



Exh. I 18-1082

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
PROVO RIVER PROJECT

Contract between the United States, Provo River Water Users Association, Weber River Water Users' Association, Utah Power & Light Company, and Utah Light and Traction Company.

THIS CONTRACT, Made this 20th day of December, 1938 in pursuance of the Act of Congress of June 16, 1933 (48 Stat., 195) known as the National Industrial Recovery Act (herein styled the N.I.R.A.), the Act of Congress of June 22, 1936 (49 Stat., 1597), and the Act of Congress of June 17, 1902 (32 Stat., 388), and amendatory acts (herein styled the National Reclamation Law) between the United States of America, its successors and assigns, (herein styled the United States), acting in this behalf by

Secretary of the

Interior (herein styled the Secretary); the Provo River Water Users' Association, a corporation of the State of Utah with its principal place of business at Provo City, Utah (herein styled the Provo Association); the Weber River Water Users' Association, a corporation of the State of Utah with its principal place of business at Ogden, Utah (herein styled the Weber Association); and the Utah Power & Light Company, a corporation of the State of Maine with its principal place of business in Utah at Salt Lake City, Utah (herein styled the Power Company); and its Lessor, the Utah Light and Traction Company, a corporation organized and existing under the laws of the State of Utah with its

principal office at Salt Lake City, Utah (herein styled the Traction Company), and which Power Company and Traction Company are herein collectively styled the Company, and where "Company" is used herein, it refers to and means said two Companies or either of them, whichever may be appropriate or applicable;

WITNESSETH:

EXPLANATORY RECITALS

2. WHEREAS, the Weber Association is operating the Echo Reservoir for the benefit of irrigators deriving all or part of their waters from the Weber River system on which said Echo Reservoir is located; and
3. WHEREAS, the United States has contracted with the Provo Association for the construction of certain irrigation and reclamation works in Salt Lake, Utah, Wasatch, Summit and Duchesne Counties, Utah, commonly known as the Provo River Project, Utah; and
4. WHEREAS, the Traction Company is an interested party hereto by reason of the ownership of its entire capital stock by the Power Company, and by reason of the additional fact that it owns and leases to the Power Company the Weber power plant and appurtenant works and water rights hereinafter mentioned; and
5. WHEREAS, the Company owns, operates, and maintains certain power plants known as the Weber and <sup>?</sup> Riverdale plants on the Weber River and <sup>\*</sup> Murdock and Olmsted plants on the Provo River and appurtenant works for generating electrical energy on the Weber and Provo rivers, Utah, and owns and uses in connection therewith certain water rights; and

6. WHEREAS, the United States, the Provo Association, and the Weber Association desire to make arrangements with the Company by which Weber River power water will in part be diverted to the Provo River, so as to augment the available supply of water for the Provo River Project, and in part be stored in Echo Reservoir either for subsequent use by irrigators served by said reservoir, or by exchange subsequently be diverted to Provo River for use by the Provo River Project; and

7. WHEREAS, the United States and the Provo Association desire to make arrangements with the Company for the impounding of Provo River power water in the Deer Creek reservoir for subsequent use by the Provo River Project; and

8. WHEREAS, the withholding of the Company's Weber River and Provo River power waters will result in decreases of power capacity and energy output at the Company's Weber and Riverdale plants on the Weber River and Olmsted plant on the Provo River, and the diversion of power water to Provo River will permit increases of the power capacity and energy output at the Company's plants on the Provo River, which decreases and increases are to be equalized so far as possible or be otherwise compensated for as and to the extent hereinafter provided.

9. NOW, THEREFORE, in consideration of the mutual and dependent stipulations and covenants herein contained; it is hereby agreed between the parties hereto as follows:

DEFINITIONS OF TERMS

10. For the purposes of this contract the following words and terms shall be construed as in this article defined:

★ "Natural Flow" refers to the flow of Weber River (exclusive of stored waters released from Echo Reservoir) or of Provo River respectively, at the particular power plants hereinafter mentioned in this contract as such flow would be if unchanged by operations under this contract. Natural flow shall be expressed in daily average second feet or in acre feet for 24 hours.

"Power Water." In connection with the operation of the Weber Riverdale, Murdock and Olmsted plants the Company owns and uses certain water rights under its appropriations. The water yield of these rights at each plant not concurrently required for the satisfaction of rights prior or superior to said rights of the Company is herein referred to as "power water."

★ "Power capacity" refers to the daily average output in kilowatts of an operating plant using the natural flow then available to the Company under its existing rights up to the operating capacity thereof as though this contract were not in effect.

★ "Power capacity losses" refers to decreases in power capacity in kilowatts of an operating plant by reason of a part of the natural flow being withheld pursuant to operations under this contract.

"Power capacity replacements" refers to increases in power capacity in kilowatts at one or more plants to compensate for power capacity losses occurring at another plant or plants when such losses are occasioned by operations under this contract.

"Energy increases" refers to daily increases in the kilowatt hour energy output of a plant or plants occasioned by operations under this contract from what said output would be if all the water available to the Company under its existing rights were then being used through such plant or plants as though this contract were not in effect.

"Energy losses" refers to daily decreases in the kilowatt hour energy output of an operating plant or plants from what said output would be if all the water available to the Company under its existing rights were then being used through such plant or plants up to the operating capacity thereof, as though this contract were not in effect.

"Energy replacements" refers to the replacement in kilowatt hours of energy losses occasioned by operations under this contract.

"Winter" refers to the period from approximately October 15 to approximately April 15 of the following year with respect to either or both the Weber and Provo Rivers when "power water" is present therein; and "summer" refers to the period from approximately April 15 to approximately October 15 of each year when "power water" is not present.

In computing power capacity losses and energy losses, power capacity replacements and energy replacements, and energy increases at the four respective power plants of the Company, the following equation shall be used:

second feet of water times plant factor = kilowatts

and the following plant factors shall (except as otherwise provided in this contract) be used: ☆

Weber Plant . . . .	11.0	
Riverdale Plant . . . .	11.8	CLOSED
Murdock Plant . . . .	11.5	CLOSED
Olmsted Plant . . . .	20.2	

WITHHOLDING OF WEBER RIVER POWER WATER AND PROVO RIVER POWER WATER

11. <sup>04+13 Apr. . .</sup> Annually during the "winter" period, the Company will permit the United States or the two Associations to divert to the Provo River and/or impound in the Echo Reservoir all or any part of the Weber River power water originating above Echo dam, such water being that part of the natural flow, designated "power water," which the Company is entitled to divert and use under its appropriations and applications in and from the Weber River in making up its power rights of 365 second feet for the development of power in the Company's <sup>(110 KILOWATTS) \* (CLOSED)</sup> Weber and Riverdale plants near the mouth of Weber Canyon. The United States and/or the Provo Association agrees to replace, as hereinafter provided, all power capacity losses and energy losses suffered by the Company incident to this diversion of power water to the Provo River and/or impounding of power water in the Echo Reservoir at the instance of the United States and/or the two Associations, or otherwise to compensate

the Company therefor in a manner to be determined by agreement prior to the taking of water.

Also, annually during the "winter" period the Company will permit the United States or the Provo Association to store in the Deer Creek Reservoir an average, based on a progressive 10-year period including the year in which the storage is made, of 5,000 acre feet of Provo River power water, but not in excess of 10,000 acre feet in any one year, <sup>\*</sup> such water being that part of the natural flow designated "power water" which the Company is entitled to divert and use under its appropriations and applications in and from the Provo River in making up its power right of 445 second feet for the development of power in the Company's Olmsted plant and is exclusive of any water made available by reason of the construction or operation of the Weber River Project or the Provo River Project. <sup>\*</sup> The United States and/or the Provo Association agree to replace, as hereinafter provided, all energy losses (but not power capacity losses) suffered by the Company by reason of such storage of Provo River power water or otherwise to compensate the Company therefor in a manner to be determined by agreement prior to the taking of water. However, any reduction in the power capacity output of a power plant at the Deer Creek Dam resulting from such storage of power water shall (to the extent such reduction prevents the making of power capacity replacements) be deducted from the power capacity losses occurring at the Weber and Riverdale plants. <sup>\*</sup> The time when such Provo River

power water is to be withheld shall be designated by the Company,  
but such designation shall be made so as to accomplish the true  
intent of this article.

The use of the Company's water as provided for in this contract shall not be construed as an assignment, relinquishment, or waiver of any of the Company's water rights at the Weber, Riverdale, Murdock or Olmsted plants, and in case of termination or failure of this contract for any reason, such water rights shall continue to be appurtenant to said plants as at present. If in the judgment the Company it shall be necessary during any winter to use all of the water which it is entitled to divert and use under its present appropriations in order to maintain the legal status of such rights in status quo or for any other reason, the Company may at any time, notwithstanding the provisions of this contract, divert and use such water at such time and in such quantities as it may desire, for one or more periods not to exceed a total of fifteen (15) days in any winter.

USE OF ECHO RESERVOIR STORAGE WATER BY COMPANY FOR POWER PURPOSES

12. The United States and the Weber Association will permit the Company to use, for power production at its Weber and Riverdale plants, all storage water released from the Echo Reservoir during the summer for project purposes below said plants.

The Weber Association will assign and transfer to the Company all its rights, title and interest in and to those certain applications designated in the office of the State Engineer of Utah as power

Applications No. 10745 and No. 10746, to divert and use the waters of Weber River for power purposes at the Weber and Riverdale plants; provided, that the Company's use of water under said applications shall be limited to Echo Reservoir storage water in transit from said reservoir for project use below said Weber and Riverdale plants.

\* The United States and the Weber Association will permit the Company to store water in Echo Reservoir as contemplated by that certain application filed by the Company in the office of the State Engineer of Utah, January 17, 1933, designated Power Application No. 11333, when and to the extent the storage capacity in the said reservoir is not being used under the primary rights of the United States and/or the Weber Association or the secondary rights heretofore or hereafter granted to the stockholders of the Weber Association; provided, that storage of power water in Echo Reservoir under said application shall be in accordance with the provisions of Article II hereof, and otherwise not in conflict with the provisions of said Article II; provided further, that one half of the power water stored in the Echo Reservoir by the Company, in excess of any and all Weber River power water for which replacement and/or compensation has been or is being made by the United States or the Provo Association, may at the option of the Weber Association, be retained in said reservoir by said Weber Association for its own use; and provided further, that all power water so retained by the Weber Association in Echo Reservoir

shall be released therefrom at such times and in such amounts as the Weber Association shall designate; and provided further that the Weber Association may release a part or all of the Company's power water so stored in Echo Reservoir whenever such release is necessary for the safety of the reservoir or after 10 days' notice to the Company when repairs to reservoir structures are necessary and the safe and proper execution of such repairs requires the release of such water at the time specified; and provided further, that the Weber Association shall not be required to increase its installation or increase materially its operation or maintenance expense in order to impound or release the Company's power water so stored in Echo Reservoir. <sup>\*</sup> The Company agrees to use due diligence in making proof under said application in accordance with law to cover all power waters withheld at Echo Reservoir, and will use due diligence in maintaining the resulting right in good standing.

USE OF PROVO RIVER PROJECT WATER BY COMPANY FOR POWER PURPOSES

13. The United States and the Provo Association will permit the Company to use during the "summer" period of each year for power production in the Murdock plant <sup>\*</sup> as now located, the water diverted into the Provo River from the Weber and Duchesne rivers at such time and in such amounts as these diversions are being made by the United States or the Provo Association for the use of the Provo River Project.

The United States and the Provo Association will also permit the Company to use during the "summer" period of each year for power production in the Olmsted plant <sup>\*</sup> as now located, the storage water released from the Deer Creek Reservoir for Provo River Project purposes and diverted from Provo River below said Olmsted plant and all water diverted direct from the Weber and Duchesne rivers for Provo River

project purposes and rediverted from Provo River below said Olmsted plant; provided, that from April 15 to October 15 of each year, the Company's use at the Olmsted plant of said storage water shall be limited to water originating from the Weber and Duchesne rivers and to power water of the Provo River withheld in the Deer Creek Reservoir under Article II hereof.

The United States and the Provo Association will assign and transfer to the Company all their rights, title and interest in and to those certain applications designated in the office of the State Engineer of Utah as Power Applications No. 12344 and No. 12345 to divert and use the waters of Provo River for power purposes at the Murdock and Olmsted plants; provided, that the Company's use of the water of the United States or Provo Association under said applications shall be restricted to the purposes as contemplated by this contract.

CREDIT FOR COMPANY'S USE OF SUMMER WATER FOR POWER PURPOSES

14. Energy increases resulting from the use of summer water of the Weber Association, the Provo Association, or the United States, through the Weber, Riverdale, Murdock and Olmsted plants, as provided in Articles 12 and 13 hereof, shall accrue to the Company, and the United States or the Provo Association will on October 15 of each year be entitled to and shall receive a credit of 2,250,000 kilowatt hours. This credit shall be cumulative, and shall be accounted for as provided in Article 16 of this contract. If the Company's operation of the Riverdale or Weber plants be discontinued for a

period of one or more years, the annual credit above mentioned shall be adjusted in such years of discontinued operations, as follows:

Riverdale Plant reduce credit 850,000 k.w.h.

Weber Plant reduce credit 1,400,000 k.w.h.

REPLACEMENT OF POWER CAPACITY LOSSES

15. Replacement of power capacity losses, suffered by the Company at its Weber and Riverdale plants on any day as a result of the withholding or diversion of Weber River power water, pursuant to the provisions of this contract, shall be made concurrently on the day the losses occur by the United States and/or the Provo Association by furnishing water, other than natural flow of the Provo River, for power production at the Murdock and Olmsted plants, and/or by furnishing power from a plant at the Deer Creek dam at a point on the Company's 44 KV line nearest said plant, or, at the election of the United States or the Provo Association, by furnishing power at other points agreeable to the Company; and the Company will accept such power capacity replacements so furnished; Provided that

(a) the power capacity losses in kilowatts at the Weber and Riverdale plants on any day, shall be the reduction (to the extent such losses are directly due to said withholding or diversion of Weber River power water) of the daily average flow in second feet, measured at Echo Dam during the second previous day, multiplied by the appropriate plant factor.

(b) power capacity replacements in kilowatts at the Murdock plant shall be the increases in daily average flows in second feet of the winter flow furnished by the United States or the Provo Association over and above the natural flow of Provo River, to the extent usable, multiplied by the appropriate plant factor;

(c) prior to the time that the Deer Creek reservoir is in operation, power capacity replacements in kilowatts at the Olmsted plant shall be the increases in daily average flows in second feet of the winter flow furnished by the United States or the Provo Association over and above the natural flow of Provo River, to the extent usable, multiplied by the appropriate plant factor;

(d) after the Deer Creek reservoir is in operation but prior to the completion of a power plant at Deer Creek dam, power capacity replacements at Olmsted plant in kilowatts shall be the sum of 500 kilowatts plus the product of the daily acre-feet of water released from Deer Creek reservoir for use by the Company, other than natural flow, multiplied by 15.3; and all winter water released at the Deer Creek dam for use by the Olmsted plant during this period shall be released at hours and rates of release as instructed by the Company;

(e) after completion of a power plant at Deer Creek dam, power capacity replacements at the said plant shall be the average kilowatts for 24 hours delivered to the company and the power capacity replacements at Olmsted plant shall be a number of kilowatts equal to the product obtained when the factor 10.2 is multiplied by the number of acre feet of water, other than natural flow, released in 24 hours from the Deer Creek reservoir for use by the Company at Olmsted plant. The average power capacity replacement in kilowatts at the Deer Creek plant between the hours of 8 a.m. and 8 p.m. of any day shall be equal to or more than the average power capacity replacement in kilowatts during the succeeding twelve hours and the number of acre feet of water (other than natural flow) released from the Deer Creek reservoir for power capacity replacement between the hours of 8 a.m. and 8 p.m. at Olmsted plant shall be equal to or greater than the number of acre feet arriving at Olmsted plant in the succeeding 12 hours. If, however, the sum of the average output in kilowatts of the Deer Creek power plant on any day which can reasonably be produced with the natural flow of the Provo River plus all power capacity replacements in kilowatts which can be made at the Murdock plant is less than the power capacity losses at the Weber and Riverdale plants on the same day, and if the entire output of the Deer Creek plant so produced and produced from flows, if any, in excess of natural flow

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is delivered to the Company, then on such days each kilowatt of power capacity replacement delivered from the Deer Creek plant will be accepted by the Company as replacement for  $1\frac{1}{2}$  kilowatts of power capacity losses at the Weber and Riverdale plants; and on those days, all natural flow of the Provo River and all other water released from the Deer Creek reservoir for power capacity replacement shall be released at hours and rates specified by the Company. Also on those days when the entire output reasonably possible from the Deer Creek plant from the use of natural flows and excess flows, if any, is delivered to the Company and when all natural flow and power capacity replacement water is released at hours and rates specified by the Company, then the power capacity replacement at Olmsted plant shall be a number of kilowatts equal to the product obtained when the factor 15.3 is multiplied by the number of acre feet of water other than natural flow released in 24 hours from the Deer Creek reservoir for use by the Company at Olmsted plant;

(f) outflow from Deer Creek reservoir may be reduced by the United States or the Provo Association to less than natural flow of Provo River when the resulting power capacity replacements being made at Deer Creek plant together with power capacity replacements being made at Murdock plant are not less than the power capacity losses at the Weber and Riverdale plants (and at the Olmsted plant resulting from withholding of the natural flow of Provo River pursuant to the provisions of this paragraph), but this right shall be in addition and junior to the provisions for withholding Provo River natural flow as set out in the second paragraph of Article II hereof.

(g) power capacity replacements may be made by the United States or the Provo Association from sources other than Murdock, Deer Creek, and Olmsted power plants, at points agreeable to the Company, and the Company will accept such power capacity replacements if furnished at uniform rates throughout each day.

(h) in years of extreme drought, the Company may at its option waive all or any part of power capacity replacements.