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BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF:)
SCOPING DOCUMENT FOR)
KINZUA PUMPED STORAGE PROJECT)
(P-2280-013))
&)
SENECA PUMPED STORAGE PROJECT)
(P-13880-000))
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Holiday Inn
210 Ludlow Street
Warren, Pennsylvania 16365

Wednesday, February 23, 2011
3:00 p.m.

REPORTED BY:
CHARLES D. HOFFMAN

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PARTICIPANTS

GAYLORD HOISINGTON, FERC

JOHN SMITH, FERC

TIM LOONEY, FERC

KEITH BROOK, Esquire, FERC

EMILY CARTER, FERC

JOHN MUDRE, FERC

1 PROCEEDINGS

2 (7:05 p.m.)

3 MR. HOISINGTON: Okay, I think we'll get
4 started. My name is Gaylord Hoisington and I'm here
5 representing the Federal Energy Regulatory
6 Commission from the Office of Energy Projects. And
7 in the office of energy projects, we license the
8 hydroelectric projects that operate in the United
9 States. We also relicense existing projects when
10 they are up for their license to expire and that's
11 one of the first steps that we do in this process,
12 is public scoping. And that's what we're doing here
13 today, is public scoping for the Seneca and the
14 Kinzua Pump Storage Hydro Electric Projects.

15 On November 24th, the First Energy filed a
16 Notice of Intent, which is a letter telling us that
17 they plan to file a relicense application for their
18 Kinzua Pump Storage Project.

19 On November 30th, the Seneca Nation filed a
20 competing application or a competing NOI and PAD for
21 the Seneca Pump Storage Project and FERC assigned
22 that number as 13889, and because the two projects
23 are similar except for some minor differences that
24 will be explained later, we decided to process these
25 applications together. And I said applications

1 meaning, because they are going to file, everything
2 competing coincides with both those projects.
3 Everything that goes through FERC will be going
4 through side-by-side.

5 Myself and the staff here today will be
6 responsible for processing these two applications
7 and the process to obtain a license to keep the
8 project operating. And also today or this evening,
9 we have some First Energy people here and we have
10 some Seneca Nation people here, representing the
11 Seneca Nation.

12 And at this time, I guess I would like to go
13 ahead and start right here with John from FERC to
14 introduce himself and just tell a little bit about
15 what his role will be. And I know that the nation's
16 people and First Energy people are out there
17 somewhere. I can see you, and it's a little
18 different. This morning we had this set up here in
19 a table representing everyone, and they were kind of
20 around. But I think we're going to pass this mic
21 around and let everyone kind of tell what their
22 role is, that's here representing either of those
23 three entities.

24 MR. SMITH: My name is John Smith. I'm
25 currently Chief of the Mid-Atlantic Branch Division

1 of Hydropower Licensing at FERC.

2 MR. LOONEY: Yes, my name is Tim Looney.
3 I'm an engineer in the Office of Energy Projects,
4 Mid-Atlantic Branch.

5 MR. BROOKS: Yes, my name is Keith Brooks.
6 I'm an attorney with the Office of the General
7 Counsel at FERC.

8 MS. CARTER: Hi, I'm Emily Carter. I'm an
9 environmental biologist in the Mid-Atlantic Branch
10 of the Office of Energy Projects.

11 MR. MUDRE: My name is John Mudre, and I'm
12 a fisheries biologist, and I'm with FERC.

13 MR. HOISINGTON: Because people from First
14 Energy and the nations, Seneca Nation, are
15 separated, maybe if we could just have one
16 representative from each of the organizations tell
17 us who everyone is.

18 MS. HUFF: Introduce our team?

19 MR. HOISINGTON: Yes.

20 MS. HUFF: Thank you, Gaylord. Good
21 evening, my name is Wendy Huff. I'm with the Kinzua
22 Dam Relicensing Commission for the Seneca Nation.
23 And I will start right here. This is Vicky
24 Strohmeier. She's part of our legal team. Wold
25 Mesghinna, he's with our engineering team. Shannon

1 Keller O'Loughlin, she's also legal team, and Jordan
2 Lanini is an engineer as well. We have David Bova.
3 He is also on the Kinzua Dam Relicensing Commission.
4 Thank you.

5 MR. HOISINGTON: Thank you, Wendy. And I
6 know some of your names, but I'm going to give this
7 mic to Laura. She's been hiding.

8 MS. COWAN: I'm Laura Cowan. I work for
9 Kleinschmidt. We are the holding company for First
10 Energy. I am the licensing coordinator. This is
11 Jay Maher. He is the project manager for
12 Kleinschmidt, working for First Energy. This is Tom
13 Groff. He is the plant manager. Kathy, I've never
14 learned to pronounce your last name?

15 MS. KONIECZNY: Konieczny.

16 MS. COWAN: Thank you. She is outside
17 counsel working with Winston and Strawn for First
18 Energy. This is Tony Skicki, also with First
19 Energy, and Ron Kovack, First Energy. That's
20 everyone.

21 MR. HOISINGTON: Thank you. I'm losing my
22 voice. What we are going to do here this evening
23 is, we have a brief presentation that we are going
24 to go ahead and present, and then we will open it up
25 so that everyone gets a chance to speak. A little

1 later on, Mr. Tim Looney will present a description
2 of the existing project and the operation, and
3 following his presentation, we'll go over a list of
4 the resources and the proposed studies that have
5 been identified.

6 In both the preapplication documents, also
7 known as the PAD, we will discuss the criteria for
8 requesting additional studies and mention some key
9 dates and milestones. And then we'll open up the
10 meeting to everyone else's comments, which is really
11 the reason we are here, is to hear what everyone has
12 to say about it. It will give us information to
13 help us develop the environmental analysis in this
14 licensing process for this project.

15 Now, as I said before the meeting, please
16 everyone sign in, and if you want to speak, please
17 fill out the registration form. Not that we won't
18 let you talk if you didn't. And also, we do take
19 written comments. If at the end you go home and you
20 think about something that you want to mention, or
21 something that you think is important, the scoping
22 documents - and there were some on the table - on
23 page 19 of the scoping document, it gives you a
24 mailing address. It also gives you, in that scoping
25 document, a way to electronically file any comment

1 you might have, and get on an electronic filing
2 mailing list, where you could get documents and read
3 everything that's going on in regard to this project
4 of things that are being filed in regard to this
5 process.

6 This is all public, so there is not anything
7 that anyone can't get just by following the guidance
8 that is provided in the scoping document. The other
9 thing is, when the applicants prepare their
10 pre-application document, they send out a mailing
11 list to make sure that everyone that they've talked
12 to prior to developing this pre-application
13 document, the PAD, they get their comments, and they
14 try to address some of those comments in the
15 preapplication document. And it gives them an idea
16 of what they're going to have to do in developing
17 the application.

18 So, then anything that's filed on those two
19 projects, and let me add that the two projects are
20 the Kinzua Pump Storage Project, 2280, and the
21 Seneca Pump Storage Project, 13889.

22 Now if you file anything with FERC, or you
23 write any information that you want to put on the
24 record, make sure that you refer to those two
25 docket numbers. If you file one for the 2880 or one

1 for the 13889, they will not automatically be put on
2 the other docket, even though they may be the same
3 project. The filing system in our E Library with
4 FERC, they don't have that ability to cross
5 reference all of that information because of the
6 amount of filings we get. And so it's very
7 important when we file something that you make sure
8 that it has the right name and docket number on it.
9 And that information is in the back in the scoping
10 document, somewhere around page 24 and page 19. We
11 repeat ourselves a lot. But anyway, on page 19,
12 it's just the electronic filing. It tells you how
13 to file electronically.

14 If you want to be put on a mailing list, you
15 need to write in to FERC or e-mail yourself
16 electronically to FERC so that you can be put on
17 this mailing list. Because if you've got a document
18 now that was mailed to you, you might not
19 necessarily be getting anything from today on,
20 unless you're on the official mailing list. So if
21 you want to be on the official mailing list to
22 receive documents, you need to make sure you file
23 that with FERC so that we can make sure that you get
24 all the documents and information that you want.

25 Okay, this is kind of the agenda, what we're

1 going to go through tonight; with the introduction,
2 the process overview, the purpose of the scoping.
3 Tim will be doing a project description. We'll be
4 discussing a little bit of the studies, and dates
5 and milestones. And then we'll take questions and
6 comments.

7 Now, the dates and milestones which we'll talk
8 a little bit further on. In this process, we have a
9 certain date frame line that we have to stay with.
10 It's very important for us to stay within those
11 dates of that process.

12 We've gone through the registration. The
13 court reporter is up here, so when you talk, we
14 would really appreciate it if you made sure that
15 your name and everything is clear, so that the court
16 reporter can make sure that we get everyone's
17 comments or anyone's concerns into the official
18 record.

19 And there also is the written comments, that if
20 you get thinking about it later, you want to do this
21 at your office or something, you can provide those
22 written comments and mail them to that address
23 that's in the scoping document. And there are
24 scoping documents on the table. If you don't have
25 one, please feel free to take them.

1 Now, there is also over there, this licensing
2 process. There is a sheet on the table that's quite
3 a bit longer than this, but it tells all the time
4 frames, date for date of how many days are between
5 each process that we're going to take through this,
6 and this is just kind of a brief summary of that.
7 When they filed the NOI, PAD, scoping process, the
8 study plan, they all have certain time frames and
9 milestones that we have to meet to keep the process
10 going as quickly as possible.

11 The date that we, and I'm going a little too
12 fast here, but what happened with this project was,
13 we received an application from First Energy on
14 November the 24th. And so, we set up a time frame
15 sitting on November 24th, 2010. And then we
16 received the competing NOI and PAD on November 30th,
17 of 2010. So it's a difference of about a week. But
18 that difference, when we first started this process
19 we were going by the 24th. And now with this
20 scoping meeting, we've gone back in to our . . . I
21 don't know where it went to. I had a sheet up here,
22 the Excel sheet, that when you punch it in, it comes
23 up with the exact dates of when everything is
24 supposed to be. And that is also in the back of the
25 scoping document. It gives a date for all the

1 milestones. So if you want to follow those dates,
2 then please pick up that scoping document, and you
3 can get an idea of what we are doing and what, at
4 certain times from the filing date of November 30th,
5 of 2010.

6 We're 60 days from the filing date right now.
7 We're right on schedule. And over the next several
8 months we'll be working towards finalizing these
9 study plans, which will tell us what we need to do
10 and what we need to look at and what we need to be
11 studying to figure out what effects this project has
12 on the environment and the other aspects of what a
13 hydroelectric project would have.

14 And then this is all . . . everyone is working
15 towards a final application being filed on November
16 30th, 2013. At that time, the staff will review the
17 application, and if it's complete then they would
18 issue a ready for environmental analysis and request
19 terms and conditions and interventions, and then we
20 would start our environmental analysis. And then a
21 license decision would be expected to be issued,
22 prior to the license expiration of the now existing
23 Kinzua Dam Project before November, 2015.

24 FERC's role is to identify the issues, discuss
25 existing conditions and information, explore

1 additional informational needs, and discuss the
2 process plan for what we're doing. At this time,
3 I'm going to let Tim come up, and he's going to give
4 everyone an overview of how we see the project and
5 what we've been able to determine by looking at the
6 two PADs.

7 MR. LOONEY: The Kinzua Pump Storage
8 Project is located on the Allegheny River in Warren
9 County, PA. The project is currently licensed to
10 First Energy Generation Company. The project pumps
11 water from the Allegheny Reservoir, formed by the
12 Corps of Engineers Kinzua Dam, to an upper
13 reservoir. Water from the upper reservoir is
14 released to the powerhouse located downstream of
15 Kinzua Dam. After the water has been used for
16 generation, they can either be returned to the
17 Allegheny Reservoir or released to the Allegheny
18 River. All generation uses water taken from the
19 Allegheny Reservoir.

20 The project is located on lands administered by
21 the United States Corps of Engineers and the United
22 States Forest Service. The upper reservoir is
23 located on Forest Service lands in the Allegheny
24 National Forest. The powerhouse is located on lands
25 administered by the Corps of Engineers. The general

1 location of the project is shown on Figure 1.
2 This is Figure 1 from the scoping document. This
3 generally shows you where the project is in the
4 state of Pennsylvania. The layout of the project is
5 shown on Figure 3 of the scoping document. And the
6 project has three turbine generating units that have
7 total installed capacity of 451.8 Megawatts, and
8 generates approximately 695 gigawatt hours of energy
9 per year.

10 All hydroelectric generation at the project
11 uses water taken from the Allegheny Reservoir. The
12 powerhouse contains two reversible pump turbines,
13 Unit 1 and 2 there, and one conventional turbine
14 generator, Unit Number 3, right there. When filling
15 the upper reservoir, one or both of the reversible
16 turbines, Units 1 and 2, pump water from the
17 Allegheny Reservoir to the upper reservoir. When
18 the project is in the generating mode, Unit 1
19 generates power with water being released from the
20 upper reservoir.

21 Flow from Unit 1 is sent back to the Allegheny
22 Reservoir. Unit 2 generates power with water being
23 released from the upper reservoir, but flow from
24 Unit 2 can be sent back into the Allegheny Reservoir
25 or to the Allegheny River, downstream of Kinzua Dam.

1 Unit 3, the conventional unit, generates power
2 with water being released from the upper reservoir.
3 Flow from Unit 3 can only be released to the
4 Allegheny Reservoir, I mean Allegheny River,
5 downstream of Kinzua Dam. The project has a 500 CFS
6 release, minimum flow release, which is scheduled to
7 be released through Unit Number 3.

8 The current license boundary for the project
9 includes the upper reservoir, water conduits, intake
10 in the Allegheny Reservoir, control facilities, the
11 powerhouse, tail race to the Allegheny River and the
12 transmission line to the Glade Substation. And the
13 existing project boundary is shown, you can see it a
14 little bit, on this one. This is from the First
15 Generation-

16 MR. SMITH: First Energy.

17 MR. LOONEY: First Energy, sorry. It's
18 very hard to see it on here, but you can see it a
19 little bit better in the scoping document. I
20 believe that's Figure 1 from the scoping document,
21 and you can see it better on this. This is the
22 Seneca Nation's exhibit, and it's the yellow line,
23 is the current project boundary.

24 And at this time, First Energy Generation is
25 not proposing any modifications to the project

1 infrastructure, project boundaries or modifying
2 project operation. The Seneca Nation does not
3 propose any changes in the project facilities or
4 project operation. The Seneca Nation's proposed
5 project boundary would include the area defined by
6 the original FERC project boundary, as well as all
7 areas encompassed by the Allegheny Reservoir at the
8 maximum storage elevation of 1,365 feet above mean
9 sea level and all transmission lines connecting the
10 project to the regional transmission system.

11 MR. HOISINGTON: Thank you, Tim. Under
12 the Federal Power Act, FERC has the responsibility
13 to issue licenses for nonfederal hydroelectric
14 projects, and you can read more about FERC's mission
15 at the website which is www.ferc.gov, and that
16 information is also in the scoping document.

17 We are using the scoping process to begin our
18 evaluation of those environmental effects, and the
19 scoping document issued in January includes a brief
20 description of the existing project facilities and a
21 preliminary list of resources and describes the
22 studies by First Energy and the Seneca Nation, that
23 they propose for developing their application for
24 the project license.

25 Now, the main purpose of this scoping meeting

1 and the one that we are going to hold tomorrow and
2 the one that we held this morning was to get
3 everyone's input to this project so that it will
4 help us develop our environmental analysis that we
5 have to prepare under the National Environmental
6 Policy Act.

7 Right now, this is just a brief discussion of
8 the resources that would be involved right now that
9 we're going to look at while we are doing this
10 process of the environmental analysis. We're going
11 to look at the geology and soils of it. We're going
12 to look at aquatic resources. We're going to look
13 at terrestrial resources. We're going to look at
14 rare, threatened and endangered species, the
15 recreation resources, land use and aesthetics,
16 cultural resources and developmental analysis that
17 are resources of the project.

18 Later this summer, we will be conducting, like
19 I said, the study plans of the all the studies that
20 will help evaluate these resources that we're going
21 to look at during developing our environmental
22 analysis. And at this time, I'd like John to talk a
23 little bit about the additional studies and what's
24 being proposed.

25 MR. SMITH: In the scoping document, we've

1 got a list of the studies proposed by First Energy
2 and the Seneca Nation, starting on page 16. And we
3 just summarized the studies into categories. They
4 each proposed a different suite of studies, but they
5 basically are around the categories of project
6 operation, water resources, fish and aquatic
7 resources, botanical resources and cultural
8 resources. And this is the most important slide, or
9 one of the most important slides for this particular
10 step. And that is the study of request criteria.
11 And this criteria applies to commission staff as
12 well as resource agencies or any other stakeholders
13 out there that are going to be requesting studies.
14 These are in our regs, and we want to make sure that
15 any study requests that come in adhere to these
16 criteria. So, it's very important that if you're
17 going to request a study, that you identify the
18 study's goals and objectives, consider existing
19 resource management goals, take into account the
20 public interest and the amount of existing
21 information that's already out there.

22 There needs to be a nexus to any project
23 operations and effects. So, please explain what you
24 believe the nexus to be when you request a study.
25 And the methodology should be consistent with

1 accepted practice. So if you have a particular
2 study in mind, explain what methodology you would
3 like to use, and why you think that's the
4 appropriate methodology.

5 And also give some consideration to the level
6 of effort and cost, and why alternative studies
7 would not suffice; so some idea of the effort, the
8 number of days, the number of months, the amount of
9 staff that would be required, and an estimate of the
10 cost of the study. These are the things that we'll
11 be looking for when we evaluate what an appropriate
12 study is for the project.

13 MR. HOISINGTON: As I said before, when we
14 do this process, we do it in a time frame. This is
15 the time frame that has been laid out for the
16 processing of this NOI and PAD leading into the
17 license application being filed. Right now, we are
18 working on, at the end of this month, or March. On
19 March 30th, we would expect to have everyone's study
20 requests, from First Energy and the Seneca Nation
21 and FERC staff. We'll be developing our own study
22 requests also. And then we would have a proposed
23 study plan date in May. We would have a meeting to
24 discuss all of this, and then we would put it out
25 for comments, and people would respond to what we

1 think all those studies need to be or do not need to
2 be, and that would be due in August. And then we
3 would revise that study plan, and we would issue a
4 final determination letter in October. That would
5 say, this is what the plan is, these are the studies
6 we are going to need, and this is the process.

7 MR. SMITH: We mentioned this at the
8 morning meeting, but our intent right now is that
9 we'll be following basically two simultaneous IOP
10 processes, the Seneca Nation's application and the
11 First Energy's. So we have a date up here, and we
12 have those same dates in the back of the scoping
13 document. But what it will mean is we'll probably
14 be having two separate meetings around the time,
15 around those dates. We'll be having study meetings
16 that will be run by First Energy, and we'll be
17 having another meeting run by the Seneca Nation.
18 We're going to try to keep everything convenient so
19 that all of the stakeholders can attend the meetings
20 with as little travel as possible. At least, that's
21 our intent.

22 MR. HOISINGTON: Now, as I said, the
23 comments are due on March 30th. So please, if you
24 have any comments that you want to get in, you want
25 something put on the record, please get those filed.

1 Look in the back of the scoping document for the
2 time frame and the addresses and where and how to
3 file. Is there something else?

4 MR. SMITH: I don't think so.

5 MR. HOISINGTON: So, now it's your turn.
6 We talked this morning, and we've talked now, so we
7 have two people that have filled out the
8 registration form, and we'll let them speak first,
9 and then we'll give it to anybody else that would
10 like to make a comment. I just happened to see
11 these people sign these papers, so one of you can
12 take this and give it to the other.

13 MR. BELITSKUS: I'm Bill Belitskus. I'm
14 the President of the Allegheny Defense Project, and
15 I just have some brief comments tonight. The
16 Allegheny Defense Project fully supports the Seneca
17 Nation's plan to operate the power generating
18 facilities at the dam. There is no doubt about the
19 lack of transparency and fairness that occurred
20 during the last licensing.

21 When the dam was under construction, First
22 Energy actually had an office right at the dam site
23 and consequently, the power generated was sent away
24 from the region to the Cleveland area, while the
25 Seneca Nation, that had so much taken from it, did

1 not benefit from cheaper power and had to purchase
2 power at higher rates of 16 to 17 cents per kilowatt
3 hour off of the national grid. So now, it's time to
4 begin to correct that past transgression.

5 The nation is uniquely positioned to operate
6 the power generating facilities at the dam, being a
7 major upstream riparian land owner concerned with
8 the production or protection of the watershed, and
9 it has the financial means to carry out its
10 proposal.

11 And then the following are a list of
12 significant issues that I think need to be addressed
13 on scoping. One of them is, are you really going to
14 try to do something to replace turbines that are old
15 and aren't as efficient as what is available
16 currently? We know that there has been damage to
17 turbine bearings that occurs from silt, and that's a
18 major issue in terms of managing the watersheds
19 around the reservoir. If you go on ADP website, you
20 can see the effects of that silt running down the
21 hills from timbering and oil and gas development in
22 the spring when the reservoir melts, and you see a
23 layer of mud in the reservoir. The cost of
24 repairing aging facilities. I think you need to
25 have a current cost assessment for backlog of

1 maintenance of the dam and generating facilities and
2 what agency and or committee is going to be
3 responsible for what cost.

4 I actually think you need to look at geothermal
5 too, right now, while you're talking about this
6 project. We actually are in a hot rock area. If
7 you look at U.S. Geological Survey maps, we have
8 true geothermal capability in the area, and that
9 could be actually incorporated into a project now.

10 I have concerns about climate change and what
11 it's doing to the water, how much water is actually
12 in the dam. Is the dam pool increasing if we are
13 receiving more rain? Due to climate change is the
14 water level going to go beyond the bounds of the
15 flowage easement? I think that needs to be
16 addressed. You have increased drilling occurring in
17 the area of the dam, and what is going to be the
18 effect of earthquakes on the dam structure, like
19 those currently being experienced from shale gas
20 drilling in West Virginia and Arkansas. I think
21 that needs to be addressed.

22 And also injection wells in this region. There
23 is currently permit applications for injection wells
24 to inject contaminated drilling fluids under high
25 pressure into rock strata and as water level rises,

1 it will change the hydrology of the area, and there
2 will be more weight on existing wells, so will that
3 impact wells along the Allegheny Reservoir.

4 We know that when the reservoir was flooded
5 there were a lot of wells that were just left
6 unplugged. And in recent years when we've had a
7 drought and the water has been down, there were
8 actually attempts to do emergency plugging to some
9 of those wells that were just left. Also injection
10 wells are a classic textbook situation for creating
11 earthquakes, and I think you need to be looking at
12 that issue in the dam area.

13 You have to know where the abandoned wells are
14 in the region to plug them, and we don't have that
15 information. One of the famous quotes from a chief
16 geologist in Pennsylvania when asked about how many
17 abandoned wells there are in Pennsylvania, stated,
18 "How many stars are there in the sky?" Nobody has
19 an idea of what is going on in this region. That's
20 for injection wells or just the influence of what's
21 going on from new drilling and hydrofracking.

22 In fact, we think that's a plan on how you are
23 going to deal with those kinds of issues that should
24 be addressed on the relicensing. We know that
25 Hammermill and International Paper operated

1 injection wells under high pressure in the Erie area
2 to dispose of contaminated fluids, and that it
3 leaked into Lake Erie and a lot of abandoned oil and
4 gas wells. So, that well is now used as a teaching
5 example of how not to do injection wells. So those
6 are just some of the additional things I think you
7 need to be looking at right now, and we'll have
8 additional comments at the end of March.

9 MR. HOISINGTON: Okay, thank you.

10 MS. PEDLER: My name is Kathy Pedler, and
11 I'm representing three NGOs today: the Allegheny
12 Defense Project, The Federal Lands Committee of the
13 Pennsylvania Sierra Club and the Adirondack Mountain
14 Club.

15 ADP has been around since 1994. We were formed
16 to protect and restore the wild rivers and forests
17 of the Alleghenies, and we have over 2,000
18 supporters.

19 The Sierra Club, Pennsylvania Chapter, has
20 26,000 members, and the national club has 700,000
21 members. The Sierra Club has been in existence
22 since the 1890s and the Pennsylvania chapter since
23 the 1970s.

24 The Adirondack Mountain Club, which is based in
25 New York, has been in existence since 1922 and

1 represents 28,000 members. And all three of our
2 groups work through monitoring, research, education,
3 participation in public decision making process,
4 which is what we are doing with you all here today.

5 When it is necessary, all three groups will
6 engage in litigation to compel responsible
7 management and care of our public resources, our
8 homes and communities.

9 With the Allegheny Defense Project, our major
10 focus is the Allegheny National Forest, and the
11 Allegheny River and Reservoir are a main feature of
12 the Allegheny National Forest. And I'm not sure how
13 much you all know about the forest, but it's the
14 most industrialized in the Forest Service system.
15 There are 12 to 15,000 active shallow gas wells.
16 And along with all of that drilling, we have all of
17 the infrastructure that goes along with that.
18 There's over 2,300 miles of oil and gas road on top
19 of 1,500 miles of Forest Service system roads.
20 There's tank batteries, brine pits, electrical
21 lines, gas lines, truck traffic, all of the
22 infrastructure that goes along with drilling. And
23 what we have been seeing is called full mine out
24 drilling which is pump jacks based every 500 feet.

25 On top of that number, we have Marcellus Gas

1 drilling which has begun in the last few years, and
2 we have at least, well we know that there's five
3 planned for Forest Service lands. Three have begun
4 drilling, and that doesn't include, there's at least
5 nine wells that are on holdings within the forest.

6 And there have been spills, major spills. In
7 fact, a couple of years ago we had 40,000 gallons
8 spill from the Snyder Brothers development into
9 Chapel Bay and the Allegheny River Reservoir. And it
10 seems as though there is major set of EPA regs that
11 just aren't followed at all, on the forest SPCC
12 regs. And so we're ensured that, that type of
13 disaster is going to continue to happen.

14 On top of all that, we also have an incredible
15 amount of clear cutting in the forest. Just in the
16 past year, we've had over 20,000 acres of clear-cut
17 proposals move through the NEPA process, just like
18 we're doing right now. And with that, 10,000 acres
19 of herbicide application. And so that's also
20 something that should be addressed when we are
21 looking at studies. All of the groups that I
22 represent today and our environmentally aware, dues
23 paying, letter writing and voting membership and
24 supporters certainly support the proper definition
25 of the project boundary, as outlines in the Seneca

1 Project preapplication document, which would include
2 the Allegheny River Reservoir, upstream from the
3 dam. We also support the study suggested in the
4 Seneca Project preapplication document, Section 5.
5 And finally, we strongly encourage all those
6 involved in the current process to respect the
7 treaty based rights and sovereignty of the Seneca
8 and other Haudenosannee nations. And the Allegheny
9 Defense Project, the Sierra Club and the Adirondack
10 Mountain Club will be presenting you with formal
11 written comments before the March 30 deadline.

12 MR. HOISINGTON: Thank you. Does anyone
13 else have anything to say? John?

14 MR. SMITH: I was just going to ask if
15 anybody had any questions while we're here? You
16 have an opportunity to ask us questions, or any
17 suggestions about the scoping document that we sent
18 around? If you have any ideas on that, that you
19 would like us to talk about tonight, would be great.

20 MR. BROOKS: In addition to the March 30th
21 deadline, you're more than welcome to file comments
22 any time during the proceeding. So, the March 30th
23 deadline is for the study plan requests, but anytime
24 in this five year process, before or after, feel
25 free to file comments. And again, file that with

1 FERC in the way that Gaylord spoke about in one or
2 both of the projects, if you so desire.

3 MS. PEDLER: So is there a scoping
4 deadline, specific scoping deadline date? Is that
5 March 30th?

6 MR. SMITH: Well, for March 30th, we're
7 going to entertain comments on the two
8 preapplication documents, comments on our scoping
9 document and any recommended studies. And then the
10 next date, if you want to go back just to those
11 series of dates. The proposed study plan due date
12 is from the two applicants. And then, they each
13 will be holding study plan meetings around the 13th.

14 Normally with one entity, we would just
15 set that as the date, but we're going to have two
16 simultaneous processes. So, it may be that it's the
17 12th and 13th, or the 13th and the 14th, but it's
18 going to be around that date.

19 MS. PEDLER: And then the comments for,
20 the public commenting on the study plans to be a
21 topic?

22 MR. SMITH: Yeah, there's a whole series
23 in the back of this. It's hard for me, even after
24 doing five or six of these to remember every single
25 step. But in the back of the scoping document and

1 on that flow chart that we have up on the table,
2 there's an outline for all of the various
3 milestones. This particular milestone this week is
4 driven by the commission staff. Many of the other
5 milestones over the next two years will be driven by
6 the two potential applicants. So different people
7 running the meetings, but our folks will be at many
8 of them as well.

9 MR. HOISINGTON: Any other questions,
10 comments?

11 MR. ATWOOD: Hi, I'm Ed Atwood, Tinus
12 (phonetic) Valley Snowmobile Club, and I also belong
13 to a lot of other organizations. I don't want to
14 change the subject, but I've brought this up for
15 many years, and I know this would be a real headache
16 for you. But one of the things that should be done
17 here for green energy is harness the head pressure
18 of the dam. You could have all kinds of electric
19 power. I've worked all through the Seneca Power
20 Station. I've worked on every one of the generators
21 from top to bottom, worked on the spilling basin,
22 all that stuff at the dam. And I know that you
23 could harness that energy that's coming out of the
24 dam and have all kinds of free energy. I mean
25 you're going to have the expense of a generator and

1 putting it there, but there is a green energy
2 project. And I've been bringing this up to people
3 for years and nobody has ever picked up on it. But
4 there is a question for you or however you want to
5 take it. There's a real project there, and it would
6 put a lot of energy . . . you don't have to pump it
7 up or anything. If you're ever up to the dam, you
8 stand on the top and look down. You have all kinds
9 of energy right there. That's kind of my question.

10 MR. HOISINGTON: The answer to that
11 question could get us into a whole discussion. We
12 could be here for days. But the dam belongs to the
13 Corps of Engineers and not to FERC, so we don't have
14 authority over the dam. And that's about the way
15 that . . . I mean, we can make recommendations. We
16 can make proposals. We can evaluate it and make
17 suggestions, but if the Corps chooses to run the dam
18 the way they run the dam, then "damn," that's the
19 way it is.

20 But no, not to change the subject, but a lot of
21 new permits are coming in on a lot of Corps dams up
22 and down the Allegheny and Ohio River, West Virginia
23 and everywhere. But I know there is someone from
24 the Corps here.

25 MR. SMITH: Yeah, I was just going to

1 mention, I mean we have had, and we have presently,
2 a couple of preliminary permit applications pending
3 before the commission. Two of which we acted on.
4 One that we have not acted on. So, there have been
5 proposals for additional power at the site and the
6 commission has spoken in one case but not in the
7 most recent filing yet.

8 MR. HOISINGTON: Anyone else? I guess if
9 no one else has any other questions or suggestions.
10 That's one way to get them to talk.

11 MR. ATWOOD: Good evening ladies and
12 gentlemen. My name is Walt Atwood. I'm just a
13 private citizen from Warren, Pennsylvania, and I'm
14 just curious. I see all this paperwork, and I'm
15 just wondering, is this going to be available
16 electronically, and when, and how easy is it for
17 ordinary folks to be able to access?

18 MR. HOISINGTON: Right. It's available
19 right now. He's got a scoping document.

20 MR. SMITH: It's on 19, isn't it?

21 MR. HOISINGTON: If you look on page 19 of
22 that scoping document where it says, the last
23 paragraph. "The requested information, comments,
24 study requests." And it tells you how to file
25 comments, and the commission's website.

1 Www.ferc.gov.docs.filing, that is the site where you
2 file that information. But you can also register on
3 that website, so that you can go online, and you can
4 pull these documents up yourself and read them as
5 they are submitted. It's all public information.

6 And if you have trouble with doing that, the
7 last group underlined is ferconlinesupport@ferc.gov
8 and the telephone number, and you can register so
9 that you can receive these documents and look at
10 them as they are submitted.

11 MR. SMITH: Yeah. Well, I was just going
12 to say, the scoping document, you can go on E
13 Library right now and access it as a member of the
14 public. And I'm sure that's in there, in the
15 documents somewhere. And then if you want any
16 future mailings, you can e subscribe, and then
17 you'll get notified electronically.

18 MR. HOISINGTON: Anything else? Anyone?
19 If not, thank you everyone. Thanks for coming. We
20 will-

21 MR. SMITH: You might want to . . . did
22 you mention the site visit this summer?

23 MR. HOISINGTON: Yeah, I'm sorry. We are
24 planning on coming back up here this summer. We're
25 going to be up here, some of us are going to be up

1 here quite a bit, during the study plans and study
2 meetings. And we're going to have a site visit this
3 summer where we can get out on the reservoir, and
4 also this afternoon, we took a small tour of the
5 project at the powerhouse. It was a little limited.
6 And this summer, we'll be opening that up for
7 hopefully, more of a site visit plus a tour of the
8 reservoir and get an idea of the scope of the
9 project as it is being proposed by the Seneca
10 Nation.

11 Tomorrow we will be up in Salamanca, New York
12 for an afternoon meeting at 3 o'clock at the City
13 Central School District building, I believe it is.
14 And everyone is certainly welcome to come up there
15 also. Bring your comments with you. We can use
16 them.

17 And if that's it, then thank you very much for
18 coming. Anyone else? FERC staff?

19 All right, thank you

20 (WHEREUPON, Proceedings were concluded at 7:58 p.m.)

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