

JEFFRY T. NIERMEYER
DIRECTOR

SALT LAKE CITY CORPORATION

DEPARTMENT OF PUBLIC UTILITIES
WATER SUPPLY AND WATERWORKS
WATER RECLAMATION AND STORMWATER

RALPH BECKER
MAYOR

December 16, 2009

Kent L. Jones, P.E.
State Engineer
Utah State Engineer's Office
1594 West North Temple
Salt Lake City, Utah 84116

Re: Comments Concerning Proposed Rule R655-16

Dear Mr. Jones:

Salt Lake City Department of Public Utilities (the "City") has previously submitted comments concerning the adoption of Proposed Rule R655-16. After those comments were submitted, we have studied the Proposed Rule further and have an additional concern to share with you.

Among the comments previously made by the City, we expressed concerns related to the burden that would be placed on the City in responding to DIBUA requests submitted by others. In expressing those concerns, we were assuming that good-faith requests would be made that would require the City to devote significant resources to address the requests. Thinking through the process further, we are now equally concerned that requests would be made by individuals who will use the DIBUA process to maliciously waste the City's time in processing DIBUA requests.

For example, certain individuals who are water speculators have water interests (either as a shareholder in irrigation companies that have exchange agreements with the City and through other means) that may overlap with the City's. In various attempts to enhance their water interests, they have developed a practice of attempting to bully others into conceding water rights to them. For the City and other municipalities, these speculators have demonstrated a pattern of conduct that shows their intent to disturb the City's work and force the City to incur unnecessary expenses in dealing with their demands.

Once the scope of the Proposed Rule is appreciated by these individuals, we think it is likely that they will initiate the DIBUA process with respect to some water rights with no intent to ever file a change application. The City will incur significant burden on its resources if this occurs.

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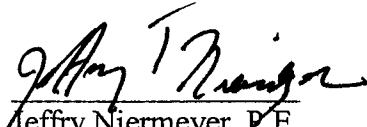


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The City would request that a clear exception be placed in the Proposed Rule to avoid the necessity for municipalities to respond to the DIBUA process, unless the request comes from your office. If the proposed process were modified to provide that the DIBUA was only required when requested by the State Engineer related to a specific change application, then individuals could not create work for others by initiating baseless DIBUA requests.

Thank you for considering these comments made by the City and the comments previously submitted concerning this matter. If you have further questions regarding our comments, please contact Tom Ward at 801-483-6768.

Sincerely,


Jeffrey Niermeyer, P.E.
Director

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