

1 APPEARANCES

2 Matt Buhyoff, Hearing Officer

3 Federal Energy Regulatory Commission

4

5 Frank Winchell

6 Federal Energy Regulatory Commission

7 Emily Carter

8 Federal Energy Regulatory Commission

9

10 Kenneth M. Robbins, Attorney

11 Mason, Robbins, Browning and Godwin

12 on behalf of Merced Irrigation District

13

14 James Lynch

15 HDR-Devine Tarbell and Associates, Inc.

16 Janet Bibby

17 Mariposa County

18

19 Mark Rowney

20 Mariposa Public Utility District

21 Mike Coffield

22 Mariposa County Water Agency Advisory Board

23

24 Dan Pope

25 Merced Irrigation District

1 APPEARANCES
2
3 Keith Nakatani
4 California Hydropower Reform Coalition
5
6 Lee Bergfeld
7 MBK Engineers
8 Michael McCarty, Attorney
9 Brickfield, Burchette, Ritts and Stone
10
11 Randell Anthony
12 Merced Irrigation District
13 Craig Anderson
14 NOAA Fisheries
15
16 Maureen McCory
17 San Joaquin Et Al
18 Erin Strange
19 National Marine Fisheries Service
20
21 Ken Jensen
22 Merced Flyfishing Club
23
24 Diana Westmoreland Pedrozo
25 Merced County Farm Bureau

1 APPEARANCES
2
3 Steve Nevare
4 Pacific Gas and Electric Company
5
6 Eloise Souders
7 Mason, Robbins, Browning and Godwin
8 Rick Jones
9 LDS
10
11 Paul Martinson (via teleconference)
12 American Whitewater
13 Steve Bose (via teleconference)
14 National Park Service
15
16 Cherise Reeves (via teleconference)
17 Lake Don Pedro Community Services District
18 Lydia Miller (via teleconference)
19 San Joaquin Raptor Rescue Center
20 Protect Our Water
21 Bill Hatch (via teleconference)
22 San Joaquin Valley Conservancy
23
24

1 APPEARANCES

2

3 Roger Wood

4 Jean Okuya

5 Merced County Farm Bureau

6 Will Hunter

7 Merced Irrigation District

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

	I N D E X	
		Page
1		
2		
3		
4	Proceedings	7
5	Opening Remarks	7
6	Overview	7
7		
8	Introductions	7,19
9	Project Description	15
10	Scoping Document Overview	17
11	Public Comment	27
12		
13	General Questions/Comments	38
14	Study Plan Development	39
15		
16		
17	Adjournment	46
18	Reporter's Certificate	47
19		
20		
21		
22		
23		
24		
25		

P R O C E E D I N G S

10:10 a.m.

HEARING OFFICER BUHYOFF: So, again, we're here for the scoping of the Merced River project. I'm here with FERC, the Federal Energy Regulatory Commission.

I'm just going to go through a short presentation. Some of this is intended for the public, so, you know, I may be going over a lot of what you know.

Again, we're an independent regulatory agency. We have a five-member commission appointed by the President, confirmed by the Senate. And the chairman is designated by the President.

We regulate all aspects or a lot of aspects of the power industry in America including hydroelectric projects.

Just kind of an outline of our hydropower program. We're with the licensing division and we take input from everyone including the stakeholders, the licensee, resource agencies, NGOs, public.

What we're doing here today is the integrated licensing process. A lot of you are

1 probably familiar with it. It was created in
2 2003. It's now the default process, so anyone
3 that files for a license or a relicense
4 automatically goes in the ILP unless they request
5 not to.

6 The idea for the ILP is that we get all
7 the issues out right in the beginning. And so we
8 work through them. And as you all know probably,
9 the ILP really speeds along. So there are really
10 defined dates for getting comments in and
11 established timeframes. So that's something to
12 pay attention to.

13 As you all know, NEPA scoping, we're
14 here to identify any potential environmental
15 effects, issues associated with the relicensing of
16 this project. And also to identify any
17 information that we're lacking and therefore make
18 up with the studies.

19 Specifically what are we talking about
20 here? We're going to talk about existing
21 conditions at the project. We're going to talk
22 about resource agencies, what the management
23 objectives are and how that all fits in. Any
24 study needs; and also we're going to talk about
25 the process plan.

1 This is a general overview of the ILP
2 process. Currently we're right there in the
3 second box on the top, which is scoping,
4 obviously.

5 The next stage is the study plan
6 development, and I know the Irrigation District's
7 already got a head start doing that.

8 We received the notice of intent and the
9 preapplication document from the Irrigation
10 District. And basically what that does is it
11 brings together all the information that's
12 reasonably available, and it provides a basis for
13 identifying those issues and study needs. So it's
14 the foundation of all our future NEPA documents.
15 Gives us a good head start on where to go.

16 Scoping are held pretty early here in
17 the ILP process. The purpose of the scoping is,
18 again, to identify significant issues for
19 analysis, identify the cumulative effective
20 resources, identify some alternatives for
21 analysis, and also issues and resources that we
22 don't need to focus our attention on.

23 The next step again is the study plan
24 development. MID has already done a pretty good
25 job of identifying, you know, areas which they

1 feel might need some extra study. And this
2 process will go on for a little while. And
3 there's a lot of revision.

4 For our own purposes, and this is
5 something to pay attention to, especially for
6 those, everyone has the option of requesting a
7 study. Our only stipulation is that if you do
8 request a study, that they follow these seven
9 criteria.

10 I have handouts regarding this. Also
11 it's in our regulations. But that's something to
12 pay attention to. If and when we confirm studies
13 we'll take a look at these criteria.

14 The next step is actually doing the
15 studies. Studies typically take about one to two
16 years. And the applicant will file a study report
17 after every season as an update to folks.

18 Right before the application the
19 applicant will file other job application or
20 preliminary study for -- excuse me, a preliminary
21 licensing proposal.

22 We review the application. We ask the
23 agencies for comments, recommendations and
24 conditions, some of which are mandatory. We'll
25 prepare an environmental document. Right now

1 we're planning a draft and final environmental
2 assessment for this relicensing.

3 And then finally we'll issue an order.
4 Typically the licenses last from 30 to 50 years.

5 Here's the initial schedule for this
6 licensing. Just a couple notable dates. Comments
7 and study requests are due on the 3rd of March.
8 MID will file a proposed study plan by the 17th of
9 April. Our final study plan determination comes
10 on the 14th of September.

11 And then first- and second-year studies
12 will be done this year hopefully, and next year.
13 And then the final two dates you know are floating
14 depending on exactly what happens.

15 MS. SPEAKER: Can I ask a quick
16 question?

17 HEARING OFFICER BUHYOFF: Yes.

18 MS. SPEAKER: -- lining up with the
19 information in your exec summary --

20 HEARING OFFICER BUHYOFF: Yeah, sorry.
21 We can just -- hold on a second. All right, I
22 just want to --

23 MS. SPEAKER: I'm sorry, never mind. If
24 you're not taking questions, that's fine.

25 HEARING OFFICER BUHYOFF: Yeah, that's

1 okay. I'll address that in a second.

2 Just some participation tips on the ILP.

3 It's a fairly new process, but we're starting to
4 have enough projects where we've identified some
5 good and bad things the folks can do to help out.

6 You know, specifically it's good to just
7 get involved early, stay involved. Familiar
8 yourselves with the process steps and specifically
9 the timelines.

10 If you guys haven't discovered the
11 internet, efilings and esubscription service that
12 we have, it's really handy. It's a way -- it'll
13 email you whenever any issuances or filings come
14 up regarding this project. And I have a couple
15 handouts there on the table that describe exactly
16 how to get into that.

17 And then the next step, it sounds silly,
18 but it's really just patience and communication,
19 like anything. Relicenses can be complex issues
20 and it just helps if everyone keeps a positive
21 attitude.

22 Something that we've really been focused
23 on lately is to minimize -- licensing plans. In a
24 license application we want any plans like water
25 quality monitoring, recreation, to be very

1 detailed. So, that leads to something that's very
2 implementable. So that's something to keep in
3 mind.

4 So the agenda for the rest of the
5 meeting, let me introduce the FERC Staff really
6 quick. Emily Carter is going to be looking at
7 terrestrial resources and land use for this
8 project.

9 Frank Winchell is cultural resource
10 specialist. Jim Fargo is not here; is our
11 engineer. Some of you may have worked with him
12 already. And Shana Murray is our recreation
13 specialist. And she'll be here tomorrow on the
14 site visit. She's at another project currently.

15 Next we'll have Jim Lynch give a
16 description of the project. After that we'll go
17 ahead and give a rundown of our scoping document;
18 elucidate what issues we've identified so far.
19 And then hopefully get some of your input. And
20 discussion of other issues.

21 Now, something I do want to remind you
22 of is we have a court reporter. If you want your
23 comments or questions to be on the record, she's
24 asking that we try to speak into the microphone.
25 So it may be a little bit troublesome, but that's

1 just something that we're going to have to work
2 with today.

3 Yes?

4 MR. ROBINS: I'm Ken Robins with Merced
5 Irrigation District and I just want to put a
6 couple things on the record.

7 HEARING OFFICER BUHYOFF: Yeah, go
8 ahead.

9 MR. SPEAKER: Are you planning to do
10 introductions? It would be nice to know who's in
11 the room.

12 HEARING OFFICER BUHYOFF: Yeah,
13 absolutely, we can run through that.

14 (Pause.)

15 MR. ROBBINS: The notices for today's
16 meetings the District believes were perfectly
17 correct and adequate. But what we came to know
18 that others thought maybe there was some confusion
19 because of prior meetings that occurred at the
20 county courthouse.

21 HEARING OFFICER BUHYOFF: Um-hum.

22 MR. ROBBINS: So, MID posted a diverter
23 there, a person to send folks here in case there
24 was any confusion. I just want to make sure we
25 get all of that on the record. Maybe some folks

1 that are drifting in now are coming from that
2 location.

3 HEARING OFFICER BUHYOFF: Okay. And we
4 will go ahead and do introductions. We'll just
5 save it till after the presentation by MID before
6 we kind of begin our discussion of the scoping
7 document and scoping issues.

8 So, again I want to thank everyone.
9 I'll introduce Jim Lynch now, and he can go ahead
10 and tell us about this project.

11 MR. LYNCH: My name is Jim Lynch. I'm
12 with HDR DTA, and apologize for my back to you.
13 Some of you have seen this presentation before, so
14 I'll flip through it. If you have any questions I
15 think you might want to wait until the end.

16 The owner and operator of the project is
17 Merced Irrigation District that also held the
18 initial license to the project.

19 The project's on the main stem of the
20 Merced River in Mariposa County. Some of the area
21 within the FERC project boundary's one public land
22 administered by BLM.

23 There's two developments, New Exchequer
24 and McSwain. Two major reservoirs, Lake McClure,
25 which is the major storage reservoir and McSwain

1 Reservoir which is a re-regulating reservoir.

2 Lake McClure discharges directly into
3 McSwain Reservoir; and McSwain Reservoir
4 discharges directly into PG&E's Merced Falls
5 Reservoir.

6 There's two powerhouses, New Exchequer
7 and McSwain. There's five recreation areas, one
8 at McSwain and four at Lake McClure. One of those
9 at Lake McClure is on BLM-administered land. And
10 this project doesn't have any water conduits or
11 transmission lines associated with it.

12 There's a large map at the front of the
13 room. This is also on the relicensing website
14 which is www.merced-relicensing.com where you can
15 find this information, as well as this
16 presentation. We'll post this up there on today's
17 event calendar.

18 There's some pictures that I'll just go
19 through really quick. McClure has a storage of
20 about a million acrefeet; surface area of about
21 7000 acres. It's maximum water surface elevation
22 is 867 feet.

23 This picture is just showing the layout.
24 It shows where the dam is located, the spillway
25 and the dike.

1 This is a picture of the spillway which
2 has a capacity of 375,000 cfs including the
3 ungated portion.

4 This is a picture showing the downstream
5 area. This is the area where the powerhouse is.
6 And you can see the dam here. And the project
7 complex we'll be visiting tomorrow, if you come to
8 the site visit, is right in this area. This is
9 McSwain Reservoir, the upstream end of McSwain
10 Reservoir.

11 This project, the new Exchequer Dam was
12 built on the location of an old Exchequer Dam and
13 powerhouse. The old dam had a storage capacity of
14 about 281,000 acrefeet. And it is an integral
15 part of the new Exchequer Dam, in that it's on the
16 upstream face of the new Exchequer Dam.

17 At low water, which you may be able to
18 see it now, you can actually see the very top of
19 the old dam. The old Exchequer powerhouse had a
20 capacity of about 34 megawatts.

21 This is a picture showing the downstream
22 face of new Exchequer Dam and the powerhouse.
23 This is McSwain Reservoir down here.

24 The dam's 490 feet high. It has a crest
25 elevation of 879 feet. The new Exchequer

1 powerhouse has a capacity of about 95 megawatts.

2 This is a picture of the downstream end
3 of McSwain Reservoir which has a capacity of about
4 9700 acrefeet. Again, this is a re-regulating
5 reservoir. It doesn't fluctuate very much, maybe
6 about seven feet, at any time. Obviously Lake
7 McClure is a storage reservoir just as a gradual
8 drawdown over the course of the year.

9 The drainage area is about 1000 square
10 miles upstream of McSwain. McSwain Dam is the
11 most downstream end of the project facilities. It
12 has a surface area of about 310 acrefeet. You can
13 also see the recreation area here that's on
14 McSwain Reservoir. And the spillway's over here,
15 an ungated spillway.

16 This is PG&E's Merced Falls Reservoir
17 that we release water into from the McSwain
18 powerhouse. This is another picture of that.

19 This is the McSwain powerhouse. It has
20 a capacity of about 9 megawatts. And this is
21 PG&E's Merced Falls Reservoir.

22 The project operations. Basically this
23 project is first operated to meet all safety
24 concerns, all FERC license conditions, flood
25 control requirements, which are important for this

1 project because it's one of the lower elevation
2 reservoirs in the Sierra foothills. And also all
3 appurtenance agreements and contracts. Lake
4 McClure, as I said, is used primarily for storage.
5 And McSwain Reservoir is re-regulating.

6 McSwain is basically run-of-the-river,
7 where new Exchequer is a peaking facility.

8 That's it.

9 HEARING OFFICER BUHYOFF: Okay. Thank
10 you, Jim.

11 MR. LYNCH: You're welcome.

12 HEARING OFFICER BUHYOFF: Next I'd like
13 to just maybe go around the room. The court
14 reporter may not get all the names and that's
15 fine.

16 THE REPORTER: No, I have to.

17 HEARING OFFICER BUHYOFF: Okay. But,
18 again, my name is Matt Buhyoff; I'm coordinating
19 the project. I'm also taking a look at the
20 aquatic and water resources. I'm a fisheries
21 biologist by trade.

22 So maybe we can start on this side of
23 the room and just go around and get your name and
24 who you're affiliated with.

25 MS. BIBBY: Janet Bibby, Mariposa

1 County.

2 MR. ROWNEY: I'm Mark Rowney from
3 Mariposa Public Utility District, and I'm working
4 with Mariposa County on some of the FERC licensing
5 issues.

6 MR. COFFIELD: Mike Coffield; I'm with
7 the Mariposa County Water Agency Advisory Board.

8 MR. POPE: Dan Pope with Merced
9 Irrigation District.

10 MR. NAKATANI: Keith Nakatani,
11 California Hydropower Reform Coalition.

12 MR. BERGFELD: Lee Bergfeld with MBK
13 Engineers working as part of the relicensing team
14 for Merced Irrigation District.

15 MR. LYNCH: Jim Lynch with HDR DTA.

16 MR. ROBBINS: Ken Robbins; I'm the
17 General Counsel to Merced Irrigation District.

18 MR. McCARTY: I'm Michael McCarty with
19 Brickfield, Burchette, Ritts and Stone, a lawfirm
20 in Washington. We are part of the licensing team
21 and assist the District with its regulatory
22 compliance and licensing issues.

23 MR. ANTHONY: I'm Randy Anthony with
24 Merced Irrigation District; I'm the hydroelectric
25 Project Manager.

1 MR. ANDERSON: I'm Craig Anderson, a
2 hydrologist with NOAA Fisheries.

3 MS. McCORY: I'm Maureen McCory, San
4 Joaquin Et Al. We work on land issues in Merced
5 County and other counties. Thank you.

6 MS. STRANGE: Erin Strange, National
7 Marine Fisheries Service.

8 MR. JENSEN: Ken Jensen with Merced
9 Flyfishing Club.

10 MS. WESTMORELAND PEDROZO: Diana
11 Westmoreland Pedrozo, Executive Director of the
12 Merced County Farm Bureau.

13 MR. NEVARE: Steve Nevare, PG&E. I'm
14 PG&E's Project Manager for the relicensing of our
15 Merced Falls project immediately downstream of
16 MID's project.

17 MS. SOUDERS: Eloise Souders; I'm Ken
18 Robbins' law clerk.

19 MR. JONES: I'm Rick Jones with LDS. I
20 represent property owners in the area.

21 HEARING OFFICER BUHYOFF: Okay. I
22 believe there are also some folks that have joined
23 us on the phone. Could you state your names?

24 MR. MARTINSON: This is Paul Martinson
25 with American Whitewater. I'm calling in from

1 Fresno.

2 MR. BOSE: Steve Bose, National Park
3 Service.

4 MS. REEVES: Cherise Reeves, Lake Don
5 Pedro Community Services District.

6 MS. MILLER: Lydia Miller, San Joaquin
7 Raptor Rescue Center, Protect Our Water.

8 MR. HATCH: Bill Hatch, San Joaquin
9 Valley Conservancy.

10 HEARING OFFICER BUHYOFF: Okay, I
11 believe that's everyone.

12 MR. SPEAKER: Matt.

13 HEARING OFFICER BUHYOFF: Actually could
14 you -- all right.

15 MR. WOOD: I don't think this is worth
16 the trouble. My name's Roger Wood; I'm just a
17 retired farmer.

18 MS. OKUYA: Jean Okuya, Merced County
19 Farm Bureau.

20 MR. HUNTER: Will Hunter, Merced
21 Irrigation District.

22 HEARING OFFICER BUHYOFF: Okay, thanks,
23 everyone, for being patient. I'm going to go
24 ahead and set this mike over here.

25 Okay, we're just going to go ahead and

1 run through our scoping document. Again, the
2 purpose of this meeting is really to take a look
3 at what we've issued, to get some ideas, you know,
4 from everyone, see what we're missing, get some
5 input. And then we can talk a little bit about
6 the next stage, which is study plan development.

7 So, I think I'm going to go ahead and
8 just go through line-by-line what we've identified
9 so far. And then we can go back and revisit each
10 issue and, you know, have a discussion about that.

11 So, I'll just quickly note that for
12 cumulative effects, geographic and temporal scope,
13 we haven't identified those issues yet. So that's
14 something that we're certainly looking for the
15 local experts to give us an idea on what
16 cumulative resources might be affected. Also, the
17 geographic scope and so on and so forth.

18 So, I'll start in on the resource
19 issues. For geology and soil resources, we
20 identified the effects of the potential project
21 construction on the original soils.

22 For water resources the effects of
23 project construction and operation, and
24 maintenance on water quality, including
25 temperature in Lake McClure, McSwain Reservoir and

1 Merced River.

2 The effects of project construction,
3 operation and maintenance upon instream flow and
4 water quality in the Merced River.

5 Contamination of water resources via the
6 release of petroleum products or other volatile
7 organic chemicals as a result of construction and
8 operation of the project.

9 Aquatic resources, the entrainment of
10 fish into the project's intake structures. The
11 effect of proposed construction and operation,
12 environmental measures and project-related human
13 disturbance on the available aquatic habitat,
14 including spawning habitat. The effects of
15 project operations and maintenance upon habitat
16 fragmentation.

17 MS. CARTER: For terrestrial resources,
18 I'll go ahead and go over those, we identified the
19 effects of project operations and facilities on
20 botanical species and wildlife species and
21 habitat.

22 Effects of project operations and
23 maintenance on the presence, establishment and
24 spread of noxious weeds and invasive plants.

25 Effects of the project on extent and

1 quality of riparian habitat and the plan -- and
2 upland wetlands from and including Lake McClure to
3 the Crocker-Huffman diversion dam.

4 The effects of project operations and
5 facilities on raptors; and the effects of project
6 operations on wetland, riparian and littoral
7 vegetation community types around project
8 facilities and reservoirs.

9 For threatened and endangered species we
10 identified the effects of project operations on
11 wildlife and botanical species listed as rare,
12 threatened, endangered or special status species
13 on federal or state lists.

14 And the effects of project operations on
15 aquatic and amphibious species listed as rare,
16 threatened, endangered or special status.

17 For cultural resources we identified
18 adequacy of existing public recreation access to
19 facilities and the effects of project operations
20 on recreational opportunities within the project
21 boundary. The ability of the existing
22 recreational facilities including accessible
23 features facilities to meet current and future
24 recreational demands. And the effects of project
25 operations on the quality and availability of

1 water-based recreation opportunities including
2 boating, angling and swimming.

3 DR. WINCHELL: Okay. Frank Winchell,
4 FERC. For cultural resources effects of project
5 operations or changes in project operation or
6 facilities on historic or archeological resources
7 that are eligible for listing in the National
8 Register of Historic Places.

9 And I guess I'm going to cover also
10 geology and soils.

11 HEARING OFFICER BUHYOFF: I already did
12 that.

13 DR. WINCHELL: Oh, I'm sorry.

14 HEARING OFFICER BUHYOFF: Next page.

15 MS. CARTER: And then for aesthetic and
16 land use resources we identified the effects of
17 project operations including maintenance
18 activities, construction debris and garbage, and
19 invasive species on aesthetic resources within the
20 project area.

21 Effects of project facilities,
22 transmission lines, maintenance and reservoir
23 operations on the aesthetic quality of the
24 reservoir. Effectiveness of existing land use
25 plans to establish or maintain compatibility

1 between and among various land and water uses at
2 the project. And the effects of project
3 activities on the Merced Wild and Scenic River.

4 HEARING OFFICER BUHYOFF: Okay. So I'd
5 like to again maybe just go back and revisit each
6 of the categories. Get, you know, anyone's
7 comments. Again, we're just looking for input.
8 And I'd like to remind you again if you'd like to
9 speak just raise your hand and maybe someone could
10 pass a microphone, and I can assist with that.

11 So, first we'll look at geology and soil
12 resources. Any comments or inclusions, deletions
13 regarding geology and soil resources?

14 Okay, hearing none, we'll move to water
15 resources. Same question posed to the group.
16 And, again, I remind you that obviously everyone
17 has an opportunity to file also with FERC your
18 comments regarding the scoping document. But we
19 do have a court reporter here, so if you'd -- yes,
20 would you pass the mike down.

21 Okay.

22 MS. STRANGE: I just have a kind of a
23 general question. It looks like the effects that
24 you've identified in the scoping document don't
25 necessarily match with the impacts that are

1 identified in the PAD.

2 So, I guess my question is are the
3 impacts that are identified in the PAD
4 automatically going to be included in your effects
5 analysis or --

6 HEARING OFFICER BUHYOFF: Well, not
7 necessarily. I mean the scoping issues are
8 supposed to be generally pretty broad. So if you
9 feel like we -- I mean we should have covered
10 those issues that are in the PAD. However, if you
11 feel like one of our bullets doesn't quite cover
12 that issue close enough then that's something that
13 we definitely need to know.

14 MS. STRANGE: Okay, so under geology and
15 soil resources in the PAD it talks about effects
16 to geomorphic processes. And sediment storage and
17 transport, including downstream of Crocker-Huffman
18 impoundment.

19 So I don't think that's covered by your
20 bullet --

21 HEARING OFFICER BUHYOFF: Okay.

22 MS. STRANGE: -- under geology. Erin
23 Strange, National Marine Fisheries Service.

24 HEARING OFFICER BUHYOFF: Okay, thank
25 you. Okay, I guess we can move to aquatic

1 resources. Again, this generally covers all
2 organisms, amphibious or aquatic. Any scoping
3 issues, deletions, additions, something that
4 should be included in our NEPA document?

5 Yes.

6 MS. WESTMORELAND-PEDROZO: Diana
7 Westmoreland-Pedrozo, Executive Director, Merced
8 County Farm Bureau.

9 I'm new to this process and I will plead
10 ignorant. But when we're talking about water
11 resources I don't see anything here where it talks
12 about the importance of keeping our water to grow
13 our food here in our district. So, where does
14 that fit? Where do I get to tell you about the \$3
15 billion industry here in our county that is
16 dependent upon surface water?

17 HEARING OFFICER BUHYOFF: Right, sure.
18 I mean if -- obviously we can add, as a scoping
19 issue, the availability of water for agriculture.

20 MS. WESTMORELAND-PEDROZO: I would call
21 it for to grow your food. I wouldn't just call it
22 agriculture. I would call it to grow your food.

23 HEARING OFFICER BUHYOFF: Okay.

24 MS. WESTMORELAND-PEDROZO: It's your
25 food supply. And we firmly believe at the Farm

1 Bureau that this is a matter of national security,
2 to be able to have a safe domestic food supply.

3 And Merced County ranks number five in
4 agricultural production in the state. I believe
5 it's sixth in the nation. And here in the San
6 Joaquin Valley we are seeing the effects of no
7 irrigation water on the west side of our valley.
8 They're talking about an 85 percent cut.

9 It's going to talk probably millions, if
10 not billions, of dollars of impacts up and down
11 the valley with no water, with no jobs to support
12 the infrastructure that is here.

13 In particular, in our region,
14 Livingston, in -- and I can point it out here.
15 This is Livingston, this area right in here,
16 Livingston, Atwater, Winton is a prime sweet
17 potato growing region, which is worth probably
18 somewhere about \$133 million, just in that one
19 crop in that one region, all reliant upon Merced
20 Irrigation District surface water for the crops.

21 So, that's one prime example. And the
22 surface water that we get off of -- well, from
23 Merced Irrigation District's supply is essential
24 for the recharge of our underground aquifers.

25 So it is a very important aspect, and I

1 don't know how you want to put it in there. I can
2 give you all sorts of data and information about
3 it.

4 But we really need to be looking at
5 maintaining the supply of water that is currently
6 supplying our ag operations. It's essential for
7 the many processing plants that are here, packing
8 sheds.

9 And the impact, you talk about \$3
10 billion worth of value to our ag products for the
11 county. You can step on that three, four times to
12 talk about the \$9 to \$12 billion impact, just
13 alone in our county, that agricultural production
14 has.

15 So I don't think that that can be --
16 it's nowhere in any of the documentations that I
17 saw. But I didn't read the whole --

18 HEARING OFFICER BUHYOFF: Well, --

19 MS. CARTER: It is something that would
20 be addressed slightly -- or in somewhat under
21 water resources and water quantity, but also in
22 land uses, with the farmland being one of the
23 major land uses in the project area.

24 And so it's not specifically listed in
25 one of those bullets, but it was encompassed by

1 that bullet about how the project will affect land
2 uses.

3 But we'll take your comment back and
4 revise the bullets as necessary to make sure that
5 it's addressed.

6 MS. WESTMORELAND-PEDROZO: In today's
7 economic world we'd better take stock of the
8 ability to feed ourselves and not to be dependent
9 on foreign nations for our food, like we are our
10 oil and our energy.

11 HEARING OFFICER BUHYOFF: Okay, thank
12 you.

13 Okay, anyone else -- excuse me. Can we
14 get a mike --

15 MR. COFFIELD: Thanks. I want to back
16 up just a little bit, Matt.

17 HEARING OFFICER BUHYOFF: Sure.

18 MR. COFFIELD: Under cumulative impacts
19 there's a sentence that troubles me. It says --
20 we're back in 4.1.

21 HEARING OFFICER BUHYOFF: Okay.

22 MR. COFFIELD: That second paragraph,
23 based on information in the PAD, agency comments,
24 and preliminary staff analysis, we've not
25 identified any resources as potentially

1 cumulatively affected by the operation and
2 maintenance.

3 And then you go through subsets of the
4 general where you talk about lots of cumulative
5 impacts.

6 HEARING OFFICER BUHYOFF: Um-hum.

7 MR. COFFIELD: So, to me that's a
8 misleading -- that full paragraph could be
9 deleted, it seems to me, because everything down
10 below talks about the very thing that you said you
11 haven't identified any.

12 So, --

13 HEARING OFFICER BUHYOFF: Okay.

14 MR. COFFIELD: -- it's kind of a
15 misleading statement to me. And it blew my dress
16 up when I read it, and then I got down below it
17 and well, gee, there's lots of cumulative impacts
18 discussed specifically.

19 So, I'd suggest taking that comment out
20 of the general --

21 HEARING OFFICER BUHYOFF: Okay, we'll
22 take that.

23 MR. COFFIELD: Okay?

24 HEARING OFFICER BUHYOFF: Thanks.

25 MR. COFFIELD: Thanks.

1 HEARING OFFICER BUHYOFF: Okay, we'll go
2 ahead and move on to terrestrial resources. If
3 anyone has any comments relating to botanical
4 species, wildlife, anything like that. And,
5 again, what we may have missed, or what we need to
6 add, always helpful.

7 All right. I'll just keep moving on
8 and, you know, stop me if anyone has anything they
9 want to discuss before then.

10 Threatened and endangered species.
11 Again, we're trying to keep the scoping bullets
12 pretty broad. So we hope to accomplish, you know,
13 any issue that could arise, but if there's
14 something that we may have missed, that's why
15 we're here.

16 All right. Recreation resources. Yes.

17 MR. ROWNEY: Yeah, again, Mark Rowney
18 from Mariposa Public Utility District and Mariposa
19 County.

20 And under recreational resources, we had
21 made some comments on the PAD for MID. They were
22 late comments. They got them pretty much after
23 they'd already gone to print for the PADs. They
24 don't really show up in there.

25 But they did address, briefly describe

1 under their recreational resources, Mariposa
2 County provides general services -- the whole
3 project is located in Mariposa County. So the
4 Mariposa County provides a lot of general
5 services, environmental health, primarily the
6 sheriff service is what's impacted. And we'll be
7 looking forward to working on their studies with
8 them on those impacts, and mostly the cost. And
9 it is backfilled a little bit by the state boating
10 safety program, but not completely.

11 So, we want to work all that out. But
12 we wanted to -- we're going to make written
13 comments anyway --

14 HEARING OFFICER BUHYOFF: Sure.

15 MR. ROWNEY: -- on your scoping document
16 to include that. But that's where it's going to
17 show up just because that's where they're geared
18 to take care of it.

19 And I think that's it.

20 HEARING OFFICER BUHYOFF: Okay. Thank
21 you very much for the heads up.

22 We'll move on to cultural resources.
23 Hearing none. Aesthetic and land use resources.
24 Okay. This is going pretty fast.

25 Developmental resources, that is the

1 effects of any of the project's operations and
2 maintenance on economics and so on.

3 MS. CARTER: And including
4 socioeconomics.

5 MS. WESTMORELAND-PEDROZO: (inaudible).

6 MS. CARTER: Um-hum. Which also would
7 encompass some of your concerns, that would go
8 into that section, as well.

9 MS. WESTMORELAND-PEDROZO: Diana
10 Westmoreland-Pedrozo. So both the socioeconomic
11 impacts under land use and under development
12 resources?

13 MS. CARTER: Yes. Right. So, your
14 concerns that you brought up earlier would also be
15 addressed under the developmental analysis,
16 socioeconomic aspect, um-hum.

17 MS. WESTMORELAND-PEDROZO: And I, you
18 know, -- cultural resources we have several
19 different farming communities, cultural farming
20 communities. The Japanese community specifically
21 in Livingston that was a long time established.

22 We have a Mennonite community in the
23 same region, Atwater and Livingston, that are
24 predominately farming. And those Mennonites do
25 not vote, they do not do public process. But they

1 are predominately in the agricultural world. And
2 those should be taken a look at as far as the
3 impacts on our cultural agricultural
4 socioeconomic.

5 MR. POPE: Dan Pope with --

6 HEARING OFFICER BUHYOFF: If I could
7 just follow up on that for cultural resources.
8 Basically I think for most of that developmental
9 activity involving the community development,
10 that'd be under -- that'd be taken care of
11 socioeconomic resources.

12 And the reasoning behind that is that
13 for cultural we're basically looking at specific
14 kinds of properties that could be affected by the
15 project. For example, the effects of erosion
16 along the shoreline.

17 Now, we'd certainly like to know if
18 there are cultural resource properties that would
19 be located within the project boundary that could
20 be related to Japanese activities or other kind of
21 farming activities that would represent these
22 other social groups.

23 MR. POPE: Dan Pope with the Merced
24 Irrigation District. Just along the lines of
25 looking at the effects of PM&Es on developmental

1 resources, making sure that the community effects
2 we look at for the loss of any water supply to our
3 growers and other constituents in the district,
4 what impacts economically those might have on any
5 changes to what we currently have right now from
6 the project.

7 HEARING OFFICER BUHYOFF: Okay, thank
8 you very much. Well, we've covered pretty much
9 all of our scoping bullet points. And, again,
10 obviously you guys know that you have an
11 opportunity to file with us specific comments that
12 you have. But that, you know, it helps just
13 getting the minds together and figuring out, you
14 know, what we missed and what we need to look at
15 more carefully.

16 Before we move on to talk about study
17 plan development, I was just wondering if anyone
18 has any general questions about, you know, the
19 FERC process or anything.

20 MR. NAKATANI: Keith Nakatani,
21 California Hydropower Reform Coalition. This is a
22 broader issue and I don't know if it should be
23 encompassed within the scoping meeting. The issue
24 is one of jurisdiction in the Merced Falls and
25 where would -- could you let me know if there are

1 any discussions about coordinating the two
2 projects --

3 HEARING OFFICER BUHYOFF: Sure.

4 MR. NAKATANI: -- same time limits?

5 HEARING OFFICER BUHYOFF: Yeah, I
6 apologize. I meant to mention that earlier.
7 Right now what we're planning on doing is
8 environmentally speaking it's difficult to
9 displace both projects.

10 So, what we're planning on doing is
11 doing a single NEPA document for both projects.
12 The Merced Falls PG&E project will have their own
13 scoping and site visit and so on and so forth.

14 So, for the time being the two processes
15 will be separate. At some point we'll, you know,
16 join the two for the NEPA document, itself. Just
17 because I think that makes the most sense.

18 So, yes, --

19 MR. NAKATANI: When you say at some
20 point, do you have a rough estimate of timeframe?

21 HEARING OFFICER BUHYOFF: Probably be
22 around the application filing for both.

23 Anyone else have any questions?

24 Okay, I'd like to just, we'll discuss
25 briefly study plan development. And, again, you

1 know, Jim or anyone from MID can speak up.

2 Because I know a lot of folks have already been
3 involved in starting to get some study plans on
4 the board.

5 MID has identified some areas where, you
6 know, that are need for studies. And I know, you
7 know, there's been a lot of involvement already.
8 But, again, it's also anyone's prerogative to
9 request a study if they really feel like there's
10 something that's not being addressed.

11 I mentioned earlier that there are seven
12 criteria that we use when determining if a study
13 is needed. It should also be noted that it is our
14 NEPA document, and so we have the final
15 determination on what studies we believe are
16 necessary.

17 So, it's important to take a look at
18 those criteria to determine exactly, you know, why
19 we search for information and how we make decision
20 on that information.

21 And if you have any other questions, you
22 know, feel free to talk to me afterwards. Or if
23 you have any questions right now.

24 But, basically on March the 3rd your
25 comments on both the scoping document, and also

1 any study request that you may have, those are
2 due. So, again, I just stress that date because
3 that's very important.

4 You can file those electronically or you
5 can mail them. The instructions for that are -- I
6 have handouts, brochures, on the table there. You
7 can also get ahold of me, I have cards up here at
8 the table, if you have any questions on how to do
9 so.

10 So that's the next phase in the project.
11 I don't know if, Jim, you want to address anything
12 regarding your study plan development?

13 MR. LYNCH: If I could, yeah.

14 HEARING OFFICER BUHYOFF: Absolutely.

15 MR. LYNCH: Merced ID included in the
16 PAD 23 detailed study proposals. Those were
17 included as strawmen study proposals to assist in
18 facilitating discussion. They weren't included as
19 lines in concrete saying this is it. They were
20 put out there for the simple purpose of trying to
21 jump-start the discussion.

22 We've also scheduled a series of
23 meetings before the March 3rd filing with
24 relicensing participants and we prioritized the
25 studies, the order they wanted to look at them.

1 And also want to get through all of them before
2 the March 3rd date.

3 I believe we said that if we can get
4 agreement on some of them we would advise FERC of
5 that, if that happens. And also if some of those
6 studies do reach agreement and Merced ID has the
7 option of starting them this year, which would be
8 in advance of FERC's study determination.

9 We also intended to have a series of
10 some intense meetings following that to prepare
11 the proposed study plan and write through the
12 revised study plan.

13 So, for anyone who wants to participate
14 in those meetings we do have sites identified to
15 have all the meetings. They all are in Merced.
16 And there's a call-in number on the website, the
17 locations, and the order that they'd be discussed,
18 along with the studies.

19 MR. JENSEN: One of the meetings is
20 actually in Mariposa.

21 MR. LYNCH: Thank you, I forgot about
22 that. One meeting we've scheduled in Mariposa,
23 specifically at the request of the Mariposa
24 relicensing participants.

25 Also, say, on the relicensing website

1 we've posted in Word version all of the detailed
2 study proposals, so they are up there for anyone
3 to download and take a look at.

4 HEARING OFFICER BUHYOFF: Okay, so --
5 oh, sorry, we have a question.

6 MR. ANDERSON: Just got a quick
7 clarification. Do you require that comments on
8 this (inaudible) document in the PAD be filed
9 separately?

10 HEARING OFFICER BUHYOFF: Separately
11 from the study requests? Or --

12 MR. ANDERSON: Or -- well, there are two
13 separate documents, so the PAD and --

14 HEARING OFFICER BUHYOFF: Oh, excuse me.

15 MR. ANDERSON: Do you want those
16 specifically addressed to each --

17 HEARING OFFICER BUHYOFF: No, they don't
18 -- you can -- it can be a single document that
19 addresses both.

20 So, again, regarding studies, if you,
21 you know, haven't been involved yet, you know,
22 please get ahold of Jim and see, you know, exactly
23 what they've done regarding studies before you
24 file a study request with us because it's, you
25 know, certainly quite possible that they've

1 already gone a good ways in addressing whatever
2 concern you might have, so.

3 Yes, go ahead.

4 MR. LYNCH: It's also my understanding
5 that anyone who -- request would need to address
6 why the studies described in the PAD weren't
7 actually --

8 HEARING OFFICER BUHYOFF: Correct.

9 MR. LYNCH: -- (inaudible).

10 HEARING OFFICER BUHYOFF: And, again,
11 that goes back to the seven study criteria that I
12 was discussing.

13 As for right now I think that's pretty
14 much all that we have. If there are any other
15 questions for FERC or MID now's a good time to
16 ask. We'll have another scoping meeting this
17 evening. It's more intended for the public, but
18 obviously anyone is welcome to show up for that.

19 And so any other -- oh, and, yeah, I'm
20 sorry, we're also going to have a site visit
21 tomorrow. And I think Randy Anthony -- I'm sorry
22 one second --

23 MR. ANTHONY: For those of you -- well,
24 before we, I'll make sure there's no more
25 questions, I just want to get --

1 HEARING OFFICER BUHYOFF: Sure, yeah.

2 (Pause.)

3 MR. ANTHONY: For those of you that are
4 attending the site visit tomorrow, we're going to
5 convene at the entrance to the McSwain recreation
6 area and we'll divert you to a picnic area at that
7 point.

8 And just -- you follow J-59 -- does it
9 turn in -- does the -- or you can either take G
10 Street or 59, but you go through Snelling and then
11 follow the signs to McClure. Do not go to
12 LaGrange, do not go to Hornitos, and you'll wind
13 up at our gate and then we'll direct you from
14 there.

15 MR. LYNCH: I believe we have directions
16 on the website --

17 HEARING OFFICER BUHYOFF: 10:00, but
18 we'll start diverting people, you know, if they're
19 coming in early.

20 MR. LYNCH: I think we plan to leave
21 (inaudible).

22 MR. SPEAKER: You need to allow yourself
23 45 minutes to an hour to get there.

24 HEARING OFFICER BUHYOFF: Good point, 45
25 minutes to an hour; from this location a solid

1 hour.

2 MR. SPEAKER: There's (inaudible)?

3 HEARING OFFICER BUHYOFF: I'll go ahead,
4 unless no one has any objection, and adjourn the
5 meeting for the court reporter's sake.

6 (Whereupon, at 11:00 a.m., the meeting
7 was adjourned.)

8 --o0o--

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

CERTIFICATE OF REPORTER

I, DEBORAH L. BAKER, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing Federal Energy Regulatory Commission Meeting; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said meeting, nor in any way interested in outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 31st day of January, 2009.