BEFORE THE DEPARTMENT OF 1 NATURAL RESOURCES AND CONSERVATION 2 OF THE STATE OF MONTANA 3 4 5 IN THE MATTER OF APPLICATION FOR BENEFICIAL WATER USE PERMIT NO. PROPOSAL FOR DECISION **76N 30010429 BY THOMPSON RIVER LUMBER COMPANY** 6 7 Pursuant to the Montana Water Use Act and to the contested case provisions of the 8 Montana Administrative Procedure Act, and after notice required by Mont. Code Ann. § 85-2-307, a hearing was held on October 13, 2005, in Missoula, Montana, to determine whether a 10 beneficial water use permit should be issued to Thompson River Lumber Company of Montana. 11 Inc., hereinafter referred to as "Applicant" for the above application under the criteria set forth in 12 Mont. Code Ann. § 85-2-311. 13 14 **APPEARANCES** 15 Applicant appeared at the hearing by and through counsel, John E. Bloomquist. Roger 16 Claridge, President of Thompson River Lumber Company (TRLC) and Applicant; Fred Busch, 17 Senior Management Officer with Savage Services; and Karl Uhlig, Water Rights Specialist, 18 Land and Water Consulting, a division of PBS&J, testified for the Applicant. 19 Objector Avista Corporation (Avista) appeared at the hearing by and through counsel, R. 20 Blair Strong. Steven Silkworth, P.E. and Manager of Wholesale Power, Avista Corp. testified for 21 this Objector. 22 No other Objectors appeared. 23 Kurt Hafferman, Manager, Kalispell Water Resources Regional Office of the Department 24 of Natural Resources and Conservation (Department) was called to testify by the Applicant. 25 26 **EXHIBITS** 27 Both Applicant and Objectors offered exhibits for the record. The exhibits are admitted 28 into the record to the extent noted below. 29 Applicant offered nine exhibits for the record. The Hearing Examiner accepted and 30 admitted into evidence Applicant's Exhibit 1, 2, 4-9. Applicant's Exhibit A3 was withdrawn. 31

1	Applicant's Exhibit A1 is a one-page copy of Centrifugal Pump Characteristics, Goulds
2	Pumps, Inc.
3	Applicant's Exhibit A2 consists of three pages of Clark Fork River gauging data from
4	the USGS Gauge 12391400 below Noxon Rapids Dam. One page is a tabulation, and two
5	pages are charts prepared by Applicant's consultant.
6	Applicant's Exhibit A4 consists of a large map showing project features prepared by
7	Land and Water Consulting, a Division of PBS&J and dated June 2005.
8	Applicant's Exhibit A5 consists of three sets of TRLC drawings: (1) Thompson River
9	Go-Gen Facility Site Plan drawing prepared by Land & Water Consulting, revised June 7, 2005,
10	(2) Thompson River Go-Gen Facility Site Plan drawing prepared by Land & Water Consulting,
11	revised July 7, 2005, and an eight-page set of construction drawings for a temporary storage
12	pond dated July 2004, prepared by Morrison Maierle, Inc.
13	Applicant's Exhibit A6 consists of one 11" by 17" chart entitled Estimated Thompson
14	River Co – Gen Well Water Balance.
15	Applicant's Exhibit A7 is a facsimile of Applicant's Permit To Appropriate Water Right
16	No. 76N 30011235.
17	Applicant's Exhibit A8 consists of a one-page copy of a 2005 tax assessment notice
18	from Sanders County.
19	Applicant's Exhibit A9 is a five-page copy of relevant portions of a lease agreement
20	between Thompson River Lumber Company, Inc. and Thompson River Co-Gen LLC.
21	Applicant's Exhibit A10 consists of eleven pages of Karl Uhlig's pre-filed testimony.
22	Objector offered eleven exhibits for the record. The Hearing Examiner accepted and
23	admitted into evidence Objector's Exhibit Nos. O Silkworth 1-11.
24	Objector's Exhibit O Silkworth 1 is a three-page copy of Steven Silkworth's
25	Qualifications and Professional Experience.
26	Objector's Exhibit O Silkworth 2 is a 30 x 60 minute series Geological Survey
27	topographic map entitled: Thompson Falls, Montana – Idaho.
28	Objector's Exhibit O Silkworth 3 is a ten-page copy of Findings of Fact, Conclusions of
29	Law, and Order, Case 76N-46, Montana Water Court, Clark Fork Division.
30	Objector's Exhibit O Silkworth 4 consists of a certification page and a copy of Permit
31	to Appropriate Water, and Notice of Completion of Water Development for Water Right Number

P004189-76N.

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Objector's Exhibit O Silkworth 5 is a one-page graph entitled: "Noxon Rapids Dam -
Average Inflow by Month, 1985 – 2004 Daily Data," compiled by Mr. Silkworth.

Objector's Exhibit O Silkworth 6 is a one-page graph entitled: "Noxon Rapids Inflow – 1985 –2004 Daily Values, Average Number of Days per Month Exceeding 50,000 cfs," compiled by Mr. Silkworth.

Objector's Exhibit O Silkworth 7 is a three-page memorandum from Steve Silkworth entitled: "Energy Lost Due to Upstream Surface Water Diversion" which refers to Exhibit Nos. O Silkworth 6, 8, 9.

Objector's Exhibit O Silkworth 8 is a one-page graph entitled: "Cabinet Gorge Inflow – 1985 – 2004 Daily Values, Average Number of Days per Month Exceeding 38,000 cfs." prepared by Mr. Silkworth.

Objector's Exhibit O Silkworth 9 is a one-page chart entitled: "Avista Utilities 2003 Electric Integrated Resources Plan." prepared by Mr. Silkworth.

Objector's Exhibit O Silkworth 10 consists of fourteen pages of pre-filed direct testimony of Steven G. Silkworth.

Objector's Exhibit O Silkworth 11 is a one-page update of portions of page 9 of Steve Silkworth's pre-filed testimony. (Exhibit O Silkworth 10)

PRELIMINARY MATTERS

Prior to the hearing, Applicant's Motion For Discovery Sanctions was Granted and Objectors Jon Cheetham, Lynn and Valerie Lanzoni, and Roberta Demmer were sanctioned such that they were not allowed to present witnesses at hearing, and the Applicant's requests for admissions were deemed admitted. During the Hearing Applicant moved for an order finding these Objectors in default and for the dismissal of their objections, including the water quality objection of Objectors Cheetham and Demmer. These Objectors did not appear at the hearing. The motion was GRANTED on record of the hearing. The Objections were dismissed with prejudice and the Applicant was notified that they did not have to meet the water quality criterion because there was no longer a valid water quality objection.

The Hearing Examiner, having reviewed the record in this matter and being fully advised in the premises, does hereby make the following:

FINDINGS OF FACT

3 General

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- 4 1. Application for Beneficial Water Use Permit 76N 30010429 in the name of Thompson
- 5 River Lumber Company of Montana, Inc. and signed by Barbara Wolstein, Secretary, was filed
- 6 with the Department on April 29, 2004. (Department file)
- 7 2. Notice of the Application was properly made in the Sanders County Ledger on
- 8 September 9, 2004. (Department file)
- 9 3. The Environmental Assessment (EA) dated June 8, 2004, prepared by the Department
- for these applications was reviewed and is included in the record of this proceeding.
- 4. Applicant seeks to appropriate 250 gallons per minute (gpm) up to 400 acre-feet of water
- per year from the Clark Fork River. The water is to be diverted at a point in the SW¼NE¼SE¼
- of Section 13, Township 21 North, Range 29 West, Sanders County, Montana. The proposed
- means of diversion is a pump. The proposed use is power generation. The proposed place of
- use is in the SE¼SW¼NE¼ and in the NE¼NW¼SE¼, all in Section 13, Township 21 North,
- Range 29 West, Sanders County, Montana. The proposed period of diversion and period of use
- is January 1 through December 31, inclusive. The proposed 3.5-acre evaporation pond place of
- storage for water treated after use in the generation of power, with a volume of 34.00 acre-feet
- is located in the SE¼SW½NE½ of Section 13, Township 21 North, Range 29 West, Sanders
- 20 County, Montana. (Department file)
- 5. Objector Avista Corporation is the owner of downstream Clark Fork River Water Right
- Nos. 76N P004189-00 for 15,000 cubic feet per second (cfs) and 76N W-125799-00 for 40,400
- 23 cfs. (Department file)

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Physical Availability

- 25 6. Applicant reviewed U.S. Geological Survey Streamflow Statistics for the gauging sites
- located on the Clark Fork River upstream of the project site near Plains, Montana (period of
- record: 1910 to present), and downstream of the project site about 5 miles (period of record: 8
- years in the 1950's). The Hearing Examiner did not find the distance between Plains, Montana,
- 29 and the project site in the record; however, the Hearing Examiner takes judicial notice that
- Plains is upstream of the City of Thompson Falls approximately 25-30 miles. The average
- monthly Clark Fork River flows at the Thompson Falls gauge varied from a low of 9,680 cubic

- feet per second (cfs) (typically occurring in September) to a June high of 57,600 cfs. The data
- from the gauge near Plains, Montana, shows the September low is approximately 9,800 cfs and
- the June average is 45,600 cfs. Applicant is requesting 0.56 cfs which is less that the gauged
- 4 low flows both upstream and downstream of the proposed point of diversion. Water is physically
- 5 available. (Department file, testimony of Karl Uhlig)

6 Legal Availability

- 7 7. Applicant reviewed existing gauging data described in Finding of Fact No.6 above, and
- 8 compared that data to the DNRC water right records for the Clark Fork River for a distance of
- 9 five miles downstream of the proposed point of diversion. The largest water right in this river
- reach is Pacific Power & Light's (hereafter PPL) for 23,420 cfs for power generation at its
- 11 Thompson Falls facility. Applicant's project site is approximately five miles upstream of
- 12 Thompson Falls and PPL's facility. Applicant's consultant testified that the requested 0.56 cfs is
- so small (0.0062% of physical flow in the river) that PPL would not be able to accurately
- measure the difference through its turbines if Applicant was pumping or not. In addition,
- Applicant reviewed DNRC water right records for rights that are junior to the PPL water right.
- Applicant found that 891 new water rights were issued by DNRC in river drainages above the
- 17 PPL generation facility since May 1992 (the date of PPL's 23,420 cfs water right) for a combined
- total of 1,467.7 cfs up to 72,771 acre-feet. Applicant then reviewed gauging data and DNRC
- water right records for the source down to Objector Avista's water right (50,000 cfs) at Noxon
- 20 Rapids Dam. Applicant found there are periods of time between April and July in most years,
- and other periods in some years, when flows exceed 50,000 cfs. Applicant points out that
- Objector Avista's water right was perfected before recent late season releases from up-gradient
- 23 Hungry Horse Dam. Applicant argues that these late season releases were not available to PPL
- and Objector Avista when they completed their projects, and the water released from the up-
- gradient dams is available for appropriation by Applicant. Applicant presented no other
- supporting evidence regarding these late season flows, and Applicant presented no data
- 27 regarding the amount or timing of these "late season flows." Applicant argues that water is
- available for appropriation at any time the flow in the Clark Fork River is more than 50,000 cfs or
- at any time Objector Avista's needs are less than 50,000 cfs. (Department file, testimony of Karl
- 30 Uhlig)

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- 8. Objector Avista has existing Montana water rights totaling 50,000 cfs, which are located
- approximately 40 miles downstream from Applicant's project on the Clark Fork River. The Clark

- Fork River water flows past the Applicant's proposed point of diversion, downstream through
- 2 PPL's power generating facility at Thompson Falls and then re-enters the Clark Fork River and
- 3 flows in the river channel until it enters the reservoir of Avista's Noxon Rapids Dam. Objector
- 4 Avista uses the flows of the Clark Fork River up to 50,000 cfs at the Noxon Rapids Dam to
- 5 generate electricity and/or refill the reservoir behind the Noxon Rapids Dam to maintain
- elevation head. Objector Avista maintains records of flow through its turbine generators on a
- 7 daily basis. There is no month during which flows, on average, exceed 50,000 cfs (Exhibit O
- 8 Silkworth 5). From the same daily flow records Objector Avista compiled the number of days, on
- 9 average a year, when flows of the Clark Fork River at the Noxon Rapids Dam exceed 50,000
- 10 cfs. The daily flow information between 1985 and 2004, shows that the average number of days
- per month exceeding 50,000 cfs equaled 0.8 days in April, 5.4 days in May, 9.1 days in June,
- and 0.7 days in July for a total of 16.1 days per year when flows exceed 50,000 cfs at Noxon
- Rapids Dam. Applicant determined the average number of days in a year when flow at Noxon
- Rapids Dam exceeds 50,000 cfs is 23.7 days. The difference between 16.1 and 23.7 days is the
- result of the different periods of record used by the Parties; Applicant used 1960 to 2004, and
- Objector used 1985 to 2004. (Department file, testimony of Kurt Hafferman, Steve Silkworth,
- 17 Karl Uhlig)

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Adverse Effect

- 9. Adverse affect must be determined based on a consideration of an applicant's plan for
- the exercise of the permit that demonstrates that the applicant's use of water will be controlled
- so the water rights of a prior appropriator will be satisfied. Applicant plans to use Water Use
- Permit No. 76N 30011235, issued for a ground water source, to provide water when Clark Fork
- 23 River water use would adversely affect a downstream senior appropriator. However, Applicant
- states that if it knows Objector Avista's "ramping" flows, it could go to a website to check river
- 25 flows to know when water flows exceed the flows needed for Avista's power generation.
- 26 (Department file, testimony of Karl Uhlig)
- 27 10. Applicant and others testified that 250 gpm is not measurable at downstream diversions
- when compared to the total flow in the Clark Fork River. Applicant claims it is futile to measure
- 250 gpm (.56 cfs) flowing in the River. Applicant is willing to decrease diversions if a call on the
- source is made by a downstream senior appropriator. Applicant states they will be responsive to
- a daily call by Objector Avista if Avista can put 250 gpm to use and can see results of the call.
- The evidence presented by Applicant regarding whether 250 gpm will show up at Objector

- Avista's point of diversion came from Karl Uhliq who agreed that if one assumes all else is
- equal, then an additional 250 gpm put in the River at the Thompson Falls dam would increase
- 3 flows by 250 gpm in the reservoir above the Noxon Rapids Dam. However, the 250 gpm
- 4 increase may not be detectable. Water in the reservoir is used for power generation.
- 5 (Department file, testimony of Karl Uhlig, Kurt Hafferman, Steve Silkworth)
- 6 11. Objector Avista uses all river flows up to 50,000 cfs for power generation, refilling
- storage behind Noxon Rapids Dam, and for evaporation from the stored water surface. The only
- water not used for power generation is evaporation from the reservoir surface, or that is spilled
- when flows exceed 50,000 cfs. Objector Avista has water rights for power generation, for
- reservoir storage and release for power generation and reregulation of the flows in the Clark
- Fork River, and to provide hydraulic head for power generation at its facility at Noxon Rapids
- Dam in the amount of 50,000 cfs. The impact of 250 gpm of flow on Objector Avista is small,
- and Objector Avista can still exercise its water right even if this permit is issued they can't
- exercise their full right. However, Objector Avista will generate less power when river flows are
- reduced by the requested 250 gpm they are either using the water to generate power or to
- refill their storage. Objector Avista's power generation facility operation varies throughout each
- day depending on the power load and prices. Water is spilled without use by Objector Avista at
- its Noxon Rapids generating facility only 16 to 24 days on average each year. Objector Avista
- will be not be able to fully exercise its water rights when Clark Fork River flows are less than
- 50,000 cfs. (Department file, testimony of Steve Silkworth, Objector Silkworth Exhibit Nos. 3, 4)

Adequacy of Appropriation Works

- 12. Applicant's means of diversion is two twenty-five (25) horsepower pumps, delivery
- pipeline, and appropriate valving that was designed by a professional engineering firm to
- provide the necessary water for this purpose. The appropriation works are adequate to divert
- the requested flow and operate to provide water to the proposed use. (Department file,
- testimony of Karl Uhlig)

Beneficial Use

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- 13. The proposed power generation in a steam generating plant and ancillary systems is a
- beneficial use of water. Applicant determined flow rate and volume based upon system design
- and anticipated electrical demands. Applicant has provided evidence of a direct correlation
- between the amount of water applied for and the need for that amount of water to generate
- power. The power generation purpose is beneficial and the amounts are the minimum

- necessary amounts to sustain the purpose. (Department file, testimony of Fred Busch, Karl 1
- Uhlig) 2

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Possessory Interest 3

- Applicant is the owner of the property which has been designated in the Application as 4
- the place of use. (Department file, testimony of Roger Claridge) 5

Water Quality Issues 6

- 15. Seven objections relative to water quality were filed against this application. Five of 7
- these Objectors withdrew their objections prior to the hearing. The remaining two valid water 8
- quality objections were dismissed at hearing after being found in default and dismissed with 9
- prejudice. Therefore, there are no valid water quality objections to this application. There were 10
- no objections relative to water classification or to the ability of a discharge permit holder to 11
- satisfy effluent limitations of his permit. (Department file) 12
 - Based on the foregoing Findings of Fact and the record in this matter, the Hearing

Examiner makes the following: 14

CONCLUSIONS OF LAW

- 1. The Department has jurisdiction to issue a provisional permit for the beneficial use of water if the applicant proves the criteria in Mont. Code Ann. § 85-2-311 by a preponderance of the evidence. Mont. Code Ann. § 85-2-311(1).
- 2. A permit shall be issued if there is water physically available at the proposed point of 20 diversion in the amount that the applicant seeks to appropriate; water can reasonably be 21 considered legally available during the period in which the applicant seeks to appropriate, and in 22 the amount requested, based on an analysis of the evidence on physical water availability and 23 the existing legal demands, including but not limited to a comparison of the physical water 24 supply at the proposed point of diversion with the existing legal demands on the supply of water; 25 the water rights of a prior appropriator under an existing water right, a certificate, a permit, or a 26 state reservation will not be adversely affected based on a consideration of an applicant's plan 27 for the exercise of the permit that demonstrates that the applicant's use of the water will be 28 controlled so the water right of a prior appropriator will be satisfied; the proposed means of 29 diversion, construction, and operation of the appropriation works are adequate; the proposed 30 use of water is a beneficial use; the applicant has a possessory interest, or the written consent

- of the person with the possessory interest, in the property where the water is to be put to
- beneficial use; and, if raised in a valid objection, the water quality of a prior appropriator will not
- 3 be adversely affected, the proposed use will be substantially in accordance with the
- 4 classification of water, and the ability of a discharge permitholder to satisfy effluent limitations of
- a permit will not be adversely affected. Mont. Code Ann. § 85-2-311 (1) (a) through (h).
- 6 3. The Hearing Examiner may take notice of judicially cognizable or generally recognized
- 7 technical or scientific facts within the Department's specialized knowledge. Parties shall be
- 8 notified either before or during the hearing or by reference in the proposal for decision of the
- 9 material noticed. Parties may contest the materials first noticed in this proposal for decision by
- filing exceptions to the proposal for decision. Mont. Admin. R. 36.12.221(4); Mont. Admin. R.
- 11 36.12.229. See Finding of Fact No. 6.
- 12 4. The Applicant has proven that water is physically available at the proposed point of
- diversion in the amount Applicant seeks to appropriate, and in the amount requested. Mont.
- 14 Code Ann. § 85-2-311(1)(a)(i). See Finding of Fact No. 6.
- 15 5. The Applicant has not proven that water can reasonably be considered legally available.
- Applicant has proven that water is only available at times the flows at Noxon Rapids Dam
- exceed 50,000 cfs. Legal availability is determined by analysis of non-drought periods. See In
- The Matter of Application 41B-074154 by Johnson, Proposal for Decision, (1990). Applicant has
- shown in non-drought years sufficient unappropriated water will be physically available at the
- point of diversion to supply the amount requested only for 16 to 24 days throughout the period
- of appropriation (January 1 through December 31). An applicant must prove that, at least in
- some years, sufficient unappropriated water will be physically available at the point of diversion
- to supply the amount requested throughout the period of appropriation, and that at least in
- some years, no legitimate calls for water will be made on him by a senior appropriator. In the
- Matter of Application for Beneficial Water Use Permit No. 81705-g76F by Hanson (1992).
- However, Applicant has not shown that legitimate calls for water will not be made on him by a
- senior appropriator in at least some years. Here, Applicant could expect calls for water for all but
- 16 to 24 days of each year. Mont. Code Ann. § 85-2-311(1)(a)(ii). See Finding of Fact Nos. 7, 8.
- 29 6. The Applicant has not proven that the water rights of prior appropriators under existing
- water rights, certificates, permits, or state reservations will not be adversely affected when
- conditioned according to the plan to have downstream senior appropriators call the source when
- their rights are not being met. In the situation at hand, the evidence is that Objector Avista will

not likely be able to look at their measuring gauge and know that river flows have been reduced

by 250 gpm (i.e. that Applicant's pump is running). That does not mean Objector Avista is not

adversely affected. At flows less than 50,000 cfs, Objector Avista would be short 250 gpm at

4 times Applicant's pump is running. Objector Avista would have to call the Applicant to find out if

Applicant's pumps are running. Applicant's plan would have Avista call Applicant to see if they

are pumping, then decide if they must call the source rather than have the Applicant call to

make sure water is available for use prior to turning on the pump. The burden in Applicant's plan

is on the wrong appropriator. Avista would be short 250 gpm in all but 16-24 days per year when

their reservoir is full and the project is spilling water.

A discussion of the use of the word "futile" as used in hearing testimony is needed here. Testimony in this case concerned the phrase "futile to measure" which is different from the phrase "futile call" when used in water right context. A call is not futile because the water not reaching Objector Avista is too small to measure at Objector's point of diversion. Case law in this context does not discuss the measurability of water reaching the downstream senior. Instead, case law discusses whether the water will reach the downstream senior.

In order to justify their diversion, defendants must be in a position to show affirmatively that under all the conditions such diversion does not reduce or limit the plaintiffs' receipt of water to which the latter are entitled. Possibly defendants can prove that plaintiffs have received their full appropriation in spite of defendants' taking of water. Or it may be that in a particular instance defendants can show that the rainfall was sufficiently slight and the stream bed sufficiently dry that no water would reach plaintiffs whether or not the defendants impounded or diverted water at their dam; and in that event defendants' acts would not be detrimental to plaintiffs. That is the limit of the meaning attributable to the court's statement on this question in *Raymond v. Wimsette*, 12 Mont. 551, 31 P. 537, 33 Am.St.Rep. 604.

Irion v. Hyde, 105 P.2d 666, *674, (Mont. 1940) (emphasis added). There was no evidence in this case that the 250 gpm that the Applicant seeks to appropriate would not reach the Noxon Rapids Dam.

The Objector here will not receive all water to which they are entitled at times the flows in the Clark Fork River do not exceed 50,000 cfs. Mont. Code Ann. § 85-2-311(1)(b). Flows exceed 50,000 cfs only 16-24 days per year. The record here shows that Objector Avista will be adversely affected by diminished flows in the amount of the Applicant's proposed diversion on the days where flows do not exceed 50,000 cfs. The Applicant failed to prove by a

- preponderance of the evidence that prior appropriators will not be adversely affected by the
- 2 proposed appropriation. See Finding of Fact Nos. 9, 10, 11.
- 3 7. The Applicant has proven that the proposed means of diversion, construction, and
- operation of the appropriation works are adequate. Mont. Code Ann. § 85-2-311(1)(c). See
- 5 Finding of Fact No. 12.
- 6 8. The Applicant has proven the proposed use of water is a beneficial use of water for
- 7 which Applicant can establish a water right under a permit. Mont. Code Ann. § 85-2-311(1)(d).
- 8 See Finding of Fact No. 13.
- 9 9. The Applicant has proven a possessory interest in the property where water is to be put
- to beneficial use. Mont. Code Ann. § 85-2-311(1)(e). See Finding of Fact No. 14.
- 10. Valid water quality objections were raised as to the issue of water quality of a prior
- appropriator being adversely affected. However, these Objections were withdrawn or dismissed
- at hearing. No valid water quality objections were filed alleging that the proposed use is not in
- accordance with a classification of water, nor as to the ability of a discharge permit holder to
- satisfy effluent limitation of a permit. This Hearing Examiner interprets a "dismissed" objection
- the same as a "withdrawn" objection. See Mont. Admin. R. 36.12.208. That is, it is as if it were
- never filed. Here, all valid objections were withdrawn or dismissed, so Applicant need only prove
- the criteria in Mont. Code Ann. §§ 85-2-311(1)(a-e). Mont. Code Ann. § 85-2-311(1)(f), (g), (h).
- See Preliminary Matters on page 3, and Finding of Fact No. 15.
- 20 11. The Department may issue a permit subject to terms, conditions, restrictions, and
- limitations it considers necessary to satisfy the criteria for issuance of a beneficial water use
- permit. Applicant has not met the criteria for issuance of a permit. Mont. Code Ann. § 85-2-312.
- 23 See Conclusions of Law Nos. 5, 6.

WHEREFORE, based upon the foregoing Findings of Fact and Conclusions of Law, the Hearing Examiner makes the following:

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27 PROPOSED ORDER

- Application for Beneficial Water Use Permit No. 76N 30010429 by Thompson River Lumber Company is **DENIED**.
- Proposal for Decision
 Application No. 76N 30010429 By Thompson River Lumber Company

1	<u>NOTICE</u>
2	This Proposal for Decision may be adopted as the Department's final decision unless
3	timely exceptions are filed as described below. Any party adversely affected by this Proposal for
4	Decision may file exceptions and a supporting brief with the Hearing Examiner and request oral
5	argument. Exceptions and briefs, and requests for oral argument must be filed with the
6	Department by April 19, 2006, or postmarked by the same date, and copies mailed by that same
7	date to all parties.
8	Parties may file responses and response briefs to any exception filed by another party.
9	The responses and response briefs must be filed with the Department by May 1, 2006, or
10	postmarked by the same date, and copies must be mailed by that same date to all parties. No
11	new evidence will be considered.
12	No final decision shall be made until after the expiration of the above time periods, and
13	due consideration of timely oral argument requests, exceptions, responses, and briefs.
14	Dated this 30 th day of March 2006.
15	
16	/ Original Signed By Charles F Brasen /
17	Charles F Brasen
18	Hearing Examiner Water Resources Division
19 20	Department of Natural Resources
21	and Conservation
22	PO Box 201601
23	Helena, Montana 59620-1601

CERTIFICATE OF SERVICE

This certifies that a true and correct copy of the PROPOSAL FOR DECISION was served upon all parties listed below on this 30th day of March 2006 by first class United States mail.

CHRISTOPHER B SWARTLEY PO BOX 8957 MISSOULA MT 59807-8957

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CC:

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/ Original Signed By Jamie Scow /

JAMIE SCOW HEARING UNIT 406.444.6615