ranch Hydroelectric Project

Dear Glen:

Pursuant to our telephone conversation earlier today, I am enclosing for your review a copy of the Notice of Assignment of Water Permits and Acknowledgment by State of Idaho Department of Water Resources, which is being requested by New England Mutual Life Insurance Company in connection with the financing of the Koyle Ranch Hydroelectric Project. It is presently anticipated that the loan will close toward the latter part of March. At that time, we will send to you six copies of the enclosed Notice of Assignment which have been executed by Bonneville Pacific Corporation and request that the State of Idaho Department of Water Resources execute all six copies and return them to the undersigned.

If you have any concerns with the form of the enclosed Notice of Assignment, please advise me as soon as possible. I shall contact you later in the month regarding the execution of these documents.

Very truly yours,

Craig B. Terry
Craig B. Terry,
of and for
PARSONS, BEHLE & LATIMER

UNRECORDED

CBT:jp
Enclosure

NOTICE OF ASSIGNMENT OF WATER PERMITS AND ACKNOWLEDGEMENT
BY STATE OF IDAHO DEPARTMENT OF WATER RESOURCES

State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Re: Water Permit Nos. 37-7889 and 37-7916 -- Koyle Ranch
Hydroelectric Project

Gentlemen:

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You are hereby notified that the ~~Company has granted a security interest to First Security Bank of Utah~~, National Association, a national banking association (the "Security Trustee"), ~~under the Indenture of Mortgage~~ and Security Agreement dated as of October 1, 1983 between the Company, as debtor, and the Security Trustee, as secured party, in all the right, title, interest, claims and demands now held or hereafter acquired by the Company in, under and to the Permits.

*Bonneville
has
mortgaged
permits
to
1st Security
Bank of
Utah?*

This instrument may be executed in any number of counterparts, each such counterpart constituting an original but all together one and the same instrument.

Dated:

BONNEVILLE PACIFIC CORPORATION

By _____
Its _____

Acknowledged, consented and agreed to on the date hereof.

STATE OF IDAHO DEPARTMENT OF
WATER RESOURCES

By _____
Its _____

MICROFILMED



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

June 14, 1983

RE: Assignment of Permit Nos. 37-7889 and 37-7916 -- Koyle Ranch
Hydroelectric Project

Bonneville Pacific Corporation
c/o David P. Hirschi
Parsons Behle & Latimer
185 South State Street
P. O. Box 11898
Salt Lake City, UT 84147

Gentlemen:

This office has reviewed the Assignment of Water Rights and Permits dated June 13, 1983, between John H. Koyle and Margaret H. Koyle, as Assignors, and Bonneville Pacific Corporation, a Utah corporation qualified to do business in the State of Idaho, as Assignee.

This office has also reviewed the Assignment Agreement between the Koyles and Bonneville Pacific Corporation and certain loan commitments of First Interstate Bank of Utah, N. A. (Construction Lender) and New England Mutual Life Insurance Company (Permanent Lender), relating to the ownership and financing of the proposed Koyle Ranch Hydroelectric project.

This letter confirms that this office has received all of the documentation that we need to process the Assignment of the above referenced permits from John H. Koyle and Margaret H. Koyle to Bonneville Pacific Corporation. The material submitted satisfies the requirements of Section 42-206 and 42-207, Idaho Code, for the Assignment to Bonneville Pacific Corporation.

Sincerely,

NORMAN C. YOUNG
Administrator
Resources Administration Division

NCY:alw

cc: John H. Koyle

June 14, 1983

RE: Assignment of Permit Nos. 37-7889 and 37-7916 -- Koyle Ranch
Hydroelectric Project

Bonneville Pacific Corporation
c/o David P. Hirschi
Parsons Behle & Latimer
185 South State Street
P. O. Box 11898
Salt Lake City, UT 84147

Gentlemen:

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Sincerely,

NORMAN C. YOUNG
Administrator
Resources Administration Division

NCY:alw

cc: John H. Koyle

7 5 4 2 1

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (the "Agreement"), made and entered into this 13th day of JUNE, 1983, by and between JOHN H. KOYLE and MARGARET H. KOYLE, husband and wife (the "Assignors"), and BONNEVILLE PACIFIC CORPORATION, a Utah corporation duly authorized to transact business in the State of Idaho (the "Assignee"),

W I T N E S S E T H:

WHEREAS, Assignee owns or has the right to acquire certain real property located in ^{Lug Gooding F.K. M.H.K.} ~~Twin Falls~~ County, State of Idaho, described in Exhibit "A" attached hereto and by this reference made a part hereof, which real property shall be used by Assignee as part of a hydro-electric project known as the Koyle Ranch Hydro-Electric Project (the "Project"); and

WHEREAS, Assignors own or have the right to acquire certain non-consumptive water rights and appropriations for electrical generation (the "Water Rights"), more particularly described on Exhibit "B" attached hereto and by this reference made a part hereof; and

WHEREAS, Assignors and Assignee have entered into a Power Sales Contract (the "Power Contract") with Idaho Power Company for the purchase and sale of power generated from the Project, a copy of which contract is attached hereto as Exhibit "C" and by this reference made a part hereof; and

WHEREAS, Assignors have obtained an Order Granting Exemption From Licensing for a Conduit Hydroelectric Project from the Federal Energy Regulatory Commission (the "FERC Exemption"), a copy of which is attached hereto as Exhibit "D" and by this reference made a part hereof; and

WHEREAS, on or about May 4, 1983 Assignors entered into an Agreement (the "Water Agreement") with Northside Canal Company, Ltd., wherein and whereby Assignors acquire certain additional water rights, which Water Agreement is attached hereto as Exhibit "E" and by this reference made a part hereof; and

WHEREAS, Assignee desires to acquire the Water Rights, Power Contract, FERC Exemption and Water Agreement by assignment for purposes of constructing, operating and maintaining the Project; and

WHEREAS, Assignors desire to assign the foregoing rights and interests strictly upon the terms herein contained,

NOW, THEREFORE, for the consideration hereinafter described and in further consideration of the mutual promises and covenants of the parties hereto, the parties agree as follows:

1. Agreement to Lease and Assign. Assignors hereby assign to Assignee and Assignee hereby takes from Assignors the Water Rights, Power Contract, FERC Exemption and Water Agreement, in accordance with and subject to the terms of this Agreement.

2. Term of Assignment. This Agreement shall remain in full force and effect and binding upon the parties hereto from and after the date hereof and continuing for a term of thirty (30) years from the date of first power production by the Project.

3. Construction of the Project. Assignee shall be solely responsible to construct, install or complete the Project which shall consist of a power generating facility having not less than 1136 kilowatts of installed generating capacity. Said facility shall be completed and in commercial operation on or before December 31, 1983.

4. Control and Ownership of Project. Assignee shall own the Project and shall have complete control over the construction, operation and maintenance of the Project during the term of this Agreement and Assignors grant to Assignee all rights and privileges necessary or desirable in the construction, operation and maintenance of the Project, including, without limitation, rights of ingress and egress and such easements, privileges, water lines, electrical transmission lines and other utility easements as may be necessary or desirable in the construction, operation and maintenance of the Project. At the end of the term hereof, Assignee shall transfer to Assignors, without cost to Assignors, by good and sufficient bills of sale, quitclaim deeds or assignments, all of its right, title and interest in and to the Water Rights, Power Contract, FERC Exemption, Water Agreement, the lands described

on Exhibit "A" attached hereto and any and all improvements or personal property situated upon said lands at the end of the term hereof.

5. Consideration. As total consideration for the Assignments herein contained, Assignee agrees to pay to Assignors thirty-eight percent (38%) of energy payments, as defined in Article IV paragraph (A) of the Power Contract, for the first ten (10) years of power production or until the initial long term debt on the Project is retired in accordance with its terms and as scheduled under the loan documents, whichever event last occurs, and ^{thereafter} forty-three percent (43%) of energy and capacity payments, as defined in Article IV paragraphs (A) and (B) of the Power Contract, actually received by Assignee from Idaho Power Company under the Power Contract. All payments to Assignors shall be paid quarterly, in arrears.

6. Tax Benefits. Assignee shall receive all federal and state tax benefits (ITC, ETC and Cost Recovery Deductions (ACRS), etc.) available under the tax regulations relating to power projects of this nature.

7. Default. In the event either party hereto is in default under this Agreement, and such default is not cured within thirty (30) days after written notice of the default is delivered to the defaulting party, the non-defaulting party shall have the right to bring one or more of the following actions:

(a) An action for specific performance under this Agreement;

(b) An action for damages incurred as a result of the default; and

(c) Any other rights and remedies provided by law.

In the event of default, the defaulting party shall pay all costs and fees incurred by the non-defaulting party in enforcing this Agreement against such defaulting party, including reasonable attorneys' fees and court costs.

8. Covenant of Title and Peaceful Possession.

Assignors covenants that it has full right, power and authority to make this Assignment, and that Assignee, upon payment of the considerations and performance of the covenants upon Assignee's part to be performed hereunder, shall and may peaceably and quietly have, hold and enjoy the rights assigned hereby, during the term hereof.

9. Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, ^{any acts of God, J.K. M.K.K} war, or other reason of a like nature not the fault of the party delayed in performing the work or doing the acts required under the terms of this Agreement, then performance of such action shall be excused for the period of

delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

10. Additional Instruments. In the event it is necessary or desirable to prepare and execute additional instruments or documents to carry out the terms of this Agreement, the parties hereto agree to cooperate fully in the preparation and execution of the same.

11. Eminent Domain. In the event the Project shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Agreement shall terminate and expire as of the date of such taking, and both Assignors and Assignee shall thereupon be released from any liability thereafter accruing hereunder. It is understood and agreed that Assignee shall be entitled to the entire award or compensation under any proceeding in eminent domain except such portion of the award or compensation specifically relating to the value of the water rights leased hereunder.

12. Notices. All notices required or permitted hereunder shall be deemed duly delivered when personally delivered or when sent by United States mail, postage prepaid, registered or certified mail with return receipt requested, and addressed to the parties has follows:

IF TO ASSIGNORS:

John H. and Margaret H. Koyle
Route #2, Box 254
Gooding, Idaho 83330

IF TO ASSIGNEE:

Bonneville Pacific Corporation
Suite 300
200 East South Temple
Salt Lake City, Utah 84111
Attention: Raymond L. Hixson,
President

Either party may change its address in writing by giving notice of such change in the manner herein provided.

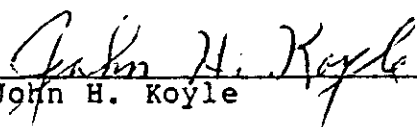
13. Entire Agreement. Subject to paragraph 10 hereof, this Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and shall not be modified or amended except by written instrument duly executed by the parties hereto.

14. Binding Agreement. This Agreement shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

15. Captions. Captions throughout this instrument are for convenience of reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

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

ASSIGNORS:



John H. Koyle

Margaret H. Koyle
Margaret H. Koyle

ASSIGNEE:

BONNEVILLE PACIFIC CORPORATION

By L. Wynn Johnson
Its VICE PRESIDENT

STATE OF IDAHO)
COUNTY OF _____ : ss.

On this _____ day of _____, 1983, before me _____, a Notary Public, personally appeared JOHN H. KOYLE and MARGARET H. KOYLE, husband and wife, the signers of the foregoing instrument who duly acknowledged to me that they executed the same.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF ^{UTAH} ~~IDAHO~~)
COUNTY OF SALT LAKE : ss.

On this 13th day of June, 1983, before me, Deborah Buckley, a Notary public, personally appeared L. Wynn Johnson, known to me to be the Vice President of Bonneville Pacific Corporation, a Utah corporation, the corporation that executed the instrument or the person who executed the instrument on behalf of

said corporation, who acknowledged to me that such corporation executed the same.

Debrah Buckley
NOTARY PUBLIC
Residing at: Salt Lake City, UT

My Commission Expires:

5/9/87

RECEIVED

EXHIBIT "A"

(Description of Real Property)

PARCEL 1: (Across Northeast quarter,
Section 33)

A parcel of land located in the Northeast quarter of Section 33, Township 5 South, Range 14 East, B.M. Gooding County, Idaho and being more specifically described as follows:

Commencing at the East quarter corner of Section 33, Township 5 South, Range 14 East, B.M., then North 89°42'14" West, 1206.02 feet along the Southerly boundary of the Northeast quarter of said Section 33 to the REAL POINT OF BEGINNING; thence North 23°05'41" West, 85.54 feet; thence North 0°44'35" West, 753.87 feet; thence South 88°12'23" West, 179.66 feet; thence North 49°08'28" West, 506.08 feet; thence 164.26 feet along a curve to the right having a central angle of 49°32'03"; a radius of 190.00 feet and a long chord bearing and distance of North 24°22'27" West, 159.19 feet; thence North 0°23'35" East, 670.98 feet; thence North 8°36'24" West, 181.95 feet; thence 254.14 feet along a curve to the left having a central angle of 30°58'51"; a radius of 470.00 feet and a long chord bearing and distance of North 24°05'50" West, 251.05 feet; thence North 39°35'15" West, 300.09 feet; thence North 28°58'19" West, 36.83 feet to a point on the Northerly boundary of the Northeast quarter of said Section 33; thence North 89°41'34" West, 409.34 feet along the Northerly boundary of the Northeast quarter of said Section 33 to the Northwest corner thereof; thence South 0°14'09" West, 2641.33 feet along the Westerly boundary of the Northeast quarter of said Section 33 to the Southwest corner thereof; thence South 89°42'14" East, 1425.79 feet along the Southerly boundary of the Northeast quarter of said Section 33 to the REAL POINT OF BEGINNING.

The gross area contained in this land as described above is 57.72 acres.

PARCEL 2: (Access Road)

A sixty (60) foot wide strip of land for an access roadway over and across a portion of the Northeast quarter of Section 33, Township 5 South, Range 14 East, B.M., Gooding County, Idaho and being centered on the following described centerline;

Commencing at the East quarter corner of Section 33, Township 5 South, Range 14 East, B.M., thence North $0^{\circ}18'46''$ East, 680.00 feet along the Easterly boundary of said Section 33 to the POINT OF BEGINNING; thence South $49^{\circ}56'19''$ West, 1050.10 feet to a point on the Southerly boundary of the Northeast quarter of said Section 33, said point being the POINT OF ENDING.

From the point of ending the East quarter corner of said Section 33, bears South $89^{\circ}42'14''$ East, 800.00 feet.

PARCEL 3: (Diversion Site)

A parcel of land located in the Southwest quarter, Southeast quarter, Section 28, Township 5 South, Range 14 East, B.M., Gooding County, Idaho and being more specifically described as follows:

Commencing at the Southeast corner of Section 28, Township 5 South, Range 14 East, B.M., thence North $89^{\circ}41'34''$ West, 2226.01 feet along the Southerly boundary of said Section 28 to the REAL POINT OF BEGINNING; thence North $28^{\circ}58'19''$ West, 117.54 feet; thence North $7^{\circ}22'35''$ West, 463.42 feet; thence North $55^{\circ}48'17''$ West, 48.07 feet; thence North $32^{\circ}43'34''$ West, 100.03 feet; thence North $56^{\circ}14'24''$ West, 98.10 feet; thence North $43^{\circ}58'30''$ West, 94.04 feet; thence North $65^{\circ}41'06''$ West, 48.72 feet; thence North $1^{\circ}01'00''$ East, 102.23 feet; thence North $34^{\circ}30'24''$ East, 99.15 feet; thence North $17^{\circ}46'45''$ East, 191.84 feet; thence North $8^{\circ}52'28''$ East, 139.40 feet, more or less, to the Northerly boundary of the Southwest quarter Southeast quarter of said Section 28; thence North $89^{\circ}41'34''$ West, 140.45 feet along the Northerly

MICROFILMED

boundary of the Southwest quarter Southeast quarter of said Section 28 to the Northwest corner thereof; thence South $0^{\circ}14'09''$ West, 1318.73 feet along the Westerly boundary of the Southwest quarter Southeast quarter of said Section 28 to the South quarter corner thereof; thence South $89^{\circ}41'34''$ East, 409.34 feet along the Southerly boundary of said Section 28 to the REAL POINT OF BEGINNING.

The gross area contained in this land as described above is 6.08 acres, more or less.

PARCEL 4: (Powerhouse Site)

A parcel of land located in the Northeast quarter Southeast quarter of Section 33, Township 5 South, Range 14 East, B.M., Gooding County, Idaho and being more specifically described as follows:

Commencing at the East quarter corner of Section 33, Township 5 South, Range 14 East, B.M., thence North $89^{\circ}42'14''$ West, 751.40 feet along the Northerly boundary of the Northeast quarter Southeast quarter of said Section 33 to the REAL POINT OF BEGINNING; thence continuing North $89^{\circ}42'14''$ West, 564.50 feet to the Northwest corner of the Northeast quarter Southeast quarter of said Section 33; thence South $0^{\circ}17'06''$ West, 193.01 feet along the Westerly boundary of the Northeast quarter Southeast quarter of Section 33 to a point on the Easterly rim of the Big Wood River Canyon; thence Southeasterly along the Big Wood River the following two courses and distances: South $45^{\circ}02'16''$ East, 83.47 feet; South $63^{\circ}49'13''$ East, 193.51 feet to the confluence of the Big Wood River and the Little Wood River; thence Northeasterly along the Northerly rim of the Little Wood River Canyon the following two courses and distances: North $39^{\circ}40'35''$ East, 93.90 feet; North $46^{\circ}08'07''$ East, 378.34 feet to a point on the Northerly boundary of the Northeast quarter Southeast quarter of said Section 33 being the REAL POINT OF BEGINNING.

The gross area contained in this land as described above is 2.71 acres.

RECEIVED

EXHIBIT "B"

(Water Rights)

SECRET

EXHIBIT "C"

(Copy of Power Sales Contract)

EXHIBIT "C"

EXHIBIT "D"

(Copy of FERC Exemption)

EXHIBIT "E"

(Water Agreement)

RECEIVED

EXHIBIT "F"
(Koyle Option)

REPROFILING

**First
Interstate
Bank**

First Interstate Bank
of Utah
175 South Main Street
Salt Lake City, Utah 84111
801 350-7767

Kenneth W. Bell
Vice President
Corporate Banking

RECEIVED

April 29, 1983

JUN 14 1983

Department of State

Mr. Raymond L. Hixson
President
Bonneville Pacific Corporation
200 East South Temple
Salt Lake City, Utah 84111

Dear Ray:

It is my pleasure to inform you that First Interstate Bank of Utah has approved a loan to the Koyle Ranch Hydro-Electric Project, a Joint Venture, in the amount of \$1,475,000 [$\pm$ 10%]. This loan will be for one year through March 31, 1984 and will accrue interest at our bank's prime rate plus 1½%, floating, payable quarterly. Additionally, there will be a 1½% commitment fee due and payable at closing. The Joint Venture will be required to reimburse the bank for all "out of pocket expenses" incurred.

This loan is to be secured by the following:

a] Assignment of a thirty-five [35] year power purchase contract between John Koyle, joint venturer, and Idaho Power Company.

b] A security interest in all equipment, energy rights, water rights, easements and permits, etc.

c] Assignment of a long-term takeout commitment from New England Mutual Life Insurance Company in the amount of \$1,475,000 [$\pm$ 10%].

d] Trust Deed covering approximately 67 acres of real estate surrounding the project.

e] Evidence of adequate insurance, including an all-risk business interruption policy satisfactory to our bank.

The loan is to be guaranteed by Bonneville Group Inc.

Funding under this commitment will be handled on a "construction disbursement" basis with disbursements to be made upon presen-

April 29, 1983
Mr. Raymond L. Hixson
Page Two

tation of an independent engineer's report stipulating that the work to be paid for has been completed or is now at a point where disbursement is required. We would appreciate limiting the number of draws each month [preferably not more than two, but this is negotiable].

Funding under this commitment is contingent upon the satisfaction of the following conditions:

- 1] Confirmation of continued interest in the necessary water rights by the Joint Venture.
- 2] Investor funds in the amount of \$650,000 [or equivalent] to be satisfactorily evidenced to the bank prior to funding. Investor funds to be contributed and disbursed prior to bank funding.
- 3] Approval and execution of all necessary legal documents; said documents to be reviewed and approved by our legal counsel and by the long-term lender, New England Mutual Life Insurance Company's legal counsel.
- 4] Establishment of a \$150,000 reserve account per the requirement of New England Mutual Life.
- 5] Evidence of adequate all-risk insurance, including business interruption.
- 6] Receipt of cost breakdown/disbursement schedule to be followed for disbursements.
- 7] Receipt of authorization from all parties authorizing them to execute documents necessary to affectuate required transactions.
- 8] Receipt of Guarantee of Bonneville Group Inc., along with required authorizations.
- 9] Receipt of monthly progress reports and certifications by engineers prior to disbursement.
- 10] Receipt of documentation evidencing all necessary government or regulatory approvals for hydro project.

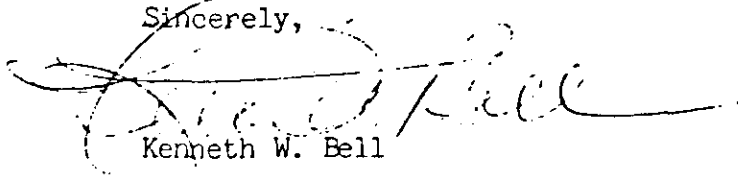
April 29, 1983
Mr. Raymond L. Hixson
Page Three

- 11] Receipt of complete set of plans and specs on construction of project.
- 12] Original executed copy of Joint Venture agreement including authorization for borrowings.
- 13] Receipt of all other such documents or information which may be required by the bank.
- 14] Disbursements in excess of \$1,475,000 will require a written acknowledgment from New England Mutual Life Insurance Company indicating their willingness to disburse additional amounts.
- 15] Evidence of bonding satisfactory to the bank covering sub-contractors performing work on the project.
- 16] Establishment of a Trustee satisfactory to the bank and the long-term lender, as required in the long-term lender's commitment letter.

I am certain that there will be other requirements that develop as we proceed to close this loan and there may be some areas that we need to negotiate further. Our main concern, of course, is that of the timely and acceptable completion of the project and implementation of the equipment allowing the long-term lender to fund.

We appreciate the opportunity of working with you on this transaction and will look forward to getting together with you. If you have any questions or comments in regards to our commitment or in regards to this letter please do not hesitate to call. Again, we appreciate your patronage of our bank.

Sincerely,



Kenneth W. Bell

KWB/ga

cc: L. Wynn Johnson
Robert L. Wood

New England Life

NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY / 501 BOYLSTON STREET, BOSTON, MASSACHUSETTS 02117 / 617 • 266-3700

RECEIVED

JUN 14 1983

Department of Water Resources

HANSON C. ROBBINS
Senior Investment Officer

April 8, 1983

Bonneville Pacific Corp.
200 East South Temple
Salt Lake City, Utah 84111

Attention: Mr. Raymond L. Hixson, President

Re: \$1,475,000 ($\pm 10\%$) 14% Secured Notes ("Notes") due 1993 to be issued by Hydro Electric Associates ("Hydro") a joint venture of John Koyle, Bonneville Pacific and other limited partners, in connection with a proposed Hydro-Electric power project to be located at Koyle Ranch, Gooding County, Idaho.

Gentlemen:

Our Finance Committee has approved in principle the purchase at par of \$1,475,000 ($\pm 10\%$ but no more than 69% of Total Amount Funded as defined in Bonneville Pacific Corp's brochure entitled Summary, Koyle Ranch Hydro Electric Project, Gooding, Idaho" (the "Brochure")) principal amount of the Notes to be issued by Hydro subject to the following conditions:

1. The concurrent contribution of \$650,000 ($\pm 10\%$) to Hydro by its partners in accordance with a partnership agreement to purchase and obtain title to power generation equipment described in the brochure.
2. Assurance from Hydro satisfactory in form and substance to us, that it has all necessary rights for the non-consumptive use of water to generate power and all rights of way, easements, and environmental or other permits to construct and operate for at least 15 years a hydro electric facility as described in the Brochure. In addition Hydro shall covenant to supply the construction lender, and us with an audited accounting of the project construction costs, before we fund, and covenant to supply you and us with a quarterly accounting of operations and annual audited financial statements covering operations of the project.
3. The completion of a 35 year firm "take-if-tendered" power sales contract satisfactory in form and substance to you and us between John Koyle, Margaret Koyle, Bonneville Pacific Corp., as joint venturers and Idaho Power Company similar in content to the agreement dated February 15, 1983 between the same parties.

4. The assignment to us of water flowage rights, power payment, the power sale contract, and a second trust deed to John Koyle's properties together with all agreements, rights and licenses necessary for us to operate the hydro-electric facility in the event we become owner of the facility.
5. A first secured interest in all hydro-generation equipment, pen stocks, building and other equipment owned by Hydro to us, (together with the right to remove such equipment) as long as the Notes are outstanding.
6. The establishment of a \$150,000 Reserve Account to be held by a Trustee to be named, satisfactory to us, the income of which will accrue to Hydro (unless needed to replenish the Reserve Account).
7. Establishment of a Trustee who, so long as any of the Notes are unpaid, will hold the Reserve Account and distribute funds from the Reserve Account in accordance with provisions articulated in a Trust Agreement, satisfactory to us in form and substance; who will receive all monthly payments from Idaho Power Company and distribute monies in accordance with provisions of the Trust Agreement; and who will receive any and all payments by insurers against claims relating to business interruption or casualty and distribute monies in accordance with the provisions of the Trust Agreement.
8. Evidence that an all-risk business interruption insurance policy, including fire, earthquake, and flood satisfactory to us, covering all operations of the hydro-electric facility is in force at the closing, naming the Trustee as loss payee. In addition Hydro shall covenant that if the power sales contract is ever changed so that "avoided capacity payments" are less than debt service (annualized) it will obtain loss of flow coverage.
9. Certification, satisfactory to us, from Engineers for the project that construction is complete, that the plant is capable on a production basis of producing power acceptable to the buyer of power, and that no condition exists prohibiting Hydro from producing and selling power in accordance with project plans.

The Notes will be non-callable for life (except in the event of casualty) and will be repaid in 40 quarterly installments of interest and principal on a modified mortgage basis to be determined designed to fit the expected seasonal pattern of income generation.

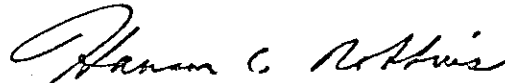
Upon your acceptance of this Commitment Letter, we will engage the law firm of Messrs. Chapman & Cutler of Salt Lake City & Chicago to act as special counsel for the lenders, and as is customary in financings of this character, all legal fees incident to this transaction will be paid by Hydro, whether or not the sale of the Notes is ever consummated.

April 8, 1983

This Commitment Letter is not meant to be, nor shall it be construed as, an attempt to define all the terms and conditions of the transactions involved in the financing of this project. Rather, it is intended only to set forth in abbreviated fashion certain basic points of business understanding around which the loan documentation is to be structured. Further negotiations within the general scope of these major conditions shall not be precluded by the issuance of this Commitment Letter and its acceptance by you.

If the foregoing correctly sets forth your understanding of the financing of this project, please indicate your willingness to be bound hereby by executing the enclosed copy of this letter in the place provided therefor and returning the same to us by April 30, 1983, whereupon this commitment shall constitute a binding agreement to lend, and upon the Company to borrow, all on the terms hereof.

Very truly yours,


Hanson C. Robbins
Senior Investment Officer

bhs
Enclosure

Approved and Accepted by:

Name:

Raymond L. Nelson

Title:

President

Date:

Bonneville Pacific Corp

RECEIVED

ASSIGNMENT OF WATER RIGHTS AND PERMITS JUN 26 1983

THIS ASSIGNMENT, made and entered into this 13th day of JUNE, 1983, by and between JOHN H. KOYLE and MARGARET H. KOYLE, husband and wife, hereinafter referred to as "Assignors", and BONNEVILLE PACIFIC CORPORATION, a Utah corporation qualified to do business in the State of Idaho, hereinafter referred to as "Assignee",

W I T N E S S E T H:

WHEREAS, Assignors have obtained approved Permits for the use of water resources in the State of Idaho, Permit Nos. 37-7889 and 37-7916, hereinafter referred to as the "Permits", copies of which are attached hereto as Schedule I and by this reference made a part hereof; and

WHEREAS, in connection with that certain Assignment Agreement between Assignors and Assignee, of even date herewith, incorporated herein by this reference, Assignors desire hereby to assign to Assignee all of their right, title and interest in and to said Permits for the purpose of holding said Permits for and on behalf of the Koyle Ranch Hydro-Electric Project (the "Project"), located in Gooding, Idaho, on land more particularly described in Exhibit "A" of said Assignment Agreement.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and adequacy of

which are hereby acknowledged, the parties hereto agree as follows:

1. Assignors hereby assign to Assignee all of their right, title and interest in and to said Permits as contained in Schedule I attached hereto to hold for and on behalf of the Project during the entire term of the Project as more specifically set forth in said Assignment Agreement.

2. Assignee hereby accepts the assignment of said Permits as contained in Schedule I in accordance with the terms hereof.

3. Assignee agrees to allow the rights and interests referred to in said Permits to be used in connection with the Project in accordance with said Assignment Agreement.

4. That to induce the Assignee to accept this assignment and the rights and obligations pursuant thereto, Assignors hereby represent to the Assignee as follows:

- (a) That the Assignors have duly performed all of the conditions presently required under said Permits;
- (b) That said Permits are in full force and effect;
- (c) That upon approval of the Department of Water Resources, State of Idaho, said Permits are assignable; and
- (d) That Assignors agree to defend, indemnify and hold Assignee harmless from and against any loss, costs, expense, cause of action, claim or fee, including reasonable attorneys' fees, which may

be incurred by Assignee in connection with this assignment provided that any such loss or fee is not the result of any breach or negligence on the part of Assignee.

5. That in consideration of the Assignors executing and delivering this Assignment, Assignee covenants with Assignors as follows:

- (a) That the Assignee will duly keep, observe and perform all of the terms, conditions and provisions of the Permits that are to be kept, observed and performed by the Assignors;
- (b) That Assignees will not further assign the rights or Permits conveyed hereunder (except for purposes of securing financing) without the prior written consent of Assignors and the prior written consent of the Director or Administrator of the Department of Water Resources, State of Idaho; and
- (c) That at the end of the Assignment Agreement term as described in said Assignment Agreement, Assignee will assign the Permits to Assignors and this Agreement shall thereafter become null and void.

IN WITNESS WHEREOF, the parties hereto have set their
hands the day and year first above written.

ASSIGNORS:

John H. Koyle
JOHN H. KOYLE
Margaret H. Koyle
MARGARET H. KOYLE

ASSIGNEE:

BONNEVILLE PACIFIC CORPORATION

By L. Wynn Johnson
Its VICE PRESIDENT

RECORDED

SCHEDULE I

Approved Application for Water Permit
Nos. 37-7889 and 37-7916

RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

Ident. No. 37-7887
RECEIVED
APPROVED
1981
Department of Water Resources
Southern District Office

To appropriate the public waters of the State of Idaho

1. Name of applicant John H. Koyle Phone 934-4060
Post office address Route #2, Box 254 Gooding, Idaho 83330
2. Source of water supply Big Wood and Little Wood Rivers which is a tributary of Snake River
3. Location of point of diversion is SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 33 Township 5-S
Range 14-E B.M. Gooding County, additional points of diversion if any: SE $\frac{1}{4}$ of NE $\frac{1}{4}$ Section 33, Township 5-S
4. Water will be used for the following purposes:
Amount 20 c.f.s. for Hydrogeneration purposes from Jan 1 to Dec 31 (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
5. Total quantity to be appropriated:
a. 20 cubic feet per second and/or b. _____ acre-feet per annum.
6. Proposed diverting works:
a. Description of ditches, flumes, pumps, headgates, etc. Diversion dam, approx 10 ft high on Big Wood River and secondary structure approximately 15 feet height on Little Wood with connecting canal and a power drop back into the combined Malad River.
b. Height of storage dam No storage feet, active reservoir capacity None acre-feet; total reservoir capacity _____ acre-feet, materials used in storage dam: _____
Period of year when water will be diverted to storage _____ to _____ inclusive.
(Month/Day) (Month/Day)
c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet.
7. Time required for the completion of the works and application of the water to the proposed beneficial use is 5 years (minimum 1 year - maximum 5 years).
8. Description of proposed uses:
a. If water is not for irrigation:
(1) Give the place of use of water: NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 33 Township 5-S
Range 14-E B.M.
(2) Amount of power to be generated: 70 KW horsepower under 50 feet of head.
(3) List number of each kind of livestock to be watered _____
None
(4) Name of municipality to be served None, or number of families to be supplied with domestic water _____.
(5) If water is to be used for other purposes describe: Power will be sold to Idaho Power Company under terms of PUC order.

sent Priority 3/9/1981

Received by ab Date 3-9-81 Time 4:30

Preliminary check by (P) Fee \$ 4.50 # 16904

Received by maye Date 3/17/81

Publication prepared by Lh Date 3/23/81

Published in Gooding Co. Leader

Publication dates 4/1 + 4/15/81

Publication approved maye Date 4/1/81

Protests filed by: None

Copies of protests forwarded by _____

Hearing held by _____ Date _____

Recommended for approval denial by Lh R

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. 37-7889, and said application is hereby APPROVED.

1. Approval of said application is subject to the following limitations and conditions:

a. SUBJECT TO ALL PRIOR WATER RIGHTS.

b. Proof of construction of works and application of water to beneficial use shall be submitted on or before January 1, 19 87.

c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.

d. Other: A measuring device and lockable controlling works of a type acceptable to the Department shall be permanently installed and maintained as part of the diverting works.

Use of water under this permit is subject to control by the watermaster of State Water District No. 37, Big Wood River.

This permit is subject to the provisions of Sections 42-205 through 42-210, Idaho Code, restricting the sale, transfer, assignment, or mortgage of this permit. Failure to comply with these provisions is cause for immediate cancellation of this permit.

This project shall be operated in a manner that will not conflict or interfere with the future diversion of water for irrigation or other beneficial consumption.

This permit does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.

Witness my hand this 2nd day of February, 1982.

J. Glen Sayton
Chief, Operations Bureau

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT **APPROVED**

To appropriate the public waters of the State of Idaho

1. Name of applicant John H. Royle Phone 934-4060
Post office address Route 2, Box 254, Gooding, ID 83330
2. Source of water supply Big Wood & Little Wood which is a tributary of for Malad and then
tributary of Snake river
3. Location of point of diversion is (Big Wood) SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 33 Township 5S
Range 14E B.M. Gooding County, additional points of diversion if any: Little Wood SE $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 33 - Township 5 - S Range 14E B.M.
4. Water will be used for the following purposes:
- | | |
|--|------------------------------|
| Amount <u>280</u> for <u>Hydropower</u> purposes from <u>Jan 1</u> to <u>Dec 31</u> (both dates inclusive) | (cfs or acre-feet per annum) |
| Amount _____ for _____ purposes from _____ to _____ (both dates inclusive) | (cfs or acre-feet per annum) |
| Amount _____ for _____ purposes from _____ to _____ (both dates inclusive) | (cfs or acre-feet per annum) |
| Amount _____ for _____ purposes from _____ to _____ (both dates inclusive) | (cfs or acre-feet per annum) |
5. Total quantity to be appropriated:
- a. 280 cubic feet per second and/or b. _____ acre-feet per annum.
6. Proposed diverting works:
- a. Description of ditches, flumes, pumps, headgates, etc. Big Wood simple rock and cement diversion approx. 10' high - diversion via canal and cement flume. Little Wood same - join flows from both to support one generation facility
- b. Height of storage dam none feet, active reservoir capacity none acre-feet; total reservoir capacity NA acre-feet, materials used in storage dam: NA
Period of year when water will be diverted to storage none (Month/Day) to NA (Month/Day) inclusive.
- c. Proposed well diameter is NA inches; proposed depth of well is NA feet.
7. Time required for the completion of the works and application of the water to the proposed beneficial use is 5 years (minimum 1 year - maximum 5 years).
8. Description of proposed uses:
- a. If water is not for irrigation:
- (1) Give the place of use of water: NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 33 Township 5S
Range 14E B.M.
- (2) Amount of power to be generated: 800 KW total installed capacity. (In combination with previous application) 1100 hp horsepower under 50 feet of head.
- (3) List number of each kind of livestock to be watered None
- (4) Name of municipality to be served None, or number of families to be supplied with domestic water _____.
- (5) If water is to be used for other purposes describe: _____

Proposed Priority 6/15/1981

Received by JS Date 6-15-81 Time 3:55pm

Preliminary check by ADM Fee \$ 2125.00

Receipted by JS Date 6-15-81 # 18661

Publication prepared by maey Date 6/17/81

Published in feeding co. leader

Publication dates 6/24/81 + 7/1/81

Publication approved maey Date 6/24/81

Protests filed by: _____

Copies of protests forwarded by _____

Hearing held by _____ Date _____

Recommended for approval denial by LT

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. 37-7916, and said application is hereby APPROVED.

1. Approval of said application is subject to the following limitations and conditions:

a. SUBJECT TO ALL PRIOR WATER RIGHTS.

b. Proof of construction of works and application of water to beneficial use shall be submitted on or before January 1, 19 87.

c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.

d. Other: A measuring device device and lockable controlling works of a type acceptable to the Department shall be permanently installed and maintained as part of the diverting works.

Use of water under this permit is subject to control by the watermaster of State Water District No. 37, Big Wood River.

This permit is subject to the provisions of Sections 42-205 through 42-210, Idaho Code, restricting the sale, transfer, assignment, or mortgage of this permit. Failure to comply with these provisions is cause for immediate cancellation of this permit.

This project shall be operated in a manner that will not conflict or interfere with the future diversion of water for irrigation or other beneficial consumption.

This permit does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.

Witness my hand this 2nd day of February, 1982.

J. Glen Saylor
Chief, Operations Bureau

6-14-83

Permit under old system pre-1969
§ 2-40

§ - license 9-31227
31-2406

42-287 (power purposes)
Permit holder assigns

PERMIT
HOLDER

✓ 1. file w/ DWP? 1) deed 2) bill of sale,
3) assignment, 4) mortgage, 5) other document
of transfer

2. Proof that assignee is resident
under 42-206

1) person is D.F. resident
2) assoc. " "
3) corp. org. to do business under 42-206
4) corp. qual. " " " " " "

3) Good faith transfer not for
speculation, delay

Otherwise void

K $\frac{\text{assign permits}}{\text{BPC}} \rightarrow$

6-14-83: called NY: Re: proof of 206 requirement: had
granted he has no problem none

6-14-83: called Sec. of State to confirm
tax, annual report - Bonneville Pac.
Corp. is in Good standing

6-14-83 6/10



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

February 2, 1982

RE: Permits Nos. 37-7889 and 37-7916

John H. Koyle
Route #2, Box 254
Gooding, ID 83330

Dear Mr. Koyle:

Enclosed are copies of approved Applications for Permit Nos. 37-7889 and 37-7916. We direct your attention to the conditions of approval as listed on the fourth page.

The Department wishes to also advise you that flow-duration studies related to water availability have not been conducted by Department staff. This information however, must be one of the principal considerations in your economic determination of feasibility.

In the Department's permit issuance, minimum stream flows are not considered a factor since the Idaho Water Resource Board has not made applications pursuant to provisions of Chapter 15, Idaho Code in reaches of river in the proposed power project area.

We have enclosed a form entitled "Making Proof of Beneficial Use". Please read the instructions carefully since you must take further action to develop this permit into a license.

Sincerely,

L. GLEN SAXTON
Chief, Operations Bureau

LGS:kw
Enclosures

MICROFILMED



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

February 2, 1982

RE: Permits Nos. 37-7889 and 37-7916

John H. Koyle
Route #2, Box 254
Gooding, ID 83330

Dear Mr. Koyle:

Enclosed are copies of approved Applications for Permit Nos. 37-7889 and 37-7916. We direct your attention to the conditions of approval as listed on the fourth page.

The Department wishes to also advise you that flow-duration studies related to water availability have not been conducted by Department staff. This information however, must be one of the principal considerations in your economic determination of feasibility.

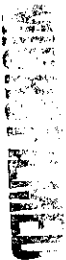
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We have enclosed a form entitled "Making Proof of Beneficial Use". Please read the instructions carefully since you must take further action to develop this permit into a license.

Sincerely,

L. GLEN SAXTON
Chief, Operations Bureau

LGS:kw
Enclosures



INTER-DEPARTMENT MEMO — 1

FROM Jim Johnson

DATE 12/14/1981

TO Files 37-7889 and 37-7916

SUBJECT Overlap review

A record search for other applications for water permits using water for power generation in the vicinity of these two applications was made and no other water rights were found having the same points of diversion.

RECEIVED

SIGNATURE

FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, D. C. 20426
EQUAL OPPORTUNITY EMPLOYER

POSTAGE AND FEES PAID
FEDERAL ENERGY REGULATORY COMMISSION
FERC361
FIRST CLASS MAIL



RECEIVED
NOV 17 1981

CONSULTING ASSOCIATES
P. O. Box 893
Boise, Idaho 83701

RECEIVED

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

John H. Koyle

Project No. 4052-000

ORDER ISSUING PRELIMINARY PERMIT

(Issued November 3, 1981)

The Permittee 1/ filed an application for preliminary permit under Section 4(f) of the Federal Power Act (Act), 16 U.S.C. 797(f), for the proposed water power project, as described in the attached public notice. 2/

Notice of the application was published in accordance with Section 4(f) of the Act and the Commission's regulations. All protests that have been submitted, petitions to intervene that have been granted, together with all comments filed by Federal, State, and local agencies have been fully considered in determining whether to issue this permit. No party or agency commenting on the application objected to the issuance of the permit.

EFFECTS OF THIS PRELIMINARY PERMIT:

The purpose of any preliminary permit is to maintain priority of application for a license during the term of the permit while the Permittee conducts investigations and secures data necessary to determine the feasibility of the proposed project and to prepare an acceptable application for license. A preliminary permit does not authorize construction of any project works. This permit does require the Permittee to conduct certain studies, but under conditions which will assure that those studies cause no significant adverse environmental impacts. For these reasons, the issuance of this preliminary permit is not a major Federal action significantly affecting the quality of the human environment.

Any concerns raised in the comments, protests, or petitions to intervene addressing the potential effects of actually constructing and operating the proposed project are not affected by the issuance of a preliminary permit.

1/ In this, "Permittee" refers to the applicant or applicants named in the caption for this proceeding.

2/ Authority to act on this matter is delegated to the Director, Division of Hydropower Licensing, Office of Electric Power Regulation, under §375.308 of the Commission's regulations, 45 Fed. Reg. 21216 (1980), as amended by Order No. 112 in Docket No. RM81-5, issued November 21, 1980, (45 Fed. Reg. 79024).

- 2 -

The Articles of this permit provide for studies, in coordination with the appropriate agencies, to address the technical, economic, and environmental considerations related to the proposed project. Should the Permittee find the project to be feasible and file an application for a license, all interested persons and agencies will be given notice and have an opportunity to review the application, present their comments concerning the project and the effects of its construction and operation, and seek to participate in the licensing proceeding.

The named Permittee is the only party entitled to the preference and priority of application for license afforded by this preliminary permit. In order to invoke this permit-based priority and preference in any subsequent licensing competition, the named Permittee must file an application for license as the sole applicant, thereby evidencing its intent to be the sole licensee and hold all proprietary rights necessary for the construction, operation and maintenance of the proposed project. Should any other parties intend to hold during the term of any license issued any of these proprietary rights necessary for project purposes, they must be included as joint applicants in any application for license filed. In such an instance where parties other than the Permittee are added as joint applicants for license, the joint application will not be eligible for any permit-based preference or priority. City of Fayetteville Public Works Commission, Project No. 3137 et al., "Order Determining Preference, Issuing Preliminary Permit and Denying Competing Application", (16 FERC ¶ 61,209).

TERM OF PERMIT:

The proposed project is considered a small scale development. Feasibility studies for small projects are limited in scope and should not require the maximum term for a preliminary permit (36 months) permitted under the Act. Therefore, the term of this permit is limited to 24 months. Review of this project indicates that this permit term should be fully adequate to complete the necessary studies if they are pursued expeditiously. Extension of the term of this permit will not be granted, except in unusual circumstances where good cause for extension is clearly demonstrated.

It is ordered that:

(A) A preliminary permit is issued to the Permittee for the proposed project as described in the attached notice, for a period effective the first day of the month in which this permit is issued, and ending either 24 months from the effective date or on the date that an application for license submitted by the Permittee has been accepted for filing,

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NOV 11 1981

whichever occurs first. This permit is subject to the terms and conditions of the Federal Power Act (Act), which is incorporated by reference as part of this permit, and subject to the regulations the Commission issues under the provisions of the Act.

(B) This permit is also subject to Articles 1 through 6 set forth in Form P-1 (revised October 1975), entitled "Terms and Conditions of Preliminary Permit," attached to and made a part of this permit, and subject to the following special conditions set forth as additional articles:

Article 7. In the interest of protecting and developing the natural resources and other environmental values of the project area, the Permittee shall consult with the appropriate Federal, State, and local agencies in their fields of responsibility and expertise, shall conduct its project investigations in a manner which protects the environmental integrity of the area, and shall fully explore all feasible alternatives to the project and alternative project designs, taking into account impacts on natural resources and other environmental values. These resources and values include, but are not limited to: forests, land management and treatment, fish, wildlife, recreation and public use, flood regulation, water and air quality (including water supply, groundwater studies, waste treatment and disposal), public health and safety, archeological, historic and cultural sites, threatened or endangered species of flora and fauna, and scenic and aesthetic values. The Permittee shall initiate and conduct, or have conducted, any studies that may be necessary to determine the impact of the construction and operation of the proposed project on these natural resources and values and measures needed to protect and develop them or to provide for their mitigation or replacement, including alternative designs and operational measures, and shall utilize the results of these studies in the preparation of the relevant exhibits or reports required to accompany any application for a license to construct and operate the project. In connection with studies pertaining to archeological and historic and cultural sites, the Permittee shall consult with the State Historic Preservation Officer for each state in which any part of the project would be located, and the Heritage Conservation and Recreation Service of the U. S. Department of the Interior.

Article 8. The Permittee shall submit in triplicate at the close of each six-month period from the effective date of this permit, to the Director, Office of Electric Power Regulation, with a copy to the FERC Regional Engineer for the Region in which the proposed project would be located (the Commission's authorized representative for the purposes of this permit), or to any other officer the Commission may designate, and a copy, if requested, to any agency consulted, accurate statements of the progress of all investigations, consultations, and studies accomplished during the period and of work contemplated under this permit for the ensuing period.

Article 9. The Permittee shall, for the purpose of assuring the cooperation required by the terms of the permit, designate a liaison officer to act for the Permittee in keeping appropriate Federal, State, and local agencies specified in this permit currently informed about the progress of investigations throughout the term of the permit. The liaison officer shall communicate with those agencies within 60 days from the date of issuance of this permit.

Article 10. The Permittee shall, during the initial period of the permit, consult with the U. S. Fish and Wildlife Service of the Department of the Interior, the State fish and game agencies, and the National Marine Fisheries Service of the U.S. Department of Commerce if the project affects anadromous fish, to obtain their views and recommendations on studies to be conducted during the term of the permit to assess the effect that the proposed project might have on fish and wildlife resources, and the facilities or measures that may be needed to conserve and develop those resources. A copy of the report on the Permittee's study shall be filed as part of the fish and wildlife exhibits or reports of any subsequent application for license.

(C) This order is final unless a petition appealing it to the Commission is filed within 30 days from the date of its issuance, as provided in Section 1.7(d) of the Commission's regulations, 18 C.F.R. 1.7(d) (1979), as amended, 44 Fed. Reg. 46449 (1979). The filing of a petition appealing this order to the Commission or an application for rehearing as provided in Section 313(a) of the Act does not operate as a stay of the effective date of this permit or of any other date specified in this order, except as specifically ordered by the Commission.

Ronald A. Corso
Ronald A. Corso
Director, Division of
Hydropower Licensing

MICROFILMED

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

John H. Royl-

{Vynnyk, I. P., 1961}

4352 known as the Royal Ranch, located in the
vicinity of the County, Idaho. The
information is available for
reference with the appropriate
authorities for the purpose of
conducting the investigation.

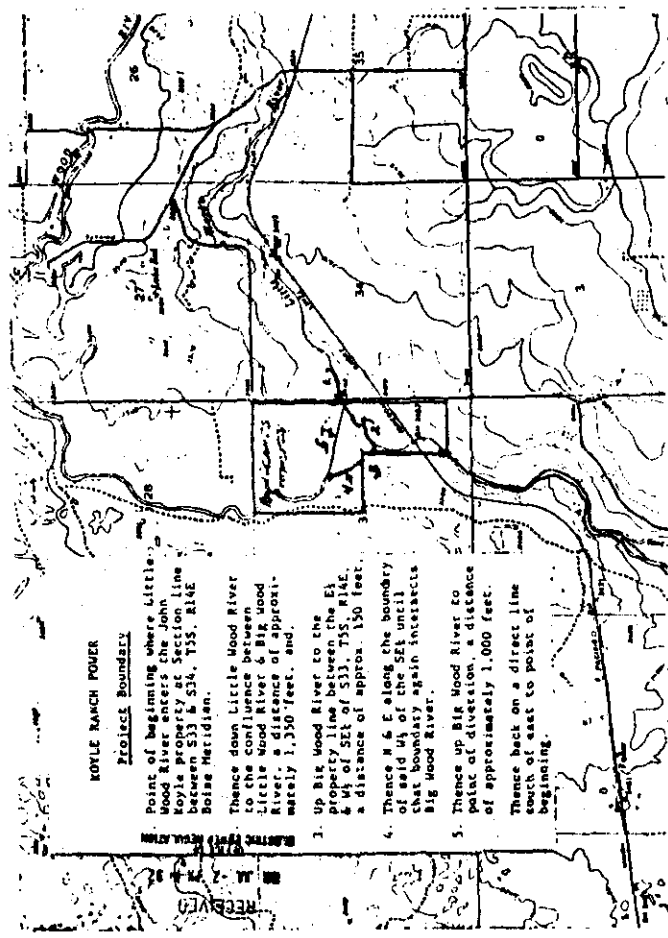
the average annual energy generation of the plant is 1.75 million kWh. The average annual energy generation of the plant is 1.75 million kWh.

Application:

If the work to be done under the preliminary permit is to be \$50,000.

Kenneth F. Plumb
Secretary

Discussion



FEDERAL ENERGY REGULATORY COMMISSION
TERMS AND CONDITIONS OF
PRELIMINARY PERMIT

Article 1. The Permittee shall make such engineering and other investigations, secure such data, and perform such acts as are necessary to determine the feasibility of the proposed project and, if said project is found to be feasible, to prepare an application for license for the project that will be in conformance with current rules and regulations of the Commission. In carrying out the requirements of this permit the Permittee shall:

A. Install as soon as practicable, and thereafter maintain, such stream gages and stream-gaging stations as the District Engineer of the United States Geological Survey having charge of stream-gaging operations in the region shall designate as necessary and best adapted for the purpose of determining the stage and flow of the stream or streams affected by the proposed project, and shall provide for the required reading of such gages and for the adequate rating of such stations. The number, design, location, and time of installation of gages and stations, the rating of such stations, and the determination of the flow of the affected stream or streams, shall be made under the supervision of, or in cooperation with, the District Engineer of the United States Geological Survey having charge of stream-gaging in the region of said project; and the Permittee shall advance to said Geological Survey the amount of funds estimated to be necessary for such supervision, or cooperation for such periods as may be mutually agreed upon. The Permittee shall, to the satisfaction of the Commission, keep accurate and sufficient records of the stage and flow of the affected stream or streams, and shall make such records available to the Commission at such times as the Commission may prescribe.

B. Sink such test pits or make such borings or other foundation explorations, and make such detailed geologic studies and tests on foundations and fill materials, as are necessary to support preliminary engineering designs and cost estimates.

C. Begin the required investigations within 60 days after acceptance of the permit, and thereafter prosecute said investigations in such manner and at such rate as in the judgment of the Commission will ensure their completion within the period of the permit.

D. Furnish with any application for license subsequently filed with the Commission copies of engineering and geologic reports, results of tests and analyses, and any other information secured in connection with the investigations, examinations and surveys conducted under this permit.

E. Exercise appropriate measures at all times during field studies to prevent irreparable damage to the environment of the proposed project. All test sites shall be restored as closely as possible to their original condition, and to the satisfaction of the Commission's authorized representative, or, where Federal lands are affected, to the satisfaction of the agency administering such lands.

Article 2. A license will be issued for the proposed project only if in the judgment of the Commission said project will be best adapted to a comprehensive plan for the improvement or development of a waterway or waterways for the use or benefit of interstate or foreign commerce, for the improvement and utilization of water power development, and for other beneficial public uses, including recreational purposes. In reaching a decision on the desirability of issuing a license, the Commission will consider, among other things:

A. Whether the maps, plans, and specifications are such:

(1) That full, practicable utilization will be made of the water, storage possibilities, and head at the site to be developed;

(2) That the structures will be safe and constructed in accordance with good engineering practice; and

(3) That all unnecessary energy losses, whether in hydraulic works or in mechanical or electrical equipment, will be avoided.

B. Whether in relation to existing or probable future projects upon the same or adjacent streams, the potential for the fullest practicable utilization of the available water, storage possibilities, and head will be maintained.

RECEIVED

C. Whether said project will be in general accord with the most beneficial utilization of the water for navigation, water power, irrigation, or other public uses, and for aiding flood control, reclamation, and similar developments.

D. Whether proper provision is made for present or future electrical interconnection with other projects or systems in order to take advantage of diversity of streamflow and of power demands.

E. Whether the use to which the power will be devoted is, in general, in accord with the public interest.

F. Whether the applicant is financially able to carry out the development.

G. Whether the construction, maintenance, and operation of the proposed project works will interfere or be inconsistent with the purpose for which any reservation, as defined in the Federal Power Act, was created or acquired.

Article 3. The priority granted under the permit shall be lost if the Permittee fails to fulfill the requirements of the permit, if the permit is canceled by order of the Commission, or if the Permittee fails, on or before the expiration date of the permit, to file with the Commission or its designated agent an application for license for the proposed project in conformity with the Commission's rules and regulations then in effect.

Article 4. The Permittee shall keep accurate records of all expenditures made for the purposes authorized by the permit, together with all vouchers and other supporting data relating to such expenditures, which records and related materials shall be retained by the Permittee.

Article 5. The permit confers no authority upon the Permittee to undertake construction of the proposed project, or any part thereof, or to occupy or use lands or other property of the United States for the purposes of construction, unless specific permission is given by the Commission for such occupancy or use; and neither the granting of such authority nor the performance of construction work, whether with or without such authority, shall be deemed to have created any equities or to have established any rights with respect to issuance of a license for the proposed project, beyond what would have been created or established had such authority not been given or such work not been performed.

Article 6. The permit is not transferable and may be canceled by order of the Commission upon failure of the Permittee to begin in good faith, or to prosecute diligently, the investigations, examinations, and surveys contemplated under the permit, or to comply with any other conditions therein, or for any other good cause shown after notice and opportunity for hearing.

MICROFILMED



ate 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

November 2, 1981

John H. Koyle
Rt 2, Box 254
Gooding, ID 83330

RE: Application for Permit No. 37-7889

Dear Applicant:

On July 24, 1981 this office sent to you a letter that identified an additional requirement for the above referenced hydropower project. Section 42-205, Idaho Code, now requires that if a proposed hydropower project will use existing irrigation facilities, consent by the owner of the facilities must be obtained before an application for permit to develop a water right can be approved.

Enclosed we are sending another affidavit which we must receive before we can complete the review of your application. Please return either the affidavit or an explanation of why the affidavit cannot be obtained no later than November 15, 1981. If we have not heard from you by that date we must begin action to void the application due to incomplete information.

If you have questions about this requirement please feel free to call me at (208) 334-4104.

Sincerely,

DAVID R. TUTHILL, JR., P. E.
Supervisor, Water Allocation Section

DRT:rc

Enclosure

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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

37-7889

July 24, 1981

RE: Application for Permit No.

Dear Applicant:

The 1981 Idaho Legislature made a change in Section 42-205, Idaho Code, that may affect the above referenced application. The change requires that if a proposed hydropower project will use existing irrigation facilities, the approval of the owner of the facilities must be obtained before an application for permit to develop a water right can be approved.

Please find enclosed an affidavit which we must receive before we can complete the review of your application. Please complete the affidavit, sign it before a notary, and return it to this office at your earliest convenience, no later than August 15, 1981.

Sincerely,

David R. Tuttle

DAVID R. TUTHILL JR., P. E.
Supervisor, Water Allocation Section

DRT:jg

Enclosure

WATER RIGHT NUMBER 37-7889

OWNER LAST NAME - KOYLE

FIRST NAME - JOHN H.

ORIG OWNER -

ADDRESS LINE 1 - RT. 2 BOX 254

ADDRESS LINE 2 -

ADDRESS LINE 3 -

CITY - GOODING

STATE - ID ZIP CODE - 83330

SOURCE - LITTLE WOOD RIVER

TRIBUTARY OF - MALAD RIVER

SOURCE - BIG WOOD RIVER

TRIBUTARY OF - MALAD RIVER

STAGE - APPLICATION

STATUS -

PRIORITY - 03-09-1981 COUNTY - GOODING

TOTAL DIV. RATE - 20.0000 -CFS

TOTAL DIV. VOLUME -

.00 AFA TRFR/AMEND -

WATER DIST. - 37

DLE/CAREY ACT -

RIGHT BASIS -

DIVERSION POINT - SWNE 33 05S 14E LOT

REDIV -

SENE 33 05S 14E LOT

REDIV -

FROM - 01-01 TO - 12-31 USE - POWER

USE DIV. RATE -

20.0000 CFS

USE DIV. VOLUME -

.00 AFA

USE - POWER

PLACE OF USE - TWN 05S RNG 14E SEC 33 TRACT NESE LOT AC

DECREE NAME -

DATE -

TOTAL ACRES

0

REMARKS - HEAD = 50 FT

NON IRRIG USE -

OTHER RIGHTS FOR SAME USE -

PROOF DUE -

PERMIT/DENIED -

PROTESTED -

HEARING -

OLD NO. -

PROOF MADE - FLD EXAM - COND. OF APPROVAL -

DIVERSION MEANS - DIVERSION DAM & CANAL



State of Idaho
DEPARTMENT OF WATER RESOURCES
STATE OFFICE, 450 W. State Street, Boise, Idaho

JOHN V. EVANS
Governor

A. KENNETH DUNN
~~STATE ENGINEER~~
Director

Mailing address:
Statehouse
Boise, Idaho 83720
(208) 334-4440

June 1, 1981

John H. Koyle
Rt. 2, Box 254
Gooding, Idaho 83330

Dear Mr. Koyle,

RE: Permit No. 37-7889

We have completed a preliminary review of the above referenced application. This review has included advertising by the regional office and a verification that all required preliminary information has been provided.

At this time we see no reason that the application will not be approved with certain conditions of approval. However, for power projects that are under the jurisdiction of the Federal Energy Regulatory Commission (FERC), we withhold final action on the application pending (1) approval of a preliminary permit by FERC, or (2) FERC granting an exemption. If you have not yet contacted FERC, the address below is a good starting point:

Federal Energy Regulatory Commission
Regional Engineer's Office
Attn: Mr. Jerry Leach
6th Floor, 333 Market Street
San Francisco, CA 94105
(Tel. No. (415) 764-7150)

The continued validity of this application is contingent on your proceeding with due diligence toward obtaining an approval or an exemption from FERC. Please keep this office informed of progress in this regard.

Sincerely,

L. GLEN SAXTON
Chief, Operations Bureau

RECEIVED

State of Idaho
Department of Water Resources

APPLICATION FOR PERMIT ANALYSIS SHEET

KOYLE, John H.

INITIAL REVIEW BY: J. F. Stanton

APPLICATION NUMBER: 37-7889

CHECK:

- ☒ Source.
☒ Point of diversion.
☒ County.
☒ Quantity of water and period of use.
☒ Description of diverting works.
☒ Time required for beneficial use of water.
☒ Place of use or acres irrigated.
☒ Map.
☒ Signature.
☒ Fee.
☐ Yes ☒ No Field check required.
☐ Yes ☒ No Critical groundwater area.
☒ Yes ☐ No Request dam safety information. Sent by: _____ Date: _____
☒ Yes ☐ No* In form to receipt.

Field check by: GP
Date: 4/23/81
Comments: See memo

*REQUEST THE FOLLOWING ADDITIONAL INFORMATION FROM THE APPLICANT:

✓ Power of attorney for Vernon Ravenscroft - requested 3-18-81 from applicant
✓ Affidavit of residency - copy sent for signature 2-18-81

SEND COPIES TO:

- ☐ Idaho State Health Department. Copies sent by: _____ Date: _____
☒ Idaho Fish and Game Department. manya 4/2/81
☐ Idaho Department of Lands. _____
☐ U.S. Bureau of Land Management. _____
☐ U.S. Forest Service. _____
☐ Other acid nearby manya 4/2/81

PROCESSING:

- ☐ Yes ☒ No Platted by: GP Map No. AA-20
☐ Yes ☐ No Other rights on same place of use. N/A
☒ Yes ☐ No* In form for advertising. 4/27/81 ✓
☐ Yes ☒ No Final date for protests: _____
☐ Yes ☒ No Protests received. If yes, record information on 4th page of application.

FINAL REGIONAL PROCESSING REVIEW:

- ☒ Affidavit of publication received. Date: 4/23/81 ✓
☒ Application published correctly. If not, record action taken: _____
☒ Fee amount, receipt date & number, recorded on application.
☒ Publication dates and paper, recorded on application.
☒ Protests, dates, withdrawal, etc., recorded on application.
☒ Recommendation & initial, recorded on application.
☒ Yes ☐ No Measuring device required.
☐ Yes ☒ No Access port required.
☒ Yes ☐ No Will water be delivered by watermaster? If yes, what district? 37
3/9/81 Date of priority recommended.
Special conditions of approval or cover letter. OBA, 17, OIE

This permit does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.

By: Larry O'Halloran Date: 4/30/81
STATE OFFICE REVIEW:

SLW/LOI OIE, 05 (37 Big Wood R.) OBA, 17 # special cond

- ☐ See attached sheet for more information.

By: Rain Date: 5/19/81

Do not approve at this time.
Send FERC letter 4/1/81 application for permit can be approved with above conditions
FERC permit received 4/30/81
Department of Water Resources

INTER-DEPARTMENT MEMO — 1

DATE April 23, 1981

FROM Gary L. Funderburg

TO File - 36-7889

SUBJECT Surface Water

On April 22, 1981, I made a field visit to applicant's proposed point of diversion and place of use. There are no other users that will be effected by this application. There are no diversions at or near applicant's proposed point of diversion and place of use.

SIGNATURE

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Power calculations for 37-7889
proposed

$$P = Kw \quad (hp \times .74)$$

$$Q = cfs$$

$$H = ft$$

$$e = \text{efficiency}$$

$$70 Kw \checkmark$$

$$20.0 cfs$$

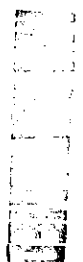
$$50 ft$$

$$?$$

$$e = \frac{P(11.8)}{QH} = \frac{70(11.8)}{20 \times 50} = \frac{826}{1000} = .826 \text{ or } 83\%$$

Based on the above calculation, the project
must produce a 83% efficiency

RC 5/19/81



04/01/81

DEPARTMENT OF WATER RESOURCES
NEW WATER RIGHT FILINGS

INDICATES TOTAL

RIGHT NUMBER	NAME AND ADDRESS	PRIORITY DATE	USE FROM TO	MAX AMOUNT	DIVERSION POINT	PLACE OF USE AND ACREAGE	BASIS FOR RIGHT
37-7888	BOA 0422, FEDERAL BUILDING 550 W. FORT STREET BOISE	10 83724	TRIBUTARY: SINKS	.01 CFS	T01S R18E S19 T01S R18E		
	SOURCE: SAINGING SPRING OTHER USES: 5/1000 SHEEP						
			WADLIFE 01-01 12-31	.01 CFS		SAME AS OTHER USE	
37-7889	MOYLE, JOHN W. RT. 2 BOX 254 GOODING	10 83330	03-09-1981 POWER 01-01 12-31	20.00 CFS	SAME S33 NESE T09S R14E S33 T05S R14E SESE S33 T05S R14E		APPLICATION
	SOURCE: LITTLE WOOD RIVER SOURCE: BIG WOOD RIVER REMARKS: HEAD = 50 FT		TRIBUTARY: MALAD RIVER TRIBUTARY: MALAD RIVER				
37-7890	MENCHACA, JUAN M. MENCHACA, JOYCE C. STAR ROUTE	10 83314	03-11-1981 POWER 01-01 12-31	4.56 CFS	SESE S21 SESE T06S R13E S21 T06S R13E		APPLICATION
	SOURCE: SPRINGS OTHER USES: H/37-7427 REMARKS: HEAD = 47 FEET		TRIBUTARY: SNAKE RIVER				
43-4106	POWERS, ALICE K. WALKER, JEAN KUPKE, KATHLEEN GULES, KAY C/O ALICE POWERS 1319 MALTA AVE BURLEY	10 83314	03-15-1978 IRRIGATION 03-15 11-15	2.80 CFS	NWSE S35 SESE(17) SESE(28) STATRY CLM T12S R28E NESE(24) NWSE(30) NESE S34 SESE(40) SESE(38) T12S R28E NESE(07) NWSE(22) SESE(11) SESE(05) S34 T12S R28E		
	SOURCE: WARM CREEK OTHER USES: 5/200 RANGE		TRIBUTARY: SINKS				
			STOCKWATER 03-15 11-15	.05 CFS		SAME AS OTHER USE	
				1.40 CFS		SAME AS OTHER USE	

FILED

3/79

IDENT. NO. 37-7889

I D A H O D E P A R T M E N T O F W A T E R R E S O U R C E S

WATER RIGHT
DATA ENTRY LOG

[illegible]



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
SOUTHERN REGION

John V. Evans
Governor

1041 Blue Lakes Blvd. North
Twin Falls, Idaho 83301
(208) 734-3578

C. Stephen Allred
Director

April 2, 1981

Mr. Bob Bell, Regional Fisheries Biologist
Idaho Fish & Game Department
Region #4
P. O. Box 428
Jerome, Idaho 83338

Re: Application for Permit No. 36-7973 - 37-7889 - 02-7331 - 47-7716

Dear Mr. Bell:

Please find enclosed a copy of the above referenced application for permit for your information and files.

Sincerely,

Mary A. Hill
Secretary

for

Loren O. Holmes
Southern Region Supervisor

Encl:



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
SOUTHERN REGION

John V. Evans
Governor

C. Stephen Allred
Director

1041 Blue Lakes Blvd. North
Twin Falls, Idaho 83301
(208) 734-3578

April 2, 1981

John A. Koyle
Route 2 - Box 254
Gooding, Idaho 83330

Re: Application for Permit No. 37-7889

Dear Mr. Koyle:

This office is currently processing your Application for Permit No. 37-7889 filed on March 9, 1981.

Since the application seeks to establish a water right for power generating purposes, and it appears that a commercially marketable amount of power may be produced, the following information must be submitted for inclusion with your application in accordance with Section 42-202 of the Idaho Code.

- 1) A plan for the facility. This must include a scale drawing showing the proposed layout of the plant on the property, and must give approximate locations, dimensions, and elevations of all major components of the facility.

Advertising and regional office review of the application should be completed by April 27, 1981. If the requested information is received by that date, no additional delay in processing will be incurred.

If you have any questions concerning this matter, please feel free to contact this office.

Very truly yours,

LOREN O. HOLMES
Southern Region Supervisor

LOH:marya

NOTICE OF APPLICATION FOR WATER RIGHT

Notice is hereby given that the following application(s) have been submitted for permit to appropriate the public waters of the State of Idaho:

37-2889

KOYLE, JOHN H.

RT. 2 BOX 254, GOODING, ID 83330

Source: LITTLE WOOD RIVER tributary to MALAD RIVER
BIG WOOD RIVER tributary to MALAD RIVER

Date Filed: 03/09/1981

Amount: 20.00 CFS

Diversion Point: SWNE SENE Sec 33 T 05S R 14E, GOODING Co.

Use: POWER (20.00 CFS) from 01/01 to 12/31

Place of Use: NESE Sec 33 T 05S R 14E

Diversion Means: DIVERSION DAM & CANAL

If issued, the permit(s) will be subject to all prior water rights. Protests against the granting of any permit must be filed with the Director of the Idaho Department of Water Resources, 1041 Blue Lakes Blvd. North, Twin Falls, Idaho 83301 and received on or before APRIL 27, 1981.

C. STEPHEN ALLRED

Director

Published 4/8 & 4/15/81.

RECEIVED

**NOTICE OF APPLICATION
FOR WATER RIGHT**

Notice is hereby given
that the following applica-
tion(s) have been submitted
for permit to appropriate the
public waters of the State of
Idaho:

37-7889

KOYLE, JOHN H.

RT 2 BOX 254, GOODING,
ID 83330

Source: LITTLE WOOD
RIVER tributary to MALAD
RIVER BIG WOOD RIVER
tributary to MALAD RIVER

Date Filed: 03/09/1981

Amount: 20.00 CFS

Diversion Point: SWNE, SE-
NE Sec 33 T 05S R 14E,
GOODING Co.

Use: POWER (20.00 CFS)
from 01/01 to 12/31

Place of Use: NESE Sec 33 T
05S R 14E

Diversion Means: DIVER-
SION DAM & CANAL

*de
maye
4/1/81*

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S T A T E O F I D A H O

DEPARTMENT OF WATER RESOURCES
Southern Region

1041 Blue Lakes Blvd N.
Twin Falls, Idaho 83301
(208) 734-3578

MARCH 24, 1981

Gooding County Leader
P.O. Box 56
Gooding, Idaho 83330

Gentlemen:

Enclosed you will find a legal notice which we wish to have published on the dates indicated (once a week for two consecutive weekly issues) in your newspaper. We have allowed ample time for you to submit a galley proof to this office for review before the first publication date. If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Your cooperation is appreciated.

Please send the affidavit of publication and publication billing to this office before APRIL 27, 1981.

Yours truly,

Mary A. Hill
Secretary

Encl.



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
SOUTHERN REGION

John V. Evans
Governor

C. Stephen Allred
Director

1041 Blue Lakes Blvd. North
Twin Falls, Idaho 83301
(208) 734-3578

March 19, 1981

John H. Koyle
Route 2 - Box 254
Gooding, Idaho 83330

Re: Application for Permit No. 37-7889

Dear Mr. Koyle:

Enclosed is your receipt No. 16904 for check No. 92-179 (3016) in the amount of \$425.00 for the above referenced Application for Permit which was receipted in this office March 17, 1981.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Mary A. Hill
Sr. Secretary

for

Loren O. Holmes
Southern Region Supervisor

Encl:

RECORDED