§ 15-1707. Procedure on application for license.

1. Each applicant for a license shall submit to the department a written verified application in such form as the department may prescribe and containing such data or information of the applicant's project as the department may require. It shall be accompanied by proposed plans and specifications showing the nature and extent of the applicant's proposed development and estimates of cost as may be required for a full understanding of the proposed project. Such maps, plans and specifications when approved by the department shall be made a part of the license; and thereafter no changes shall be made in such maps, plans or specifications until such changes shall have been approved and made a part of such license by the department. Applications shall be filed with the department in the order of their receipt.

2. Each license covering water power sites or lands, the title to which is vested in the state, shall require the payment by the licensee of an annual charge measured by a fair rental value thereof; in other cases, except where the state has no proprietary interest, an equitable annual charge may be made, in determining which the department shall give consideration to the cost of producing power by others in competition with the licensee; and every license shall require the payment by the licensee of an annual charge for the purpose of reimbursing the state for the cost of administration of the provisions of title 17 of this article. The department, by resolution, shall fix and determine such annual charge, and the time or stage of development from which rentals are to be computed, whereupon if one or more applicants signifies his readiness, and establishes to the satisfaction of the department his ability, to construct and maintain the proposed project, to pay the charge or rental fixed by the department, and otherwise to comply with the provisions of title 17 of this article in the use of such water and property, it shall give notice of such determination and of a time, not less than fifteen days from the date of the first publication of the notice, and of the place of a meeting of the department to take action on such application or applications.

3. A copy of such determination and notice shall be served upon each

applicant for the license not less than fifteen days previous to the date set for the hearing. If the application applies to or may affect any canal or canal feeder waters, a like notice shall be given to the Commissioner of Transportation. The department shall also cause such notice to be published as provided in subdivision 1 of section 15-0903.

4. At the time and place designated in such notice, or at a time and place to which the meeting may be adjourned, the department shall determine whether the plan or plans set forth in the application or applications on file with the department, or any such plan, is or may be consistent with the proper development, conservation and utilization in the public interest of power resources of the water shed, stream or localities to be affected by the determination. If it shall determine that any of the plans is consistent with such development, conservation and utilization and that there is no reason why the water power involved should at the time be withheld in the public interest from development by private interests, it may grant the application. If there be two or more such applications it shall decide which of the plans is most suitable for the proper development, conservation and utilization in the public interest of the water power resources of the water shed, stream or locality affected.

5. The department in granting the license shall accord a preference to the applicant whose plans, being approved under the preceding subdivision, are best adapted to properly develop the water power site or sites covered by the application, provided that it is satisfied that such applicant is reliable and responsible and capable of consummating the project; and provided further that as between two or more plans equally well adapted to such purpose, a preference may be given to the application of a municipal corporation, if an order shall have been previously made by the Public Service Commission approving the installation of a municipal power plant which it proposes to install under the license, or in default of such an application to a riparian owner, and, otherwise, to the application first filed with the department; and provided further that the department may impose as a condition of granting the license that the plan be modified to improve the development or otherwise conserve the public interest or protect

private rights.

6. The department from time to time, either before or after a license is granted, may permit minor changes and corrections to be made in any map, plans or specifications filed by an applicant for the purpose of improving the same. It may also permit changes to be made therein for the purpose of better adapting the same to the development, conservation and utilization in the public interest of the water power resources of the water shed, stream or locality affected. No correction or change shall be made under this subdivision until the same has been authorized by a resolution adopted by the department.