BEFORE THE

FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Project Number:

HELLS CANYON PROJECT : P-1971-079

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Lewiston Community Center

1424 Community Center

Lewiston, ID

Wednesday, September 13, 2006

The above-entitled matter came on for scoping meeting, pursuant to notice, at 7:08 p.m.

BEFORE:

ALAN MITCHNICK, FERC

P R O C E E D I N G S

7:08 p.m.

MR. MITCHNICK: Good evening. Welcome you all to the public meeting on the draft Environmental Impact Statement prepared for the Hells Canyon relicensing.

It's very gratifying to know that people actually read these documents, even though they may not agree with all the conclusions. But that's what we're here today, to get a sense of what you feel, how the project should be operated.

I'm going to go through some procedural issues first, then talk a little bit about the Commission, because many of you may not be aware of just what the Federal Energy Regulatory Commission does.

I talk a little bit about that, talk about the IS schedule and some of the remaining things that need to be done before the Commission can get to the point of making a decision on relicensing.

First, I'd like to introduce myself. My name is Alan Mitchnick, and I'm the project manager for the Hells Canyon relicensing. To my right is Emily Carter, also with the Commission. Sitting over at the table is Ellen Hall, who leads the contract team that prepared the Environmental Impact Statement for the Commission.

If you'd like to speak, hopefully you signed the

sheet and you know, we'll call your name and give everybody an opportunity to speak tonight. I'll talk a little bit about the Federal Energy Regulatory Commission.

The Commission is made up of five commissioners who are appointed by the President and confirmed by the Senate. We have three new commissioners who were just started their terms within the last couple of months, so they are very new to -- in particular new to hydropower licensing.

The Commission is responsible for issuing licenses for nine federal hydropower projects around the country. So basically that includes everything other than the Corps of Engineer projects, Bureau of Rec projects, TVA projects and those type of federal projects.

The Commission issues licenses for a period up to 50 years and for relicensing, it would be within 30 to 50 years. So Hells Canyon will be considering a license term of 30 to 50 years.

A practice that former Chairman Wood and Chairman Kelliher had instituted at Commission meetings is to say the pledge of allegiance before the meeting. So I ask you to rise.

(Pledge of Allegiance.)

MR. MITCHNICK: Thank you. The Commission issued the draft Environmental Impact Statement for the project on

July 25th, and issued a public notice on July 28th.

The Environmental Protection Agency issued their notice on August 4th, which basically sets the beginning of the comment period. Comments are due 60 days after the date it was noticed in the Federal Register.

Although the Federal Register notice lists October 2nd as a due date, the due date will be October 3rd. We have copies of the CD version of the EIS on the table. We also had many copies of the hard copy.

So if you would like a copy, you can just give me your name and address after the meeting or leave it on the table, and I'll make sure a copy is sent out tomorrow. We had intended to bring copies with us, but they unfortunately got lost in the mail and didn't arrive until after we had already left.

This is the fifth public meeting that we've had this week and last week. We had two meetings in Boise, one meeting in Halfway, one meeting in Weiser, and this is the fifth public meeting and currently the last scheduled public meeting.

I just want to talk a little bit about how to file comments. Many of you have already filed comments, and others might be filing comments for the first time. There are two ways to file comments. You can file electronically, and the two handouts that you probably have gives

instructions on how to file electronically.

You can also file paper copies. It could be handwritten, typed, it doesn't matter. You can file it with the Secretary of the Commission and the address is also listed on the handout.

According to the current schedule, the final Environmental Impact Statement is scheduled to be issued by February 27th, 2007.

Sort of another procedural thing that you might be interested in. In order to file a rehearing for the project or ultimately file a petition in the Circuit Court of Appeals, you need to be a party to the proceedings.

You do that by intervening in the proceedings. We already had one opportunity to intervene a few years ago. There is another opportunity during this notice period. So if you would like to intervene, you would have to file a Petition to Intervene with the Secretary by the October 3rd due date.

Those are the benefits of intervention, being able to file rehearing. You also are served copies of all correspondence filed by other parties to the proceedings.

The down side is every time you file something with the Commission, you also have to serve it on all the other intervenors. The mailing list is up to about 45 or 50 names.

So that's the down side, but it does give you sort of that legal protection.

I just want to talk a little bit about what else needs to be done before the Commission can make a decision on this relicensing. Under Section 401 of the Clean Water Act, the state water quality agency has the responsibility of issuing a water quality certificate.

The Commission can't issue a license until either a certificate is issued or the one-year period has been waived. The current one-year period ends December 27th, but it's expected that Idaho Power will withdraw their application and refile it, and that would start the one year clock over again.

In terms of historic preservation issues and compliance with the National Historic Preservation Act, the Commission on July 25th issued a draft programmatic agreement, which basically provides the steps that will protect cultural resources through the life of the project.

We've received many comments from the concurring parties and the signatory parties, and those parties are generally Indian tribes and the land management agencies and state historic preservation offices, and the Historic Preservation Council.

Another process is endangered species consultation. The Commission initiated formal consultation

with the U.S. Fish and Wildlife Service on the bald eagle and with the National Fisheries Service on four species of salmon and steelhead. Ultimately, those two agencies will issue a biological opinion for those species.

Just quickly going through the rest of this, under Section 10-J of the Federal Power Act, state and federal fish and wildlife agencies have the ability to recommend terms and conditions.

If the Commission does not adopt them, if they find them inconsistent with applicable law, then they have to try to resolve those inconsistencies. We will be having meetings with the state and federal fish and wildlife agencies in the middle of October.

We still need final land management conditions from the Bureau of Land Management and the Forest Service, and we expect those either during the comment period or after the final Environmental Impact Statement.

The last process that we have to go through the Wild and Scenic Rivers Act, a Section 7(a) process where we need to ensure that the project is consistent with the Wild and Scenic Rivers.

The way we're going to handle the meeting today is that we'll call your name, and ask you to go to the podium so that the court reporter will be able to record your remarks.

We ask that you give your name, spell your names and give your affiliation, if you have one. Before we get to the speakers, I just wanted to know if anybody had any procedural questions on the schedule, on the Commission or anything along those lines that I could address at this point in time? Sorry, but you're going to have to go to the podium.

MR. SEAMANS: My name is Arthur Seamans. I'm just an individual with an interest in the relicensing. My question deals with filing comments on this particular document.

Is this going to be handled differently for intervenors than it would for private individuals? Will intervenors have to go through the document-serving process for all the other intervenors or not?

MR. MITCHNICK: If you're an intervenor then yes, you need to serve it on everybody else. But if you're not an intervenor, than you just have to file with the Commission.

MR. SEAMANS: A single copy. If you file electronically and it's distributed to the other intervenors electronically, do you still have to provide hard copies?

MR. MITCHNICK: At the current time, yes. The Commission is working on a process where all that could be done electronically. But we're not there yet.

MR. SEAMANS: Okay. Thank you very much.

MR. MITCHNICK: Did someone else have a question?

(No response.)

MR. MITCHNICK: Okay. Let's move on to the draft Environmental Impact Statement. The Commission received over 550 recommendations on all sorts of different issues.

The draft Environmental Impact Statement is our first attempt to look at all the recommendations in a comprehensive way, and basically provide staff's initial opinion of what sort of makes sense, based on the information in the record.

So this is your opportunity as providing comments. It would be your opportunity basically to correct the record, to show us why we were wrong, or show us why we were right. I know many of you have concerns about navigation flows.

I'm sure that's why most of you are here today and, you know, as part of your comments, we certainly would like to see or hear why you think those flows should be higher, why you think the benefits or why you think the significant costs of providing those flows would be worth it, you know, basically provide information to us that would support your position, and we will consider those as we prepare the final Impact Statement.

Another thing we certainly would like to hear,

are there alternatives? I mean we hear about the flows recommended by the Corps, but we certainly would like to hear if there are other options available.

At this point in time, I don't have anything to propose. But we certainly would like to hear from you about whether there is something that would work, perhaps cut the costs of those measures. Those are the types of things that we certainly would like to hear from you today and in your written comments.

Okay. That's enough of me. This meeting is for you, and we'll start going through the list of people who want to speak. We have a lot of people who do want to speak, so as a courtesy, I ask you to --

You know, try to limit your remarks if you can. We're not going to set a time frame or anything. I appreciate it if you could hold it to three to five minutes or something like that, so people can get out of here before it gets too late.

Okay. So the first speaker tonight is Charles McKetta.

MR. McKETTA: Good evening. I'm Charles McKenna. I'm with Forest Econ Incorporated in Moscow, Idaho. I'm a natural resources economist with about 30 years of experience, including a lot of EIS work.

If the theory was that the person without sin

gets to cast the first stone, you've made a serious mistake.

I'm very narrowly focused on the reduced flows, and I've been asked by the Northwest Professional Passenger Vessel Association to speak to the economic analyses that are surrounding those, both in the DEIS and in the response to Corps of Engineers' comments, where economic modeling was done.

I would like to submit a prepared statement, in order to keep me from reading it into the record. That way, I can boil it down to a couple of fairly important issues that I think frame the problem pretty well.

If we're looking at the debate, it seems that the proposal is to reduce minimum summer flows to 6,500 cubic feet per second. The jet boat group tells me this is below the 8,000 to 9,000 cubic feet per second at Hells Canyon Dam that the Corps of Engineers states is the optimum level for safe boating.

We studied the DEIS and comments, and the DEIS is extremely complete, on everything except economics. It talks about technical issues very well, it talks about ecological issues very well, cultural issues very well, and then just forgets that economics is an issue, and there's a couple of pages.

Where that really appeared was in a rejoinder or response to Idaho Power to Corps of Engineers, who raised an

issue of safety of navigation.

The first statement that I'd like point out about the economics is that Hells Canyon was the case study where the concept of intangible values was established for the economics profession in 1975, and everybody learns their economics of natural environments from that case that was right here, and it was ignored entirely.

There's lot of negative downstream effects that aren't associated with safety, you know, water temperatures, beach erosion, unpalatable smells, aesthetics. Those were addressed technically, but none of them were translated into economic values.

The second major point is that when there was a comment about the safety of navigation from the Corps of Engineers, the response to that comment trivialized navigation safety.

We think of safety as being kind of a prime societal objective, and we know that more flow, larger boats, more experience and fewer chances for encounter between unlike water craft means more safety. We've a situation here where we've got the inverse of that proposed.

Reduced safety does have real costs. None of them were addressed. For example, insurance fees, maintenance and repair costs, reduced recreation participation, lower quality of experience, values of human

and time and lives lost in accidents and the ones that I love -- because I talked to a lawyer about this and he started to rub his hands -- was the possibility of liability actions against the deep pockets involved in violating what's officially published as safe flows.

It was a very -- but anyway, all those are real costs. They've been trivialized -- part of it's trivialized because the accident data shows very low number of accidents.

Well, I double-checked that found out, by asking the river patrols themselves, does the Coast Guard accident reflect low accidents and incidents on the Snake River.

They said "If you are lucky, we get five percent. The other 95 percent are totally under-reported. So something has to be done to make an accurate statement of what the relationship is between low flows and accidents before you attach economic values to it.

The third point, the issue that was raised by Idaho Power in response to the Corps of Engineers has very odd logic. The conclusions that they reached, that relative profitability of Idaho Power versus jet boat operators was the critical issue, is not the critical issue.

Even if it is, calculating it was done wrong. So the logic went like this. Reported accidents do not reveal a related safety problem. I agree. There's no data. If

you had data, it probably would. It's logical there would be.

Second, Idaho Power argued that Corps of Engineers' public interest should address general public interest instead of just navigation safety. So I went to the regulations, and I found out that profitability of people involved is an issue.

In fact, it is one of 24 issues. Yet the only debate seems to be centered around an analysis that shows under certain conditions, jet boat profits are less than Idaho Power's profit, due to the slow flow constraint.

There's lots of logical errors. There's analytical errors, errors of omission. For example, what's one error of omission? It's not just the jet boaters who are using the lower river.

If you're looking at income, jobs, etcetera, there's private users, there's floaters, there all kinds of people, fisherman, terrestrial land system users, all of whom are affected. Their jobs and the income associated with their activities are also affected by low flows.

Yet we have no measure. We've only looked really narrowly in the analysis that are currently available to this one issue, that one issue is both too small and wrongly done.

What do I mean by "wrongly done"? Some of the

data is obsolete. Some of the premises used are obsolete. Some of the data is just wrong. For example, you think jet boat seat passengers spend $12 a day in the Lewiston area?

No. The ticket's 175. The motel is not free. So what we've got is some problems with that, but those can be worked out if we supply a series of critiques to the analysts themselves, and they can go through this again.

So that the primary effects on which the conclusion is based are irrelevant or really a small part of the picture, and they're probably wrong.

Secondary economic effects, logic and calculations are also flawed. Now remember, this is not in the DEIS. This is in a response to a comment on the DEIS.

So many of you may not have read it, and probably when you do read it, you will be subject to shock and awe. It's thrust deep inside the input/output analysis model, and you haven't studied it for years like I have, you will be totally lost.

The other place you will be totally lost is in Idaho Power's calculation of what they get out of the deal, because that's in their Cheops model. I haven't been able to study that because it's proprietary. You can't get in. All I know is it spits out figures that are inconsistent between different runs, and don't have clear mathematical linkages.

Some of the problems with the secondary effects. So we use profitability as a starting point. Well, wouldn't we use profitability of all of the users as a starting point for measuring the extra jobs and income that might be created by the river activity that would be affected by the flows.

Well, when we start measuring this, we've got to match spatial scales. In fact, what we've done in the analysis that I'm referring to is taken a couple of counties that are disjointed, that are not recognized economic units, and compared them to the whole Idaho Power service area.

We have misplaced scale applications. To give you an idea of the effect of that, the way it's structured, it assumes that people in Baker City who sell retail goods get their wholesale goods from Lewiston. I don't think so. I sure wouldn't buy them Lewiston if I was there.

Other problems with that kind of thing. The jet boat sector is in a group that is a listed in national statistics as "scenic providers." They are lumped in literally with hippie rickshaw drivers.

Why is that important that they're lumped like that? I know that both groups would resent the lumping. But other than that, what happens is is that the statistics associated with that sector get averaged across the rickshaw drivers and the jet boat drivers.

So what happens is that we take an average linkage between a member of that sector and a job in that sector and manufacturing, and it will be weak.

Yet we know the real linkage between jet boats, and let's say welded aluminum structures in Clarkston and Lewiston, is very, very different, and an average rickshaw linkage would not get us there.

So we have problems of attribution. One of the most interesting assignment problems that I saw was comparing the secondary jobs and income associated with jet boats alone, ignoring the fuel, ignoring the docks, ignoring the motels and ignoring all that stuff, to the costs that would be imposed on electric users in the Idaho Power service area. Have you figured out what that assumes?

It assumes that instead of comparing the profitability of a local firm the profitability of a national company with shareholders, what we do is pass the loss in profits onto the users of electricity, rather than their measured profitability to profitability.

Well, on a national scale, that would be a relevant kind of a thing to do. But what we've done is taken a spatial scale that's Idaho and environments, and we're saying "Well, we won't look at profitability of IP. We'll look at passed on costs."

Why? Because the profitability of IP occurs on

Wall Street, with pension funds, etcetera. It doesn't occur and then we'll get feedback mechanisms that you would have.

So if you assume that the cost is absorbed by Idaho Power, you get a radically different impact analysis than if you assume the costs are passed on to other users.

My total analysis, we're up to 17 groups of critiques that we will be passing on in the October 3rd analysis. I'd just like to finish up with our conclusions that we're already coming to. We're not quite through with the analyses.

We conclude -- this is the fourth point -- that existing Idaho Power Corporation economic analyses are incomplete and misleading. As they currently stand, they do not credibly establish economic grounds that overtly justify lower summer flows.

Financial energy benefits may not be higher for the financial costs to all lower river users. Economic benefits may not be higher than social costs, when all values, monetary and intangible, are considered.

Finally, even though impact models do strongly suggest that there will be a redistribution from this between upper river users and lower river users, we're going to shift benefits from one group to another.

If you've read the section in the DEIS on fishermen, you can kind of see one of the targeted groups.

But also a transfer of well-being from lower Snake economies to upper Snake economies. We concede that that will occur to some extent.

However, the redistribution findings that have already been done are not very well done. They're not complete. They're not appropriately done, and they do not establish that social justice would be achieved by the change.

So this -- members of the Commission, thank you very much for hearing my short synopsis, and I hope you get a chance to read the whole document. Thank you.

MR. MITCHNICK: Thank you. The next speaker will be Rick Davis.

MR. DAVIS: Thank you very much for listening to me today. I would like to bring one thing straightforward, is that I was the manager of the Port of Clarkston for the last 22 years; was Operations Director there for a number of years; and a manager for the last five years.

So my perspective of where we're going to go on this is different from where everybody else is coming from. I don't want anything here representing the Port of Clarkston.

I don't want none of my -- my figures is my figures that I picked up from the last 22 years that I was at the port. So these are my figures and not theirs.

Okay. What has happened over the last 22 years at the port has been that back in 1989, we ended up with a couple of cruise boats. I'm going to the cruise boat side of this, and then we'll start moving onto into the river system on up above.

Started out with one cruise boat at that point. We started out with 370 people at that time for one boat. As the years went on, we ended up with right at 15,000 people that comes across the cruise boat dock down here.

That's a significant amount of people that comes up the river, that we are offloading at that dock.

One of the things that the boats are taking on over here is that they take on a number of gallons of fuel that -- one of them takes on about 20,000 gallons of fuel; the other one takes on about 10 to 12 thousand gallons of fuel; the other one takes on about 15,000.

Every year, every year folks, there's about $1,400,000 that comes just through the fuel off of those boats. Just off of three boats. There's nine boats; but you're only getting three boats off that. That's where it's coming from.

So you know, it's really quite interesting to see where we are headed with this. You know, there's a lot of -- the Hayes Produce gets a number of product that they get.

Costco-Albertson's, you talk to their managers,

they've -- they're getting -- you can talk to them and they know when the boats are coming to town.

Albertson's, you get the cabs that comes in. You get the jet boat people like Beamers, like Luther's, like all these folks that come here. These guys I've been working with the past 22 years. I know what their revenues and what they gross. But that's their business; that's not mine. That's something that they would have to tell you about.

But it's a significant amount of money that comes to this Valley. The welding shops that come in here. Inland Metals and various other electrical companies that work on those boats that come here.

PUD takes on about 10 to 20 thousand gallons of water when them boats come in here. You've got port fees, and even though the port fees are only small, back a number of years ago when we started this thing there was --

That was the significance of this was, was to bring those boats to this Valley, and the people would end up gathering a lot of different type of money from them. That's the issue then, not what they're talking about all around anyway.

People that come off there goes to Wassons and different places there. We've got bus drivers, we've got buses that we haul people to different areas there. Blue

Linen comes in here with different types of linen that they take on and off and have it taken care of.

That's a significant amount of money. Any worse than two to four million dollars a year that comes in off of those boats, off of nine boats. That's a lot of revenues that comes to the Valley.

It really is irritating to see us stop and look back, and see when we are, at this point, of trying to bring more businesses to this Valley.

Now I've got a thing right here that came from you people, or somebody give it to me. But anyway, if you take the primaries and the secondaries on your passengers, you had around 12,000, 13,000 people.

Well, in the passengers, the total passengers that come here from these people that's out here, that's running these boats that goes up this river, comes out 47,000 people that runs that river.

Now I'd hate to take any one of these people that's in this room right here, take them out and put them in either Beamers' boats or Luther's boats or anybody else's boats, and try to run them up that canyon on 6,000 CFS. I wouldn't want to do that. That's like putting a gun to your head and trying to pull the trigger.

They need to have enough water to run up that river, 8,000 or better. Because what's going to happen

folks, and I don't care who it is, sitting here or here. When you get these people and head them up that river, it's unsafe.

I hate to see my captains and all these people here. These are my friends. I hate to see these people take these boats and go up that river, have 40 people on there or 30 or 20, and the next thing that happens is you have somebody hitting a rock, and we've got a boat sunk and somebody getting killed.

I don't think we need to do that, and I think in our respect for all the people that's in this room, we need to make sure that these people here have a good, safe trip up and down that river, to get the people up there and back to those cruise boats in one piece.

I really thank you a lot for taking the time to listen to what I have to say. Thank you.

MR. MITCHNICK: Thank you, Rick. The next speaker is Harry Snyder.

MR. SNYDER: My name is Harry Snyder, S-N-Y-D-E-R. I'm a controller for Primeland Cooperatives, which is a local ag-related business that's been operating in the Valley for more than 50 years.

Right now, Primeland is pretty concerned about allowing Idaho Power to lower the flows in the Snake River, to levels below 8,500. We understand at those levels, our

tour boat businesses will not be able to operate, which will cause a major problem with the private sector and for the private sector from boating in the upper Snake regions.

Primeland sells fuel to a number of these folks, and we will have an economic impact from this. We feel that Idaho Power has been able to operate at the higher flows for a number of years, and should be able to continue to be a viable operation without jeopardizing the livelihood and safety of our friends and neighbors in the Valley.

Also, as a private citizen and boater, I'm concerned about the safety of my friends and families with the Idaho Power proposal. You know, I feel we are not being considered at all in these proposals.

The Snake River is a natural resource which belongs to all the people, and should not be considered an asset belonging to a private corporation to do as they feel, depending on the financial benefit to them.

To summarize, we feel Idaho Power should continue to operate on the Snake River. But we are against allowing the river flows to drop below 8,500 cubic feet per second above the mouth of the Salmon River. Thank you.

MR. MITCHNICK: Thank you. The next speaker is Fred Mensik.

MR. MENSIK: My name is Fred Mensik, M-E-N-S-I-K. In 1953, before the construction of Ice Harbor, the first of

the lower Snake River dams, Forrest Hauck, fisheries biologist for the state of Idaho wrote "The controversial Hells Canyon issue doesn't look so bright. A Hells Canyon dam over 600 feet high, as proposed by the Bureau of Land Reclamation, or the series of dams with combined height of over 600 feet at Brownlee exceeding 300 will prevent the upstream passage of fish. At least there are no known, successfully-operating fishways over 100 feet high.

"These dams, if constructed, will stop the runs of steelhead up the Snake and Weiser Rivers, the spring chinooks up the Weiser, and the fall chinooks up the Snake River." He wrote that in the Idaho Wildlife Review, again back in 1953.

In 1960, fisheries biologist Ted Bjorn wrote "The fall chinook salmon runs that enter the Columbia River and Idaho have experienced a general decline in numbers. Elimination of the commercial fishery above Bonneville Dam has increased the upriver escapement.

"However, water resource development, including dam construction, has reduced the amount of spawning area in the Snake River in Idaho to only 25 per cent of its former abundance."

Before Hells Canyon Complex dams were constructed, we recognized the deleterious effects these dams would have on Snake River anadromous fish populations.

Today, the influence these dams have had is declining fish populations.

The EIS attempts to address a series of fall chinook issues such as gravel for spawning beds and full augmentation to protect the spawning beds and rearing habitat.

But to have a harvestable self-sustaining population of fall chinook, these attempts are only band-aids on a gaping wound. The biological fact is spawning beds that are needed to maintain these fish lies behind these dams.

Table 39 on the EIS identifies that the estimated Snake River redd capacity is around 3,600 fish. You have a list of variables there.

However, Dawbolin and Geiss (ph) wrote in a study of comparison of mainstream spawning habitats for two populations of fall chinook salmon in the Columbia River Basin, indicate that there's less than 1,500 over the past ten years.

That was written in 2000, of course, and doesn't include the recent increase in fishing seen since we've had some good ocean conditions. But the ocean conditions cannot be used to figure strong returns.

Also, in your estimate of what you consider to be good redd habitat isn't necessarily what the fish are using.

The EIS fails to estimate the number of returning adults this will produce, and whether those returning adults are enough to support a self-sustaining population.

Hells Canyon complex states that 1,700 fall chinook spawned above -- 17,400 fall chinooks spawned above Hells Canyon before it was completed. I was fortunate enough to speak with a gentleman that worked on the Oxbow Dam. He was there with dozens of other co-workers when the doors were closed on the Oxbow Reservoir.

He stated 25,000 to 35,000 fall spawning chinook were stranded and died below the dam. He also gave me a tape, which is a copy of a eight millimeter or 13 millimeter film, which shows the fish dying in their spawning grounds.

Considering today's small number of returning fall chinook, these estimates of fish spawning above the Hells Canyon Dam, estimated by scores of workers that witnessed the event, is considerably higher than the 17,400 stated in the EIS.

The Commission has already determined that there is a need for power production from these dams. As a result, no indepth environmental or socioeconomic evaluation was made for the retirement of the Hells Canyon Complex.

Therefore, the EIS is limited in its scope and skewed in its direction. Unfortunately, the direction of 50 more years of status quo could be the demise of these ESA-

listed Snake River fish.

The history of salmon destruction in the state of Idaho is well-documented. Relicensing will perpetuate that history. Thank you for your time.

MR. MITCHNICK: Thank you. The next speaker is Chuck Fred.

MR. FRED: I signed up to speak tonight, not realizing that there was a written comment period. I will use that avenue for comment. Thank you.

MR. MITCHNICK: Okay, thank you. Alan Lamm.

MR. LAMM: I'd like to defer my comments until towards the end of the meeting.

MR. MITCHNICK: Okay. If I forget, please remind me. Kevin Johnson.

MR. KEVIN JOHNSON: My name's Kevin Johnson, K-E-V-I-N, J-O-H-N-S-O-N. I'm one of the small outfitters here in this area. I have a Hells Canyon permitted, operate up the river year-round.

My comments are going to be toward some previous experiences. I was with the Oregon State Police of the Fish and Wildlife, an enforcement officer from 1977 to 1997. I spent normally between 50 and 65 days a year on the river up in the Canyon.

I have run the river at many different flow levels. But I was never involved in the rescue or

investigation of any boat accidents until the flow levels were under 8,500 CFS.

Also, an interesting thing occurred this fall when Idaho Power put their news release in the Tribune. I just happened to be up the river the day after that came out, the day that they were supposed to lower their flows to 6,500 CFS.

I went up somewhat above the Salmon River that day, and all day long on the river, I only encountered two private boats, which I can only assume was because people were afraid to go up there with the predicted low flows.

I would like to go on record as supporting the Army Corps of Engineers' recommendation of a minimum flow level of 8,500 CFS. Thank you.

MR. MITCHNICK: Okay, thank you. Butch Odegaard.

MR. ODEGAARD: Butch Odegaard, O-D-E-G-A-A-R-D, of Riverquest Excursions Tour Boat Operations and fishing operating in Hells Canyon. I'm also the president of Northwest Professional Passenger Vessel Association, and who are we?

The Northwest Professional Power Vessel Association was formed to provide an effective and consistent voice for the professional boating industry in Hells Canyon National Recreational Area.

Our membership is composed of the majority of the

four service permit holders in Hells Canyon. Idaho Power owns and operates the Hells Canyon Complex three dams. These dams are good for the Northwest and have had many positive effects, including power production, navigation, recreation and flood control.

Boating in Hells Canyon has changed drastically since the 1955 license. The craft that they used -- that are used today are very different from those in 50's, and their purpose has shifted from moving cargo to carrying large numbers of people safely and comfortably.

In 1950's, most of our trips were focused on carrying mail, cargo and produce to and from ranches and mines along the river. A few tourists went along for the ride.

With the designation of the Hells Canyon National Recreational Area, that all changed. The ranches and mines are now largely gone, but tourism has skyrocketed, replacing or supplementing mining, ranching and forest industries as a major component of the economic foundation of surrounding communities.

The Forest Service, in their comprehensive management plan, FEIS, estimated that 6,107 people accessed the Canyon via commercial power boats in 1979. By 2005, according to the Forest Service Annual Use Report, that figure had grown to 47,943 passengers for commercial and

private power boating.

Altogether, commercial and private power boating accounts for about 90 percent of the total boating use in the Hells Canyon National Recreational Area.

Not included in this figure are the thousands of additional power boaters who recreate on the river between the lower Granite Pool and the HCNRA north boundary.

The activities of these people are dramatically affected by operation of the three Hells Canyon complex dams.

Okay. This is the Northwest Professional Power Vessel Association's response to the DEIS, and I'm talking about Section 2.3.3 on page 31, "Proposed Project Operations."

This is 2006, not 1955. Yet the operational modifications included in Section 2.3.3, "Staff Alternatives," are as follows: The project would be operated as proposed by Idaho Power, but with the following operational changes.

"Reservoir refill targets after the flood control season, the flow augmentation to enhance juvenile fall chinook salmon migration conditions, additional ramping restrictions during the fall chinook rearing period, and warm water fish spawning protection levels in Brownlee Reservoir."

FERC simply says that the project will be operated for the new license as it has for the last 50 years under the current license. This is wrong. FERC has ignored public safety for recreation and commercial boaters that navigate on the Snake River downstream of Hells Canyon Dam.

We support the U.S. Army Corps of Engineers' January 26, 2006 recommendations on navigation target flows of 8,500 for the Snake River above the mouth of the Salmon River, 11,500 for the Snake River below the mouth of the Salmon River, in order to promote safe recreational and commercial boating conditions downstream of the Hells Canyon Dam.

Both the recreational and commercial boating experience from August 2004 through June of 2006 has clearly demonstrated that the minimum flow must be adjusted upward to 8,500 cubic feet per second, to provide safe navigation conditions downstream of Hells Canyon Dam.

I'm going to use initials for our Association. The NPPVA response to Section 2.2.2, "Proposed Project Operations, DEIS," pages 18 and 19. In the new license application, Idaho Power will provide minimum flows between 8,000 to 13,000 CFS for juvenile salmon from October 21st to May 31st.

But Idaho Power is not proposing to provide flow of 8,500 cubic feet per second or greater in order to

promote the recreational and commercial boating conditions on the Snake River above the mouth of the Salmon River, downstream of the Hells Canyon Dam, from June 1st through October 20th.

In that paragraph, it has Idaho Power's proposed operation for minimum flows as follows: From June 1st to October 26th, 6,500 cubic feet per second, except 5,000 cubic feet per second under a typical condition.

Okay. Then we go down, what's a typical condition? Note. "A typical condition, as defined by Idaho Power." All right. FERC staff alternative is not in the interest of safe navigation and power, but instead favors power 100 percent.

Finally, it appears that under Section 2.2.2, "Proposed Project Operations," that Idaho Power will determine when they can go to 5,000 cubic feet per second under typical conditions, and this eliminates the requirement in the temporary variance requirement that requires IPC, Idaho Power, to request a temporary variance from the Corps.

In the new staff alternative in the new license, the Corps of Engineers is not involved with the variance program like we have been in the past 50 years for the months of July, August and September. The Corps is completely out of the loop here.

NPPVA's response to Section 4.2.1, "Reduced Benefits Associated With Operational Changes" -- this is in the DEIS, pages 527 and 528, and 5.2.2.3, "Flow Augmentation for Anadromous Fish, Juvenile Migration."

Historically, 1989 through 2000, flow augmentation by Idaho Power has been a load-following power operation, and provided only minimal navigation benefits.

Flow augmentation in the new license should provide minimum flow of 8,500 cubic feet per second or greater in order to promote safe recreation and commercial boating conditions on the Snake River above the mouth of the Salmon River downstream of Hells Canyon Dam from June 1st to October 20th.

In the new license -- this is under Table 3, DEIS, page 528 -- for flow augmentation, Idaho Power will release 237,000 acre feet of stored water from Brownlee Reservoir between June 21st and July 31st.

Note D in Table 93 is as follows, and we don't have it in front of us. But the entries in each row represent the cost of each measure on its own, not in combination with the other flow measures. The total equals the sum of Row 1, Ramping Rate, and 3, Flow Augmentation.

The incremental cost of Row 2, Navigation, would be negligible when the measure is incorporated into an operations scenario that includes flow augmentation. The

reason for this is the primary potential impact on power benefits from the navigation flow.

And finally out of the DEIS, our NPPVA response on page 653, Section 5.5.8, "Wild and Scenic Rivers Act," the third paragraph. "Since flow augmentation under the current scenario ends on July 31st, FERC is far off the mark when they say the following:

"The increased navigation flow included in the staff alternative would improve public access to the wild scenic reach, allowing commercial power boaters to use the wild portion of the river more consistently when the summer augmentation flows are implemented."

Summer augmentation flows have been used for many years in Hells Canyon. They have never, ever once been used for navigation, and the public is not aware of this. By using this augmentation fish water for navigation, it's a win-win scenario.

Navigation has never asked to draft Brownlee Reservoir for navigable water. Summer of 2000, the last year Idaho Power was authorized to operate at the 6,500 minimum full-time, three commercial tour boat accidents involving minor injuries and the Coast Guard happened.

Our members and their employees witnessed dozens of private boat groundings. In the summers 2001 through August of 2004, limited navigation flows were put in by

Idaho Power and the Corps of Engineers. Still accidents due to lower water conditions.

In August 2004 through July of 2006, 8,500 minimum was put in place, no accidents or injuries due to low water conditions. Then we go back and we look at the Federal Power Act. We look at the Federal Power Act, Section 4(e).

"The issuance of a license shall include the protection of recreational opportunities." We think FERC is not listening to navigation and recreation. Idaho Power is not negotiating in good faith.

In closing, we support the Corps of Engineers' January recommendation for safe navigation, and we will expand on all these comments in our comment letter. We'd like to thank you for coming to Lewiston.

MR. MITCHNICK: Thank you. Just one comment. That conclusion that is listed in the Wild and Scenic Rivers section is in error. I mean, it basically does not belong in there.

It wasn't -- as part of the editorial process, we didn't correct it. So you're correct in your characterization. But we didn't mean to include that sentence in the document.

MR. ODEGAARD: I'm sorry. I didn't hear that first part of that whole sentence.

MR. MITCHNICK: The conclusion that we have about navigation in the Wild and Scenic Rivers section is in there in error. That's my point.

VOICE: You mean the part about more use in the upper section? Was that it?

MR. MITCHNICK: Yes. We say "The increased navigation flow included in the staff alternative." Well, there is no increased navigation flow in the staff alternative. So that sentence does not belong in that section. I know I'm confusing people.

MR. ODEGAARD: What section, what page?

MR. MITCHNICK: It says it on page 653.

MR. ODEGAARD: In what section?

MR. MITCHNICK: This is the Wild and Scenic Rivers Act section.

MR. ODEGAARD: Section 5?

MS. HALL: 5.5.8.

MR. ODEGAARD: 5.5.8, 653.

MR. MITCHNICK: Right. I just bring that to your attention, that that talks about an increased navigation flow in the staff alternative, when in fact there is no increased navigation flow in the staff alternative.

(Pause.)

MR. MITCHNICK: I'll just bring that to your attention and I'm sure you'll comment on it in your comment

letter.

The next speaker tonight will be Eric Elben. I don't know --

MR. ELBEN: My name's Eric Elben, E-R-I-C, E-L-B-E-N. I've been with a commercial outfitter since 1997. I've been a professional outfitter since 2000. I currently log about 150 to 170 days operating on the Snake River in Hells Canyon every single year.

I'm one of those operating some of the larger jet boats in Hells Canyon. I do that on a daily basis, and I'd just like to go on record of supporting the Corps of Engineers 8,000 to 9,000 flows as a safe, operating level to operate jet boats through Hells Canyon. So thank you for your time.

MR. MITCHNICK: Thank you, Eric. The next speaker is Keith Stonebreaker.

MR. STONEBREAKER: Yes. My name is Keith Stonebreaker from Julietta, and I am pleasantly surprised this evening at the extensive research people have gone to to study the economic benefits, and also to point out the flaws in the DEIS, as regards to the economics.

I can't see how the Commission can move forward without a more accurate analysis of the economics. I just can't see that it would be possible.

But in any event, to sum it up, I think that the

ramping rates are too egregious. They affect the economics and the environment, and I think that releases have to restore the beaches and the gravel that's essential to the health of the stream.

Most of all, I think the study of cold water releases from Hells Canyon Dam have to go forward. I know this is something that Idaho Power has been resisting for years. But multiple gates with cold water releases would certainly help with the aquatic life.

I think that it would also help alleviate the major releases from Doorshack at this time of the year. I don't think they would have to be ramped down so low, if Idaho Power could cooperate and cool the water during the out-migration of the fall chinook. Thank you.

MR. MITCHNICK: Thank you. The next speaker is Keith Havens.

VOICE: I think he's left.

VOICE: He's left.

MR. MITCHNICK: Okay. Greg Haller.

MR. HALLER: Hi, thank you. Greg Haller with the Nez Perce Tribe, Department of Fisheries Resource Management. I'll just keep my comments brief. The Tribe will be submitting written comments on the DEIS. We appreciate your coming to Lewiston.

I do question the consultation requirements that

FERC has under its own policy and how it will be handled within this process, and I know you can't answer that right now. But we will submit comments on that issue as well.

Given that the project is within the Nez Perce treaty area, we question sort of the lumping of all tribes within kind of an equal status within that.

Not all the tribes being considered in the DEIS have treaty rights equivalent to the Nez Perce in this area. As such, the Tribe would expect special consideration from FERC in dealing on these issues.

Just briefly, because temperature was mentioned by Mr. Stonebreaker here, that is of utmost concern to the Tribe. I don't believe the DEIS looked at the economic impact of the massive drawdowns at Doorshack Reservoir that are not solely the result of operations or temperature issues caused by the project at Idaho Power.

However, they are used to cool the lower Snake. The DEIS just references a temperature management plan which we find kind of vague. There's ongoing proceedings, both legal.

There's Idaho Power's proposing to change the fall chinook spawning criterion in the river, and we're not quite sure how that would be handled, the outcomes of any of that process might be handled by FERC.

However, we do desire some cold water relief out

of Brownlee Reservoir, to help with the fall chinook migration, as well as returning adults. We drawdown Doorshack 80 feet every year, which is located on the Nez Perce Reservation. It prevents people from even swimming in the clear water river.

Right now, we're just finishing up 2,000 acre feet of the Tribe's water that is stored in Doorshack as per the SRBA agreement, to help cool flows in September that would normally maybe not be this warm. I don't think the DEIS addresses that adequately.

I'll leave it at that, because we have numerous comments. Although I would actually like to add one more thing. In certain cases, Idaho Power had made some offers to fund certain tribal activities to promote tribal education and participation in archaeological and cultural resource activities within the Canyon, and cultural resource preservation-type activities. The FERC staff actually deleted the idea of using some of that funding for scholarships.

We question that, given that we've submitted numerous documents about wealth and the health and welfare of tribal economies in the area, and to get tribal members into these types of positions in fisheries resources, which as you know, of course, the Nez Perce has a very large tribal fisheries program, staffed with numerous tribal

members that to a large degree got their education through scholarships and funding.

They are now working for the resource in this area, and in some cases in projects that are in cooperation with Idaho Power. I thought that was -- well, it was disappointing to see that that was removed from the DEIS, from the offer of Idaho Power. Thank you.

MR. MITCHNICK: Thank you, Greg. The next speaker is Mike Fosbury.

MR. FOSBURY: For the record, my name is Mike Fosbury, M-I-K-E, F-O-S-B-U-R-Y. I am a citizen of the state of Idaho. I live at 7491 Summerfield Drive here in Lewiston, Idaho.

Ladies and gentlemen, Commission, thank you for spending your time, as well as all my friends and neighbors out here in the audience. I'm a retired colonel of the Idaho State Police, and a long-time user of this state's resources and the national treasure we namely call Hells Canyon on the mighty Snake River.

It's my pleasure and opportunity to briefly address this Commission regarding my thoughts and beliefs about water flows and safety issues in Hells Canyon. My background being in law enforcement, of course, public safety would be my primary concern on the Snake River.

Quoting the entirety of the Federal Power Act,

Section C, it's one sentence; it's not very long. I quote. It says "In deciding whether to issue any license for any project, the Commission, in addition to the power and development purposes for which licenses are issued, shall give equal consideration to the purposes of the energy conservation, the protection, mitigation of damage to and enhancement of fish and wildlife, the protection the recreational opportunities, and the preservation of other aspects."

I privately on a regular basis power boat, and I raft one of God's greatest wonders. It's Hells Canyon and the Snake River. So as you consider the pending relicensing of Idaho Power to effectively operate the Hells Canyon Dam, I am asking you to explicitly follow the language in Section 4(c) of the Federal Power Act and give equal consideration, if you would, to the protection of recreational opportunities as stated therein.

I'm a long-time power boating user. As many of my friends and associates sitting here in this room, in this vast and magnificent area that we call Hells Canyon, I'm confident you as well understand the importance of public safety and recreation on any navigable river, particularly the entirety of the Snake River below Hells Canyon Dam to Lewiston, Idaho.

On a regular basis, I have had the privilege to

power boat in Hells Canyon. I've had a personal witness to a number of boating mishaps over the years, due to low water conditions.

What these people are testifying here to tonight are no joke. It's no joke, ladies and gentlemen. I have also observed incredible unannounced water flow increases and decreases from Hells Canyon Dam while using the system.

I understand the Snake River is in constant flux. To the inexperienced boater and user, these flow fluctuations can be catastrophic in nature. They come unannounced. I have observed a number of power boaters and rafters, mostly in low water conditions, encountering serious life-threatening mishaps in Hells Canyon.

Most of these mishaps have involved families enjoying the particular wonders in Hells Canyon. Families. I have witnessed boats sinking; I have witnessed near-sinkings and injuries resulting from such accidents.

I believe these accidents do not entirely lie at the feet of low water as the cause. Individual capability of the operators of power boats and rafters within Hells Canyon need to be addressed and considered as well.

However, it is my opinion that all public recreation within Hells Canyon to Lewiston has one distinct correlation as to the cause of crashes: low water and pilot inexperience.

Both need attention, one of which you have direct control over. FERC has the opportunity and responsibility to do the right thing for the right reasons.

I am defining one of these areas, that being the limits of low water for the public's protection and public safety in general for the future for probably the next 30 to 50 years.

I am asking you to give your full attention and consideration to the Federal Power Act's language, of the equal consideration and protection of recreational opportunities, as stated in the Act.

Hells Canyon and the Snake River is a national treasure. So are the families who use this spectacular resource, these people right here in this room, and the 45,000 people that go up there every year on commercial craft.

I am proposing that the FERC body soundly and with certain finality address the issue of what low water is and how it affects boat users, such as myself and the general public.

My 50 years of river experience in Hells Canyon leads me to this conclusion. Then I will conclude: I believe the Commission needs to come to a resolute position once and for all that water flows below 8,500 cubic feet per second from Hells Canyon Dam be specifically stated and

named as the very minimum flow allowable, and such language be added to your recommendations for future licensing by Idaho Power at the Hells Canyon Dam complex.

I'm just asking you to simply follow the Federal Power Act. Thank you very much.

MR. MITCHNICK: Thank you for your comments. The next speaker is Curt Johnson.

MR. CURT JOHNSON: I'm Curt Johnson, C-U-R-T, J-O-H-N-S-O-N. I am general manager of the Quality Inn and Suites in Clarkston, Washington; past president of the Clarkston Chamber; and also on the board of directors of the Hells Canyon Visitors Association.

I would like to address the economic impact of the potentialities of restricting the flows from the dams. We or I as a hotelier and my peers are significantly dependent upon the boating industry for revenues for our industry. All of the outfitters provide us with a tremendous amount of revenue through their activities.

I would be able to say to our particular property probably has 15 to 20 percent of its revenue as a direct effect of the boating industry. If for any reason those outfitters have to restrict their operations, it would significantly impact our personal revenues.

I believe that even the concern on the part of potential boaters, potential tourists, would have a

tremendous impact.

The mere fact of the rumors starting that there are accidents that potentially be occurring because of reduced water flows would dramatically inhibit the enthusiasm of tourists coming our community, wanting to take full advantage of boating the rivers.

So I strongly encourage that we look at not restricting these flows.

Tourism has become a very significant part of what this Valley does. As the former Chamber president and also as a board member of the Hells Canyon Visitors Association, we quickly realized that the river is our greatest natural resource.

We daren't do anything to jeopardize the revenues which can be produced through a free-flowing river. So I strongly encourage you to reconsider anything that would substantially restrict those flows.

I believe that although I'm certainly not a river flow expert, it sounds to me like many of the people here have the expectation that something above 8,500 cubic feet per second would be a safe limit.

I think that is an area that we need to really address and strongly consider. Thank you for this opportunity.

MR. MITCHNICK: Okay, thank you. The next

speaker is Mark Richardson.

MR. RICHARDSON: My name is Mark Richardson, R-I-C-H-A-R-D-S-O-N. I'm the president of Northwest River Runners. We're a private jet boating club located here in the Valley. We've been around for about 25 years, 40-some dues-paying members, and we're very regular users of Hells Canyon.

We have all been impacted in use of the Canyon by low flows, high ramping rates, and extremely unpredictable fluctuations of water levels. We want to recommend that you consider the Corps' 8,500 feet per second as a minimum level.

We want to recommend that ramping rates be reduced, and that there be a better, more predictable schedule for river flow fluctuations. Thank you.

MR. MITCHNICK: Thank you. James Bradford.

MR. BRADFORD: James Bradford, B-R-A-D-F-O-R-D. Aside from the safety and economic issues that were brought up tonight, the biggest issue from my point of view is what these flows can be for saving our salmon run.

Since Idaho Power's dams destroyed much of the original salmon runs, it's Idaho Power's responsibility to do all it can to restore those runs. Specifically, they need to release more cold water in summer and warmer water in the early spring, to aid the passage of smolts past the

lower Snake River Dam.

Water flows also need to be regulated in such a manner that river banks are protected and recreational use of the river is not impeded, and that would, from the testimony tonight, be somewhere around 8,500 CFS. Thank you.

MR. MITCHNICK: Thank you. Jim Koch.

MR. KOCH: Jim, J-I-M, K-O-C-H, pronounced "Cook." My company is Beamers Hells Canyon Tours. Just to go on the record, Beamers supports the Corps of Engineers 8,500 flow and the reason why is we need consistency.

When you're in a business where you rely on reservations, a lot of times two and three years ahead of time, and then you have someone like Idaho Power basically dropping your water out from under you, then that -- it's into the press.

Specifically, one time this year was in July, around the 24th. They told us they were going to drop it to 6,500 and when the following day -- then of course it went out in the newspapers. All the customers are reading this. Now they're wondering if we are going to run in this low water.

The following day when we did go up the river, the water was nowhere near the 6,500. In fact, it was somewhere around the 11,000 something like that. So we had

a lot of water. It's not easy to operate that way, and I'm sure you can understand.

The other is the safety concerns that you have already heard, of the water dropping out from under you, the personal experience with that. For one vessel heads upstream and within an hour and a half into the trip, you find out you have no water.

So your margin for error is greater. You end up striking rock. Your passengers, usually on the commercials anyway, the passengers on board are somewheres around anywhere from 50 to 75, which is a full load. We take old people and then very old people.

So for a boat to have an accident up there, it's -- you're very likely to have people on board that will be hurt. You also have the environmental issue after your vessel does sink. You have fuel on board. So it's a safety and environmental concern for navigation. So therefore we support the Corps. Thank you.

MS. HALL: Mr. Koch --

MR. KOCH: Koch.

MS. HALL: I'm sorry. When you mentioned a lot of older people on the boats, is that through the summer too or more this time of year, or when after school started?

MR. KOCH: No. That's through the whole year. Especially with the cruise vessels, we tend to see a lot of

passengers, probably anywheres towards -- I mean from 65 on up.

So some folks are in wheelchairs, and of course they have a right to see that Canyon the safest way they know possible, and that's with a jet.

MR. MITCHNICK: Thank you, Jim, although I do resent your remark about people over 50 being old.

(Laughter.)

MR. MITCHNICK: So I'll accept that for the time being. The next speaker is Heather Killgore.

MS. KILLGORE: Heather Killgore, K-I-L-L-G-O-R-E with Killgore Ventures from White Bird, Idaho, and I'm going to be submitting prepared statements tonight to become part of the record for the Chamber of Commerce of Riggins, Chamber of Commerce of Grangeville, and the Chamber of Commerce of White Bird, and for our North Central Idaho Travel Association.

They all are in support of the Corps of Engineers' safe navigation flow of 8,500 CFS. Speaking as an outfitter in Hells Canyon, we provide tours and fishing, and we are an authorized permit user in the Canyon.

The Wild and Scenic Rivers Act intend was for safe navigation and recreational use, and that's what we need. I guess that's all. Thank you.

MR. MITCHNICK: Okay, thank you. William Bonson.

MR. BONSON: Bill Bonson, B-O-N-S-O-N, and I own Snake Dancer Excursions. I support the Corps of Engineers' 8,500 CFS, so that we can operate safely in the Canyon. It's really tough on us to -- like Jim Koch was saying too, we book our trips way early.

So we have to know that we have water to operate in, because we're bringing people from all over the world in to the Valley here, to take trips up the river. They get here, and if we don't have water, then we have to turn them away. That doesn't say anything for the Valley. They go away with a bad taste in their mouth.

So I want to go on record that I do support the 8,500 CFS. Thank you.

MR. MITCHNICK: Thank you. Okay. We are back to Alan Lamm.

MR. LAMM: My name's Alan Lamm, L-A-M-M. I own Mainstream Outdoor Adventures. Been on the river a couple of times. I waited until the last, because I kind of wanted to see what comments were made, and I didn't want to go over a lot of stuff numerous times.

I am in support of the 8,500 CFS flows. I think it's critical to the private commercial power and float boat users for recreation in Hells Canyon.

I don't know. I just call a spade a spade. When I get sold down the river, I'll call it just like it is. I

feel like a lot of people have been sold down the river on this issue, and if people get a spanking, then they deserve a spanking.

But I can't believe that dollars became an issue over the safety of the public. I was astounded when I read that, and I guess I was at a loss to really even comprehend the $12 million.

We just had a drowning in the river. It wasn't in the upper river. I guess if you ask that young gentleman's parents, in fact, I know because that was my son's best friend that drowned last week. I'll bet you $12 million it does not come close to that life.

It's a little bit personal for me when I see the $12 million there. But safety is an issue in the Canyon that you can't put a number on it. I don't want Idaho Power not to be licensed.

Their economics are valuable too. I don't think anybody in here doesn't believe that. We just want them to be responsible, and we want a little bit of the water.

I don't know whose water it is anyway. But I think we deserve at least four months of it, because the other eight months it's augmented by fish flows. It doesn't come below 8,500. We just want a little bit for four months.

The other thing I couldn't believe is you're

excluding the Corps of Engineers from the whole project. There's no system for checks and balances. All of our government operates on checks and balances.

I can't believe they were just written out of it. It leaves the regulation of flows to Idaho Power. It's kind of like leaving the fox guarding the hen house. That really bothered me too.

The other thing that bothers me and it's been a major concern since day one, river flows. When you get up in the morning to head up the river and you use whatever form is available, whether it be over the Internet, the news on TV, you get a water flow on TV, anywhere from say 8,500 to 25,000. That's your water flow for the day.

It never reaches either one of those generally, but you don't know where it falls in between. If you use the sites that were put in to tell you what water flows are, they're inaccurate. The water flows that happens out of Hells Canyon Dam, for instance, doesn't even occur for 12 hours later at South Rapids.

So when you go up the river, you're facing a constant graduation of either increasing or decreasing flows as you go up the river. When you get up the river, are you stuck? You don't know. They can drop the river right out from underneath you.

The ramp rates are way too high. Foot an hour,

that's a lot of water. When you have to turn around and come back down the river after making a successful trip up, it leaves you most generally no room for any error.

The other thing that I think needs to be looked at by the FERC is that when water flows were kept above 8,500, there weren't any accidents. That speaks for itself. Public safety. 8,500, no accidents.

All we're asking is for a little bit of that water, a piece of the pie, not the whole thing. All we're asking for is a little bit of water flow for four months.

I've probably said more than I should have, but it is an issue that strikes me in the heart, because it's home. This is home to a lot of people. It's been home.

Most of us were born in this area. Most of us were born on the river or very close to it. It's a way of life. It's a business, and the residual effects affect a lot of people, boat builders, service station attendants, the tire shop.

I've got clients that have asked me to call Les Schwab's while we were up the river fishing three days. Les Schwab's drove all the way up to Heller Bar and put four new tires on their car.

So it's not just the jet boat driver, the guy that owns the jet boat company. It's restaurants, motels, fishing license, grocery stores. They may stay in the area

for a week. They go to Grangeville. They go to Elk City. They go to Riggins.

A lot of my customers have either not -- if they haven't been to Riggins and floated the river, they're going to Riggins and float the river. So it's not just the effect of one person going up the river in a jet boat.

It's the effect of what they do before and afterwards that brings economy to this area. I don't know; I'm still stuck on this 12 million thing, so I think I'd better be quiet.

MS. HALL: Mr. Lamm, you mentioned that the websites and other information about the flows you find to be undependable, and you're not sure what you're going to get when you go up the river.

Do you feel like that's changed over the years? Is that different, or has it always been that way, pretty chancy, as to what kind of flow you're going to get?

MR. LAMM: It has changed a little bit, in that we have a better idea of when there's fish augmentation. We can kind of figure out what we're going to get November, December, January and February.

But during July, August and September, part of October, we don't know what we've got until we get there.

MS. HALL: Okay, thank you.

MR. MITCHNICK: Question? But you're going to

have to come --

MR. SHULKE: My name was on the list next. I have to --

MR. MITCHNICK: We have one more speaker, and you can go right after that. The last person who signed up is John Barker.

MR. BARKER: Good evening. John, two middle initials, A.K. Barker, B-A-R-K-E-R of Lewiston. I'm going to submit full remarks later, but I wanted to take this opportunity, since you were kind enough to come here, to give you some observations.

They're based on the fact that I have been a guide, a licensed Idaho guide on the Snake River and the Salmon River since 1972. I've participated in the Anatomy of a River study -- which because I have all this gray hair, some of my friends here do from running up and down these rivers on low water and lack of memory, can't tell you exactly which year it was -- but '70, '72, which dealt with optimum recreational flows on the river.

In January, I finished 14 years by not running for re-election on the Lewiston City Council. The comments I want to make are my observations that the operation of Hells Canyon Dam by Idaho Power and overseen by FERC, has had a dramatic negative effect through the entire time since the dam came into operation until today, on the economy of

the Lewiston and Clarkston Valley.

Some of those negative impacts are flow fluctuations. It's no fun to be stranded. I think you've heard more than enough about low flows, but I would like to mention that I didn't hear it really discussed.

Those low flows affect boater access, both private and commercial, from the end of the lower Granite Dam Pool everywhere upstream. I have twice pulled people home with my jet boat, who have destroyed lower units on prop-driven boats in three-mile rapid, which is just above Asotin.

That kind of an impact affects the private power boater more. It affects the locals, who perhaps don't have a jet boat, but are able to access a stretch of the river there that is very popular when there are adequate flows.

We have lost steelhead and salmon. I do not feel that the operation of the Hells Canyon Dam has had a positive effect on restoring salmon and steelhead runs.

We have lost beach environment. The first commercial ramp trip I ever guided through Hells Canyon we spent every night on a beach above the mouth of the Salmon. There are now beaches below the mouth of the Salmon.

I think everybody here can testify that a good beach to sleep on as opposed to pile of rocks is hard to find in Hells Canyon these days. We have federal agencies,

that if done, sand replenishment projects on the Colorado River.

I believe that was the Bureau of Reclamation. Why can't we do one on Hells Canyon. The other -- it seems to me that we have looked more at the profit of the Idaho Power Corporation than the value of recreation, both commercial and the aesthetic value of recreation to this Valley, than we have -- than we should have.

I believe that we need to give equal weight to that. You've heard some documentation tonight. I'm going to submit some more. The life blood of this Valley and its future growth and development, in my opinion, are dependent on river-oriented recreation and services from both Clearwater and the Snake River, and the Salmon River for that matter.

So I thank you for coming and it's nice to have an opportunity without having to go to D.C.

MR. MITCHNICK: Thank you.

MR. SHULKE: My name is Bill Shulke, S-H-U-L-K-E. I have a small fishing guide business here in the Valley. Unlike most of these folks, I'm terribly new to the Valley here, and I really don't want to talk too much about the guide service.

But at the outset of this meeting, you mentioned if anybody has any suggestions or possibilities. I'm

sitting here kind of amazed. My background is 30 years in power generation. I've worked for major corporations that you folks have dealt with in the past.

Back in the early 80's, there was many, many projects across the United States that dealt with this exact problem on many, many rivers, and they were wondering how did we keep and maintain constant river flows to produce peaking power.

A classic example in the early 80's was PG&E of California, the Helms Project in the Sierra Mountain range, Court White and Wushan (ph) Reservoirs. A prefect scenario. You have a situation here. You have the three dams. You have the power generation.

They could not only maintain cool water flows throughout the year; they could maintain a constant water flow throughout the year on this river.

A little research. I'm sure they know about this. It's not new to the industry. It's something they might want to think about. Thank you.

MR. MITCHNICK: Okay, thank you. Are there any others who would like to make a statement tonight, or have any questions? We do not get to Lewiston very often, so this is your best chance to ask us questions tonight. But you will have to go to the microphone.

MR. ODEGAARD: Butch Odegaard again. Who is the

staff from the staff alternative?

MR. MITCHNICK: Who is the staff? The staff is a team of about 15 or 20 technical analysts working for the Commission and working for various contractors, and we put together the Impact Statement and the alternative that's the staff alternative.

The list of preparers is on page 683 of the EIS. Our role is preparing the NEPA document, preparing the National Environmental Policy Act document, the draft Environmental Impact Statement, and to make recommendations to the Commission.

The Commission is the body that will actually vote on this at some Commission meeting in the future, and they're the ones that will decide on whether a license is issued and under what conditions.

MR. ODEGAARD: And at the end of this comment period, the staff is the one that goes through all the comments again, and come up with a final recommendation?

MR. MITCHNICK: That's correct.

MR. ODEGAARD: Thank you.

MR. MITCHNICK: Any other questions? You're going to have to fight out who goes next.

MR. KEVIN JOHNSON: Kevin Johnson again. I'm kind of hard of hearing. I've spent too much time on jet boats, I guess. At the start of this meeting, I may have

misunderstood what you said, but I think that you said that we should try to make our comments to justify the lowering of profits from the dams; is that correct, or did I misunderstand you?

Or would you repeat what you said? Maybe I can hear you this time.

MR. MITCHNICK: I have it written down. I think I said that -- well, I think I said something to the effect that we're looking for justification for the significant costs that the navigation flows would result in. I didn't talk about profits; I talked about costs.

MR. KEVIN JOHNSON: Okay, same thing. I have another question then to follow that. Why do we have to justify something that will help us for our profits, at the expense of Idaho Power? It seems to me like we're on an unlevel playing field here.

MR. MITCHNICK: The Commission's ultimate role is to balance, balance energy from the project, cost of power, along with environmental aspects, safety and those issues.

We tried to do that in the draft Environmental Impact Statement, and apparently from this meeting and I assume from your comment, that you disagree on the balance that we did give it.

But that's the relevance the Commission has, and that's the goal of our recommendation, to try -- I mean we

have that responsibility to show that the cost of a particular measure is worth, or that the benefits from a particular measure is worth the cost. That's our role.

So anything that could help us make that balance or make that comparison between costs and benefits would help us.

MR. KEVIN JOHNSON: Well, I guess my comment then is that it looks tome like we're on an unlevel playing field, that we have to justify the money that we make, which sounds to me like you're telling us that we're taking it away from Idaho Power. Thank you.

MR. LAMM: Just one thing real quick. In the DEIS, there are some alternatives, I believe three of them, to water flows. But I don't see on there in any of the three the possibility of using Hells Canyon Dam as a re-regulating dam.

They could still power peak from Brownlee and Oxbow. As I understand it, back when the dams were being built, there was a lot of talk and the possibility that below Hells Canyon Dam there was going to be a re-regulating dam.

That didn't happen. I would like to know if FERC considered Hells Canyon Dam alternative as a re-regulating dam?

MR. MITCHNICK: I don't believe that we did. I'm

not sure anybody had recommended up to this point that we do. I mean, it's something that we can look at.

MR. LAMM: Well, that would solve a lot of ramp rate problems and flow problems. I don't know how the power peaking exactly works, but that seems like the initial idea for the dam was to have a repopulating dam below Hells Canyon Dam at one time, and I'm not sure why Hells Canyon Dam couldn't be that dam.

MR. MITCHNICK: Okay. We'll have our engineers look into that.

MR. LAMM: Thank you.

MR. DAVIS: Rick Davis, D-A-V-I-S. I would like to clarify just one little thing back when I was talking a little bit ago. I don't think anybody understands the size of the boats that is coming into this Valley.

The boat, the largest boat that comes in here is about 245 passengers on that boat, and the people that's on that boat is running around 65 to 85 years old and maybe a little older. This is one of the pictures of what one of the boats look like. It is a great, large vessel. It's one of the largest boats on this river system.

The second boat that's here is 145 passengers on it, and the same people that's on that is between 65 and 85 years old. Now if you get those people and you get them out on these boats these guys are talking about and you get them

up the Canyon, you have -- you run into a rock, and those people are going to be out there using them for sturgeon bait.

(Laughter.)

MR. DAVIS: So what we've got to do is we've got to make sure that we keep enough water, that 8,500 in there to keep things going. We've got small vessels that have 74 passengers.

But the same people that rides these boats are the same age. They're in wheelchairs and they're -- it varies. But there's not many of them that's under 75 years old. Thank you very much.

MR. MITCHNICK: Thank you. We have a few minutes before we're about to wrap up. Anybody else? One last opportunity.

MR. STONEBREAKER: Keith Stonebreaker again. During all of the testimony that you've gathered, and lean forward?

MR. MITCHNICK: Into the microphone.

MR. STONEBREAKER: Oh okay.

MR. MITCHNICK: Please do not touch the microphone.

MR. STONEBREAKER: How much testimony was given to colder water releases, i.e., multiple gates installation at Hells Canyon? How much weight would it have and how much

testimony was given?

MR. MITCHNICK: There's been quite a lot of work done on that. Idaho Power has looked at various alternatives to provide colder water downstream.

I do not believe there were any specific recommendations at this time for installation of those facilities, but they were addressed somewhat in the Impact Statement. But there is a lot of information in the record about that.

MR. STONEBREAKER: Thank you.

MR. SHULKE: Real quick. Bill Shulke again. Earlier, I thought I heard you mention that Idaho Power was refiling, or you felt they would refile their Clean Water permits. Can you tell me why they would be refiling for a year's extension on that or an additional year?

MR. MITCHNICK: Yes. I'll be happy to. There is a one-year statutory deadline on the state to act. The state has to act by the end of December. They could either deny it because they basically didn't have time to complete their process, set up a procedural alternative that the hydro industry uses is instead of waiting for the state to deny it, they just withdraw and refile it.

The significance of that is there's a Commission policy that if a request for certification is denied twice, that the Commission may consider throwing the application

out.

So that's why the industry generally goes that route, and sometimes we've seen it done 10, 15 times. Hopefully, it won't take that long here. But that's the reason for that.

MR. SHULKE: Would they also refile if there was a violation that would prohibit them from getting that approved for that year?

MR. MITCHNICK: I don't know anything about violations and how that would -- I don't believe that would --

MR. SHULKE: So you're saying at this one, in this particular case, it's just a timing issue?

MR. MITCHNICK: Yes. Basically, the state, and this -- the process started more than a year ago, so we're sort of two or three years into the water quality certification process.

But basically, right. It's just that it takes the two states, Idaho and Oregon, you know, a while to go through their processes, making sure they have sufficient information. They have a public notice process and things like that.

So it takes time and they're not quite ready to get to issuance yet.

MR. SHULKE: Would that hold up your final

decision, not having that?

MR. MITCHNICK: Most likely -- excuse me. Most likely no, that it's not uncommon and actually it's typical that the water quality certificate is sort of the last thing that happens in the process, because it generally takes a longer period of time.

MR. SHULKE: Is there a case where that would not be approved or authorized? If you went through with your process and you did issue a 50-year operating permit, and then that was not approved?

MR. MITCHNICK: That's possible. I mean it's --

MR. SHULKE: Isn't that part of what you have to have before you can issue your approval, your final? Isn't that part of the sequence of events? Thank you.

MR. MITCHNICK: Let me address that question. I don't want to leave that open. The Environmental Impact Statement has a detailed analysis of the water quality effects.

The water quality certificate is sort of the states documenting, that certifies the project will meet applicable water standards and other criteria.

So yes. Hopefully we're on the same page, and usually we're pretty close. The additional requirements in a certificate generally, you know, doesn't have a significant effect on the staff's analysis. That's been

experience.

I mean occasionally it can, but the experience has been that it's pretty close. The last two? Greg?

MR. HALLER: Thanks, Alan. Greg Haller, Nez Perce Tribe. Kind of along the same lines, because you didn't address the recent settlements between Idaho Power and the Forest Service and the BLM, with regard to some of their terms and conditions in this DEIS, how do you view those?

How will FERC handle those in relation to -- I mean it's kind of like with the 401, because the outcome of that could significantly alter your analysis?

MR. MITCHNICK: I mean the way we handle it is, I mean the staff alternative basically will look at the measures that have been filed. We included those that we liked in the staff alternative.

But that doesn't mean that those conditions that we don't include in the staff alternative won't ultimately be included in the license, since so many of them are going to be mandatory and will have to be included in the license.

To the degree that those conditions may change from the preliminary conditions, I mean we will address those in the final NEPA document. The Forest Service has said that they will provide us with their final conditions during this comment period.

So we will have that to evaluate as part of the final impact statement.

MR. HALLER: But the rest of the public and tribes won't really have -- I mean some of us have that information, what those issues are. But I mean you won't -- how will you handle that in the process of sharing that information, if it requires re-analysis from the FERC staff?

MS. HALL: Greg, I think you'll find that we did include in the draft EIS all of the agreements that Idaho Power and the Forest Service and the Interior came to on their 4(e) conditions. That's all reflected in the EIS. They're all addressed.

MR. HALLER: 10(j)s, though, are not necessarily at this point, because we're still meeting on those.

MR. MITCHNICK: Right. You know, it's a process that sort of keeps on going, and there's no best way to handle it all. Things keep changing. It's a very dynamic process, so at what point do you do the final EIS?

Do you wait for everything to be in, the 401, and everything else resolved, and then do a final, or do you do a final at some point, where you have, you know, maybe a little bit less finality?

But our current procedure is to try to resolve the Fish and Wildlife Agency recommendations in between the draft and the final, and consider those in the final.

Now for somebody who's not -- well, it would involve everybody. They would not be able to comment on what happens between the draft and the final.

But even though there's no official commenting period on the final EIS, that doesn't mean that people can't comment on the final EIS.

So if you see something in the final EIS that you didn't have a chance to comment on before, I mean basically you would have that opportunity after the final comes out.

MR. HALLER: Okay, and one final question then. Will FERC come to Indian country, then, to consult on a government-to-government basis on the final before it's issued?

MR. MITCHNICK: We have not discussed that yet.

MR. HALLER: Okay. Thank you.

MR. MITCHNICK: And the last comment?

MR. BRADFORD: Jim Bradford, B-R-A-D-F-O-R-D. As part of the licensing agreement, if -- will there be any terms in there for penalties for non-compliance with the terms of the -- with the license?

In other words, if Idaho Power fails to meet whatever flow is agreed on, what happens if they don't do it?

MR. MITCHNICK: Absolutely. There are -- the Commission can institute civil penalties against licensees.

It won't be anything specific on the license, but under the Federal Power Act, the Commission can fine licensees up to some amount per violation, and I forget the amount. But yes, and it can beyond fines.

MR. BRADFORD: It just seems to me that the fines would have to be large enough to make it so it wouldn't be to Idaho Power's advantage to just pay the fine and go ahead and do whatever they wanted to do.

MR. MITCHNICK: Right. We have, and I'm not involved with this. We have a whole separate division that deals with that. But there are criteria that we look at in assessing fines.

There are some statutory limitations on our ability, but it's based on, you know, the -- how blatant the violation, you know, the significance of the resource, how much money it might be saving them by taking short cuts. Those types of things are factored in when a fine is --

MR. BRADFORD: That's part of the license then; is that correct?

MR. MITCHNICK: It's part of the Federal Power Act, and it's applied to every license.

MR. BRADFORD: Thank you.

MR. MITCHNICK: I won't cut anybody short if people are patient to stand around, sit around.

MR. BONSON: Bill Bonson again. A little bit ago you said as far as you wanted a balance. They can profit. Okay. What about what we profit as a commercial operator, what I profit for two weeks in the water, versus what Idaho Power profits for use of the water.

MR. MITCHNICK: Okay. I really appreciate everybody coming tonight. You've been very patient. You sat through a lot of speakers.

It is really good to be able to listen to people affected by these projects, and hear what you have to say. You know, we're 3,000 miles away in Washington, D.C., and we certainly appreciate all your comments today.

The document you have is just a draft. It's our first shot. We realize we have a lot of work to do. It's not going to be an easy process.

We look forward to all your comments, and hope that you will provide us with whatever data, reports, experiences that you have that would basically help us do a better job.

We want to get it right. These are very difficult issues. But we do want to come up with the best outcome for everybody involved.

Just a reminder that comments are due October 3rd, and if you want a hard copy of the EIS, just give me your name and address and I'll have it shipped out to you.

Thank you for coming.

(Whereupon, at 9:00 p.m., the hearing was adjourned.)