

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

BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

-----X
IN THE MATTER OF:)
SCOPING DOCUMENT FOR)
KINZUA PUMPED STORAGE PROJECT)
(P-2280-013))
&)
SENECA PUMPED STORAGE PROJECT)
(P-13889-000))
-----X

Holiday Inn
210 Ludlow Street
Warren, Pennsylvania 16365

Wednesday, February 23, 2011
9:00 a.m.

1 PARTICIPANTS

2 GAYLORD HOISINGTON, FERC

3 JOHN SMITH, FERC

4 TIM LOONEY, FERC

5 KEITH BROOKS, Esquire, FERC

6 EMILY CARTER, FERC

7 JOHN MUDRE, FERC

8 TRACY PARKER, U.S. Forest Service

9 LOIS DEMARCO, Allegheny Forest

10 REBECCA BOWEN, Seneca Nation's Kinzua Dam Licensing

11 Commission MESGHINNA, NRCE

12 WOLD MESGHINNA, NRCE

13 JORDAN LANINI, NRCE

14 LANA REDEYE, Seneca Nation's Kinzua Dam Licensing

15 Commission

16 WENDY HUFF, Seneca Nation's Kinzua Dam Licensing

17 Commission

18 ROBERT PORTER, President, Seneca Nation

19 BRENDA DEEGHAN, Seneca Nation

20 DAVE KIMELBURG, Seneca Holdings

21 WILL MILLER, Seneca Nation

22 SHANE TITUS, Seneca Nation

23 LANA LEROY, Tribal Counselor

24 ARLENE BOVA, Tribal Counselor, Seneca Nation's

25 Kinzua Dam Licensing Commission

1 JAY MAHER, Kleinschmidt Associates
2 LAURA COWAN, Kleinschmidt Associates
3 KATHY KONIECZNY, Winston and Strawn
4 MORGAN PARKE, Esquire, First Energy Service Company
5 TOM GROFF, Kinzua Pump Station Plant

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24 REPORTED BY:

25 CHARLES D. HOFFMAN

1 PROCEEDINGS

2 (9:09 a.m.)

3 MR. HOISINGTON: Good morning. A lot of
4 people may be familiar with this process and who I
5 am and what's going on. But for anyone who's not,
6 my name is Gaylord Hoisington, and I'm here from the
7 Federal Energy Regulatory Commission, from the
8 Office of Energy Projects. And in the Office of
9 Energy Projects, we license new licenses, new
10 applications and relicenses of projects that are
11 already operating, that come up for relicense.
12 That's what we do in the Office of Energy Projects.

13 And one of the first steps in that process is
14 to have public scoping, and during the public
15 scoping, we hope to get everyone's input. I guess
16 this thing, I can't seem to get it quite the right
17 distance. So in this particular case, on November
18 24th, First Energy filed a Notice of Intent and a
19 preapplication document, to begin this date,
20 relicensing the Kinzua Pump Storage Project, 2280.

21 On November 30th of 2010, the Seneca Nation of
22 Indians filed a competing Notice of Intent and
23 competing PAD, also for the Kinzua Pump Storage, and
24 their project is what's named by FERC, or assigned a
25 number by FERC, which is 13889, and they've called

1 it the Seneca Pump Storage Project.

2 Now because of the few differences in the
3 project itself and the proposals, FERC staff decided
4 that we would process these two applications
5 together, side-by-side. Myself and the staff that
6 is here will be the staff that will process the two
7 proposals in evaluating the effects to the resource
8 by the continued operation of the project.

9 Also with us are representatives, of course,
10 from First Energy and, of course, from the Seneca
11 Nation. So we have a brief presentation here that
12 we will be going through, and then we will be
13 opening it up to the public.

14 Now, I like to start off with people from FERC
15 staff, and then we'll go right around the room with
16 the Nations, and introduce yourselves and tell us a
17 brief, just give us a little, a brief description of
18 what your position and process . . . you will be
19 doing during this process. And I'll start right
20 here with John Smith.

21 MR. SMITH: Hi, my name is John Smith. I
22 am currently the Chief of the Mid-Atlantic branch in
23 the Office of Energy Projects, Division of
24 Hydropower Licensing.

25 MR. LOONEY: Yes, my name is Tim Looney.

1 I'm in the Office of Energy Projects, and I'm an
2 engineer.

3 MR. BROOKS: Yes, good morning, my name is
4 Keith Brooks. I'm with the Office of the General
5 Counsel, FERC. I'm the attorney on the project.

6 MS. CARTER: My name is Emily Carter. I'm
7 with the Office of Energy Projects, and I'm an
8 environmental biologist.

9 MR. MUDRE: I'm John Mudre, also with
10 FERC, Office of Energy Projects. I'm a fisheries
11 biologist.

12 MR. PARKER: Good morning, I'm Tracy
13 Parker with the U.S. Forest Service, Allegheny
14 National Forest. I am currently the acting park
15 supervisor.

16 MS. DEMARCO: Good morning, I'm Lois
17 Demarco. I'm the ecosystems staff officer for the
18 Allegheny National Forest, and I'll be involved with
19 this project for the next several months.

20 MS. BOWEN: Nwaweh sgeno. My name is
21 Rebecca Bowen. I sit on the Seneca Nation's Kinzua
22 Dam Licensing Commission.

23 MR. MESGHINNA: My name is Wold Mesghinna,
24 and I work with NRCE, and consulting engineer for
25 the Seneca Nation.

1 MR. LANINI: I'm Jordan Lanini, also with
2 NRCE, working with the Seneca Nation.

3 MS. REDEYE: Nwaweh sgeno I am Lana
4 Redeye, and I am a member of the Seneca Nation's
5 Kinzua Dam Relicensing Commission.

6 MS. HUFF: Good morning, my name is Wendy
7 Huff, and I am also with the Kinzua Dam Relicensing
8 Commission.

9 MR. PORTER: Good morning, I'm Robert
10 Owdawi Porter. I'm the President of the Seneca
11 Nation. I'm glad to be here on behalf of our
12 nation.

13 MS. DEEGHAN: Good morning, my name is
14 Brenda Deeghan, Seneca Nation.

15 MR. KIMELBERG: Good morning, my name is
16 Dave Kimelberg, citizen of the Seneca Nation, and
17 also CEO of Seneca Holdings, the investment and
18 project finance company owned by the Seneca Nation.

19 MS. LEROY: Good morning, my name is Lana
20 Leroy. I am a tribal counselor.

21 MS. BOVA: Arlene Bova, I sit as the
22 tribal counselor for the Seneca Nation of Indians,
23 and also as a board member for Seneca Holdings.

24 MR. MAHER: Good morning, Jay Maher, with
25 Kleinschmidt Associates, and we are consultants to

1 First Energy.

2 MS. COWAN: Good morning, I'm Laura Cowan.
3 I am a licensing coordinator for Kleinschmidt, a
4 consultant for First Energy.

5 MS. KONIECZNY: Hello, I'm Kathy Konieczny
6 with Winston and Strawn. We are counsel to First
7 Energy.

8 MR. PARKE: I'm Morgan Parke, First Energy
9 Service Company, attorney for First Energy
10 Generation Corp., owner of the project.

11 MR. GROFF: Tom Groff, plant manager for
12 the Kinzua Pump Storage Plant.

13 MR. HOISINGTON: Okay, thank you very
14 much. Before we open, as I said, we are going to
15 have a brief presentation. We'll review the
16 licensing process, and then Tim Looney will have a
17 brief description of the existing project
18 description and operation as we understand it now.
19 Following Tim's presentation, we'll go through the
20 list of resource issues and proposed studies that
21 have been identified, based on the comments of the
22 two PADs that were filed by the Seneca Nation and
23 First Energy, and we'll discuss some of the criteria
24 that we used to determine what studies are needed,
25 and what studies aren't. Then we'll , kind of, open

1 it up for questions and discussions and your
2 comments.

3 Now, we would like everyone to sign in and
4 because we have a court reporter and we want to make
5 sure that this all gets on the record, you have to
6 make sure that you say your name clearly and
7 everything, if you speak, so that the court reporter
8 can get that, and it will be entered into the
9 transcript, and we won't have any misquotes or
10 anything. And these transcripts, of course, will be
11 available online with the E Library at FERC.

12 And also if you plan to file any written
13 comments, we can take those at the closing of the
14 meeting, and they would be filed too. Also, on page
15 19 of the scoping document, there is information on
16 how to file electronically or written comments.
17 Really that's what this meeting is all about. So it
18 doesn't do us any help if you don't help us with
19 what your comments are, what your concerns are. So
20 hopefully, everyone will take advantage of all the
21 types of filing information available to you to file
22 those comments, and we can get them on the record.

23 And another thing, if you notice, in the back
24 of the scoping document there is a list of people
25 that the scoping documents were mailed to. Now,

1 when we receive information about a document or
2 anything at FERC, when it comes to a project, it's
3 filed under that project number, and there is a
4 service list, and there is a mailing list.

5 Now when an applicant prepares a PAD or an NOI
6 or a license application, they have a mailing list
7 that they send everyone the information that they
8 are going to be filing with FERC. Not all of that
9 information or those names get filed with FERC. The
10 only ones that get filed with FERC are the people's
11 names that are on that service list and mailing
12 list. So if you want to continue to keep receiving
13 information about this process, then you need to
14 make sure you get added to that mailing list.

15 Now the funny thing about FERC is people can
16 get added to the list all the time, and it's fairly
17 simple. No one can take that name off of there but
18 you. So if you want your name removed from the
19 official mailing list or removed from the service
20 list, only you can do that. When you want your name
21 added, we also like you to do that too, because you
22 start receiving mailings and the first thing we get
23 is someone calling up saying, "I'm getting all this
24 information and I don't want it." So if you read in
25 the scoping document what you what you need to do,

1 and that's on page 24, then that will help us get
2 you on this mailing list, and for interveners and
3 other people on the service list. So, so far we've
4 gone through , kind of, an introduction, the process
5 overview and the purpose of scoping, which is to get
6 all of your comments and your concerns. We'll get
7 to the project description in just a moment. We've
8 had a brief discussion of the studies and the issues
9 which will come later. We'll also go over the
10 dates. With this IOP process, we have particular
11 dates that are part of the process. In other words,
12 those are mandatory. Everyone has to meet those
13 dates. I know. What happens if you don't? You get
14 your arm cut off. But any way, that's what we
15 strive for. You always try to do the best you can,
16 and if something happens then you have to make
17 adjustments later on. But with the IOP process, we
18 have certain dates and certain milestones that have
19 to be met, and we try very hard to make sure that
20 all of those dates and milestones are met to keep
21 the process going smoothly. That is one of the
22 major reasons that a few years ago FERC changed this
23 process to this IOP process, so that we could make
24 sure that this process kept moving smoothly forward
25 at an even pace. So, that's important to remember.

1 And then, we'll open it up later on at the end of
2 our presentation and get into the questions and
3 comments.

4 Now, here is just a brief slide. There is a
5 copy of this sheet on the table when you came in.
6 The copy on the table has the time frames that are
7 set in between each item that there is. And of
8 course, the one on the table is more involved than
9 the one on the screen. This is basic.

10 So the first thing we do is, someone files a
11 Notice of Intent. And for those of you that don't -
12 I'm sorry that I left that out - but a Notice of
13 Intent is a notice that an applicant may file,
14 saying that they are sending you information that I
15 plan to file an application for this particular
16 project, whether it be new or relicense or whatever.
17 And a PAD is a preapplication document that gives a
18 brief description of what that proposed project
19 would be, whether it would be Kinzua Pump Storage or
20 any other project in the country or even a project
21 that is not already built. It would give a
22 description of what their proposal would be, and
23 then we would start this type of process with the
24 PAD.

25 And then we go into the scoping and the process

1 plan, then we go into the study development plan,
2 which is where in a meetings such as this and after
3 this, the next step is a study plan where we take
4 the comments that we've received plus we take the
5 staff's review of those two preapplication documents
6 and say, "Okay, this study will tell us what we
7 need, this study won't. What are the issues?" And
8 we try to propose a study plan that will solve all
9 the problems that have been brought forth during the
10 scoping process. So that when developing our
11 environmental analysis document, we can cover all of
12 the issues that have been raised. Most of it stays
13 around the environment, fish, wildlife, some of the
14 engineering and it's more, it's more directed toward
15 environmental issues and concerns than anything
16 else.

17 And then after that takes place for one or two
18 years, then the final application is filed, which
19 usually . . . at that time under this process, we
20 are really supposed to have already covered all of
21 the issues that might come up. And this will
22 expedite the process for the licensing of the
23 project.

24 Under the other processes that FERC has, a lot
25 of this information comes afterwards, and then we go

1 through this process after the application has been
2 filed. Or in this case, you can see we almost have
3 a pre-application process, and then it's just a
4 matter going through the steps that have already
5 been covered.

6 Now, I , kind of, covered a lot of this. In
7 this particular case, we have two license
8 applications or NOI and PADs. I keep calling them
9 license applications, but it's really a
10 pre-application document and a PAD or the Notice of
11 Intent. So, we'll just forget about the Notice of
12 Intent. We know everyone is going to, wants to
13 file an application. So what happened with this, we
14 have a spreadsheet that we put dates in, and when
15 that date comes in, we just plug the date in, and it
16 tell us all the milestones that are we are supposed
17 to meet in this process. And in this case, we have
18 one on the 24th of November 2010, and we have
19 another one on the 30th of November 2010. And we
20 weren't quite sure how we were going to handle that,
21 so as some of you may well be aware, we called
22 everybody in to FERC, and we sat down, and we told
23 everybody that we were to use the first filing date,
24 which was November 24th.

25 Then we started working on it, and then we

1 said, "Uh oh, deadlines are going to be hard to meet
2 right now." So we moved it back, and we used the
3 second filing date, which was the Seneca Nation's
4 application, which was November 30th. So right now
5 in case no one noticed, we are going on the November
6 30th and not the November 24th, as we told some of
7 you we were going to do at that other meeting.

8 So, we are 60 days out from the filing date and
9 the scoping phase are going on right now, and over
10 the next few months, we'll be working to finalize
11 the future study plans. Once we have approved the
12 study plans, First Energy and Seneca Nation can
13 develop, can begin the studies and they can conduct
14 those studies to begin to build their final
15 application, covering all the issues that,
16 hopefully, we've uncovered during the scoping
17 process.

18 Now there will be a couple of times for
19 everyone to review those study plans, and to modify
20 them, make changes, decide if this is really needed
21 or not needed, and that will take place over the
22 next year or so. And then the study plan process
23 will actually go on until around November 30th, of
24 2013. At that time, that's when the filing date of
25 the final application will be presented to FERC, if

1 this process is followed through. And then, from
2 that point we conduct our process, the environment
3 analysis of those two applications. And then a
4 licensed decision would be expected to be done
5 before November of 2015.

6 So you also can get more information about
7 FERC's mission and any other information at the FERC
8 website, which would be . . . it's online, but it's
9 www.ferc.gov, and it's wonderful reading from this
10 paper. I love it.

11 So as I said, we are using this scoping process
12 to evaluate these issues and I guess, let's see,
13 I've covered about everything, the pre-filing, your
14 comments. Later this summer we do expect to do a
15 complete tour of the Allegheny Reservoir and private
16 facilities, and I might mention, although I think
17 most everyone is aware of this, there are some
18 concerns about going out to the site visit today
19 that we had planned. There is a concern, safety
20 issues and so we may limit that to a small number of
21 staff members. We know that we can't get to the
22 upper reservoir. I guess we never really planned to
23 go to the upper reservoir. We just thought we'd go
24 to the powerhouse and around the dam. But I think
25 we can make those final decisions a little later on

1 in, how we are going to handle it. First Energy is
2 concerned, and we thank them for their concern, in
3 that they just didn't , kind of, want to have a
4 large group of people at one time to go out there.
5 Because they do have some concerns, and we are going
6 to be back up here again a number of times. So it
7 would be very good that we might just put this site
8 visit off until later, but we'll talk more about
9 that later.

10 So I guess at this time, this is the project as
11 we have, that now exists with FERC. The yellow
12 lines, that's the order that is on file at FERC
13 right now. The yellow lines outline all that is
14 part of the Kinzua Pump Storage Project. That's the
15 project boundary.

16 Now as everyone probably knows, after this
17 meeting today, we'll have another meeting this
18 evening that will be basically just towards the
19 public. Our sign in sheets will be a little more
20 involved, and people will get to talk in front of
21 the, to the reporter, and we'll listen to everyone
22 and give, basically, the same kind of presentation
23 tonight for public input. And then tomorrow, we're
24 going up to Salamanca, New York, and we're going to
25 have another one of these meetings up at the Central

1 School District, one of their buildings, as outlined
2 in the scoping document. And at this time I think
3 I would like to turn this over to Tim, that's
4 another, kind of a larger, it , kind of, shows where
5 it's located in Pennsylvania in reference to New
6 York. He can't see too much on that slide, but it
7 does give you more of a reference point of where it
8 is in the state. Tim is going to take over now and
9 go through what we think is the project.

10 MR. LOONEY: First, I'd like to see is my
11 voice good enough? Can everyone hear me? Because I
12 really don't like this.

13 MR. PORTER: I think you need to use the
14 mic, sir.

15 MR. LOONEY: Okay, all right, thank you.
16 The Kinzua Pump Storage Project is located on the
17 Allegheny River in Warren County, Pennsylvania. The
18 project is currently licensed to First Energy
19 Generation Company. The project pumps water from
20 Allegheny Reservoir, formed by the United States
21 Army Corps of Engineers, Kinzua Dam to an upper
22 reservoir. Water from the upper reservoir is
23 released to the powerhouse located downstream of
24 Kinzua Dam. After the water has been used for
25 generation, it can either be returned to the

1 Allegheny Reservoir or released to the Allegheny
2 River. All generation uses water taken from the
3 Allegheny Reservoir.

4 The project is located on lands administered by
5 the Corps of Engineers and United States Forest
6 Service. The upper reservoir is located on Forest
7 Service lands and the Allegheny National Forest.
8 The powerhouse is located on lands administered by
9 the Corps of Engineers. The general location of the
10 project is shown on Figure 1 of the scoping
11 document, which was . . . I believe this is Figure
12 1, if I'm not mistaken, or this is Figure 1. I'm
13 not sure right now.

14 MR. SMITH: It's the other one, Tim.

15 MR. LOONEY: This one? Okay.

16 MR. SMITH: Yeah, it's Figure 2. That's
17 Figure 2.

18 MR. LOONEY: That's Figure 2, okay. The
19 difference between these two pictures is that this
20 one here came from the Seneca Nation application and
21 this one right here comes from - PAD, excuse me, not
22 application - but this come comes from the First
23 Generation-

24 MR. SMITH: First Energy.

25 MR. LOONEY: First Energy, sorry, First

1 Energy PAD. The layout of the powerhouse is shown
2 on Figure 3 in the scoping document, and this is a
3 copy of Figure 3. The project has three turbine
4 generators with a total installed capacity of 451.8
5 megawatts and generates approximately 695 gigawatt
6 hours of energy. All hydroelectric generation at
7 the project uses water taken from the Allegheny
8 Reservoir. The powerhouse contains two reversible
9 turbines, Units 1 and 2 and one conventional turbine
10 generator, Unit Number 3.

11 When filling the reservoir, one or both of the
12 reversible turbines pump water from the Allegheny
13 Reservoir to the upper reservoir. When the project
14 is in generating mode, Unit 1 generates power with
15 water being released from the upper reservoir. Flow
16 from Unit 1 can be released back, is released back
17 to the Allegheny Reservoir.

18 Unit 2 generates power with water being
19 released from the upper reservoir, and flow from
20 Unit 2 can be sent back into the Allegheny Reservoir
21 or the Allegheny River, downstream of Kinzua Dam.
22 Unit 3, the conventional unit, generates power with
23 water being released from the upper reservoir. Flow
24 from Unit 3 can only be released to the Allegheny
25 River downstream of Kinzua Dam. The project has a

1 minimum flow release of 500 CFS, which is the
2 scheduled outflow from Unit 3.

3 The current license boundary, which this shows
4 a little better, the yellow line there. The current
5 license boundary includes the upper reservoir, water
6 conduits, the intake in the Allegheny Reservoir,
7 control facilities, the powerhouse, tail race to
8 the Allegheny River and transmission line to the
9 Glade Substation. The existing project boundary is
10 shown on this figure, Figures 1 and 2 from the
11 scoping document.

12 At this time, First Energy Generation is not
13 proposing any modifications to the project, to
14 infrastructure, project boundaries or modifying
15 project operation. The Seneca Nation does not
16 propose any changes in the project facilities or
17 project operation at this time. The Seneca Nation's
18 proposed project boundary would include the area
19 defined by the original FERC boundary, as well as
20 all areas encompassed by the Allegheny Reservoir at
21 maximum storage elevation of approximately 1,365
22 feet above mean sea level, and all transmission
23 lines connecting the project to the regional
24 transmission system. That's everything I have.

25 MR. HOISINGTON: Thank you Tim. So, there

1 you have that. Okay, so the next couple of slides,
2 yes, okay, here is . . . in our scoping document,
3 Section 4.2, I believe it's pages 13 or 15. I have
4 it written down; I know that's what it is. We
5 listed environmental issues and concerns that FERC
6 plans, the staff here that you see, plans to analyze
7 in the environmental document.

8 Now this doesn't necessarily mean that this is
9 all there might be, but this is a basic list of the
10 resources that we use when we are doing
11 environmental documents. And we have geology and
12 soils resources, if there's anything in that area
13 that we receive comments on or in this case, in
14 reading the PAD in the proposed study plans, then we
15 would have a section or will have a section in the
16 EA that will cover that. The aquatic resources,
17 which basically any hydroelectric project that we
18 all know, we deal with this everyday. This is ,
19 kind of, the cornerstone of hydroelectric projects,
20 is the aquatic resources.

21 That would take in all of the fishery issues
22 plus the water quality issues, and then we have
23 terrestrial resources. I didn't mean to imply that
24 none of the other resources are important, but when
25 you talk about hydroelectric, being on the river,

1 and that's the water, the fish are the main issues.

2 Of course, we do have rare, threatened and
3 endangered species that might be in the water, might
4 be on the land. In a project that's not proposing
5 much construction, we probably wouldn't have to
6 spend a lot of time on those issues, unless of
7 course, there were some raptors or other fowl that
8 were getting electrocuted by the power line or
9 something, that we might deal with and have an
10 applicant provide prevention measures.

11 During the process of a new license, that might
12 not have been looked at so closely in the original
13 license. Or if it was a new license, it's , kind
14 of, a standard procedure that if they are going to
15 put up power lines that some type of preventative
16 measures be taken if there are those types of birds
17 in the area.

18 And then recreation, a lot of projects have a
19 lot of room to offer people. If we get comments
20 that maybe more recreation facilities are needed
21 because of the increase in population or something,
22 we would also look at that area. We might provide,
23 within a new license or whatever, to have the
24 applicant provide more recreation facilities for the
25 increased population and increased recreational use

1 on a lake or river or such.

2 And then land-use and aesthetics. We like to
3 keep things looking as best as we can. If the
4 powerhouse is like out West, they might be, because
5 - and I say out West, because this is one of,
6 actually not one of, this is the first time since
7 I've been working at the FERC since 1991 that I've
8 ever dealt with an eastern project. I was always in
9 the West, and I was in a western group, and we . . .
10 Colorado, Montana, Utah, Oregon, Washington and here
11 I find myself back in Virginia, Pennsylvania and
12 Maryland. So it's a new experience for me to be
13 working in a different type, although most projects
14 are the same. But here in the East, some of the
15 focuses, the issues are not quite the same. Because
16 this project is already existing, and the only
17 proposed changes from either applicant really
18 doesn't involve a lot of land clearing or new
19 facilities at this point, that we know about.

20 The aesthetics and stuff should stay pretty
21 much the same way that they were right now. And
22 that's something I might point out. FERC uses a
23 baseline for making their environmental analysis.
24 The baseline on a relicense is what is out there
25 today. We do not go back to preproject times. We

1 use . . . this is the existing environment we work
2 with. What's there today? The project is there.
3 This is there. That's there. That's what we use as
4 a baseline. We've had times when people want or
5 have tried to go back to pre-application times, and
6 we don't figure that into the analysis of something
7 that is already existing.

8 The call for resources in this area. I'm sure
9 all of us would agree are high priority in this
10 particular project. Although the disturbances that
11 would be anticipated at this point for just
12 continuing the operation might be not as high an
13 impact as they would be if this were a brand new
14 project and someone were going to go out there and
15 tear up the ground today.

16 And then also, Tim and the others, some of the
17 staff will be looking into developmental resources
18 of the project in relation to the engineering and
19 what the project produces power and how that
20 compares to what the cost of the environment is.
21 And maybe I misspoke on the that, but I'm sure
22 somebody will tell me. At this time, First Energy
23 and Seneca Nation intend to conduct several
24 relicensings.

25 And as I mentioned earlier, over the next few

1 months, we'll be determining what studies were
2 needed. There were a number of the studies that are
3 outlined in the scoping document on page 16 and 17,
4 and for this particular slide, we didn't include
5 them all. But they are basically in those five
6 areas of the project operation, the water resources,
7 fish and aquatics, and the other two, and all of
8 those studies, the studies that were proposed in the
9 PADs, fall into one of those categories.

10 At a later time of course, we will determine
11 which studies are needed and which ones aren't, and
12 staff, the people sitting at this table, we may have
13 our own studies to add to the studies that have been
14 proposed by the Seneca Nation and First Energy.

15 So, I think we can go to the next slide. Now
16 this is a type of criteria that we kind of, use to
17 determine which studies are needed or not. We
18 identify the study goals and the objectives. What
19 is this study going to show us in comparison to the
20 environment? We consider the resources management
21 goals, and how to manage the resources that are
22 there and existing. We take into account all the
23 existing information that we have at this time, plus
24 all the information that comes in as a result of
25 these scoping meetings. And we also look at the

1 nexus, the project operations and the effects, and
2 the methodology consistent with accepted practices.
3 In other words, we, kind of, stay with methods in
4 performing studies that have been used previously,
5 so that we're not just, kind of, out there fishing
6 in the dark for something to go somewhere, where
7 it's not going to be helpful in developing the
8 environmental document in determining the effects of
9 this project on the environment.

10 The consideration of the level of effort and
11 cost. A lot of studies cost a lot of money and some
12 don't cost quite so much money, and you have to
13 balance if the studies are going to be sufficient.
14 We don't necessarily go with bigger is better. We
15 like to know what we want for an answer before we go
16 there.

17 MR. SMITH: This is John Smith. I just
18 want to make a comment about that slide. For those
19 of you that intend on filing study requests with us
20 over the next month or so, it's very important that
21 you address all those criteria in your letters. It
22 makes it a lot easier for us to evaluate whether
23 it's an appropriate study or not. I mean, this
24 applies to us as well. We have to do the same thing
25 if we require or request any studies. But if you

1 can even, just set up your study requests in that
2 format, following those criteria, it would be very
3 helpful.

4 MR. HOISINGTON: Okay. I guess we can
5 move on to the next slide. "Dun, dun dun, dun."
6 Here's those dates I was talking about. So, the
7 study requests are due at the end of this month.
8 Well, I'm sorry, I'm still thinking this is March.
9 At the end of March, and then as you can see, in all
10 these dates, basically at the back of the scoping
11 document, this has been outlined for everyone also.
12 It's not in this form. It's in a little different
13 form, but there is a sheet back there that gives
14 everyone the dates that we're aiming for. And right
15 now, the request would be due in on the 30th. Then
16 the proposed study plan would be on May 14th, and
17 then, we would have a meeting in June, another
18 meeting in June to discuss the study plans that have
19 been proposed by Ferc staff, First Energy, Seneca
20 Nation and anyone else that we've received a valid -
21 and I don't mean to imply that it's not valid - but
22 something we've determined that needs to be looked
23 at, request.

24 And then after that meeting, you would make
25 your response by August, and then at that time, when

1 we get the comments back on that proposed study
2 plan, we might have some additions or corrections or
3 changes or whatever. And we would make those and
4 then we would issue this revised study plan, and
5 then we would make the final decision on the . . .
6 issue a letter on that plan on October 11th.

7 MR. SMITH: One more thing. Just one
8 other thing. I mean, our intent is that we are
9 having simultaneous IOP proceedings. So, like for
10 the study plan meetings on June 13th, we're going to
11 try to arrange it so that we have the First Energy
12 meeting and the tribe meeting the same week, just so
13 it's convenient for everybody. If there's something
14 else that you think we should consider, a different
15 type of strategy, please let us know, but that was
16 our intent.

17 MR. HOISINGTON: Okay, thank you, John.
18 Also we do know, and just to make sure everyone
19 understands, we are planning another visit, and I
20 think I said this already, to look at the reservoir,
21 make sure we get a full view and picture of what's
22 there for project facilities now. And because this
23 is February in Pennsylvania, we might have to put
24 that off. And that would come some time, hopefully
25 around in the spring and early summer, so that we

1 would all have an idea of . . . I mean if this were
2 a June or July meeting right or probably even May,
3 we'd be doing a lot of the site visit and the
4 reservoir would be planned at that time. But
5 because of the weather and the way things are, when
6 we met with First Energy and the Seneca Nation back
7 in our offices a month or so ago, we talked about
8 that we probably would have to have more meetings.
9 So, we're hoping for a site visit at that time,
10 because of the weather, and we're hoping to combine
11 some of those with these study meetings that we are
12 proposing up here. So, that is about it.

13 A couple more things quickly. Your comments
14 are due on November 30th, or March 30th, 2011, from
15 this scoping meeting. And if you want to be put on
16 that official mailing list, make sure you get a
17 scoping document and get your name put in, so you
18 can start receiving the mailings. If you don't want
19 to receive any mailings and your name was on the
20 list, then you might want to have it removed. Now,
21 I think at this point, John?

22 MR. SMITH: One more thing.

23 MR. HOISINGTON: John's got one more
24 thing.

25 MR. SMITH: If you would like to get

1 things electronically, there is also E Subscription
2 available, and those instructions for how you E
3 subscribe, that's located in the scoping document as
4 well. And just make sure, if you want to look at
5 both project proceedings, you'll have to use both
6 numbers. So, E subscribe to both project numbers.

7 MR. HOISINGTON: Okay, thank you, John.
8 Okay, so I think that about concludes our little
9 presentation at this time.

10 MR. SMITH: We can do this now or later.
11 Can I get a show of hands of anybody that may not be
12 back in the spring and would like to see the
13 powerhouse? Because they said they can work in a
14 limited number of people.

15 MR. PARKE: For the benefit of the court
16 reporter, Morgan Parke, First Energy Service
17 Company. We are able to conduct tours of the plant
18 today, but I wanted to give you just a little
19 background. The background begins with
20 understanding the annual power generation cycle.
21 The peak demand for power is in the winter. It's
22 called the winter peak and in the summer, the summer
23 peak. If you're a power generating company that
24 means you perform scheduled maintenance in the
25 spring and autumn months.

1 We have scheduled maintenance cranking up for a
2 large project at the plant this spring. These
3 maintenances and outages are scheduled months or
4 even years in advance. The current project was
5 scheduled a year in advance.

6 When you get to the powerhouse, you'll see that
7 it has been partially disassembled, and also much of
8 the floor space is being used as a construction lay
9 down area. That's where you lay down all of the
10 parts that you are going to work with it.

11 Because of the need to have the power
12 generating station reassembled and operating during
13 the summer months, these things are tightly
14 choreographed and everything is done per very long
15 and thorough checklists. All of which is a nice way
16 of providing the background information that we can
17 only accomodate five individuals at a time during
18 the tour today. That means that we will move groups
19 of five individuals through the plant. Tom Groff is
20 the plant manager. He has authority and operates
21 the plant, of course, subject to all of the safety
22 and the pervasive regulations.

23 I think that's a nice way of saying that while
24 we would like to have limited numbers, we will
25 conduct tours until the end of our period has

1 expired for conducting the tours. What time was
2 that? Two o'clock to four o'clock. So, folks who
3 want to go on the tour will need to be in the
4 parking lot by 2:00 o'clock. We'll take you through
5 in groups of five.

6 Also, because this power generating station is
7 interconnected to the electric transmission grid,
8 there are electric communications materials at the
9 plant, so they can communicate with the grid.
10 Because of those information, some of the security
11 requirements around that, we will need everyone to
12 sign in and offer a government issued ID. We are
13 aware that the Seneca Nation issues it's own
14 government issued IDs, and we will accept those. If
15 you don't have the ID, you don't go on the tour.

16 Also, it's important to follow Mr. Groff's
17 instructions strictly, to preserve the safety of all
18 the individuals. If you don't want to follow those,
19 you don't go on the tour, or you are removed from
20 the tour. This is an issue of safety first for
21 everybody on the tour. We trust that the room is
22 filled with adults and everyone understands how that
23 will work.

24 Lastly, you will need appropriate footwear.
25 High heeled shoes probably are not going to be

1 appropriate. Are there any questions?

2 MR. HOISINGTON: John, could you get a
3 number?

4 MR. SMITH: What's that?

5 MR. HOISINGTON: Could we get a number of
6 how many are interested?

7 MR. SMITH: Well, that's what I was going
8 to see. How many are interested in the tour today,
9 as opposed to the spring or the summer? Are there
10 any members of the public that would like to go that
11 don't have IDs? Because that sounds like a-

12 MR. PARKE: Driver's licenses are
13 acceptable. I'm sorry for the confusion. We will
14 welcome as many individuals and run as many phases
15 of the tour as we can, and we want you to understand
16 that it is open to everyone who would like to
17 attend. There is limited parking at the parking
18 lot, due to ice removal issues, but that's beyond
19 our ability to control.

20 MR. HOISINGTON: Thank you. Okay, so if
21 after this meeting anybody interested could meet in
22 the parking lot as Morgan suggested. At this time,
23 I would like to turn the meeting over. President
24 Porter of the Seneca Nation is here, and he has a
25 few words to speak to everyone. And so we would

1 like to have him come up here, and I'll turn the
2 meeting over to him.

3 MR. SMITH: And then any other agencies.

4 MR. HOISINGTON: And then after President
5 Porter speaks with us, then any other agency or
6 anyone that wants to talk, please let us know.
7 We'll make sure you get the microphone so that the
8 court reporter can hear and listen to everything and
9 everyone else can too. President Porter?

10 PRESIDENT PORTER: Thank you, good
11 morning. Nwaweh sgeno. I'm glad to be here and I'm
12 glad you're all well.

13 This is a historic day. Two hundred seventeen
14 years ago our nation entered into a treaty with the
15 United States. And on behalf of the Seneca Nation,
16 we welcome you, because you are here on our
17 aboriginal territory. And because of our
18 relationship, and because of the value of that
19 treaty relationship, we view you as important
20 representatives of your president, Barack Obama. As
21 you are here today on behalf of your
22 responsibilities under your laws, and with respect
23 to the treaty that is entered into between your
24 government and ours.

25 This is an important relationship. It's one

1 that defines our existence on a daily basis, because
2 of the promises that were made by your very first
3 president. Hanoda Ganyas, the tongue destroyer,
4 George Washington. He made promises to us in this
5 treaty, this treaty that is rooted in the very first
6 relationships between your new government and ours
7 at a time when we were not at peace, at a time in
8 which we were in crisis and we were in conflict.
9 And your nation made promises to us that you would
10 respect our land boundaries, that you would define
11 them within your understanding, in a way in which we
12 would be recognized in what is called under that
13 treaty, "The free use and enjoyment of our lands."

14 That is a promise that the United States made
15 to no other indigenous people, other than the six
16 nations of the Haudenosannee, which includes the
17 Seneca people. The language, "Free use and
18 enjoyment," is a language that recognizes the power
19 and authority and the sovereignty of our nation that
20 is unmatched with respect to any other. It is
21 relevant and important, because that treaty also
22 defined a promise. That you would no longer seek to
23 acquire our lands as of 1794. And unfortunately,
24 that promise was broken by your government. A
25 promise that we cannot forgive you for, but we can

1 acknowledge and try to move forward.

2 The pump storage facility is an integral
3 component to the dam and is an integral component to
4 the reservoir. The reservoir that, but for the
5 taking of 10,000 acres of the usable land of our
6 nation, you would not be able to operate the flood
7 control project, nor would this storage facility be
8 operable.

9 And so from the matter of intuitive logic, we
10 feel that it is very important that the project
11 scope be expanded, and we ask of you why can not and
12 why will not that project scope be expanded to
13 include its impact on our nation.

14 We will, in the course of today's presentations
15 and in the course of the weeks and months to follow,
16 provide you with additional information that
17 validates and supports our position with respect to
18 why the project scope needs to be expanded. But it
19 is fair to say in a way that is a daily occurrence
20 to our people that the dam and the pump storage
21 project affect us. It affects who we are as a
22 people and the ways in which we have survived and
23 sought to survive these last 50 years. It affects
24 out lands. It affects our waters. It affects the
25 wild life. It affects every aspect of our

1 existence. It is a daily occurrence that we are
2 reminded of what happened 50 years ago.

3 I realize that much of what I am sharing with
4 you, in terms of how you are processing and in
5 needing to follow your laws to administer your view
6 of this project, does not require of you to look far
7 beyond the 217 years of history. But we do believe
8 that it is an essential ingredient of the promise
9 that George Washington made to us, that we would be
10 treated as a sovereign nation and recognized as
11 such, and that we be allowed to move forward in
12 peace as brothers and as sisters into the present
13 day.

14 There will be information shared today about
15 why we believe the Seneca Nation can absolutely
16 operate this facility. We believe that it is a
17 matter of assessing a scope of responsibility and
18 stepping up to meet that responsibility. And we
19 have done that time and time again in our history.
20 We have not only survived, more so in recent years,
21 we have started to thrive and recover from the
22 damages that have much been the result of the Kinzua
23 experience. We will share with you why we believe
24 and our plan for becoming the operational partner of
25 the United States.

1 Before I turn it over to the other
2 representatives who are here today to share with you
3 the different ways in which we believe this project
4 affects us, and the reasons why the environmental
5 considerations that you must consider have to
6 include the upper reservoir and the impact on our
7 lands and our people. I want to just leave you with
8 our view that we are not talking here about anyone
9 owning the pump storage facility. This is a license
10 that is in the public trust of the United States,
11 and it is lent to someone. And it was lent to First
12 Energy for 50 years, and then there will be another
13 decision about who is to be given that trust and
14 valuable resource for the next 50 years.

15 We are your treaty partner. You trusted us 217
16 years ago to care for your nation, to care for your
17 people, at a time you needed our help. And we will
18 promise you that if we receive the license, well,
19 you can trust us again to exercise our
20 responsibilities to you and your people in a
21 responsible manner as well as care for our neighbors
22 and our friends, who we have lived with for a long
23 time and will continue to do so in the future.

24 So with that, I want to thank you for your time
25 this morning to make opening remarks, to welcome

1 everyone who is here, and to wish you well today, as
2 you convey your understandings and your thoughts and
3 ideas. I look forward to future discussions, and on
4 behalf of our nation, the Seneca Nation, I want to
5 say thank you, Nwaweh, for your time this morning.

6 MR. HOISINGTON: Thank you, thank you very
7 much. I guess at this point, we would like to turn
8 it over to anybody that . . . I can bring the mic to
9 you.

10 MS. DEEGHAN: Good morning everyone, my
11 name is Jowandi (phonetic). I am from the Turtle
12 Clan. My English name is Brenda Deeghan. I am
13 going to share with you some information that is
14 very relevant to the boundaries and the negative
15 impacts of this project.

16 Just to give you a little history. When I was
17 a child, I never knew this was going to happen to
18 our people. I didn't know it was going to happen to
19 our homes, or our lands, to our fish, to our
20 medicine plants, to our deer, to everything that we
21 had which we used as a way of life, which we used in
22 our traditions, in our culture, in our healing.
23 This all existed before the dam. One day, I sat in
24 school as a young child, and my teacher looked at me
25 with no feeling that all and said, "One day, this

1 school will be burned down. One day, your home will
2 be burned down, and everyone's home will be burned
3 down, and this won't be here anymore. And what you
4 know now, you're not going to know any more because
5 you're going to have to move."

6 I had a lump in my throat all the way home,
7 about a 15 mile ride. And I said to my mother, "Is
8 it true? Is it true that we have to move?" And she
9 said, "Yes." And I couldn't even move. I was so
10 traumatized. I was in shock. What I knew of the
11 Allegheny people was that we were rich. We were
12 very rich with the environment, with our soils, with
13 our gardening practices, how to sustain ourselves.
14 And that this river that we had, the Allegheny
15 River, was our lifeline.

16 So I call it the blood of our people, because
17 now it's buried underwater due to the reservoir.
18 And all those things that we used, my father, my
19 people would fish there. They would hunt there.
20 They would look for the mussels and the clams and
21 the bullfrogs. And they were all taken away from us
22 as a result of this dam.

23 And we were not told about the powerhouse that
24 would be built, we were told it was flood control.
25 And then, when the Army Corps came through and they

1 dug up our lands and here's one of the homes. Each
2 house had a number, and the Army Corps went through
3 and set each one on fire numerically, and some
4 people never had time to get their belongings out of
5 their home.

6 Why do I bring this up to you today? Because I
7 want to share with you, I want you to understand in
8 your heart as much as you can, the negative impact
9 that, that dam, which runs the powerhouse, the
10 negative impacts it had on my people. Not just the
11 moving of community so that this reservoir could be
12 developed, so the powerhouse could be run. It was
13 destroying a total separate and unique culture and
14 way of life, from the food we ate, to the fisheries,
15 to the deer and all of these things.

16 There was a woman, an elderly woman, who lived
17 next door to me down the old road. She had running
18 water. She didn't have electricity. She did not
19 have heat. And when we moved to our new homes,
20 which were back to back, a way we never lived
21 before, I asked her, "How do you like your new home?
22 You have heat and water and lights now?" She
23 replied, "I don't like it at all. I have no place to
24 put my medicines." For she was a medicine woman,
25 and she helped to cure a lot of people.

1 The list goes on and on. Psychologically, we
2 were impacted. We were wounded as a people. We
3 grieved as a people, and we became very angry as a
4 people, that this was done to us.

5 There was one woman, an elder, who would walk
6 almost 13 miles to get back down to her old house
7 that didn't exist anymore. And as many times as
8 they took her back to her new home, she wandered
9 back again, trying to find that old home she had,
10 her old homestead, trying to find her culture, her
11 way of life, and it messed with her mind because
12 this new way of life, she couldn't understand. She
13 did not want.

14 The intensity of the way of life we had, of our
15 cultural uses of that land, of our water. Our water
16 that was given to us, promised to us to never be
17 disturbed again, so we could stay there and live the
18 way we always have. Broken treaties, broken
19 promises, hidden secrets. I'm going to ask you to
20 expand the boundaries of the project. Based on what
21 I have just told you, the negative impacts it had on
22 all the lands under 1365, because this is the way
23 that it can be remedied and equality and justice to
24 the Seneca people. Nwaweh.

25 MR. HOISINGTON: Any one else?

1 MS. MILLER: (Words spoken in the Seneca
2 language) Greetings, Darlene is my English name, and
3 I am happy to be here this morning, and I welcome
4 everyone.

5 I come to you and would like to make a comment
6 in today's session, as a mother, a grandmother, a
7 great grandmother, a titleholder, safe keeper for
8 the Haudenosannee, the Long House, the Long House
9 people, and the tribal council. I come to you today
10 to make a comment about, it was our land and our
11 water that made the power plant what it is today.
12 And this project, this Kinzua project, left so many
13 of our people with pain and suffering due to this
14 project, due to the removal from our lands. It was
15 our land and water that we were given free use of in
16 the treaties. As a stakeholder in this project, I
17 would like to share with you the impact of the
18 un-inundated lands that the Senecas enjoyed for 200
19 plus years. Before the virgin waters of the
20 Allegheny River were interrupted by building of the
21 dam, the free-flowing water was a valuable resource
22 that connected our people with the environment.

23 We used it for fishing, hunting, medicine
24 plants, our fruits and berries that affected our
25 culture because they are no longer there. We had to

1 look elsewhere for the fruits and berries in our
2 medicine plants, and we do have them, but at that
3 time, they were right in our backyard. And I was a
4 teenager when this was going on, and my grandmother
5 was part of the movement to stop the building of the
6 dam.

7 She traveled many times to the city. She got on a
8 bus and went. I went with her as far as watching
9 her get on the bus and come in, and I heard the
10 elders talking. I heard the elders talking and it
11 was heart breaking. And it was all . . . but it was
12 not as heartbreaking as it is to see and witness, as
13 Brenda said, the homes that were no longer there
14 within our lands.

15 Now 50 years later, the Seneca's are still
16 trying to heal from this. And it is disturbing to
17 me that the boundaries of this project does not
18 include those valuable lands of 1365. In honor of
19 our ancestors who made the sacrifice, who were
20 disturbed and removed from their final resting
21 place, I ask this question of the U.S. government.
22 Why they did not think to offer the power license to
23 those who lost their valuable resource? I ask at
24 this time that the boundaries, the boundary be
25 modified to include the 1365 lands.

1 Kinzua is now a part of our history. We teach
2 it to our young people. We show them what was
3 there, and how it used to be. We have survived this
4 long, and we will continue. As Indian people, we
5 are (words spoken in Seneca language) and we will be
6 here for another 200 years. Now I'm done with your
7 time, thank you.

8 MR. HOISINGTON: Anyone else?

9 MR. TITUS: Hi there everybody, my name is
10 Shane Titus. I'm the conservation officer and also
11 fisheries manager for the Seneca Nation of Indians.
12 I'm, kind of, here to touch on some of the
13 environmental impacts that we witnessed over the
14 years. Both ourselves as a Department and also from
15 studies which are still ongoing with the cooperation
16 with New York State DEC biologists, also U.S. Fish
17 and Wildlife Service biologists.

18 There's a number of issues that we have deemed
19 critical to our environment, to the waters and our
20 resources. One, for the most part, would be our
21 erosion that we have on our shorelines. Shorelines
22 are not stable due to water level fluctuations.
23 Trees, brush, shrubs can't take root because they
24 don't have a water table. They're not germinating,
25 so our shorelines are really, really fragile.

1 Sediment, silt accumulation has been going on
2 for well over 40 years up in the areas in which the
3 Allegheny River flows into the reservoir. Sediments
4 and silt have been covering critical habitat for
5 fish, both structurally and items such as stumps,
6 trees, gravel beds, thus making the upper portion of
7 the reservoir even shallower water, causing water to
8 warm faster during the summer months, causing algae
9 blooms, forcing fish to seek more hospitable waters
10 in deeper, colder areas, which are more towards
11 Pennsylvania, the Ovell (phonetic) area.

12 Other areas of concern with the water
13 fluctuation, especially in the springtime, is some
14 of the spawning areas, some of the inlets and
15 outlets of the reservoir. There is a number of fish
16 species, amphibians, insects, who lay their eggs on
17 stems and leaves and stuff of vegetation which is
18 under the water during the springtime. The water
19 level is fluctuating, thus far making that whole
20 spawning process nonexistent.

21 I apologize for my voice here. On top of that,
22 we have been continuing to do some studies on some
23 very critical species that are present in our
24 waters. One would be the paddlefish, which we've
25 been working with the DEC in reintroduction to our

1 waters. It is a very important fish which is
2 endangered. It was extinct from our waters after
3 1919, and we've just been successful in the
4 reintroduction of that. The protection of habitat
5 for the paddlefish are of the utmost importance.

6 To go along with that, we've also been doing
7 studies on Hell Benders, which are an aquatic
8 amphibian, very rare, only known to be in two areas,
9 two rivers, in the state of New York. Known to be
10 endangered in the Ozarks, and critically listed on
11 federal. So our efforts to keep them off the
12 endangered list, along with assistance from other
13 agencies, we're trying to keep that en route.
14 Besides the Hell Benders, there is also fresh water
15 mussels, which we have been doing studies on in the
16 upper Allegheny River by Salamanca, which we would
17 like to have expanded down into the lower areas.

18 There is the Rayed Bean that is an endangered
19 mussel know to be in our Red House River System. So
20 there's another area of more studies we'd like to
21 have completed.

22 I'm not going to just come up here and start
23 saying all the bad things. I'll give you an idea of
24 some of the things that the Conservation Department
25 and the Fisheries Division has been trying to do to

1 rectify the situations with the limited control we
2 have of our waters and the water fluctuations.

3 We've begun construction of a Walleye hatchery
4 over the summer last year. Hopefully, it will be
5 completed by the end of summer this year to help
6 replenish the Walleye, a game fish, but also a very
7 important, very critical fish for our people during
8 the spring months. We still seek the Walleye for
9 our sustenance, and the Walleye populations have
10 been depleted drastically over the last couple of
11 decades.

12 Besides that, we have begun an aggressive
13 habitat and structure planning projects on the
14 reservoir. We have already put Christmas trees in
15 the reservoir to provide some habitat which has been
16 eroded or covered with silt for the last four years.
17 We're trying to provide a little bit of maintenance
18 in some of these areas where the silt has been
19 coming in and covering gravel beds. With assistance
20 with the other agencies such as the DEC and the U.S.
21 Fish and Wildlife Service, we plan to keep the
22 project going as we can. We're trying to maintain,
23 trying to keep everything going as well as we can.
24 So to that end, we also would like to have that, the
25 boundaries, expanded accordingly, so we can address

1 some of those issues and have more of these studies
2 done. We have a lot of critical wildlife in our
3 areas and it needs to be protected, and we need to
4 be caretakers of our lands and our wildlife and our
5 species. So I thank you very much, and thanks for
6 coming.

7 MR. KIMELBERG: Good morning everyone. My
8 name is Dave Kimelberg. I am a citizen of the
9 Seneca Nation and a member of the Bear Clan. I also
10 have the honor and privilege to be the CEO of Seneca
11 Holdings, which is the investment holding company in
12 Seneca Nation. I returned to the nation about two
13 years ago when Seneca Holdings was formed, after a
14 long career on Wall Street and in Boston private
15 equity and venture capital firms.

16 What Seneca Holdings is, because I think it's
17 relevant to the discussion today, is again, it's the
18 investment holding company of the Seneca Nation,
19 who's stated purpose is to diversify the revenue
20 streams back to the nation, beyond our successful
21 related gaming and other nonrelated businesses. We
22 were committed capital by the nation to deploy in
23 interesting investments that again, will diversify
24 the revenue streams back to the nation.

25 Again, we've been operational for two years,

1 and we've accomplished a great deal, which I think
2 speaks volumes about the capability of the Seneca
3 Nation, and is relevant to today. In these two
4 years, we have established five successful operating
5 subsidiaries. We have passive investments. We have
6 built a very sophisticated management team and board
7 that is now nationally known.

8 One of the subsidiaries we established recently
9 is a company called Seneca Energy. Seneca Energy's
10 objective is to create renewable energy projects on
11 the nation's land and off the land. We are focused
12 on biomass, wind, solar, geothermal and hydropower.
13 Our plan is to go to the market with respect to the
14 Kinzua and seek a partner with experience and
15 resources in operating a hydroelectric power plant.
16 And combined with our very sophisticated and
17 professional management team, we will leverage that
18 partner to deliver a very good company that can
19 effectively and efficiently operate this plant.

20 I've been following the relicensing process and
21 read the preapplication document and the scoping
22 document of course, and have some real concerns. I
23 think there's a real disconnect between the economic
24 benefits and burdens. All of the economic benefits
25 flow to others, not the Seneca Nation, not its

1 people. The money, the recreation, all of these
2 benefits, we do not see. However, we suffer all the
3 burden. Ten thousand of our acres were put under
4 water. Our people were relocated. You have heard
5 some very powerful things today.

6 Those are significant burdens that I don't
7 think anybody else has suffered in this process. I
8 know of no one else who suffered in this process,
9 and I think it's relevant, and I think that has to
10 become part of the scope. The significant
11 incredible disconnect between the economic benefits
12 and the burdens.

13 I will close on a personal note. My great
14 great uncle was Cornelius Seneca. He was the
15 president of the nation in the 50s. He fought very
16 hard against this, and he saw what was coming.
17 These are the first things I heard when I was a
18 child and learned about my personalized role. So I
19 am here for myself. I am here for the nation. I am
20 here for Cornelius Seneca, his struggles, personally
21 and on behalf of this nation. He lost that battle.
22 I don't want to see it repeated again, and that's
23 why I'm here. Thank you.

24 MR. HOISINGTON: Any one else? All right,
25 is there anybody here from the federal agencies that

1 would like to say a few words, talk about some
2 issues? I believe I saw some Corps people here, and
3 then the Forest Service or the Fish and Wildlife
4 Service? No one? Well, aren't you lucky? How
5 about any of the state agencies? No one here from
6 the state agencies? Okay, and no one from the
7 federal agencies? How about Mr. Smith?

8 MR. SMITH: Well, I'll just point out a
9 comment that John Mudre made me aware of in our
10 scoping document. We do have something we are going
11 to correct when we revise this thing. On page 12,
12 one of the alternatives that we proposed to
13 eliminate from detailed study, the very last one is
14 project decommissioning. In the very first sentence
15 we say that the decommissioning of the project could
16 be accomplished with or without dam removal.

17 Well, the dam is not ours. It's the Corps, so
18 we're going to have to fix that. So you're welcome
19 to comment on that in your letters, but we're going
20 to definitely address that little glitch.

21 Would it help anybody if we had a break and
22 then come back and see if people are more sociable
23 after break, or do people not have anything further
24 to say?

25 Are there any questions for us, on the process?

1 Gaylord did go over the mailing list situation, but
2 I always feel compelled to say it again, because
3 it's such a difficult thing to manage at our office.
4 Both of the applicants had rather extensive
5 distribution lists that all the mailings went out
6 to. And this scoping document went to everybody on
7 both of those distribution lists. But the actual
8 mailing lists that we have in the scoping document
9 are the official ones at FERC, which is a much
10 smaller subset of that total. So if you want those,
11 as Gaylord explained, if you want to continue to see
12 the hard copies, take a look at the list in the back
13 of the scoping document and make sure that the right
14 address is there for you.

15 The other option is, of course, the E
16 subscription, which I mentioned. That's a really
17 good feature. It notifies you of when filings are
18 made or when we issue something. So what's the
19 consensus? Do folks want to break or do you want
20 to? Yes? Okay, can we do that for 10 minutes? And
21 then you can just see if there's any comments
22 afterwards.

23 MR. HOISINGTON: Okay, you've got 10 minutes.

24 (WHEREUPON, a break was taken.)

25 MR. HOISINGTON: The one thing that I

1 would like to point out that was in the scoping
2 document but was brought to my attention, that maybe
3 we should just mention it. When you do file your
4 comments either electronically or writing, make sure
5 that you include both docket number and names on
6 those documents.

7 If you were filing comments that were just in
8 reference to one project, that's the only project it
9 will go to. So if you want it to go to both
10 projects, you need to put both docket numbers on it
11 and both names on it. Because our process back at
12 the office doesn't have any way to bring those two
13 dockets together, if you file one, they get filed
14 under both. So if you want something filed under
15 both, put both names, both docket numbers and names
16 on it. If you only want it filed under one, then
17 you would just put the one docket number and the one
18 name on it.

19 Are there any, I'll ask one more time, any of
20 the agencies like to say anything, state or federal
21 that are here? We sure would like to hear your
22 comments if you have them.

23 MS. LEROY: Can we ask that they at least
24 be identified? I'd just like to see a show of hands
25 who is from a state of federal agency?

1 MR. HOISINGTON: Anybody else from the
2 federal?

3 MR. MUDRE: We have the Forest Service?

4 MR. HOISINGTON: Could you stand up?

5 MR. MUDRE: Yeah, so we just see faces.
6 Forest Service?

7 SPEAKER: Corps of Engineers.

8 MR. MUDRE: How about Fish and Wildlife?

9 MR. BLUECLOUD: I'm with the Bureau of
10 Indian Affairs.

11 MR. HOISINGTON: So we have one Corps?

12 SPEAKER: There's actually a few of us,
13 but they're not seated right now.

14 MR. HOISINGTON: Oh, okay. Are they back
15 there behind the chairs?

16 MR. MUDRE: Any Pennsylvania DEP or Fish
17 and Boat Commission?

18 MR. HOISINGTON: Okay, at this time, I
19 guess we'd like to, someone? Okay, I'd like to ask
20 if the FERC staff here has any questions they would
21 like to ask?

22 MR. SMITH:: I'm sorry. I didn't hear
23 what you were saying?

24 MR. HOISINGTON: I said, was there any
25 FERC staff here that's not paying attention and had

1 something to say? Here you go, John.

2 MR. SMITH: I think Shane from the Seneca
3 Nation mentioned he had some concerns over those
4 springtime fluctuations, and I just wanted to get
5 some clarification on that. If you were referring
6 to a, like a daily fluctuation, or was it more of a
7 seasonal fluctuation?

8 MR. TITUS: More of a daily fluctuation.
9 In these areas, inlets and bays where water in the
10 springtime is a little higher than your normal
11 summer table, fluctuations of even a couple of
12 inches during the spawning time for your Lateralback
13 (phonetic) or salamanders, frogs, insects, and even
14 some fish species will go into these pushy areas and
15 lay their eggs. They are sticky and they will stick
16 to some of these leaves and stems and roots and
17 stuff, and as the water draws down, even a couple of
18 inches during that time, it's leaving the eggs
19 obviously, in the air, and they're dying. That's
20 basically what I was referring to.

21 MR. SMITH: Is there like a range or a
22 magnitude? Is it a couple of inches? Is it a half
23 a foot?

24 MR. TITUS: It can range from more or less
25 five, six inches or so. That type of fluctuation,

1 there's areas where the fish rely on that five or
2 six inches to even get into some of these inlets and
3 outlets, so it's, kind of, cutting some fish out of
4 there. Out of reach, and they are spawning at that
5 time.

6 MR. SMITH: Okay, thanks. Did you have
7 something John?

8 MR. MUDRE: Okay, my name is John Mudre,
9 and I guess this question is maybe more for the
10 Corps of Engineers type people. I was just
11 interested in the reservoir rule curve or how you
12 operate this for the purpose of the flood control
13 and what other considerations that you have in
14 setting the water levels?

15 COURT REPORTER: That person needs to come
16 forward and identify themselves. Identify yourself
17 please, sir?

18 MR. HOISINGTON: Excuse me, could you
19 identify yourself? Your name, so the court
20 reporter-

21 MR. BLOSSER: Steve Blosser, Park Ranger.
22 As far as managing the reservoir level, it's a
23 seasonal approach. During this time of year, we
24 would typically be at what we would consider our
25 winter elevation range. Above sea level that's

1 between 1,300 and 1,310. This morning it was just a
2 little bit above 1,310 elevation. During the
3 spring, depending on thaw conditions and springtime
4 rains, we normally start refilling the reservoir up
5 to summer level, and that could happen as early as
6 some time in March. But it's usually at summer
7 level, which is elevation 1,328 by sometime in May.
8 Recreation season between Memorial Day and Labor
9 Day, trying to maintain a constant level at summer
10 elevation around 1,328. And then the draw down
11 normally begins after the recreation season ends,
12 usually some time during the fall. Usually October
13 into December is when we draw it back down again
14 from elevation 1,328 down towards winter level.
15 Like I said, that's a real short kind of down and
16 dirty overview. But if you were to look at a
17 reservoir curve, it would show those different
18 elevations and how they are managed over a 12 month
19 calendar year.

20 MR. SMITH: Is reservoir level data
21 readily available?

22 MR. BLOSSER: Yes. Yeah, we have gauging,
23 which is maintained at the dam, and it's part of a
24 cooperative managed resource between the Corps of
25 Engineers and the U.S. Geological Survey. But that

1 is something that could be contacted by telephone or
2 available at a website, which would show a range of
3 values in tabular form for whatever length of time
4 that you would want to check.

5 MR. SMITH: Did you say the timing
6 increment? Is it hourly?

7 MR. BLOSSER: It's hourly.

8 MR. HOISINGTON: Anybody else?

9 MR. BOVA: Yes, I have a question. David
10 Bova, I'm with the Kinzua Dam Licensing Commission.
11 I just want to ask the Corps of Engineers. Is-

12 COURT REPORTER: If you're not on a mic-

13 MR. BOVA: Is there any gauging stations
14 or anything up river that you check periodically?
15 Six months, three months, four months?

16 MR. BLOSSER: Well on a daily basis, we
17 make contact with gauging stations. We have weather
18 observers as far upstream as Albany, New York, up
19 around Wellsville. We have weather observers in
20 Little Valley, Salamanca. We also have a river
21 gauge in Salamanca, and there are other river gauges
22 which we don't check, but there are several
23 locations along the Allegheny between the Oma
24 Observation Station and the dam.

25 MR. SMITH: Is that information available?

1 MR. BLOSSER: Yes. Again, anything that's
2 online is usually managed by the U.S. Geological
3 Survey or the Corps of Engineers. If you're
4 interested in those websites, that's something I can
5 send along.

6 MR. HOISINGTON: Anyone else? Staff?

7 MR. MUDRE: John Mudre again. I was just
8 curious as to what sort of procedure you go through,
9 coordinating with First Energy regarding how much
10 generation, how much water they let go on any given
11 day, versus whether they tell you or you tell them,
12 or how exactly does that play out?

13 MR. BLOSSER: Yeah, as part of the real
14 estate agreement for the power plant and also part
15 of our reservoir regulation manual, I guess you
16 could say. We do have standard operations, as far
17 as discharges downstream and back into the
18 reservoir. It varies, depending on conditions. But
19 normal operations, when we are in a situation where
20 we have an increase or decrease indicates on the
21 dam, normally that is something that is under
22 secondary control of the power plant. So if we need
23 to increase the flow downstream, we'll have them
24 make adjustments to our gates. And then if they
25 come online with an operation to discharge water

1 downstream, then they'll make the compensating
2 operation, depending on the float that they're
3 putting downstream through the power plant. Again,
4 that's a real simple overview, but that's how it
5 typically operates.

6 MR. MUDRE: Thank you.

7 MR. HOISINGTON: Anyone else? Give your
8 name, so that the court reporter can get it
9 recorded.

10 MR. GATES: Todd Gates, Seneca Nation
11 Counsel. I heard you say you have river gauges that
12 you don't check. If those gauges are on nation
13 territory and the problem is identified by our
14 conservation, I think you need to coordinate that
15 and check those gauges daily, because it is
16 affecting fish habitat. I think that needs to be
17 coordinated. That's why this scoping should be
18 expanded, I'm a proponent for that also. But it
19 affects us daily, and that's one of our safeguards
20 we need to put up the environment. If you could
21 elaborate maybe, on how often you check the gauges,
22 and where they are, where specifically they are? So
23 maybe our conservation guys can get a good read on
24 that, so we can maintain that. Thank you.

25 MR. BLOSSER: Here again for

1 clarification, as far as those gauges. We have a
2 certain number of reporting stations and gauges that
3 are part of our daily report that we do in the
4 morning. Again, as I mentioned to Dave, I do have
5 web links that will take you to a river gauge
6 webpage, which will show all the locations for those
7 gauges that are on the Allegheny drainage, if you
8 are interested in that. I could pass it along to
9 Dave, and then he could pass it along to the
10 Conservation Department, if you want to do it that
11 way.

12 MR. GATES: Appreciate it.

13 MR. BLOSSER: That way you would have that
14 information.

15 MR. HOISINGTON: Thank you.

16 MR. LANINI: This is Jordan Lanini. I was
17 just hoping you could clarify as to whether there's
18 free flow gauges or stage gauges to which you are
19 referring?

20 MR. BLOSSER: Yeah, depending on the type
21 of gauge, they have a number of different parameters
22 that they use. Some show a, I guess you could call
23 it a gauge, as far as a reference point on the
24 river. Some of them also translate that in tabular
25 format as to cubic feet per second that's flowing

1 past that gauge. Some of them also have water
2 quality, temperature, it just depends on how
3 elaborate that gauge is equipped. But again, each
4 of those are identified as a number within the USGS
5 gauging system, and that translates to a particular
6 gauge, webpage that you can go to, to check that
7 information.

8 MR. LANINI: I think determining whether
9 we are talking about reservoir stage, which was the
10 question concerning fisheries. It sounds like all
11 the gauges you are referred to are stream flow
12 gauges, so they're not measuring reservoir stage.
13 That's only at the dam, correct?

14 MR. BLOSSER: Right. We have the one
15 gauging station at the dam that measures the
16 reservoir level.

17 MR. MESGHINNA: My name is Wold Mesghinna.
18 So you don't have a state gauge at the Seneca
19 territory? Do you have a gauge at the Seneca
20 territory?

21 MR. BLOSSER: No. The only gauge that we
22 would measure, as far as the reservoir level, would
23 be right at the dam.

24 MR. MESGHINNA: What about fish XXX?

25 MR. BLOSSER: Like I said, there is a

1 river gauge at Salamanca.

2 MR. MESGHINNA: What about the-

3 MR. BLOSSER: Nothing along the reservoir.

4 MR. MESGHINNA: Just to continue the
5 question that was asked by the staff. In terms of
6 the low current, brought up by the other man, I'm
7 sure you have a low current for operation. Is it
8 possible to share it with us?

9 MR. BLOSSER: Certainly. That's something
10 that our water management owns, and they will be
11 able to provide.

12 MR. LANINI: I might comment that there is
13 a rule curve in the S and I pack, so that's
14 available for reference. One further question for
15 FERC staff. I believe S and I has submitted some
16 CEII requests concerning information related to the
17 project, and I was wondering what the status of
18 those requests are?

19 MR. HOISINGTON: Let me just take a short
20 talk.

21 (WHEREUPON, FERC staff conferred briefly off the
22 record.)

23 We can get back to you on that, but I'm
24 thinking there is someone that is working on a lot
25 of information that I think with CEII, that they had

1 to pull up information that was on microfiche,
2 microfilm, from a long time ago, and he is compiling
3 that information before it can be made available.

4 Now, if it's information that's already on the
5 webpage, all you have to do is go online and
6 register, and you should be able to get right into
7 that. John?

8 MR. SMITH: I couldn't get into the CEII,
9 but the thing is, it's different staff that handles
10 this CEII requests. So, none of us here would have
11 the answer to your specific question, but there are
12 procedures for getting it, and so it shouldn't be a
13 problem for you. And if it is, let one of us know,
14 and we'll see if we can do something to help it out.
15 But there's other people, that's like another group
16 at FERC that does that, so we don't know the exact
17 answer.

18 MR. HOISINGTON: Yeah, if Bill gets in
19 touch with me, either by e-mail or phone, or John,
20 we'll find out what the status is, and we'll also
21 find out. I just know that someone came to me and
22 had a big shopping list, and he was telling me that
23 this information was into, they had to send off site
24 because it was so old, to get it. And that might be
25 that information, and then again, it might not. So

1 just let me know, and we'll try to track that down,
2 so that we can get that information to you.

3 It is by no means any movement not to get you
4 that information. It's just the process, like John
5 said, the right hand is doing this job, and the left
6 hand is doing that job, and we don't have access to
7 everything that's going on. Anyone else? Here we
8 go.

9 MR. PENCE: Brent Pence, Forest Service,
10 Allegheny National Forest. I had a question for
11 FERC. Being that this is competing applications,
12 how are you going to handle the study plans where
13 the studies are similar to each other? In other
14 words, who is going to do what, and I'm not sure how
15 it's going to work?

16 MR. HOISINGTON: I'll try to answer that,
17 but John is a study plan. But I think I won't even
18 answer that.

19 MR. SMITH: Well, unless the tribe and
20 First Energy come to some agreement on studies, we
21 are expecting to have two simultaneous processes.
22 So the tribe would have its proposed study plan,
23 First Energy would have it's proposed study plan,
24 and we would issue two study determination letters
25 to each applicant. I mean, that's what our thoughts

1 are. But if there is some agreement worked out
2 where certain studies, they reach agreement that one
3 entity is going to do, a third party is going to do
4 a particular study, that's fine with us, if that
5 happens to be the case. But we're thinking this is
6 a dual, two processes moving along at the same pace.

7 MR. PENCE: Yeah, I was wondering how you
8 were going to go about this, so they aren't tripping
9 over each other, so to speak, doing those studies,
10 because some of those have to be done at a certain
11 time of year, like some of the aquatics.

12 MR. SMITH: Yeah, I mean, I guess we just
13 have to see how each of these meetings plays out.
14 And if some of the studies are very similar, there
15 may be a reason to, it may be worthwhile to mutually
16 agree that one consultant or one agency conducts the
17 study, and both parties use the result. But we're
18 not going to make anybody do that. If they want to
19 do them separately, they can do them separately.

20 MR. HOISINGTON: Was there one more person
21 back here? I thought I saw another hand.

22 MR. MCHUGH: Tom McHugh, Corps of
23 Engineers. To the extent that anybody who wants
24 information from the Corps, public information, you
25 can always utilize the Freedom of Information Act,

1 and send it to us. It will come into my office.
2 They'll ask me about it. I will make sure that your
3 request gets into the right hands, so you can get
4 your information. That way we, at least, have a
5 centralized person that's going to process the
6 claims. So in your scoping document that has the
7 1000 Liberty Avenue, Pittsburgh address, you can
8 just send it there, put on there, "Freedom of
9 Information Act request or FOIA Officer." It'll get
10 to the right person, and she'll catalog it, and
11 she'll make sure that, that information or your
12 request gets to the person that can provide you the
13 information, and we'll get it out as quickly as we
14 can.

15 MR. LANINI: Just as a follow up to that.
16 We submitted a FOIA request for certain parameters
17 of operation within the Allegheny Basin, and it
18 bounced between Pittsburgh office and Vicksburg,
19 Mississippi, and we never received any of that
20 information. Should we resubmit that to you or what
21 would be the process to do that?

22 MR. MCHUGH: You can give me your business
23 card, and I will go back, and I will see where it
24 is, and I will get back to you. Or our FOIA officer
25 will back with you, and I'll let you know what the

1 status is.

2 MR. LANINI: Excellent, thank you very
3 much.

4 MR. HOISINGTON: Anyone else? John,
5 you're standing up. Do you need something?

6 MR. SMITH: No, just making myself
7 available, Gaylord.

8 MR. HOISINGTON: Okay. Well, I guess if
9 no one else is going to talk, I'm tired of talking.
10 So unless anyone has anything else. The site visit,
11 Morgan Parke is going to provide you a little bit
12 more information, and go from there.

13 MR. PARKE: All right, in light of the
14 accelerated end of this meeting, we would be willing
15 to start tours at 1:00 o'clock for folks that are
16 available and want to do that. We want to maximize
17 the window during which tours can be conducted.

18 If folks would like, we would be willing to
19 start the tours at 1:00 o'clock in groups of five,
20 and we will run till 4:00 o'clock.

21 MR. MUDRE: I was just wondering, do we
22 meet here? How long is each tour? Is it like a
23 half an hour from beginning to end to getting back
24 here? I guess it could vary?

25 MR. PARKE: I think the thinking was that

1 the tours would start from the parking lot, the
2 Corps parking lot, and walk to the facility. And
3 so, those that want to go on tours will need to the
4 Corps parking lot. I don't know how long they'll
5 go.

6 MR. MUDRE: Okay.

7 MR. PARKE: I'm told half an hour.

8 MR. MUDRE: At least I'll go to the right
9 parking lot.

10 MR. PARKE: So, to repeat. The Army Corps
11 parking lot, tours will take approximately half an
12 hour, will start at 1:00 o'clock and will end at
13 4:00. Five people per tour, and we'll go through as
14 quickly as we can, and get as many people through as
15 we can today.

16 MR. HOISINGTON: Okay, thank you. Anyone
17 else? All right, thank you very much. If you want
18 to come this evening, we'll be here waiting. Thank
19 you.

20 (WHEREUPON, Proceedings were concluded at 11:19
21 a.m.)

22

23

24