

BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO

IN THE MATTER OF APPLICATION
TO LEASE WATER FOR
HYDROELECTRIC GENERATION IN
THE NAME OF THE CITY OF
POCATELLO

**ORDER DENYING PETITION
FOR RECONSIDERATION**

On July 10, 2009, the City of Pocatello (“City”) filed *City of Pocatello’s Petition for Reconsideration* of the June 29, 2009 Final Order (“Order”) issued by the Director of the Idaho Department of Water Resources (“IDWR” or “Department”).¹ The Order denied the City’s Application for a Lease of Water for Hydroelectric Generation filed under I.C. §§ 42-108A and -108B.

The City asserts in its petition for reconsideration that IDWR’s denial of its lease application is inconsistent with the intentions of the legislature in adopting I.C. §§ 42-108A and -108B; that the denial is effectively based on administrative rules of the Committee of Nine adopted pursuant to inapplicable water banking statutes (I.C. § 42-1761 *et. seq.*); and that the Director should decline to consider the evidence of injury provided by the protestants because no protestant had standing under the standard provided in I.C. § 42-108B.

The Director has considered the City’s arguments. The Director is satisfied that the Order properly construed the provisions of I.C. §§ 42-108A and -108B when read in conjunction with other related statutes, including I.C. §§ 42-1761 *et. seq.* which provide for the establishment and operation of the state water supply bank. The Director is also satisfied that the protestants had standing under I.C. § 42-108B and that the storage water rights of the protestants and other

¹ On June 30, 2009, former IDWR Director David R. Tuthill, Jr. retired. Gary Spackman was appointed Interim Director of IDWR by Governor Otter on July 17, 2009.

spaceholders in the Upper Snake River storage system would be subject to uncompensated injury should the City's Application be approved as requested under the provisions of sections 42-108A and 42-108B. Finally, the Order does not apply the Water District 1 Rental Pool Procedures to the City's Application, but rather states that "without the safeguards provided under the Water District 1 Rental Pool Procedures" approval of the Application would cause injury to other spaceholders.

ORDER

Based upon the foregoing, IT IS HEREBY ORDERED that the City of Pocatello's Petition for Reconsideration is DENIED.

Dated this 31st day of July, 2009.



Gary Spackman
Interim Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 31st day of July, 2009, the above and foregoing, was served by the method indicated below, and addressed to the following:

A. DEAN TRANMER
CITY OF POCATELLO
PO BOX 4169
POCATELLO ID 83205
dtranmer@pocatello.us

U.S. Mail Certified, Postage Prepaid
 Facsimile
 E-mail

JERRY R. RIGBY
RIGBY ANDRUS & MOELLER
PO BOX 250
REXBURG ID 83440-0250
jrigby@rigby-thatcher.com

U.S. Mail, Postage Prepaid
 Facsimile
 E-mail

ROBERT L. HARRIS
HOLDEN KIDWELL HAHN & CRAPO
PO BOX 50130
IDAHO FALLS ID 83405-0130
rharris@holdenlegal.com

U.S. Mail, Postage Prepaid
 Facsimile
 E-mail

PAUL A. BERGGREN, CHAIRMAN
NEW SWEDEN IRRIGATION DISTRICT
2350 W. 17TH ST.
IDAHO FALLS ID 83402
kail@snid.myrf.net

U.S. Mail, Postage Prepaid
 Facsimile
 E-mail

ALAN KELSCH, BOARD MEMBER
IDAHO IRRIGATION DISTRICT
7466 S 15TH W
IDAHO FALLS ID 83402
akelsch@bdhsi.com

U.S. Mail, Postage Prepaid
 Facsimile
 E-mail

RANDY BUDGE
CANDICE MCHUGH
RACINE OLSON
PO BOX 1391
POCATELLO ID 83201-1391
rcb@racinelaw.net
cmm@racinelaw.net

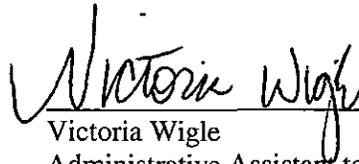
U.S. Mail, Postage Prepaid
 Facsimile
 E-mail

MATT HOWARD
US BUREAU OF RECLAMATION
1150 N CURTIS ROAD
BOISE ID 83706-1234
(208) 378-5003
mhoward@pn.usbr.gov

U.S. Mail, Postage Prepaid
 Facsimile
 E-mail

LYLE SWANK
IDWR
900 N SKYLINE DR
IDAHO FALLS ID 83402-6105
(208) 525-7177
lyle.swank@idwr.idaho.gov

U.S. Mail, Postage Prepaid
 Facsimile
 E-mail



Victoria Wigle
Administrative Assistant to the Director