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Attorneys for Idaho Ground Water Appropriators, Inc.

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

RANGEN INC., an Idaho corporation,	Case No. CV-2014-4970
Petitioner,	
Vs. IDAHO DEPARTMENT OF WATER RESOURCES, and GARY SPACKMAN, in his official capacity as Director of the Idaho Department of Water Resources Respondent.	AFFIDAVIT OF RICK NAERBOUT IN SUPPORT OF MOTION TO STAY CURTAILMENT ORDER
STATE OF IDAHO)	
COUNTY OF ADA) ss.	

RICK NAEREBOUT, being first duly sworn upon oath, deposes and states the following in SUPPORT of Idaho Ground Water Appropriators ("IGWA"), *Motion to Stay Curtailment Order*, which was filed with this court on January 20, 2014.

1. I am an individual over the age of eighteen, a resident of the State of Idaho, and have

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- personal knowledge of the facts set forth herein, believing them all to be true and correct to the best of my knowledge and belief.
- I have been employed, for the past twelve years, with the Idaho Dairymen's Association, Inc. (herein "IDA"), which is an Idaho nonprofit corporation duly existing and operating in the State of Idaho since July 5, 1944. As such, I am fully familiar with, knowledgeable of, and acquainted with its organizational history, documents, records, membership, and the diary operations of its members.
- 3. Every dairy farmer, or dairy producer, in the State of Idaho is a member of the IDA.
- 4. The overarching purpose of the IDA is to develop and sustain an economically viable Idaho dairy industry and to promote dairy interests in the State of Idaho. The IDA regularly considers and acts upon problems and issues concerning the welfare of the Idaho dairy industry and the United States dairy industry in general. Finally, the IDA is authorized to perform all other acts as are necessary to give effect to the purposes of the IDA as may be authorized by law.
- 5. The IDA is also regularly, thoroughly and cooperatively involved at local, state, regional and federal levels to protect and promote the legislative, regulatory and legal interests of its members the dairy farmers of Idaho. The foregoing often involves the IDA promoting and defending the interests of the Idaho dairy industry and Idaho dairy farmers in administrative and legal proceedings that may, or have the potential to, impact the dairy industry.
- 6. The Idaho dairy industry is an essential element of, and stabilizing force to, the Idaho economy. In 2014, on-farm cash receipts from dairy products produced in Idaho amounted to \$3.25 billion, ranking dairy as Idaho's single largest agricultural industry.

The Idaho dairy industry supports a total of more than 23,000 jobs within our state's economy. Idaho is the second largest dairy producing state in the western United States, and currently ranks third amongst all fifty states. As of January 2015, Idaho has 522 dairy farm operations and their combined 550,000 cows produce an estimated 13.5 billion pounds of milk annually. All of the above described dairy farm operations are members of the IDA.

- 7. Implementation of the Order Granting Rangen's Motion to Determine Morris Exchange Water Credit; Second Amended Curtailment Order, issued by the Director of the Idaho Department of Water Resources on November 21, 2014, will cause immediate, irreparable injury to IDA's members.
- At a minimum, eighty-two dairy farm families are subject to the curtailment order identified above. These dairy farm families are holders of stockwater and/or commercial water rights. These water rights are essential in the daily operations of these family businesses. The end use of these water rights by dairy farmers is for watering cattle, cleaning milking equipment, and cleaning dairy facilities. Dairies are required to clean their milking equipment and milking parlors daily in order sell their milk for consumption. Consequently, loss of water for cleaning purposes will immediately debilitate dairies that are subject to curtailment. Most of these dairies do not have an alternate supply of water for cow consumption. The average herd size within the curtailment area is over 1,200 cows per dairy, indicating tens of thousands of cows will be without water as soon as the curtailment order is implemented. Dehydration due to loss of water for cow consumption will cause these thousands of cows to suffer, impair their ability to produce milk if they survive, and possibly parish.

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- 9. At least nine dairy processing facilities with a combined daily processing capacity of over 25 million pounds per day, operate their facilities using water from cities that are subject to curtailment pursuant to the Director's order. These dairy processing facilities represent roughly 60% of Idaho's dairy processing capacity. Without availability to this significant portion of Idaho's processing capacity, dairies within and outside of the curtailment area will also experience significant financial harm as they risk not having a creamery at which they can deliver their milk.
- 10. Curtailment of the stockwater and commercial water rights will devastate Idaho's economy. Dairy farm operations, milk processing facilities and their associated industries represent the single largest economic contributor within all agricultural sectors.

DATED this 21st day of January, 2015.

THE IDAHO DAIRYMEN'S ASSOCIATION, INC.

by:

Rick Naerebout

SUBSCRIBED AND SWORN to before me this 21st day of January, 2015.

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NOTARY PUBLIC

Residing at ____

My commission expires

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on the following on this 21st day of January, 2015 by the following method:

Original to: Clerk of the Court SRBA Deputy Clerk 253 3 rd Ave. North PO Box 2707 Twin Falls, ID 83303-2707	 U.S. First Class Mail, Postage Prepaid U.S. Certified Mail, Postage Prepaid Federal Express Hand Delivery Facsimile Electronic Mail or CM/ECF
Deputy Attorney General Garrick L. Baxter Idaho Dept. of Water Resources PO Box 83720-0098 Fax: 208-287-6700 Garrick.baxter@idwr.idaho.gov Kimi.white@idwr.idaho.gov	 U.S. First Class Mail, Postage Prepaid U.S. Certified Mail, Postage Prepaid Federal Express Hand Delivery Facsimile Electronic Mail or CM/ECF
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