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UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION
Office of Hydropower Licensing

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Otter Tail Power Company Project No. 10853-021
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OTTER TAIL RIVER HYDROELECTRIC PROJECT

Bigwood Event Center
925 Western Avenue
Fergus Falls, Minnesota 56537
Tuesday, August 30, 2016

The scoping meeting, pursuant to notice, convened at
approximately 6:00 p.m., before a Staff Panel:

- PATRICK ELY, Project Coordinator, FERC
- CHELSEA HUDOCK, FERC
- SHANA MURRAY, FERC

1 P R O C E E D I N G S

2 (6:10 p.m.)

3 MR. ELY: Hello. Can everybody hear me all right?

4 All right. Looks like we have a pretty good crew here.

5 Didn't know what to expect. Glad to see everyone.

6 So, I'd like to officially welcome you to the
7 scoping meeting for the Otter Tail River project. My name
8 is Patrick Ely and I'm with the federal energy regulatory
9 commission, also known as FERC. Like I said, I've never
10 been to Minnesota before, but it is extremely refreshing to
11 come to a place where people know how to pronounce my last
12 name. I get Eli, Elly and sometimes it's written on a line,
13 it's a fly. It's really nice.

14 I am a fisheries biologist, I am also the Project
15 Coordinator. I am joined by two of my colleagues, and I'll
16 let them introduce themselves and their resource area.

17 MS. HUDOCK: I am Chelsea Hudock, I am the
18 Cultural Resources Specialist for the project.

19 MS. MURRAY: Good evening, my name is Shana
20 Murray and I am the Outdoor Recreation Planner for the
21 projects.

22 MR. ELY: And we are also joined by
23 representatives from the power company. So, whomever wants
24 to introduce yourself, go ahead.

25 MR. OLSON: I'm Mike Olson with Otter Tail Power.

1 I am the principal engineer and project manager.

2 MR. SWANSON: Bill Swanson. Manager of Supply
3 Engineering for Otter Tail Power.

4 MR. FULLHART: Howard Fullhart.

5 MR. OLSON: I'm Jeff Olson, I'm the manager at
6 the lake plant and our responsibilities are for the hydro.

7 MS. LITHFORD: I'm Megan Lithford: I'm an
8 environmental compliance specialist.

9 MR. SPANGLER: My name is Ron Spangler, I manage
10 our customer care and relations department at Otter Tail
11 Power.

12 MR. BRING: I'm Mark Bring, I'm Associate General
13 Counsel and also serve as Director of Legislative Affairs
14 for Otter Tail Power.

15 MR. DORMAN: I'm Randy Dorman, I work for
16 Kleinschmidt Associates. We're a consulting firm. We do a
17 lot of work on hydroelectric projects, and I'm a senior
18 consultant that does FERC licenses.

19 MR. ELY: Thanks guys. Let's go ahead and get
20 started. All right, for some housekeeping items. We have
21 the sign up sheets outside. If you haven't signed it,
22 please do. There's some choices on there say if you want to
23 give a written testimony or an oral testimony, you can
24 choose in the moment whether or not you want to do that. We
25 just really want to know who's present, how many people, and

1 if you're not on the mailing list, you can provide your
2 address and we can put you on the mailing list. So we have
3 more of those right there.

4 MS. HUDOCK: Well, the sign up sheets, I'll go
5 grab some.

6 MR. ELY: We can do that after the fact.

7 We have a court reporter here, his name is Dan
8 Hawkins. He is an independent party. He doesn't work for
9 FERC or the power company. Dan will basically write what we
10 say. The transcripts will be available and made part of the
11 public record. The public record is basically when you sign
12 up for the mailing list or you get the eSubscription.
13 Through FERC's website it just lists everything that was
14 ever filed for the project and you can just go through,
15 click, and read whatever you want.

16 So for people who do want to speak, please
17 clearly state your name, your affiliation, so that might be
18 the Department of Natural Resources, or you just might be a
19 resident who is interested in what's going on. Everyone who
20 wishes to speak will have an opportunity; and speak clearly,
21 one at a time and that will benefit the transcript.

22 All right, we'll just go over the agenda here.
23 Going to let you know who we are. Talk about the licensing
24 process which part of it is why we're here. The purpose of
25 what we're doing here. Request information. Potential

1 studies. Mike from Otter Tail is going to give a
2 presentation. And then we're going to dive into the
3 resource issues such as recreational resources, aquatic
4 resources. Then we'll go over important dates. We have a
5 sheet that lays out all of the dates during the licensing
6 process. We have copies available if you don't have one
7 yet. Tell you how to stay informed and then we'll open it
8 up for discussion and questions.

9 All right, so about FERC. We are an independent
10 federal agency. Regulates natural gas, oil, electricity.
11 But the main thing while we're here is we regulate
12 hydropower projects. There are supposed to be five
13 commissioners; right now we have four. They are appointed
14 by the president, confirmed by the Senate, the president
15 directly appoints the chairman. We're a relatively small
16 agency, we only have about 1500 employees.

17 (Slide presentation)
18 All right so, we work in the Office of Energy
19 Projects which is 304 employees, that includes hydropower
20 and gas, but since we're on the hydropower site and we're
21 going to talk about that. So, there's the Division of
22 Hydropower Licensing, which is what we're doing right here.
23 The Division of Hydropower Administration and Compliance.

24 So once a project gets a license, they make sure
25 they comply with the license. And then we have the Division
of Dam Safety and Inspections to make sure the structure and

1 everything is running smoothly.

2 All right so, FERC's authority derives from the
3 Federal Power Act which basically makes us the balancing
4 act; and that's between, we weigh power production and
5 environmental resources. So, there's a trade off and we're
6 kind of the ones stuck in the middle listening to both
7 sides. Each project is a license for a term of about thirty
8 to fifty years. Approximately 2600 license are exempted for
9 projects and by exempted for projects doesn't mean that
10 they're free to do whatever they want, usually they're very
11 small and they've agreed to whatever conditions the resource
12 agencies put on them.

13 All right, we have a Division of Hydropower
14 Licensing and six branches. We are in the Midwest branch,
15 of course. Our branch has 12 employees which includes our
16 direct boss, of which three of us are here. We're made up
17 of different resource areas, so we have cultural and
18 recreational resources, aquatic resources, we have
19 engineers, terrestrials, wildlife, so, and we're all part of
20 a team that goes through each project.

21 All right, our hydropower jurisdiction, non-
22 federal hydro projects are subject to FERC jurisdiction and
23 part B licensed. Non-federal, meaning, well, federal would
24 be like Bureau of Reclamation, like Hoover Dam or the
25 Tennessee Valley Authority, something like that. So,

1 anyhow, these projects that we oversee are located on
2 navigable waters of the United States, on public lands or
3 reservations the United States, use surplus water or water
4 power from a federal dam, and affects interstate or foreign
5 commerce.

6 So now we're going to get into the licensing
7 process which we are, this is the piece of the puzzle of it.
8 So, this is called integrated licensing process, there's
9 three licensing processes. This is the default one that we
10 do. Not going to really get into the other ones right now
11 because this is the one we're doing so I'm just going to
12 focus on this one.

13 So it's based on three fundamental principles.
14 First is early identification and resolution of studies.
15 Integrate agency and tribal permitting process meetings
16 including NEPA, which is National Environmental Policy Act;
17 the applicants pre-filing consultation; federal and state
18 permitting needs such as a section 401 Clean Water Act or
19 the Endangered Species Act. And like the time frame sheet
20 that you have establishes that schedule.

21 So, here's the Integrated Licensing Process, I'm
22 sure you guys can just memorize that real quick and then we
23 won't have to talk about it again.

24 (Laughter)

25 I'm going to break it down. There's pre-filing

1 and post-filing.

2 AUDIENCE: Is there going to be a quiz on this
3 one later, on this part right here?

4 MR. ELY: Yes. This one in particular. Well,
5 you're lucky because it froze again so you get extra time to
6 memorize it. I apologize for the computer. It's got a mind
7 of its own. The one day it decides to get shy.

8 AUDIENCE: I wonder if it's not recognizing the
9 clicker. So you know our computers, they freeze, to go into
10 the security mode every ten minutes or so.

11 MR. ELY: Yes. But it did it earlier without
12 that.

13 MS. HUDOCK: This will be a very boring part of
14 the transcripts. Or this is the section of the transcript,
15 'How to fix a computer.'

16 MR. ELY: Okay. So right now we're in the pre-
17 filing stage and this is so that the licensee can consult
18 interested parties on the issues and studies which includes
19 a few here today. It's here to gather information which can
20 also be provided by you here today. And then once all that
21 gets settled then they conduct the studies and then they
22 prepare their application.

23 Once they file the application, seek comments
24 from interested parties, and prepare the EA or EIS -- stands
25 for Environmental Assessment or Environmental Impact

1 Statement. We do a lot of acronyms and abbreviations, so I
2 apologize if I just throw something out there and you have
3 no idea what I'm talking about, just raise your hand or just
4 let me know, because it's like a second language to us. And
5 then once everything's in we review all of the information
6 and decide if we're going to license the project.

7 So, the initial proposal and information
8 document, which is the pre-application document which
9 essentially pulls all the information, existing information
10 that we have and puts it out there for the public to look
11 at. And this is kind of an overview of all that. So, the
12 purpose of the PAD is to bring together all existing
13 relevant available information, provides basis for
14 identifying issues, any gaps in data and study needs. Forms
15 a foundation for future documents and sets the schedule.

16 All right, scoping meetings. Public comment,
17 that's exactly why we're here right now. The purpose of our
18 meeting here is to solicit your input and comments on the
19 scoping document. Identify the issues associated with the
20 proposed project. Discuss existing conditions and potential
21 information needs.

22 So we are here to get information from you. What
23 are the resource issues? Did we get it right in the scoping
24 document? We did identify potential issues which I'm going
25 to get to later when we get into the meat of it. If you

1 look through it, do we miss something? You guys are the
2 ones who live here, you're the ones who know. We're not
3 here to tell you what we think you should know, you're here
4 to tell us what we need to know. Yes, if there's any
5 information you can provide, that will help us, please do.
6 And also, is there anything that we mention in there that
7 doesn't need to be mentioned? We also want to know about
8 any facts or alternatives that need to be analyzed under our
9 geographic scopes.

10 So basically, scoping the river, and cumulative
11 effects. For example, say there's a new hydropower project
12 that people are talking about going in, like above, because
13 that would effect this project in the future. Stuff like
14 that. And date-wise, we want all of your comments in by
15 October 1st. Then we go into studies. Information that may
16 help define geographic and time scoping the analysis that
17 identifies substantial environmental issues and any data
18 that would help describe the existing environment and
19 effects of the project and other developmental activities on
20 environmental and socioeconomic resources.

21 MR. GEISER: From hearing you talk it's almost
22 sounding like you're assuming a lot of us in this room have
23 seen some of these documents or proposals or whatever. We
24 have not. We've only gotten hearsay that's floating around
25 in the community and that's why a lot of us are here.

1 MR. ELY: Okay.

2 MR. GEISER: So, I'm just saying that, you know,
3 to listen to you talk, it almost sounds like we're up to
4 speed on a lot of stuff. Not that I want to spend the whole
5 night sitting here to be brought up to speed, but.

6 MR. ELY: Right, okay, so a lot of, well, right
7 now I'll just give you kind of a background, but part of
8 this presentation is to basically go over the scoping
9 document, kind of lay it out in presentation form. Then we
10 can give you copies of it. And then you'll have time to
11 look it over. If you haven't seen this stuff yet, our goal
12 here is to provide you the main points that are in the
13 document.

14 MS. MURRAY: And the document you referenced is
15 June, 2016,

16 MR. ELY: Well, so the June, 2016 is what Otter
17 Tail provided us. Then we kind of go through that and break
18 it down. And then it's kind of an official document to open
19 it up for people to comment or agree or disagree with us.
20 But it kind of breaks the resources. We pick out what's
21 important, then we try to present it to the public; and you
22 can say 'this isn't important' or 'you're missing something
23 huge here'; but hopefully, as we get through this we'll be
24 pointing it out and then what we have here is also in that
25 document.

1 MS. MURRAY: Can I add to that? So, Yes,
2 basically that first document in June was Otter Tail giving
3 notice, hey, we're about to go through re-licensing. Here
4 is all the existing information on our project facilities,
5 our operation, and potential issues we see at the project.
6 FERC, as Patrick said, took that and we developed a scoping
7 document that highlights what may be issues with the
8 projects as far as project effects; whether that's
9 operational, or having to do with the environment. Which is
10 why we want to discuss today.

11 So, there's a couple things as Patrick mentioned.
12 One, it's to talk about issues. The ones we've identified
13 and if we're missing something, if we haven't identified
14 them. It sounds like the other issue is distribution of
15 information. If you haven't seen these documents or you
16 haven't gotten them, either you have a chance to talk to us
17 during the meeting, on record, or if you don't want to talk
18 in front of the group you certainly can talk to any three of
19 us to figure out how you get these documents, whether it's
20 eSubscribing or getting on the mailing list and getting
21 paper copies. Because it sounds like you didn't get these
22 documents but you want to see these documents and for some
23 reason....

24 MR. GEISER: Well, we hear stuff floating around
25 and that's why a lot of us are here. There's things floating

1 around that there's a group of people that just want to tear
2 down the dam and those of us who've purchased lake property,
3 would now be in a giant gully, so there's a concern about
4 that, obviously.

5 MS. MURRAY: We'll that's news to us too. I
6 mean, Yes, so.

7 MR. GEISER: That's what's floating out there.
8 The other thing, I can tell you, it seems to me and my
9 household that this is almost like you didn't want us here
10 tonight. I'm not saying you, but I'm just saying. We were
11 put on the email list at the last meeting. None of us got
12 email notices that this was happening tonight. It was just
13 by somebody in my household happening to notice a little
14 tiny thing in Sunday's paper that this was happening, that
15 any of us knew this was happening or I wouldn't be here
16 tonight because I didn't see it.

17 MS. MURRAY: Right.

18 MR. GEISER: So, I wouldn't even be here. So it's
19 kind of like then we come to this and, and then you put it
20 at 6 o'clock, you put it at supertime. It's almost another
21 message saying, really, you don't want to bother coming.
22 That's how it felt. Not that that's what you did, but
23 that's how it felt. So.

24 MS. MURRAY: No, I --

25 MR. GEISER: So now we're hearing about documents

1 that we've never seen. A process we know nothing about, and
2 I'm feeling really frustrated like I need to stay and listen
3 to this but I have no point of reference. At all.

4 MS. MURRAY: No, I understand.

5 MR. GEISER: And it's and I, my neighbors, some
6 of them might say, 'Why don't you shut up, Tom?' and some of
7 them will pat me on the back.

8 MS. MURRAY: I think we all feel, at least up
9 here, I can't speak for Otter Tail, I'd like to loop them
10 in, that's exactly why we're here; is to make sure that this
11 information is getting out. To make sure people are
12 involved, and if for whatever reason, however it happens
13 that you haven't been involved to this point because you
14 didn't know, to fix that. Because that is certainly not
15 what we want. We want involvement. Otherwise we wouldn't be
16 here.

17 MR. GEISER: Most of the people here tonight are
18 from our lake. Our lake. So obviously the other folks
19 either didn't see that article, and I won't say they don't
20 care, but they're clearly underrepresented. Most of the
21 people are here from West River Lake, that I can see looking
22 around the room. And that's because a lot of us were on the
23 horn last night making some phone calls and that's
24 problematic.

25 MS. MURRAY: No, that's understood. I don't know

1 what to say. Patrick still has to keep going with his
2 presentation, and I still want to hear your comments; but
3 we're going to have another point in the meeting to talk
4 about it more and we do need to talk about getting you all
5 on the distribution list so you know what's going on at each
6 step of the process. That is understood.

7 MS. LITHFORD: You reference distribution list,
8 there is no website location where we -- nothing wrong with
9 being on the distribution list, but is there no website
10 location where we can go and see your scoping documents and
11 Otter Tail's?

12 MS. MURRAY: There is, that's later in the
13 presentation. Yes, there is a place online where we keep
14 all these documents. Patrick probably will get to that.

15 MR. ELY: There is. It's not the best system but
16 we will make sure that everyone here get on the list to
17 receive these documents.

18 MS. LITHFORD: But there's also a location where
19 we can see these documents?

20 MS. MURRAY: Yes.

21 MR. ELY: Yes. All right.

22 (Pause)

23 MS. MURRAY: While we're on a break, we kind of
24 forgot, since this is an official transcript when you speak
25 we need your name. Can I ask your name, and the woman

1 sitting next to you?

2 MR. GEISER: So you want to know who I am? Tom
3 Geiser. Tom Geiser, G E I S E R.

4 MS. MURRAY: I was going to say, I'm going to
5 check with your neighbors because you already called
6 yourself out. Tom Geiser? Is that what you said?

7 MR. GEISER: Yes, G E I S E R. And these people
8 are in motorcycle gangs so don't trust them.

9 (Laughter)

10 MS. MURRAY: And then the person sitting next to
11 you?

12 MS. JOSEFSON: Lois Josefson.

13 MS. MURRAY: Can you spell the last name?

14 MS. JOSEFSON: Yes, I can. J O S as in Sam E F as
15 in Frank, and S as in Sam again.

16 MS. MURRAY: Yes. It's just so we get everyone's
17 name when they speak on the transcript.

18 MR. GEISER: Is there a time-frame on how long
19 this is going to go on, no offense, for those of us who
20 skipped supper?

21 MS. MURRAY: Well.

22 MR. GEISER: Well?

23 MS. HUDOCK: We have first the presentation.

24 MS. MURRAY: Without the electronic mishaps.

25 MR. ELY: I'll try to get through this fairly

1 quickly so we can get on to the meat. Okay. Going to speak
2 quickly here.

3 Study request criteria. Describe goals and
4 objectives of study proposal. Explain relevant resource
5 management goals. Explain relevant public interests
6 considerations. Describe existing information and need for
7 additional information. Explain the connection between the
8 project operations and how studies would help us create the
9 license. Describe methods and consistent practice.
10 Describe considerations, level of effort, costs of studies
11 and alternative studies as needed.

12 We're having another meeting tomorrow with the
13 resource agencies, so it's primarily geared towards them but
14 again, you are open to suggest studies that Otter Tail does.
15 Comments are due October 1st.

16 So at the end of this whole thing I'm going to
17 have more information, but if you want to make your comments
18 you have to address it to the Secretary. This is going to
19 be in a document that you're going to receive. Okay. We're
20 going to get you that. So then we conduct the studies, and
21 that takes two to three years and we're not there yet. But
22 that's where this all is leading to, the studies.

23 All right. Otter Tail is up. Remember you're
24 on.

25 MR. OLSON: That's right. My name is Mike Olson.

1 M I K E O L S O N. So, I'm representing Otter Tail, and
2 FERC asked us to get up and give a short presentation just
3 describing the hydro projects. We've already went over the
4 licensing team, but as you can see we've got more
5 representatives that are part of the team than I'm showing
6 here, but these are the members that you might have
7 interactions with.

8 Again, I'm Mike Olson, I'm the Project Manager
9 for the FERC Hydro Relicensing efforts. Bill Swanson, who
10 is joining me here in the presentation is the Manager of
11 Supply Engineering. Mark Bring is The Associate General
12 Counsel. Sara Casey, who couldn't join us tonight but
13 she'll be at the meeting tomorrow, is heading up public
14 relations and communications for this project. Kleinschmidt
15 and Associates have been retained by Otter Tail Power as the
16 consulting -engineering firm for us and their lead is Randy
17 Dorman.

18 So, as far as the agenda, we're going to talk
19 briefly about Otter Tail Power, give you an idea who we are
20 and what we do. Bill is going to do that for us and then
21 I'm going to talk about the project, give a quick overview;
22 some high-level details of the hydro projects and then we're
23 going to follow up with the website, as far as how you can
24 stay in touch with the project and how you're communicating
25 with stakeholders.

1 So, I'm going to pass it on to Bill here, and
2 he's going to describe who Otter Tail is and what Otter Tail
3 does.

4 MR. SWANSON: William Swanson, Manager, Supply
5 Engineering. W I L L I A M S W A N S O N. I'll just make a
6 few brief comments about Otter Tail. Otter Tail is a very
7 geographically diverse company. What that means is there's
8 a lot of distance between our customers. Our service
9 territory goes all the far western region of North Dakota
10 and Parshall, North Dakota, all the way down into a area
11 near Lake Preston, South Dakota.

12 So it's a very diverse area. Very widespread
13 area. That's over 70,000 square miles of service territory.
14 We have 131,000 customers in that area. 422 communities
15 with an average population of about 400 people. So our load
16 and our customers, very diverse, quite spread out over the
17 region that we serve.

18 We have about 800 watts of generation in our
19 portfolio. Recently we've added about 245 megawatts of wind
20 and three wind farms in North Dakota. The Langdon Windfarm,
21 Luverne and Ashtabula. We also have coal generating units
22 in North Dakota, the Coyote Station and in South Dakota, the
23 Big Stone Station, as well as the Hoot Lake Plant here in
24 Fergus Falls.

25 The mix, if we would have had this graph

1 capability back in 1925, this graph would have looked vastly
2 different. It would have been 100 percent hydro. But you
3 can see over the last century, things have changed. The
4 greatest change probably was the increase in coal
5 generation, over the last century. And in the last ten
6 years, the addition of the wind assets has really changed
7 what this portfolio looks like and it is likely that more
8 wind is going to be added in the future. You can certainly
9 see that the hydro-generation that is Otter Tail is very
10 small, but 1 percent of our portfolio today.

11 Our goal really here is about bounds. We look at
12 not only, I think there's people concerned about the
13 environment, and the river that flows through here and how
14 that river touches all of us in the environment. We also,
15 it's very important that we listen to the people that we
16 serve, our local communities.

17 But key to us is really the economic foundation
18 of every decision that we make. Every decision has to be
19 economically sound so that not only do the people in Fergus
20 Falls, a solution makes sense to them, but the same person
21 up in Parshall, North Dakota, or Lake Preston. South Dakota,
22 can accept this decision. So, that's why what we've
23 proposed in the PAD is to maintain the hydros as they are,
24 to not make any changes physically or make any operational
25 changes and that's, at this point in the process, from Otter

1 Tail's perspective that's what the PAD document says.

2 MR. FULLHART: Howard Fullhart.

3 Okay. So I'm going to give you a quick project
4 overview. So, Otter Tail has five existing developments.
5 All these have existing power stations; that means they've
6 got a turbine generator set that producing power. The
7 furthest hydro upstream is Taplin Gorge, common name
8 Freiberg. The next one downstream is Hoot Lake, and that
9 includes Diversion Dam. Then we've got Central, or Wright,
10 which is common name Central, that's located in downtown
11 Fergus. And then we've got Pisgah. And the furthest one
12 downstream is Dayton Hollow.

13 All these hydros are operated run-of-river. So,
14 what that means is the water that flows into the reservoirs,
15 flows out of the reservoirs. Before the previous re-
16 licensing in '91, they could be operated, or you could raise
17 the reservoir. You could have a peaking operation where you
18 raise the reservoir and run them down when power demands
19 were higher or you could run the reservoirs low, but in '91
20 that was changed to run-of-river, so we maintain the
21 reservoir level. A steady reservoir level.

22 Some quick facts about Taplin Gorge, the
23 generator nameplate capacity is 560 kilowatts. The unit has
24 been online since 1925 and the reservoir elevation is 1,299
25 feet. That's mean sea level. We're going to spend a little

1 bit more time on Hoot Lake. There's some unique issues
2 there that we want to talk about so you can understand it.
3 But the generator nameplate capacity is 670 kilowatts. That
4 unit's been online since 1914. The reservoir elevation is
5 1,256 feet.

6 Some of the things I want to talk about with Hoot
7 Lake are Diversion Dam. The bypass reach. And there's a
8 non-project, nature-like fishway that we'll talk about. And
9 then, as was mentioned earlier we'll talk about Hoot Lake,
10 the thermal plant and how that plays in.

11 So, if you look up on the screen here, we have
12 Diversion Dam located up here and we divert water out of the
13 Otter Tail river through a tunnel into Hoot Lake. From
14 there it goes through a channel into Wright Lake. We have
15 an intake structure located right here on Wright Lake. That
16 intake structure feeds our Hoot Lake hydro, it also feeds
17 cooling water to our thermal plant and the city of Fergus
18 Falls uses that to feed their water treatment plant for
19 Municipal water. So, not only is it important to Otter Tail
20 but it's important to Fergus, that Wright Lake water
21 resource.

22 Going back to Diversion, we'll stay on that map,
23 I'm going to go back to Diversion here and we're going to
24 talk a little bit about the bypass reach. So, there's the
25 natural river continues if I can follow here it kind of

1 winds along. So, there's lots of corners and it makes up
2 approximately eight to nine miles of bypass reach, that's
3 the natural river that flows around to Hoot Lake where it
4 joins the discharge from the Hoot Lake hydro. And then
5 continues on to Central.

6 One thing that was done in 1991 is we worked with
7 the agencies and agreed upon minimum flow requirements for
8 that bypass reach; so we have to maintain certain flows
9 through certain times of the year. And that was done to
10 maintain recreational boating as well as to protect and
11 enhance aquatic resources in the bypass reach.

12 I would also like to talk quick about the nature-
13 like fishway; that was installed right at verge of the north
14 side of Diversion there, and that was a project that was
15 done by the DNR in cooperation with Otter Tail Power. We
16 feel like that was a good project.

17 The last thing I want to talk about is the
18 thermal plant, the Hoot Lake power station. We want to make
19 sure people understand that that's not related to the hydro-
20 project even though the Hoot Lake hydro dam is located at
21 the same location. It's a completely separate from the re-
22 licensing process. The only thing that's shared is the
23 intake structure on Wright Lake here. They share the same
24 water intake but as far as re-licensing is concerned, the
25 Hoot Lake thermal plant is a completely separate item.

1 So, Wright, otherwise known as Central, is
2 located downtown Fergus that has a generator nameplate
3 capacity of 400 kilowatts; that's been online since 1922.
4 The reservoir elevation is 1,181 feet.

5 We'll move on to Pisgah. That has a generator
6 nameplate of 650 kilowatts. That's been online since 1918.
7 The reservoir elevation is 1,156 feet. And our furthest
8 hydro downstream is Dayton Hollow. That has two turbine
9 generator sets, and they combine for generator nameplate of
10 970 kilowatts. That's been online since 1909. It has a
11 reservoir elevation of 1,107 feet.

12 We don't necessarily need the last slide, I'm
13 just going to talk quick about Otter Tail Power's website.
14 So we've developed a website for trying to keep stakeholders
15 and interested parties up to speed. And that's at
16 www.otpco.com/hydro . On there you're going to find
17 material such as handouts and displays that we've used at
18 other open houses. You're going to find ways to stay up-to-
19 date on the project. There will be information about the
20 hydro-stations much like I've shown you in review today.
21 Those slides will be up there. Then we also go over the re-
22 licensing process, how it works, and we keep updated
23 timelines on when these activities are going to happen. So,
24 that's all I have to share. Thank you.

25 MR. ELY: I think we're getting into the stuff

1 that you care about. All right. So you've identified some
2 potential issues dealing with the following items of which
3 I'm going to go through each of them. These are the only
4 things we've identified. So, if you've heard something and
5 are concerned about it and it's not on here, that means it's
6 hearsay, it's not on the record. We're not considering it
7 because to us it doesn't even exist. Shall we begin?

8 So for aquatic resources, the thing we've
9 identified is the effects of impingement and turbine
10 entrainment of fish populations in the Otter Tail River,
11 which is basically fish getting sucked into the turbine or
12 getting stuck on a trash rack so that the water is pushing
13 that and they can't get off, as well as the effects of
14 minimal flow releases on aquatic habitat in the bypass reach
15 of the Freiburg development.

16 Terrestrial resources. Continued project
17 operation as proposed by Otter Tail. What effect that would
18 have on maintenance activities, on our riparian, littoral,
19 wetland habitat and associated wildlife. Threatened and
20 endangered species. Any effects that could happen to the
21 federally- listed Gray Wolf and Northern Long-Eared Bat.

22 Recreation and land use. The adequacy of the
23 existing rec facilities and public access at the project to
24 meet current and future recreational demands. Effects of
25 continued project operation and maintenance on land use

1 within the project area. Cultural resources. Effect of
2 continued operation on properties that are included and
3 eligible for inclusion in the National Register of Historic
4 Places.

5 And developmental resources is kind of a generic
6 one. Just effects of any of the proponents or recommended
7 environmental measures on the project's economics.

8 These are the dates that are laid out in that
9 sheet but the main important one for right now is comments
10 on the pre-application document and the scoping document
11 which we will get you October 1st. Then it goes down we'll
12 kind of move semi-quickly proposed study plans -- but the
13 important thing is October 1st for those comments.

14 MS. ROOS: Those are written comments?

15 Jennifer Roos, R O O S.

16 MR. ELY: Yes. All right. So stay informed,
17 which hopefully will get easier. Get on the mailing list,
18 which you can do by filling out those forms that we have by
19 spelling your name out and putting your address. The
20 eLibrary, which you can find through FERC dot gov. And you
21 put in the docket number P-10853, which is the code given
22 for this project.

23 The eLibrary you can just log in to anytime and
24 look at what's been filed, just from the latest thing to the
25 beginning of time. Or you can try to eSubscribe and that

1 should make it so that you're on a list so that any time
2 anything for the project is issued, that we send out, it
3 should be emailed to you. We can work on that if we're
4 having problems.

5 This is my contact information. I also have some
6 business cards outside and I have some more. So if any of
7 this stuff doesn't work, contact me and I'll fix it so that
8 we're all on the same page.

9 Now, comments, questions, concerns.

10 MS. MURRAY: Is that the speaker? Is that what
11 you want to do?

12 MR. ELY: Oh. Well, all right. Comments,
13 meaning that anybody who wants to speak can sign up for the
14 list, feel free to do so now. And remember to state your
15 name clearly.

16 MS. MURRAY: So otherwise, Tom Geiser, you're up.

17 MR. GEISER: It's me again?

18 MS. MURRAY: I mean, now we're saying please,
19 give us your comments!

20 MR. GEISER: So you know, like I said earlier,
21 there's some stuff floating around, and all I'll say is just
22 address a few issues that would concern us that live on the
23 Taplin Gorge also know as West Red River Lake -- and there
24 is no east so that makes that interesting.

25 However, a few things, obviously I'm going to

1 state straight out of my bias as a homeowner is that we
2 bought property on the lake in good faith and just even
3 these rumors floating around that the dam might go away
4 could seriously, obviously impact our property value. Cut
5 it in half, at least. That's a whole issue.

6 But having said that, I'd like to say some things
7 about the environmental stuff. That lake has become an
8 environment unto itself in the last 91 years to 100 years.
9 It has become an environment and to all the sudden take the
10 dam out to restore the river, you'd have a huge gorge filled
11 with muck and mud for uncounted years. Unless of course you
12 were going to force us landowners to sod it or somehow cover
13 all that muck that would now exist going down.

14 So there's that whole issue and then the whole
15 thing that I've not heard discussed in all this that I would
16 be interested in knowing is the whole Fargo-Moorhead
17 Diversion projects that they have going. If the dams were
18 to be removed, how does that negatively impact all of their
19 work and all of their plans to try and control the Red
20 River's flooding. Because there would be no more controls
21 upstream, obviously, the dams all disappear.

22 And again, that's just rumors. I hope they're
23 silly rumors. But that's what has most of us concerned to
24 have come here tonight. That, the three things I have
25 mentioned. Was that first of all, our property values will

1 go down the tubes. Second of all, the environment would
2 change horribly, at least for another hundred years it would
3 be. And last but not least, how it will negatively impact
4 the North Dakota people, because it would.

5 I don't know if this is true or not but I heard
6 this back in the flood of the 90's, that, it took Grand
7 Forks as you know, and almost took Fargo. That during that
8 winter, Otter Tail Power had let a lot of the water out of
9 the dams, or as much as they could, and then come
10 springtime, because we all knew we had 10 feet of snow that
11 winter. We all knew that. And then come springtime Otter
12 Tail Power was able to hold back more water as it melted;
13 and Fargo barely did not get taken by what, a foot, and
14 their dikes would have been gone.

15 And I think the whole dam system here made a huge
16 difference for them. I really believe that. Really believe
17 that. I mean, that's an example, but again, whether that's
18 true or not, I just remember that as being presented to me
19 way back then. So, it's, I guess what I'm saying is most of
20 us here, I believe, are in support of the dam staying.

21 MS. JOSEFSON: Wouldn't it also effect rates for
22 everyone, if we lost the source of generating electricity,
23 so it's not just -- I have all the selfish reasons as a
24 homeowner but trying to beg altruistic, perhaps it affects
25 everyone.

1 MR. ELY: All I can say right now, any talk of
2 removal or decommissioning, that is as of now not on the
3 table.

4 (Applause)

5 And, someone can bring it to the table but
6 everything that you just mentioned, socioeconomics,
7 environmental effects, Otter Tail has the say about these
8 rumors, I mean they would all be taken into consideration
9 heavily.

10 MR. GEISER: The last thing that I kind of forgot
11 was the ultimate irony for us in hearing some of these
12 rumors is, I don't know about the other dams but I know on
13 the Taplin Gorge we were designated a long time ago as a
14 natural scenic environment which for most of us that live
15 there seems like an oxymoron; but having said that we've all
16 had to comply as homeowners with a whole ton of rules a
17 boatload of setbacks, about how we can have our lake
18 frontage, the kinds of things we can do with all of the
19 above; pretty strict regulations that have gone with that
20 that we've all complied with but then to hear that all of a
21 sudden, again, a rumor that somebody could just make that go
22 away just seems bizarre.

23 MR. ELY: Yes, that is bizarre.

24 MR. GEISER: Well, I'm glad to hear that. I'm
25 all for that.

1 MR. ELY: If someone comes in, they would have to
2 have a very convincing argument to remove these things and
3 right now it's, what you've heard is hearsay, as of now it
4 is not on the table.

5 MR. GEISER: Well the convincing argument was
6 that you can canoe all the way to Wahpeton. I can say this,
7 I grew up in Wahpeton. Who would want to?

8 MR. ELY: And again, our job is, we would
9 balance, So, you know, you got hypothetically, dam removal
10 versus what the consequences of that would be, and whoever
11 wants removal, really there having very, very strong
12 argument, then you have the power to come back.

13 MR. GEISER: The last little piece of nonsense
14 that might have been thrown out with this was that at the
15 very least they want Otter Tail Power to recreate the dam so
16 that there's really good functioning fish ladders so that
17 the bullheads down in Wahpeton can all migrate up here.

18 And again, with Minnesota, the entire state,
19 having all its stocking programs for fish and all the rest
20 of that, all the natural environments have been very much
21 changed anyway, so it's like, why would Otter Tail Power
22 have to recreate their dams so certain species of fish --
23 and we know that's not the Sockeye Salmon -- could migrate
24 upstream again. I don't even know what species they're
25 talking about when they say that. I said the bullheads were

1 migratory because that's all we had down there.

2 MS. JOSEFSON: Is there truth to that rumor,
3 that there are people concerned about the fish ladders,
4 that, you know --fish --

5 MR. ELY: I'm not sure in this specific
6 incidence, that's a common theme we hear and again, we would
7 weigh -- if someone came and said we should put in a fish
8 ladder, if it, this is hypothetically, if it was relatively
9 easy to do and didn't put much of a burden on the power
10 company in terms of finances, I wouldn't necessarily see
11 that as a problem; but if we're talking multimillion dollar
12 things, then that would be socioeconomics. But --

13 MR. GEISER: In other words, you're saying no.

14 MR. ELY: No, I'm not. I can't say, I can never
15 say no.

16 MS. MURRAY: Yes, Otter Tail, if you want to say
17 something here.

18 MR. SWANSON: Yes. Bill Swanson, Manager of
19 Supply and Engineering. I really want to make sure the
20 focus of this meeting is really to hear concerns and not to
21 debate the context or ask questions or even get answers.
22 We're on the very early part of this process.

23 People in the community can express their
24 concerns and get them on the record so that the people from
25 FERC can address them. These things that you might be

1 bringing up, these folks have probably never heard before.
2 So, now is the time to bring them up, but as far as
3 evaluation, that's something that's over the process that
4 we're talking about. Over the next couple of years.

5 MS. MURRAY: I'm going to add to that. What we
6 have before us is very preliminary. It's a very preliminary
7 proposal of how Otter Tail plans to continue operation of
8 the dams. I will note in this preliminary document there's
9 no word of decommissioning or surrendering the projects.
10 Now it would be false of me to say that that's the end of
11 the subject because we're at the beginning of a five year
12 process.

13 So, somewhere in that five years an agency can
14 come in and say, "Hey, we think for the environment it would
15 be better if you surrendered these dams." Once that
16 happens, it is on the table, but does that mean it's going
17 to happen? No. It means it's up for discussion. So, the
18 whole point of this meeting is to understand these things
19 out there.

20 As Patrick said, we have nothing formally before
21 FERC. On paper, in comments, and just note, all of these
22 comments tonight are accounted for in Scoping Document 2.
23 So, if you gave oral comments tonight or if you file written
24 comments by October 1st those all are accounted for in the
25 second scoping document. But it's as Otter Tail says, to

1 lay it out on the table. There's no conclusions to be made
2 right now. There's no analysis. It's 'Is someone proposing
3 that', if they are proposing that, why are they proposing
4 that?

5 So, you're telling us a lot of things we haven't
6 heard before tonight. Again, I can't say that they won't be
7 part of the conversation but as of now, I haven't seen
8 anything where someone's proposing any of this.

9 Does that make sense?

10 MR. GEISER: Yes, it does.

11 MS. MURRAY: Yes.

12 MR. HANSON: Mark Hanson. Can you just address
13 or speak about what the process would be down the road if
14 someone were to come and express an interest in
15 decommissioning the dam? At that point it's on the table,
16 as you say. Where do you go with it from there? A
17 democratic process where you get so many people to express
18 an interest to decommission versus those that want it to
19 stay or just maybe comment on what you would do with that
20 information?

21 MS. MURRAY: Sure. I mean, we usually, usually,
22 it's not a usual request that we see during a re-license,
23 someone come in and say we want to decommission a project.
24 If that happened, it would either be a nonprofit agency or a
25 state agency, or a local agency. Usually it comes in as a

1 recommendation on a final license application.

2 So, when FERC gets the final license application
3 and recommendation such as let's just say decommissioning or
4 surrendering a project, FERC has to take into account, what
5 would that entail, what would the environmental effect be,
6 do we have an alternative, do we agree? And that's where
7 our NEPA document comes into play.

8 So, our NEPA document is our environmental
9 analysis of what we think the issues are of the project,
10 what the recommendations are from you the people and
11 agencies, and then FERC's final take, based on everything
12 that came in. The studies, the license application comments
13 from everyone, and recommendations from the agency; here's
14 what FERC thinks should go into the next license or here's
15 what FERC thinks, and maybe, you know, it should be
16 decommissioned.

17 It's a recommendation. That's what our NEPA
18 document is. An analysis of all the effects and then a
19 recommendation. So, that's also not final. Once we put out
20 a document like that, on this one it would be EA,
21 Environmental Assessment, we would issue a draft. So, that
22 means, you know, this is kind of our MO, we don't get it
23 right on our first document so we usually issue a second.

24 We would take comments on that document.
25 Basically, do you agree with our recommendations, do you

1 disagree? Tell us why. Then we come out with a final
2 environmental assessment addressing all of the comments we
3 received. And from the draft to the final, sometimes our
4 recommendations can change.

5 Once we get to the final and issue that, that
6 goes to the commission and it's up to the Commission to
7 decide whether they issue an order for surrender, whether
8 they issue an order for a license, like, there's -- I'm
9 making it seem black and white, but there's a whole spectrum
10 between surrender and re-license, or it could be re-licensed
11 but surrender one of the projects. It could be re-license
12 and all the projects continue to operate as they do now. It
13 could be surrender all the projects. I mean, we're kind of
14 at the cusp of this five year conversation, which I know it
15 seems like a long time, but five years goes really fast.

16 So, the whole point again, of this meeting, is
17 that everyone who wants to be a part of the conversation is
18 concerned about these various scenarios, that you stay
19 involved as we keep evolving the conversation, because right
20 now we're not talking about decommissioning, but again. We
21 have an agency meeting tomorrow. Someone could bring it up.
22 Someone could bring it up after Otter Tail does studies.
23 Well, based on these studies, now that we see more
24 information, we're changing our recommendations. The
25 project proposal and information evolves with each step of

1 the process, and that's why it's kind of hard to answer
2 conclusions, statements or anything now because we don't
3 even know. Does that make sense?

4 MR. GEISER: Yes, I'm just trying to get a feel
5 for the process.

6 MS. MURRAY: Yes, like where --

7 MR. GEISER: And then, let's say it takes a
8 certain direction, I assume from what you just said that you
9 have a chance to voice your opinion.

10 MS. MURRAY: Yes. Yes, there are several steps,
11 there are several points in the process where we are asking
12 for comment. And even if it's not quote, unquote, we keep
13 pointing to the process plan out on the table, I think
14 everyone should take so you know the steps, even if it's not
15 a line item, you know, comments due, October 1st, we're
16 still accepting comments all through the process. So, you
17 can still file at any time. If it's in the middle of study
18 season and something happens, or you can file comments.

19 You have Patrick's information and I brought
20 business cards..well, we'll give you Chelsea's information,
21 too. We all have our numbers and want to be readily
22 available. Pick up the phone. Email us. Literally, it's
23 not an automated phone call. We are at the end of those
24 numbers. So, we want, rather than, rather than focus on
25 hearsay and what's going on, please call us directly. It is

1 going to keep changing and we don't want anyone to feel left
2 in the dark like they didn't know what was going on. You
3 may not like the conversation as it goes but at least you
4 will know the latest; you'll be a part of it. I could keep
5 talking but we want to go home at some point.

6 MR. JACOBSON: I think Tom Geiser has expressed
7 my concerns very well this evening, so no need to be
8 redundant and repeat all the things that he's already
9 stated. Thank you.

10 MR. ELY: Is there anyone else on the list?

11 MS. HUDOCK: There is no one else on the list,
12 but we have other comments.

13 MR. FULLHART: My name is Howard Fullhart. F U L
14 L H A R T. I'm both a property owner and am also with
15 Minnesota DNR, and I'll be here tomorrow with the agency so,
16 I mean just to put up, there hasn't been any formal
17 submission or anything like that, but just so everyone does
18 know the DNR will be requesting some form of fish passage
19 and then also, not just fish passage but for recreational
20 use, you know, that would mean portages and you know, just
21 so people don't hear, it's not, if something isn't on the
22 table, we want to be as transparent as possible, too. That
23 this is some, we're going to be requesting at Otter Tail
24 Power, so this is something too that we have to work with
25 Otter Tail Power to try to incorporate it in if it works

1 into their plan but if it doesn't either, that's out there.
2 But, see you guys are aware, general public, that that's
3 something we will be requesting as part of the natural
4 resources.

5 MS. JOSEFSON: Multiple hats, and some questions
6 that go along with those. I'm a citizen of the community
7 and like it to look nice. We know that Otter Tail has said
8 that we're not requesting a decommission of any of the hydro
9 portions but the thermal portion of the Hoot Lake is going
10 to be changing. Don't know this, but my assumption as a
11 layperson would be that if you're not cooling something of
12 significant heat, you use water differently via that intake
13 as far as the quantity that you might need.

14 So I would be interested in what they accept as
15 the changes thermally at Hoot Lake to have on the quantity
16 going through and the flowage of those things. Then I'm
17 curious with the heavy rain season that we had, why the levy
18 is as low as it is and has all the leaves in it, would that
19 be expected to continue if flowage changes? And that is
20 also noticeable further down the river at the off spoke
21 beyond Union Avenue. There's a fair curve in the river
22 there. And that is exceptionally low right now.

23 Again, through the rainy season. That one
24 happens to capture me personally as far as where our
25 property abuts the river. So, those pieces are me as an

1 individual speaking. The next piece goes to me in a
2 capacity in the community, which is serving on a body that
3 looked at the opportunities for the master plan development
4 of the river flowing through the community for two miles,
5 and how that could be leveraged from an economic development
6 perspective.

7 In those discussions the potential of white water
8 rafting and all of those things came up in reference to the
9 fact that this revisiting of the dams was going to be taking
10 place. So, I'd welcome conversation with Otter Tail about
11 as lay people were talking about that in the process of the
12 master plan and economic development. Folks were saying,
13 gosh is there a way to create, almost like a fish ladder,
14 only instead of being a fish ladder, it's a people ladder
15 alongside the downtown dam. I have no idea if that's doable
16 or if it would be possible.

17 So, DNR's going to be putting dam changes and
18 fish ladders in the lake on the table, there is recreational
19 discussion and I don't know if DNR is bringing that to the
20 table. But it might be kind of nice for the citizens
21 tonight to talk about it outside of the agency setting.

22 MR. ELY: Can I just say that what you just said
23 is basically is a prime example of why we're here talking.
24 You brought up some very good points. Some issues that we
25 didn't talk about, but they seem very substantive and you

1 know, that could be something we would need to look into.

2 MR. GABRIELSON: Len Gabrielson. There was a dam
3 removed in my hometown of Appleton, probably ten, fifteen
4 years ago or so. I think Otter Tail Power -- did you guys
5 have anything to do with that? That dam was removed and the
6 river flowed through town where there was a nice park. It
7 is all a bunch of cattails. I know that the DNR probably
8 was involved, because I think there was a situation where
9 the dam was holding back fish.

10 The fishing is not, nothing there, all it is is a
11 bunch of cattails. They used to fish off that bridge on the
12 dam down there, young kids from the town. I think it's a
13 fine example of what could happen to this river.

14 MS. JOSEFSON: Another question that I have is,
15 so there's another presentation tomorrow, I knew that. But
16 that one has a DNR focus?

17 MS. MURRAY: No.

18 MS. HUDOCK: No.

19 MS. MURRAY: No. Do you want to? Go ahead.

20 MR. ELY: So, basically we're having the scope
21 meetings and we time them. And I apologize for interrupting
22 a man's dinner, we try to time them so that, you guys are at
23 work in the day, and you can have the opportunity to come
24 here after work and the morning meeting would be while
25 coming to this would be part of the DNR's job. But well,

1 during work hours they can do it, but it's not strictly an
2 agency meeting; I mean both of these are considered public
3 meetings. It's just, that's just kind of how it works out,
4 we didn't, we don't officially label them like that but
5 that's just kind of the way..

6 MS. JOSEFSON: So is the DNR folks are planning
7 to talk tomorrow, because most of us are working and we
8 can't hear what they have to say or why would that be?

9 MS. MURRAY: I'm going to answer that. One,
10 we're not the DNR so, I don't know. We don't want to speak
11 for the DNR. I will tell you the presentations are
12 identical. The presentation you saw tonight, hopefully not
13 with these many logistical issues, identical. So, I can't,
14 DNR could have come tonight, it is usual that the agencies
15 come during the day meetings but that doesn't mean you can't
16 come. Again, we realize most people don't work for agencies
17 are working, so they can't attend. The agency people are
18 usually traveling so they don't want to do the night
19 meetings, which is why we have a second day meeting.

20 I can't tell you what the DNR's going to say. I
21 can't tell you if it was strategic, I would like to think
22 not. But that also will have a transcript. So, nothing is
23 secret. Even though you won't be here in person, there is
24 going to be a transcript tomorrow. Mr. Hawkins is going to
25 join us tomorrow and he looks thrilled about it.

1 (Laughter)

2 MR. SWANSON: So we got in the DNR and any
3 agencies, any governing agencies, when it first went out for
4 the re-licensing, there were any agency, tribal, fish and
5 wildlife. We were asked, too, to provide any other groups
6 and organizations that were involved who would be interested
7 in this. So, there's a list of that.

8 So, those agencies groups, so we got an
9 invitation that basically said that there's a public one for
10 tonight and this morning they had a walk-around at the
11 sites, so there's one for the public tonight, and tomorrow
12 would be for the agencies. So, that's how we got it. It
13 wasn't that we scheduled it with anybody, we got an invite
14 that basically said, our time to attend is at 10 tomorrow.
15 So, that's how that happened.

16 MS. HUDOCK: You're at nine tomorrow.

17 MS. MURRAY: No. It's nine. It's nine. Let's be
18 clear. 9 a.m.in this room.

19 MR. SWANSON: I live one of them down in Dayton
20 Hollow, so I'm here to see what was going on.

21 MS. JOSEFSON: Well, you're saying it was a
22 separate invitation that said this was going to be our
23 meeting.

24 MR. SWANSON: Correct. But it also stated that
25 you could come at, there were two separate invitations.

1 MS. MURRAY: Let me be clear again, we didn't
2 send out invitations, there was a notice. And you're right.
3 We did specify, there's a public evening meeting tonight.
4 There is a public agency meeting tomorrow at nine. Again,
5 we call it an agency meeting because that's what it usually
6 entails but anyone is invited to come. And there's a
7 transcript.

8 I realize it doesn't look favorably on any one,
9 but what I'm trying to tell you, it's public. Anyone's
10 invited. I hope DNR shows up tomorrow; we don't even know
11 if they're coming tomorrow. I assume they are, but you
12 know. Anyone is welcome tomorrow. It just typically, in
13 general, at these project scoping meetings the agencies
14 usually come during the day. And it does have to do with
15 travel, budget, state budget, money. So, but if you're
16 available and want to come again tomorrow, please do.

17 Yes?

18 MR. PALMER: Gregg Palmer. So, I have a general
19 question now. These dams will eventually be decommissioned
20 whether it's one year, five years, fifty years or five-
21 hundred years, eventually, and possibly there will be
22 trouble with the structure. But even currently, most of the
23 reservoirs are very full of sediment. I'm wondering who
24 typically is responsible, whether it's in the near future or
25 the distant future, for that removal. Is it the power

1 company? Would the city be stuck with these, the state, the
2 feds? Where does that align here?

3 MS. MURRAY: That's a hard question to answer.
4 Right now this is a federal project. Otter Tail is the
5 licensee. So if there was an issue with the sediment that
6 FERC also agreed that there was an issue, then Otter Tail is
7 responsible for the reservoirs, the dam, any project
8 facility.

9 If at some point it's not a federal hydropower
10 project, then it depends on who owns it. I mean if it were
11 decommissioned I don't know the answer, because then it
12 probably isn't a federal project anymore. It could be a
13 state issue but because I'm not a state person, I don't
14 really know. I can tell you today , it is a federal
15 project. It is operating, and Otter Tail is the licensee.
16 Otter Tail is responsible for the maintenance and operation
17 of the project facilities and that includes project
18 reservoirs.

19 MS. JOSEFSON: I would just like to plant the
20 seed that one of my most exciting public experiences from a
21 governance perspective was sitting on the review committee
22 for the master plan for that two miles of Otter Tail River
23 going through the city. It was very capable teams of
24 diverse people with engineering and historical and all sorts
25 of things -- were addressing the opportunities present with

1 the river.

2 So, landowners care a whole lot, because this
3 city and this region has been defined by the reservoirs that
4 are part of the river. But the potential for this community
5 also from an economic development perspective, then
6 addressing that river is huge. And we really need to take a
7 damage, in my opinion, of this time frame when Otter Tail is
8 looking at its future and keeping the dams because they're
9 so critical to everybody. But then how do we think to the
10 point about the silt in the river and everything -- how do
11 we think about working with that property, real estate, from
12 an economic development perspective?

13 And it will be important as we're talking about
14 this to not end up at loggerheads with sections of this
15 community so that together we're figuring that out to keep a
16 critical employer and economic driver functioning with a
17 positive bottom line, and employment in the community and
18 driving even more activity in the community through the
19 process.

20 MR. DONAIS: My name is Shawn Donais. I live
21 just north of Diversion Dam on the Otter Tail River, and I
22 also wear lots of hats and the other hat that I do wear is
23 that I do work for DNR Power. Primarily my goal of coming
24 here this evening was to be on the river. I am an avid
25 river user. I like to paddle the river, and one of the

1 challenges I see with this room is as we've talked about
2 this is we're talking about five facilities here.

3 And I think some people might have some different
4 goals at each of those facilities they impact different
5 people and different things; and I wonder about the process
6 is, how do we address maybe some individual concerns at
7 those different facilities? Within the scope of the fact
8 that the process is talking about them all at once. That's
9 kind of one question, and I realize and I too being on the
10 DNR side, we are kind of at the places you guys are here,
11 too. We started talking about this back in June and we knew
12 the process was coming and there honestly isn't anything
13 else.

14 We're exploring, we're thankful we've got
15 multiple years to do this. Every question that gets asked
16 in our office by somebody, and it is just people like me --
17 I work for Parks and Trails so I've got the recreation hat
18 on it. And whether it's your public water access on Red
19 River Lake up there, which we give a thumbs up and we get
20 people out there in the water or it's canoeing and kayaking
21 down the river, we give the thumbs up because we want both
22 of those things to stay in play.

23 But we're talking about things recreation,
24 whatever it is, coming into Fergus Falls. I do the paddle
25 test out there and when I'm standing out there in the middle

1 of the river, people are yelling to me, "Is that all the
2 deeper it is out there?" And it's like yes, the entire
3 reservoir is six to seven feet deep. And when you ask about
4 vegetation, that's part of the reason why. So, we're
5 weighing all those things. We're exploring all those
6 things.

7 Just like you are. I am so happy to see so many
8 people here. I was worried this was going to be a meeting I
9 showed up for, like many public meetings and it would be me
10 and maybe one or two people that I knew. You know, Gregg
11 likes to use the river out there and those kinds of things,
12 too.

13 So I'll be quiet once you can address the general
14 question of how do we address maybe some individual
15 interests, especially like as we talk about Fergus Falls and
16 talk about that economic driver which really doesn't
17 necessarily effect any of the other operations, whether
18 there's different kinds of flavors to those things and what
19 could be right for one location maybe absolutely wrong for
20 another one. I know we've talked about that fish passage,
21 we already did an easy one. Diversion Dam, it was the right
22 thing to do. Otter Tail Power agreed, DNR agreed, it was
23 fairly low cost and now they go out there and do surveys and
24 they see sturgeon that can make it around that dam and have
25 more spawning area which I think most people would say, you

1 know it's not just bullheads, it's lots of positive things,
2 too. But I understand the bullhead concept, too. Because
3 we're really on a different side of things, so. It's
4 weighing the pros and cons which is what our agency will
5 also be doing throughout this process.

6 MR. ELY: I'll say as we move forward, most
7 likely, at least in the beginning, we're going to separate
8 as we analyze and separate out each project. But then
9 again, you know, they're linked so it's complex but if
10 there's links between the two then we will separate that.
11 We'll do our best to organize it per project because it
12 won't be, what for one dam is not going to be good for the
13 other.

14 So, we'll probably weigh the pros and cons of
15 each one and I'm sure we'll have the different people who
16 are living near the different developments. It's going to
17 force us into that. So we're likely to separate them out,
18 look at them each individually and then try to step back and
19 look at it as a whole.

20 MS. JOSEFSON: Yes.

21 MR. ELY: All right, does anybody else have any
22 comments or questions? And again, the sheets that we have
23 where you put your name on it and stuff, feel free to take
24 the back of it and write your thoughts, make sure we can
25 read it; but if you need another sheet, put your name on

1 that one, page 2. You'll also, once we get everything
2 settled for filing online. Once you get in the system it
3 will go smoothly. File all of your comments in word form,
4 typed up. So, but, for right now, yes, if you're, you know,
5 especially if you're feeling passionate right now, which I
6 see a lot of you are, take this time to write out your
7 thoughts and we're going to read all of them.

8 MS. HUDOCK: And since I didn't bring my business
9 cards, I'll just write my contact information right up here
10 so feel free to jot that down.

11 MR. ELY: So, if anybody else, does anybody else
12 have anything? Otherwise, I'm going to adjourn the meeting.
13 All right. Thank you for coming. I appreciate it. I look
14 forward to hearing your comments.

15 (Whereupon, at 7:37 p.m., the scoping meeting
16 concluded.)

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1 CERTIFICATE OF OFFICIAL REPORTER

2

3 This is to certify that the attached proceeding
4 before the FEDERAL ENERGY REGULATORY COMMISSION in the
5 Matter of:

6 Name of Proceeding:

7 OTTER TAIL RIVER HYDROELECTRIC PROJECT

8

9

10

11

12

13

14 Docket No.: 10853-021

15 Place: Fergus Falls, Minnesota

16 Date: August 30, 2016

17 were held as herein appears, and that this is the original
18 transcript thereof for the file of the Federal Energy
19 Regulatory Commission, and is a full correct transcription
20 of the proceedings.

21

22

23 Daniel Hawkins

24 Official Reporter

25