

December 14, 2007 [Hand-delivered]

Lee H. Sim, P.E.,
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RECEIVED

DEC 14 2007

**WATER RIGHTS
SALT LAKE**

SEAA 1248

**Subject: Santa Clara Hydroelectric Project, FERC No. 9281
Response to November 14, 2007 Utah Division of Water Rights Letter**

Dear Mr. Sim:

This letter is in response to your letter of November 14, 2007. You required three categories of items and we will be responsive to all items. The purposes of this letter are to provide a summary on the progress on all items, request an extension and provide justification of the deadline for making repairs and document PacifiCorp Energy's verbal agreement with Washington County Water Conservancy District (WCWCD) and intent to finalize a site access agreement as soon as possible to allow installation of the equipment.

In regard to the requirement to provide an evaluation of system losses by canal section along with measurement data at the named sections for the past 10 years, I have gathered and had digitized the available data and begun analysis of selected data. There is more data available than I had anticipated and would request that the filing date for the report you required by January 4, 2008 be extended to January 31, 2008 to allow me to provide a more in-depth analysis of the data. There are a few selected discharge measurements that were done in the last 10 years that may be of some assistance in assessing the quality of the flume measurements. One limitation currently identified is the availability of irrigation diversion data that does not appear to be available on the Division of Water Rights web site. This affects the ability to compute the seepage rate in the Veyo to Highway Flume section of the canal.

In regard to the automated data telemetry sponsored by WCWCD, PacifiCorp Energy has a verbal agreement with WCWCD to execute a site mutually acceptable site access agreement. Equipment installation at the sites on PacifiCorp Energy property can begin as soon as the site access agreement is in place. One current mutually agreeable limitation is that WCWCD will provide only daily average data once per day. Recall that in response to my verbal inquiry to you about this, you indicated this limitation was acceptable and still met the requirements of your letter. This limitation may be relaxed to allow real-time data at the discretion of PacifiCorp Energy.

In regard to the monthly data submittal, PacifiCorp Energy would respectfully request an adjustment to allow semi-annual data submittal to allow sufficient time for collection and analysis of manually recorded values that are not currently planned to be automated.

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In regard to the repair work required, I have visited each of the flume locations with Roy Jewkes, Utah Production Manager, and evaluated and documented the pre-existing condition of the power canal in sections of concern you identified in your letter. I agree that the items you noted need to be rectified. PacifiCorp Energy takes the requirements of your letter seriously and has planned to accomplish these items.

For the non-infrastructure items including canal cleaning and staff gage calibration, we respectfully request that the deadline be extended to June 30, 2008 due to the extent of the backhoe work required.

For the infrastructure-related items including the diversion gates and dry dam at the diversion from the Santa Clara River above Veyo plant and the re-diversion gates below Sand Cove plant, we respectfully request that the deadline be extended to November 30, 2009 due to the necessity of replacing the gates and dam when the canal is dewatered, which is not feasible during the irrigation season. The procurement process required to obtain the gates and the extent of other repair work required makes it infeasible to complete before November 30, 2009.

The work will begin as soon as practical and the requested deadline dates represent active effort with timely execution within existing constraints. However, *force majeure* events or unexpected permitting delays may delay us in completing the required work. We currently anticipate the need for no permits and will seek to identify and apply for any needed permits in a timely manner, but may be delayed by actions beyond our control.

If you have any questions concerning this matter, please contact me at 801-220-4636.

Regards,



Connely Baldwin

Hydrologist

cc: Kurt Vest, Regional Engineer
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