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BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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BRYANT MOUNTAIN PUMPED STORAGE : Docket Number
HYDROELECTRIC PROJECT : P-13680-001
- - - - -x

Malin City Park Hall
2432 Fourth Street
Malin, Oregon 97632

Tuesday, May 8, 2012

The above-entitled matter came on for scoping meeting, pursuant to notice, at 9:00 a.m., moderators Ray Hansen and Diane Rodman.

1 PROCEEDINGS

2 MR. HANSEN: All right, everyone. So I'm going
3 to go ahead and open the meeting.

4 I'm Ryan Hansen. I'm with the Federal Energy
5 Regulatory Commission. And we are here for the scoping
6 meeting for the proposed Bryant Mountain project, which most
7 of you all are very aware of.

8 I want to introduce the other folks from FERC who
9 are here with me -- F-E-R-C: We always just say FERC
10 because it's easier that way. So this is my co-worker here.

11 MS. RODMAN: Diane Rodman. I am a terrestrial
12 biologist. And, like Ryan, I'm from Washington, D.C.
13 office.

14 MR. HANSEN: Oh. And I neglected to say I'm the
15 team lead for this project and I'm a fisheries biologist by
16 trade.

17 This gentleman here is Gaynell. He's a court
18 reporter. And I'll explain to you his purpose here in just
19 a second.

20 I had a nice slide presentation to show you that
21 Mr. O'Keefe was going to bring all the audio-visual
22 equipment for. So we're going to forego that and we're
23 going to do this orally. So I'm sorry about that again.

24 But the good news is what we need to get done can
25 get done today without him being here and without the slide

1 projector, even though both of those things would be nice.
2 So we'll make do with what we have.

3 All right. So I'm going to go over a couple of
4 introductory things. Then I'm going to discuss a little bit
5 about the FERC process. You understand exactly how this
6 works and where this proceeding is in the FERC process and
7 how it may or may not move forward. We'll get into all of
8 that.

9 We'll talk about the purpose of scoping and what
10 we're doing here and exactly why.

11 Then we were supposed to have a presentation by
12 Bryant Mountain LLC explaining their proposed project with
13 some maps and some slides. And we will not be seeing that
14 either until 6:00 p.m.

15 Then we will discuss all of the possible issues
16 that could arise from the construction and operation of this
17 project. And that's going to be the big -- the majority of
18 this meeting. And we'll finish with a wrap-up and
19 questions, comments, you know, whatever anyone needs to say.

20 It's an open meeting so everything that you say
21 or whenever you need to chime in, it's not the kind of
22 meeting where you wait for certain -- if you have something
23 to say, please, any time, let me know. It's a public
24 discussion and that's why we're here.

25 So I've mentioned that there is a sign-in sheet

1 there. And it might be full, so I'll put out another one.
2 And before you leave, please put your name on there if you
3 wouldn't mind. We like to have a record of everyone who's
4 here.

5 This is the court reporter, as I said. He's
6 recording everything that we say. So after this meeting
7 he's going to put together a transcript that's going to be
8 available on our website. So everything that is said today
9 is available for anyone to read in the public anywhere at
10 any time.

11 So one of the things that I ask of you is that
12 before you speak please state your name before you speak.
13 And if you speak multiple times, state your name every time.
14 It's kind of a pain in the rear. But we need to make
15 certain that whoever is speaking gets their comments
16 attributed to them.

17 And we're going to hand a microphone out in the
18 audience. And it's not actually a microphone that's going
19 to make your voice louder in this room; it's just so he can
20 hear you. So speak clearly into the microphone and he'll
21 make sure everything is transcribed.

22 There's two ways to keep in touch, keep up to
23 date with this project that most of you may know about. One
24 is you can be on the mailing list if you like.

25 And the mailing list is basically a list where

1 whenever something is issued by the Commission we'll mail it
2 directly to you. Instructions for how to get on that
3 mailing list is in the scoping documents that we have over
4 there. I think it's Section 9 perhaps. It's a section near
5 the end, and it's called -- it is entitled Mailing List.

6 To be honest, I hadn't really looked at it
7 myself.

8 MS. RODMAN: Page 25.

9 MR. HANSEN: Is it Section 9? No, it's not
10 Section 9.

11 Section 10. 10.0 is the instructions how to be
12 on the mailing list. That's useful if you don't have a
13 computer.

14 If you have a computer I'd highly recommend that
15 you e-subscribe to the project. The way you do that is FERC
16 has a setup called e-Library. You go to ferc.gov and you
17 log-in. It's free. It's very easy. And you sign up to the
18 project number for this project, which is 13680.

19 MS. RODMAN: The computer will want you to say P-
20 13680.

21 MR. HANSEN: Right. Thank you.

22 MS. RODMAN: I'm getting my projects mixed up.

23 MR. HANSEN: And that number is throughout --
24 basically any document that has to do with this project will
25 have that number on it. It's not hard to find. But if you

1 sign up to eLibrary --

2 MS. RODMAN: E-subscribe.

3 MR. HANSEN: E-subscription through the e-Library
4 service, every single thing that gets issued on this project
5 or filed will be -- you'll be sent a link immediately to
6 your in-box.

7 Oftentimes you'll get more information than you
8 really want, but you won't miss a thing. So it's the best
9 way to keep in touch and know exactly what's going on. And
10 you might get bombarded with things you don't want, but it's
11 easy to just press delete and move on from there.

12 MS. RODMAN: One thing you will have -- I think
13 most of you got a copy of the scoping document and the
14 notice mailed directly to you. That is a one-time mailing.
15 If you want to receive future mailings you have to sign up
16 on the mailing list.

17 MR. HANSEN: Correct. Correct.

18 So if you actually had a hard copy of the notice
19 about today's meetings come to your house, I sent that to
20 you myself just to make certain that you knew since we had
21 problems getting the word out last time. So things will not
22 continue to come to your house.

23 So if that made you uncomfortable, I apologize.
24 I felt it important that you got that notice so that's why I
25 sent it to your homes.

1 If you want those kind of mailings in the future
2 the mailing list is the way to go. And that's how they --
3 it'll work that kind of way.

4 So, great. All right.

5 So the next thing I want to talk about is the
6 licensing process.

7 The Commission has three different processes they
8 use to license hydropower projects. And Bryant Mountain LLC
9 requested to use what's called our traditional licensing
10 process.

11 And there was a lot of push-back on that because
12 that's an older process where sometimes people feel they
13 don't get their voices heard enough. So we got a lot of
14 letters from you all and from agencies in the state here
15 that said, 'No, don't let them do that. We'd prefer them to
16 use what's called the integrated licensing process.'

17 And since we heard from you all we decided that
18 would be more appropriate and pushed them into that.

19 What this process is, it's a very rigid,
20 inflexible process that requires all these steps where all
21 the stakeholders are involved every step of the way. It's
22 the kind of thing where, you know, basically this project as
23 far as a license is concerned is at the very, very beginning
24 of the process, you know, five years away sort of thing.

25 But since he's been going through the ILP

1 process, everybody's here now and everyone's involved from
2 the very start. So in any sort of project where there's a
3 lot of interest and a lot of controversy, this process is
4 very useful. It's going to work well that we're going
5 through this process.

6 The start of this process would be when the
7 applicant files what's called a pre-application document
8 with the Commission. The applicant sent that into the
9 Commission on December --

10 MS. RODMAN: 21st.

11 MR. HANSEN: -- 21st of last year. And if you
12 haven't seen that, what that is, that's his initial
13 description of what he plans on doing -- or they plan on
14 doing.

15 I keep saying 'he' because there's one
16 representative I deal with, but it's a company.

17 If you haven't seen that, you can get it from our
18 e-Library site. But all the information that we have about
19 the project thus far is pretty much contained in that
20 document.

21 So he did that on 12/21 of last year, which
22 initiated this whole process.

23 The next process -- the next step in this process
24 would be scoping, which is why we're here today.

25 After we get done with all of the scoping

1 meetings their company is going to have to develop what's
2 called a study plan, which is a group of studies that
3 they're going to propose to the Commission. They're going
4 to say, 'Here's what we're going to study; here's the
5 information we're going to collect before we send in a
6 license application.' And they will send that into the
7 Commission, along with a number of -- on that same -- Let me
8 back up.

9 Before they send that in, agencies and the FERC
10 itself will be requesting him to do certain studies. And
11 that's one of those things we want to talk about today.

12 If there are certain studies that you think are
13 important -- things you think that he needs data, he needs
14 to collect -- that's going to be something we need to hear
15 today because we're going to -- you know, various agencies
16 in the state and federal agencies are going to send in
17 letters saying, 'We think that Bryant Mountain LLC should do
18 these studies,' you know, maybe a hydrology study, maybe a
19 study on how it's going to affect the economics of the
20 county, a study of -- you know, there could be any number of
21 things. So all of these study requests are going to come
22 in.

23 Then they will decide which ones they think are
24 appropriate and put together a plan, send that to the
25 Commission. Then the Commission will decide what studies

1 are appropriate and require them to do them.

2 The study phase can be anywhere to about two
3 years' time. Usually you'll have two full study seasons so
4 you have enough time to collect any of the appropriate data
5 that you may need to actually create an application. If
6 they were to get through all of this we would think that
7 maybe some time -- you know, they would have an application
8 ready to send to the Commission some time in 2015.

9 And what an application is is basically
10 everything they have in that pre-application document that's
11 already available, but everything they've collected since
12 then, an exact proposal of what they're going to do with all
13 of the data on all of the important resources that could be
14 affected by the project. It should contain everything in it
15 that would allow us, the Commission, to prepare an
16 environmental impact statement, which is the document that
17 we look at the proposal and we recommend to the Commission
18 whether a project should be licensed or not; and if it is
19 licensed, what kind of mitigation should be required to make
20 it in the best public interest.

21 That wouldn't happen until after an application
22 would be filed. So that would be maybe some time, you know,
23 maybe 2016-ish. And then eventually, you know, if it got to
24 this point, you know, the Commission may or may not issue an
25 order licensing the project.

1 So I'm probably talking five years down the road
2 if this project were to get licensed is kind of the time
3 frame.

4 All right. This slide is not really easy to
5 speak about without looking at it, so I'm just going to give
6 you one important date.

7 Comments on the applicant's pre-application
8 document, as well as on our scoping document one that's over
9 there, as well as any study requests -- which is really kind
10 of more I think for agencies but I can discuss that with you
11 all, too, as well -- all of those are due to be filed with
12 the Commission by June 11th.

13 Now this isn't your last chance to comment on the
14 project or to make your voices heard at all. This is just
15 the end of the first formal comment period on our document
16 here. But if you have comments on the original pre-
17 application document or this document here, they have to be
18 into the Commission by June 11th for us to consider them
19 when we move on and issue a second document that looks like
20 this but it will be called a scoping document two.

21 Basically what that is is it's this document but
22 after we've spoken to everybody and learned what's really
23 important, what's not important. We alter this to explain
24 exactly what we would analyze in an environmental impact
25 statement after we've received input from you all.

1 So we need your comments by June 11th to do that.

2 All right. So scoping. I'll just give you a
3 quick reason why -- what we're doing here.

4 So under the Federal Power Act of 1920 the
5 Federal Energy Regulatory Commission has the responsibility
6 to issue licenses for non-federal hydroelectric projects.
7 The National Environmental Policy Act requires that we
8 disclose the environmental effects of any project that we
9 might license. So therefore we have to prepare what's
10 called an environmental impact statement. And that's what
11 we plan to do for this project.

12 For us to do that what we need to do is we need
13 to identify all the possible resources that could be
14 affected by a project. And this runs the entire gamut of
15 resources from biological resources to water resources to
16 cultural resources, recreation, aesthetics, geology,
17 socioeconomics, developmental resources, land use issues,
18 water availability issues, you know, everything. Everything
19 that this project could affect needs to be discussed in an
20 EIS because the Commission certainly couldn't make a
21 decision on this project until we know all the effects that
22 it could create.

23 So to do that we need to compile all of the
24 issues. And the way we do that is we put out this scoping
25 document one. And what this basically is, this is our first

1 swing at it. This is us looking at the information that we
2 have and saying, 'These are the things that we think are
3 going to be affected by this project.' And we listed them
4 by resource type. On page 12 -- Oh, I lied to you. That's
5 the wrong one.

6 MS. RODMAN: 3.2.2?

7 MR. HANSEN: 4.2, yeah. Page 15.

8 We listed out the effects that we think we should
9 analyze in our environmental impact statement, starting on
10 page 15. And we're going to go through each of these
11 resource areas one by one here in a minute. So we'll get
12 into each of these as they are.

13 But basically we said, 'These are the things that
14 we see right now are important that we think we should
15 analyze.'

16 What we need from you all is input. Did we get
17 this right? What resources are we missing? What are we
18 over-emphasizing? You know, nobody knows the area and the
19 possible impacts like the people that live here that are
20 going to bear the brunt of those impacts. So that's why we
21 need you all's input.

22 So we put these bullets together. And they're
23 fairly broad. And they're meant to encompass a lot of
24 possible effects. So as we go through each set of bullets
25 we'll be soliciting oral input today on what you think, you

1 know, we should change; what we should add; what we should
2 hone in on, you know, kind of sharpen our focus on; what's
3 most important for us to do in the EIS.

4 So we're looking for, you know, any information
5 that will help define the scope of our analysis, you know,
6 identify any significant environmental issues. If you know
7 of any data that's currently available that will help us to
8 describe the existing environment, the background that will
9 change once the project was constructed.

10 You know, if you know of any federal, state or
11 local projects that are going to be nearby that could have
12 an effect, you know, the accumulation with this project that
13 we don't know about, you know, things like that we want to
14 know about.

15 Basically, you know, anything that you think
16 would help us get the analysis right, that's what we need
17 from you all.

18 And that information can be given to us orally
19 today, or in writing -- some people like to prepare things
20 in writing and just hand it to us. If you have that you can
21 do so. You can mail that to the Commission. The address to
22 do so is also in SD-1.

23 Or you can file it electronically through that e-
24 Library system I mentioned earlier, which is the easiest.
25 And that's the quickest. You know, you file it and then it

1 shows up at the Commission the same day.

2 If you do file anything on the project -- and I
3 know a lot of you already have. As I look at the mailing
4 list I've seen a number of your names on letters that have
5 already been filed with the Commission. You know, please
6 make certain that you clearly put on the first page of any
7 filing the project number -- again, P-13680. I know that's
8 redundant, but it's important so we know what goes where.

9 All right. Now is the time when we have a
10 project description from Bryant Mountain LLC.

11 Here's what we can do. Is everyone fairly
12 familiar with what they're trying to do here? Because we do
13 have a proposed project facilities and operations section in
14 our SD-1, which is basically just information they've
15 provided us. And if you like, I can go over this with you
16 all. But if you all think you have a handle on it, you
17 know, I don't need to do -- speak for them.

18 So is there anyone that would like me -- I'm more
19 than happy to kind of read this along for you all. But I at
20 the same time -- I mean you all are, you know, educated
21 adults; you don't need me to read a page to you.

22 Is there any question about the project operation
23 that we might be able to answer? I can't promise that we
24 can since this is not really our proposal.

25 Yes, ma'am.

1 MS. BAGG: Sarah Bagg, landowner.

2 Mr. O'Keefe, when we met with him a few months
3 ago, he said that if there were no willing sellers of
4 property that this project could go no further. And my
5 husband and I here are unwilling sellers. And these guys
6 here, unwilling sellers. Those are unwilling sellers. And
7 was this -- is this true?

8 MR. HANSEN: Well, he -- for a project to be
9 licensed by the Commission the applicant does not at that
10 time have to have the rights to use all lands that he or she
11 would need to operate that project.

12 Usually what would happen is the Commission, if
13 they found it in the public interest to issue a license --
14 now please understand that when the Commission decides the
15 public interest part of this, they look at the fact that,
16 you know, there are lands that would be taken, lands would
17 be submerged; people will lose livelihoods and ranches.
18 That's all part of the decision.

19 But if the Commission were to decide that
20 everything is in the best public interest and say, yeah,
21 this is really a good idea for the public and issue a
22 license, it would be up to the applicant then to somehow
23 find a way to obtain the necessary lands to operate the
24 project.

25 If they were not able to do so, they would have

1 to surrender the license, which means that's the end of it.

2 Diane, do you have --

3 MS. RODMAN: Yeah. I would like to point out
4 something unpleasant.

5 When Congress created the Federal Power Act in
6 1920 they also -- Commission license comes with the power of
7 eminent domain.

8 MR. HANSEN: But you also have to understand that
9 that is not worked out on the federal level. That works out
10 through state courts. And the FERC has nothing --

11 UNIDENTIFIED PARTICIPANT: Would you repeat that,
12 please?

13 MR. HANSEN: Yes, sir.

14 UNIDENTIFIED PARTICIPANT: What she just said.

15 MR. HANSEN: What she just said?

16 UNIDENTIFIED PARTICIPANT: Yeah.

17 MS. RODMAN: Yeah. A Commission license gives
18 the applicant the power of eminent domain. It isn't
19 exercised through the Commission; it would be through the
20 state courts. However, any licensee -- and this isn't often
21 done -- could condemn the land through the state courts.

22 MR. HANSEN: The license gives an applicant the
23 power to attempt -- the attempt to use eminent domain, which
24 is a state court decision. It has nothing -- so the license
25 does not guarantee it. I can't say the license would even

1 make it likely.

2 MS. RODMAN: Yeah.

3 MR. HANSEN: At that point it is out of the
4 FERC's hands and it's up to the state courts to decide
5 whether they think eminent domain should be granted to an
6 applicant.

7 MS. RODMAN: Yeah.

8 MR. HANSEN: If you were not able to work out
9 something, you know, after issuance of a license to obtain
10 the lands -- which is in this case looking highly unlikely.

11 MS. RODMAN: Yeah.

12 MR. HANSEN: So --

13 MS. RODMAN: I have had applicants who have said
14 that they would never use that because they want to continue
15 working in the area for decades. But that's the presumed
16 licensee's decision. And I don't like mentioning that
17 because it hurts. But you need to know.

18 UNIDENTIFIED PARTICIPANT: Yes, it does.

19 MS. RODMAN: But you need to know that that is a
20 possibility.

21 MR. HANSEN: But at the same time let me stress
22 that if this company were to obtain a license for this
23 project, that does not mean eminent domain is invoked.
24 That's not what that means at all. That means he then has
25 the power to attempt to use it. And then where it goes from

1 there is a legal decision that I don't know much about.

2 MS. RODMAN: Did you have a question, sir?

3 UNIDENTIFIED PARTICIPANT: You answered it.

4 MS. RODMAN: Okay. Sorry.

5 (Laughter.)

6 UNIDENTIFIED PARTICIPANT: I knew the answer
7 already.

8 MS. RODMAN: Yeah.

9 UNIDENTIFIED PARTICIPANT: I just wanted to make
10 sure that it was clear to everybody.

11 MS. RODMAN: Yeah. As landowners, I really feel
12 that that's something that we shouldn't hide.

13 MR. HANSEN: I mean it's not up to the FERC to
14 decide that. But they can make the decision that we think
15 it's in the public interest to allow someone to try to do
16 it. If they're unable to do it after we give them a license
17 to try, the license would have to be surrendered and that
18 would be the end of the project.

19 MS. RODMAN: The Federal Power Act has provisions
20 that allow two years after a license is issued, with a
21 possible extension of another two years for start of
22 construction. And if they can't start construction within
23 that time unless -- and I've heard people have gone to
24 Congress and literally gotten extensions of time through
25 Congress -- then they have to surrender the license.

1 The Commission cannot -- does not have the power
2 to extend it beyond a maximum of four years; only Congress
3 can. And there are some licensees who've had the pull to
4 get extensions of -- like there's a project in New Jersey
5 that I think got like ten years of extensions before
6 Congress eventually said, 'This is ridiculous.' And then
7 they had to surrender their license; they never built the
8 project.

9 But anyway, that's how it works. And we're
10 available, you know, to answer questions about
11 contingencies. But that's way in the future.

12 MR. HANSEN: Yeah.

13 And please understand that any licensing decision
14 that's made by the Commission takes into account the effects
15 of what the construction of the project would do. So please
16 understand that we are fully aware of what would happen if
17 this project was built. And that goes into the decision.

18 So don't think that we're not understanding
19 exactly on the ground what this means, because we do. And
20 that's part of the decision.

21 MS. RODMAN: Yes, sir.

22 Please identify yourself.

23 MR. RAJNUS: Don Rajnus, a local farmer.

24 My question is involved in the water source.

25 I've seen plans earlier where it was designed a certain size

1 and a certain number of acre-feet were involved. And my
2 question now is: How has that changed?

3 What is the total number of acre-feet in the
4 proposed project finished? Where would it come from?
5 Surface water? Wells? And if completed, how much water
6 would it take to maintain that quantity throughout
7 operation?

8 MR. HANSEN: Yes, sir.

9 I believe the current amount of water they're
10 proposing to take is 35,000 acre-feet. I believe that they
11 are proposing to take it from the D Canal. The timing of
12 these withdrawals, the amount of these withdrawals -- you
13 know, there's various months -- they don't have any details
14 on that yet.

15 MS. RODMAN: They were I believe thinking that
16 with -- it would take about three years to fill -- to get
17 that 35,000 acre-feet.

18 MR. RAJNUS: Right.

19 MR. HANSEN: And as you probably well know, all
20 of the water in that canal is currently appropriated. So
21 once again, we reached a situation where an applicant who
22 has no water rights can attempt to still get a license, and
23 they would have to obtain the water some way.

24 MS. RODMAN: Again, that's a potential reason
25 that they may end up having -- that a licensee may end up

1 having to surrender their license.

2 MR. HANSEN: Yeah.

3 MR. RAJNUS: So I would be interested in seeing
4 some figures on the total loss of water --

5 MR. HANSEN: Yes, sir.

6 MR. RAJNUS: -- during the operation from these
7 two ponds.

8 MR. HANSEN: Yes, sir.

9 MS. BAGG: 5000 feet a year?

10 MR. HANSEN: Yeah, it's something in that --

11 MS. BAGG: It's in the original --

12 MR. HANSEN: Yes, sir. I have it in this
13 document here. And I will find the exact number and let you
14 know during -- you know, by the end of this meeting.

15 I can't -- it's somewhere in the neighborhood of
16 5000 acre-feet per year of evaporation. And I know that
17 they're proposing to make up that annually through the
18 pumping of groundwater.

19 So the proposed filling of the reservoirs would
20 be a one-time withdrawal over a certain number of years from
21 the canal; everything else would be groundwater pumping.

22 MR. HANSEN: All right.

23 So I guess what we'll do is we'll discuss the
24 resource issues now. And we've kind of already started this
25 a little bit. But we'll go through them one by one and

1 discuss what we plan to talk about in our EIS and get you
2 all's input and comments on each of them.

3 So this would basically be following along page
4 15 again of the SD-1. And it's going to start with the
5 geology and soils.

6 And tentatively what we have identified to
7 analyze in an EIS would be the effects of project
8 construction, filling and operation on geology and soil
9 resources inside the project boundary, as well as the
10 effects of project construction, filling, and operation on
11 soil erosion and sedimentation in the project area.

12 So these, as I said, are very vague bullets meant
13 to encompass, you know, basically any effects the project
14 could have on geology and soils in the area.

15 Does anybody have any comments on those as far as
16 if those seem adequate? Is there any, you know, special
17 issues involving geology and soils in the area that we're
18 not aware of that we should know about?

19 And I don't imagine there will be as many
20 comments on some of these issues as others. Some of these
21 issues are really the main ones; some of them are lesser --
22 of lesser importance, and that's another reason we are
23 trying to sort everything out here.

24 Yes, sir.

25 MR. STURM: My name is Les Sturm. I'm the

1 biggest landowner in this project.

2 And I'm not an engineer by any means. But I've
3 talked to several people and these dams supposedly are
4 classified as 100 year dams. And the reason they're
5 classified that, as they are loaded and unloaded once a year
6 -- and most dams are built by cement -- this is going to be
7 an earth-filled dam.

8 And if he uses it -- loads it and unloads it
9 daily it will use up its 100 year cycle in 90 days as far as
10 loading and unloading. And if that dam breaks, look at the
11 devastation it would have to Tulelake.

12 And Ruby Pipeline just put in a station down
13 there; it would wipe that right out. All the landowners
14 below it that live around there, I mean it would be
15 devastating to whatever would happen.

16 And if he's going to load and unload a dam, in 90
17 days it will take its 100 year cycle up. That's a big
18 factor, I think.

19 MR. HANSEN: I agree. You know, dam safety is
20 the most important part of any project that the FERC deals
21 with.

22 MR. STURM: Because some of these landowners are
23 going to be right below that levee of that dam, right below
24 it; their houses are right next to it.

25 MR. HANSEN: Right.

1 As for the 100 year loading and unloading issue,
2 I personally can't speak to that. I'm not a dam safety
3 engineer.

4 What I can tell you is that every project that
5 the FERC licenses, we have a dam safety division that
6 monitors every single project. So actually at our last
7 meeting someone from our dam safety team was here to speak
8 to those issues. Unfortunately, no one could make it to the
9 re-do, which is this one.

10 So I understand that dam safety is a massive
11 issue here, you know. And that is going to be a big part of
12 the licensing decision.

13 If you would like to speak more in depth about
14 intense safety issues, I would like to refer you to a co-
15 worker who's not here. And maybe we could have a conference
16 call, perhaps, and kind of discuss that. Or we can talk a
17 little bit more to the engineering side.

18 But I assure you that any project that the FERC
19 licenses has a very rigorous dam safety portion. And, you
20 know, we're certainly not going to license a project that we
21 feel has any chance of failure.

22 MR. STURM: Thank you.

23 MR. HANSEN: Okay. Let's talk about water
24 resources for a minute, which is clearly a big one.

25 So what we have tentatively identified as issues

1 that need to be discussed in any environmental impact
2 statement would be the effects of project construction and
3 operation on water quality of the upper reservoir, lower
4 reservoir, and Mills Creek, including temperature, dissolved
5 oxygen, pH, turbidity, et cetera.

6 The effects of project operation on the presence
7 of toxic cyanobacteria in the upper and lower reservoirs.
8 This was a problem brought up by the applicant themselves.

9 The next bullet is a big one: The effects of
10 initial fill of project reservoirs on other surface water
11 uses in the basin. So as we've sort of glossed on already -
12 - and I'm sure we'll start talking about more in depth right
13 here -- water availability here is a big deal. So this is a
14 pretty heavy, you know, bullet for this document.

15 And then also the effects of using groundwater as
16 makeup water for the project on groundwater levels in the
17 watershed.

18 So what I'd like to do now is I'd like to just
19 kind of open the floor and hear what everyone has to say
20 about the water issues involved in a project like this. You
21 know, from what we know right now, you know, there's very
22 little water available for irrigation on an annual basis and
23 a lot of irrigators don't get their appropriations every
24 year. The applicant seems to think there's a lot more water
25 available than most people tell us there is available.

1 Can I open the floor and ask you all for your
2 input or your comments on water availability issues and on
3 how this project could affect the area as far as if this
4 water were to be used for something other than what it's
5 currently used for?

6 MR. DANOSKY: Earl Danosky, D-a-n-o-s-k-y. I'm
7 manager of Tulelake Irrigation District.

8 And I want to let you know there is not
9 additional water in this basin. If you read the local
10 papers right in the last three weeks, the local wildlife
11 refuge was complaining about insufficient water. This year
12 it's expected that there is going to be land idled, wells
13 pumped -- even though right at the moment water is being
14 released down the Klamath River. But that's not available.

15 So there's a lot of endangered species issues
16 with suckers and salmon with the water.

17 MR. HANSEN: Right. Yeah.

18 MS. RODMAN: Anybody else?

19 MR. KENYON: My name is Mike Kenyon, K-e-n-y-o-n.
20 I live in the -- not too far from where this dam is supposed
21 to be built.

22 My family has farmed in that area for many years.
23 The people around me still farm. In the last three years,
24 five years the water has been turned off twice in that area
25 because of a lack of irrigation water.

1 We're in a semi-arid area. This is not a beach
2 front. The amount of water that is called for from the
3 Klamath Lake, which is where this water comes from, is
4 already called for. I don't care what it is.

5 If 5000 acres were to go somewhere it is the
6 Malin Irrigation District and the Shasta View Irrigation
7 District and a few others which are going to be shut off
8 first. So it doesn't make any sense to add another level of
9 any kind to the water that's in that area because there
10 isn't any available.

11 MR. HANSEN: No.

12 MR. KENYON: None. Seriously. None.

13 MR. HANSEN: We've heard that time and time again
14 --

15 MR. KENYON: I mean I honestly think that that
16 should be the closing argument to this situation, not the
17 opening argument. Because all the other issues are
18 secondary because there ain't no more water. Simple.

19 MR. HANSEN: Understood.

20 And please know that the fact that there is no
21 water available would be something that would factor into
22 the Commission's decision on issuing a license.

23 MR. KENYON: That also includes groundwater.

24 MR. HANSEN: Yes, sir. Yes, sir, it does. And
25 we're going to look at both of those.

1 MR. KENYON: And, you know, I don't even think
2 these people know how big the aquifer is or how full it is.

3 MR. HANSEN: I think that is also the case.

4 What I will say is that an applicant can attempt
5 to get a license when there's no water available. And
6 that's what is happening here.

7 What it's our job to do is to look and decide and
8 tell the Commission 'We think this this a good idea or a bad
9 idea based on conditions there.' That's why it's very
10 important for us to realize that there is no water available
11 because that's going to factor into our decision whether we
12 think this should be licensed.

13 So that doesn't affect their decision to try to
14 get a license. But --

15 MR. KENYON: It should affect the amount of money
16 that is spent by the Federal Government to study an issue
17 which has already been studied by the Federal Government in
18 other different aspects.

19 MR. HANSEN: Yes, sir.

20 MR. KENYON: So I mean, you know, there's -- how
21 much money is going to be spent on water in Klamath County
22 when there ain't no water in Klamath County more.

23 MR. HANSEN: Yes, sir. Understood.

24 And I do want to make the point that all of the
25 studies that will be conducted -- if there are any studies

1 conducted -- well, there will be studies conducted -- would
2 be paid for by the applicant, not by the government. So
3 please do know that.

4 MR. KENYON: Your plane tickets, too?

5 MR. HANSEN: No, sir. No, sir. That is all
6 government money. Yes, sir. And that is the result of the
7 Federal Power Act and the licensing process. So that is
8 what it is.

9 MR. KENYON: The other thing is that every time
10 the water is shut off in this area the land values are de-
11 valued.

12 So if you take the value of the land in this area
13 and every time something like that happens and it's de-
14 valued again -- it's already happened twice in ten years --
15 two times in ten years. That's quite a bit of an impact.

16 MR. HANSEN: Yes, sir, it is.

17 MS. GRAHAM: My name is Carol Graham. I am one
18 of the affected landowners.

19 We live just right against the mountain just
20 south of where the project will be. We have a house well
21 and we have an irrigation well. And in the last several
22 years -- we've lived there for ten years -- the irrigation
23 well has gone down sufficiently every year. And so we are
24 concerned that it would continue to do that.

25 MR. HANSEN: Yes, ma'am.

1 Yes, we definitely plan on looking at the effects
2 on groundwater levels if they were to do this project.
3 That's -- I'm glad that you bring that up because they are
4 planning on pumping groundwater if they were to get a
5 license.

6 And we've gotten some information from the BLM on
7 the dropping groundwater levels in recent years that have
8 been filed with us recently. So we do have that on file
9 already. We certainly expect that to be augmented with a
10 lot more groundwater information as this process continues.

11 MS. RODMAN: Ryan, has our study request letter
12 gone out?

13 Your comments will help us in our letter to the
14 applicant, talking about the study requests that the
15 Commission considers necessary: Groundwater mapping
16 assessment, things like that.

17 Part of the integrated licensing process is that
18 the agencies and the Commission will send study requests in
19 to the applicant. They will -- the applicant comes back and
20 says, 'Okay, based on your request this is what we think is
21 necessary.'

22 Are you going to be talking about this later,
23 Ryan, or should I talk about it now, the whole study request
24 process?

25 MR. HANSEN: I'd taken that out a bit because --

1 MS. RODMAN: Okay.

2 MR. HANSEN: -- it's -- I mean we can --

3 MS. RODMAN: So your comments about what is
4 necessary to get a good idea of what the groundwater and the
5 surface water situation is in this area will help us
6 determine what kind of information we want to see from
7 Bryant Mountain LLC, so that if we get down the road to an
8 application and a decision so that it will be an informed
9 decision.

10 MR. HANSEN: Yeah.

11 Yeah, we could not make any sort of
12 recommendations at all until we had quite a bit of data on
13 groundwater levels, surface water availability. And without
14 that information we couldn't do our jobs.

15 So all that information will have to be provided
16 by Bryant Mountain LLC. And we'll be requesting them to
17 provide it and it's on their shoulders to do so.

18 So not to downplay, obviously, the very
19 importance of the water availability issue in this area,
20 does anyone else have any other comments on water, effects
21 of the water in the basin that this project could affect?

22 MR. SAVAGE: Tom Savage, S-a-v-a-g-e. I live
23 just right here in Malin. I'm a farmer here.

24 And I have two questions. One, will this give
25 the applicant -- if the applicant is successful and gets a

1 license, will the power of eminent domain extend to water
2 rights, or is that strictly a property issue?

3 My second question would be: Has anybody
4 notified the fisheries and the other competing interests for
5 water from the Klamath watershed and taken their comments
6 regarding the loss of 35,000 acre-feet of water regarding
7 this?

8 MR. HANSEN: Yes, sir.

9 The first question, I do not know if eminent
10 domain works for water rights. What I would like to do is
11 talk to somebody -- to legal staff and let them answer that
12 question. I am not a lawyer. And that's some pretty in-
13 depth legal issue stuff.

14 I would like to get back to you about that
15 because I don't want to misspeak. I don't want to tell you
16 something that is or is not true to make you -- I don't want
17 to mislead anybody. So I don't know the answer to that.

18 What I would like to do is -- you know, I get
19 back to D.C. on Thursday morning -- is probably talk to
20 someone and get back to you on that. Would that be okay
21 with you?

22 MR. SAVAGE: That would be fine.

23 MR. HANSEN: And I could -- you know, I just
24 don't know the answer.

25 As far as the effects to fisheries resources and

1 other stakeholders, yes, all of the state fish -- water and
2 fish resource agencies are involved in this proceeding.
3 Federal, you know, Fish & Wildlife Service, Forest Service,
4 BLM, they're all involved in this. The Klamath Tribes are
5 involved.

6 When we came here in March we had the evening
7 meeting that was missed by everybody. But the next day we
8 had a meeting in Klamath Falls and there was probably 40
9 different agency representatives there talking about all of
10 these issues, you know, the effects of the loss of water on
11 endangered, you know, lost river suckers, on terrestrial
12 resources, on, you know--

13 So all of the state and federal agencies that
14 have responsibilities in managing these environmental
15 resources are on board and participating in this project
16 right now.

17 Which was a nice segue into our next section:
18 Fishery resources.

19 Since this will be a closed-loop pumped storage
20 project, meaning it will be just two reservoirs that pump
21 back and forth, the only time that we felt that fishery
22 resources could be affected would be when they decided to
23 fill the reservoirs. And so we thought that the effects of
24 the project construction on the potential for resident fish
25 entrainment and mortality during initial reservoir filling.

1 Now what that means is entrainment would be just
2 basically if they were to suck water out of that canal, any
3 fish that were in that water would be sucked through pumps
4 and into the reservoir -- a fancy word for getting sucked
5 up.

6 (Laughter.)

7 MR. HANSEN: So that's the only fisheries issue
8 that we could think of that wasn't then -- this is not meant
9 -- please understand that, though, the water resources
10 issues and how they could affect fish in the basin, you
11 know, downstream as far as the suckers, that's usually
12 covered elsewhere. So we do have an endangered species
13 bullet about the endangered fish.

14 But other than that one fishery resource issue,
15 does anyone else have any input or say or comments about how
16 this project could affect fish in this area or aquatic
17 species of any kind?

18 (No response.)

19 MR. HANSEN: Okay.

20 I'm going to turn the table over to Diane for the
21 next section because this is her expertise and let her talk
22 a little bit about terrestrial issues.

23 MS. RODMAN: Right.

24 And these bullets have been written to be very
25 inclusive, so -- However, we can modify them if somebody

1 wants to put an extra clause in there about some special
2 resource, or if I've completely missed something.

3 The first -- when I say 'inclusive,' look at that
4 first bullet: Effects of project construction and operation
5 on vegetation. That is nice and vague.

6 That means things like if you build reservoirs
7 you're going to flood 'x' many acres of plants. If you
8 build a transmission line corridor you're going to probably
9 cut down any tall trees and keeping in shrubs and low
10 growing vegetation so that nothing is going to touch those
11 power lines. So that's the first one.

12 Then we have a little more specialized number
13 two. Is the spread of invasive species, including the
14 consequences of the spread of noxious weeds on vegetation
15 species composition and wildlife habitat values. So that's
16 our weeds bullet.

17 The second one is on special status species,
18 which includes the BLM sensitive species and state
19 threatened, endangered and sensitive species.

20 I don't believe we have any federally listed
21 plants in the project area. If we did, I would put those in
22 the threatened and endangered species section of any
23 environmental document we write.

24 So in terrestrial resources I would have the
25 state listed species and the BLM sensitive species. Okay?

1 Effects of upland riparian and wetland habitat
2 loss of wildlife.

3 Effects of project construction noise and human
4 activity in disturbing wildlife, including nesting raptors.

5 Effects of transmission line operation on
6 wildlife, including raptors and bats, caused by
7 electrocution and collision.

8 And then effects of loss of Pope Reservoir and
9 Mills Creek as water sources for wildlife.

10 If you think about it, the reservoirs are going
11 to be kind of tricky for wildlife to drink from. The level
12 is going to fluctuate wildly from day to day. And it's not
13 going to be the greatest water source. And it could indeed
14 be a danger.

15 So that's what I see based on what we have from
16 the pre-application document and other pumped storage
17 projects I've worked on.

18 But what have I missed?

19 (No response.)

20 MS. RODMAN: Do you think I've pretty well got
21 it?

22 (No response.)

23 MS. RODMAN: Okay. That's encouraging.

24 If, however, you go back and, you know, you're
25 having dinner and all of a sudden you think of something,

1 please give us comments in writing -- either on paper or by
2 email using e-Filing or, as I said, on paper. I'm certainly
3 -- you know a great deal more about this area than I do.
4 And there will be many other opportunities throughout the
5 project to -- throughout the process to provide comments.

6 Okay. Threatened and endangered species, Ryan.

7 MR. HANSEN: Right. I kind of alluded to this
8 one a minute ago.

9 We know that there are some endangered suckers in
10 the area. So we felt that we would need to analyze the
11 effects of project construction on the potential for
12 entrainment and mortality of lost river suckers and short
13 nose suckers during the initial reservoir filling.

14 Are there any other threatened or endangered
15 species in the area that -- these are the ones that we've
16 been alerted to from the Fish & Wildlife Service.

17 UNIDENTIFIED PARTICIPANT: Is this where the
18 landowners fit in?

19 (Laughter.)

20 MR. HANSEN: I hope not.

21 UNIDENTIFIED PARTICIPANT: It was a snipe.

22 MR. HANSEN: I hope not.

23 MR. BAGG: Lawrence Bagg, Malin resident.

24 You mentioned threatened and endangered species.
25 Bryant Mountain has a number of nesting bald eagles. And I

1 would assume that they're still threatened; they may not be
2 endangered. And that should be looked into because the two
3 proposed sites are in the nesting area.

4 MR. HANSEN: Sure. Sure.

5 MS. RODMAN: Okay.

6 Bald eagles are actually no longer protected
7 under the Endangered Species Act. However, they are
8 protected under the Bald and Golden Eagles Protection Act.
9 So we will be looking at eagles in terrestrial resources,
10 just different sections.

11 And thank you for that information. That's the
12 sort of thing that we fly 3000 miles to get.

13 (Laughter.)

14 MR. HANSEN: All right. The next section is
15 recreation and land use.

16 In this section we figured that we should analyze
17 the effects of project construction and operation on
18 recreational resources and recreational use in the vicinity
19 of the project. This entails hunting, hiking, sight-seeing,
20 anything that people, you know, would use the area for, as
21 well as the effects of project construction, operation and
22 maintenance on other land use activities in the vicinity of
23 the project.

24 Now we know there are a number of land use
25 activities that could be highly affected by this project.

1 So I'd like to open up the floor and hear more about
2 anything you want to add to these bullets.

3 MR. STURM: I'm Les Sturm. I'm the biggest
4 landowner in this project.

5 The land use effect would be to wipe out my total
6 livelihood. That's where I make my living, recreation,
7 farming. I have grandkids that help me on the ranch, and
8 hopefully they can take it over when I leave. But it would
9 affect me -- it would be devastating if this thing went
10 through.

11 MR. BAILEY: I'm Jim Bailey. I'm a landowner
12 that lives right below the proposed dam project.

13 I'm also a farmer in the Tulelake Irrigation
14 District and the Malin Irrigation District, a very avid
15 hunter, very avid trapper that spends a lot of time on
16 Bryant Mountain. And that would absolutely wipe out my trap
17 lines --

18 MR. HANSEN: Okay.

19 MR. BAILEY: -- that have been there for 35
20 years.

21 MR. HANSEN: What species do you trap for, sir,
22 just so --

23 MR. BAILEY: Bobcats.

24 MR. HANSEN: Bobcats. Okay.

25 MR. BAILEY: And also if the dam was built the

1 view of the mountain would be nothing. I don't want to look
2 at a mountain that was man-made instead of natural-made.

3 And also, if it was filled with water it's going
4 to bring in lots of species that aren't indigenous to this
5 country, like the Caspian tern that the Federal Government
6 spent millions of dollars building dam -- or islands,
7 floating islands in the refuge down here to bring in the
8 Caspian tern off of the Columbia River. They would probably
9 come to this, which in turn would affect the indigenous
10 species.

11 Another comment I have is how many pros and cons
12 of this project -- all I'm hearing is cons of the project
13 and no pros since the man can't even show up on time to the
14 meeting that he proposed. How many cons do you have to hear
15 to nip this in the bud on the proposal of his license?

16 I mean it's like Mr. Kenyon stated, they're
17 spending thousands and thousands of dollars -- like your
18 guys' airplane air fare out here, the Federal Government is
19 paying for that -- how long does this have to go on before
20 it's stopped and it's just a solid no.

21 MR. HANSEN: Well, depending on the applicant's
22 wishes to proceed and thoughts that they think that this is
23 a viable project, it could go all the way to a licensing
24 decision. And that could be where a no could be given if he
25 were to want to go that far with it.

1 We have no power to say no prior to that.

2 That doesn't mean a lot of -- a lot of
3 proceedings do end prior to that because applicants realize
4 that what they're doing, the cons highly outweigh the pros
5 and they come -- they realize that at some point and it ends
6 there. But as far as the Commission terminating it, it
7 would be -- would it be at the order stage?

8 MS. RODMAN: It could -- it could happen earlier.
9 If the applicant does not give us the information that we
10 request --

11 MR. HANSEN: That's true. That's true.

12 MS. RODMAN: -- we can shut it down.

13 MR. HANSEN: Yeah.

14 MS. RODMAN: You know, if they can't give us the
15 information we need to make a decision.

16 I'd also like to point out -- this may not
17 comfort you a whole bunch -- but we often issue licenses and
18 the project doesn't get built. What kills them is
19 financing.

20 A license is a piece of paper which they then
21 take to financial institutions, banks and so forth. And
22 because it's a long process they may think, 'Oh, sure, we'll
23 get the however many billion it takes to build this
24 project.' But the economy may not be favorable to a loan of
25 that size. So we've had lots of projects die after they

1 have authorization from us because they can't get financing
2 to build it.

3 A hydro project is expensive. And over a 50-year
4 license they can recoup their initial investment and then
5 make money. But they have to get somebody who believes
6 their spreadsheets well enough to loan them the money.

7 Again, that's not a whole bunch of comfort at
8 this stage. But it is something to bear in mind.

9 MR. BAILEY: Another comment I also have is the
10 activity that a project like this brings to the community
11 and the area where I live.

12 Just like the Ruby Pipeline, you know, we ask
13 questions about on that particular project what kind of
14 noise effect that's going to have on the area. They says
15 once it's built, the people leave, they start the project
16 up, they're running gas through the pipeline, there would be
17 absolutely no noise. Horse crap.

18 (Laughter.)

19 MR. BAILEY: I sit there at night and listen to
20 that thing whine. My dogs bark at it. I got two dogs run
21 over in front of my house by pipeline workers.

22 And I'm sure we'll hear the same thing about
23 this, that there's not going to be any noise effect. Horse
24 crap again.

25 MR. HANSEN: I will say that -- we haven't quite

1 got there, but one of the -- under the aesthetics resources
2 two things that you have already brought up, Mr. Bailey,
3 that we do plan on analyzing in the document would be the
4 effects of the project construction on the aesthetic
5 resources, including views in the vicinity of the project,
6 as well as the effects of noise from construction and
7 operation. So these are things that we would plan on
8 looking at if we were to get to an EIS stage.

9 So we are aware that those are serious issues.
10 But I'm glad that you, you know, bring them up so that we
11 understand that they're important to you.

12 The gentleman in the back.

13 MR. STEWART: My name is Charles Stewart. I'm a
14 concerned citizen.

15 Our Federal Government just spent \$2.8 million on
16 a dam project to put new head gates in over here on the John
17 C. Boyle Dam, which is reported to be taken out.

18 Now if this dam is producing electricity, why
19 would our Federal Government want to even try to back
20 something like this? And if the dam goes out over here,
21 that's less water coming down the chute out this way.

22 This whole thing is asinine.

23 That's all I have to say.

24 MR. HANSEN: Okay.

25 I personally am not familiar with the John C.

1 Boyle project or what part of the government authorized the
2 new head gates or who operates that project. Do you have
3 any more information about that project in particular?
4 Because you have to understand, the FERC only deals with
5 certain types of hydroelectric projects.

6 MR. STEWART: The head gates that were put into
7 the John C. Boyle Dam was two years ago --

8 MR. HANSEN: Okay.

9 MR. HANSEN: -- at a cost of \$2.8 million to the
10 tax-payer.

11 MS. RODMAN: Is that the --

12 MR. STEWART: Now that is producing power as it
13 is right now.

14 MR. HANSEN: Okay.

15 MS. RODMAN: Is that a Corps of Engineers or
16 Bureau of Reclamation dam?

17 UNIDENTIFIED PARTICIPANT: Pacificorp.

18 MS. RODMAN: Pacificorp. Okay. All right.

19 MR. HANSEN: Pacificorp.

20 MS. RODMAN: That probably is ours.

21 MR. STEWART: My question is: If this is
22 producing power over here, why do we need another one here.

23 MR. HANSEN: Yes, sir.

24 MR. STEWART: It's not rational.

25 MR. HANSEN: I will tell you that in the pros and

1 cons argument that the Commission looks at to decide whether
2 to license something, one of the things they do look at is
3 the need for power. Is this power even needed in that
4 vicinity, in that area. So that comes into the decision,
5 absolutely.

6 So the Commission is not in the business of
7 licensing projects in places that don't need power, that
8 aren't going to be -- you know, that's really not in the
9 best interests of the public, which is the decision that the
10 Commission tries to make.

11 MS. GRAHAM: I'm Carol Graham.

12 I have a question about the power lines, thinking
13 about the aesthetics and whatever. We already have a power
14 line that might be coming from Swan Lake, which is another
15 similar project that was going to be on our land, but they
16 did move it up.

17 Where is this power line going? I know that's
18 not your project, but is it going to be up or where is it?

19 MR. HANSEN: Well, this is really I think a
20 question that I think would be best for Mr. O'Keefe if he
21 had been here.

22 We went and visited a substation --

23 MS. RODMAN: The Malin substation.

24 MR. HANSEN: -- the Malin substation in May --
25 or, I'm sorry, in March with him. And he explained a couple

1 of different routing options that he was exploring. And to
2 be honest with you, it was hard to follow.

3 I would ask that if you're going to be here
4 tonight I would ask for you to ask him to lay that out again
5 simply because the final layout of these transmission lines,
6 he doesn't need to know it at this point in the process for
7 us. Before he ever sends a license application he'll have
8 to know exactly what he wants to do. So we don't require
9 that at this point.

10 But unfortunately, I can't give you a more
11 detailed answer than that.

12 MS. GRAHAM: And we have so many lines up there
13 already. We're quite a corridor, quite a power corridor.

14 MR. HANSEN: Yeah. We've seen a lot of them
15 around. And so we -- like I said, we did visit the
16 substation and saw, you know, what was coming in and what
17 was going out.

18 MR. BYRNE: Mike Byrne, B-y-r-n-e.

19 The picture in this pamphlet says it's going to
20 hook on in Oregon. The meetings I've been to he says he's
21 going to hook on in California because it's been a more
22 beneficial position for him to be in for green energy.

23 So do you know anything about that, or do you got
24 to wait for him to answer the question?

25 MR. HANSEN: Well, you know, what he was telling

1 us in March, he's either going to go to California or Las
2 Vegas.

3 MR. BYRNE: Right. He said that.

4 MR. HANSEN: Yeah.

5 MR. BYRNE: He's going to build a DC line to Las
6 Vegas. The bank's right down there --

7 MR. HANSEN: Possibly. He's thinking about that.
8 He doesn't know if that's going to be a reasonable option at
9 this point.

10 As far as, you know, immediately sending power
11 straight to California, once again I wish I could tell you
12 more about that.

13 MR. BYRNE: Well, there is some positive benefits
14 by hooking onto California under California law that also
15 impacts all of us landowners in Oregon a lot more.

16 MR. HANSEN: Sure.

17 MR. BYRNE: And you have all these facilities
18 here in Oregon. So I don't really see the economic benefit
19 to all of that impacting us.

20 MR. HANSEN: Right. Right.

21 Now it is important to the Commission in their
22 licensing decisions to understand the benefit to the
23 communities that take the brunt of the impact. So just
24 please do know that.

25 We understand that the people that live near

1 these projects deal with them and what they do on a daily
2 basis. And that comes into the licensing decision for sure.

3 All right. I'll move next to the cultural
4 resources.

5 We had some numbers from the Klamath Tribe that
6 showed up at our agency meeting in March. And they're
7 highly involved in this because they know -- Bryant Mountain
8 apparently has some very significant values to them. So
9 they're going to be representing the Tribe and their
10 interests.

11 We have decided that in the EIS we would look at
12 the effects of the construction and operation of the
13 proposed project on historic, archeological and traditional
14 resources that may be eligible for inclusion in the National
15 Register of Historic Places.

16 So this is meant to encapsulate, like I said,
17 historic properties -- things that are old, that have
18 meaning to the area and its past -- as well as, you know,
19 archeological things that may be unearthed during
20 construction, as well as the effects it could have to sacred
21 grounds or important places to, you know, indigenous Tribes.
22 So all of that is kind of encapsulated under this big issue.

23 Does anybody have anything on any of the historic
24 or archeological or cultural issues they'd like to point out
25 to us at this point?

1 MR. KENYON: Mike Kenyon, K-e-n-y-o-n.

2 This area has been here -- functionally used
3 since about 1902. And the history of the people in this
4 area can go all that way back. And when one considers a
5 massive change, which I would consider this to be, it
6 directly affects those people, like the ones that said they
7 want their grandchildren to farm and do those things.

8 Now if this were -- Quite honestly, if this were
9 an Indian issue it probably would have been solved a long
10 time ago. But so you have to consider these facts, that
11 there are people that live here that, from what I can
12 gather, are a little upset about even the concept and the
13 idea getting to this point.

14 MR. HANSEN: I understand.

15 MR. KENYON: So I think that culturally, it will
16 have a direct effect on what goes on here and the people
17 that live here.

18 MR. HANSEN: Yes, sir.

19 The next section, I kind of mentioned -- Mr.
20 Bailey talked about it -- but there's the aesthetics
21 obviously to consider, which would be both the effects of
22 the project operation and construction on the views in the
23 area as well as noise.

24 Does anybody have any more comments about the
25 visual aspects, the noise aspects, you know, just, you know,

1 what it's going to be like living near something like this
2 and, you know, your experiences with other, you know, energy
3 projects that have been built near you? Anyone want to
4 comment on any of that?

5 I see a lot of smirks so it must not be good
6 experiences.

7 MS. TERRY: My name is Penny Terry and I live
8 close to the area where the stand will go in.

9 MR. HANSEN: Could you repeat your name, ma'am?
10 Repeat your name. I'm sorry.

11 MS. TERRY: Penny, T-e-r-r-y.

12 I live near this area. I also live near the
13 metering station on Lyndon Road. And I know one of the
14 issues I had with that were the lights at night. It was lit
15 up to a point where we were very nervous about, you know --
16 when we bought the place the terrorism issue really wasn't
17 going on at that time. But it's very frightening to have
18 this area lit up.

19 And I'm curious: Is this reservoir going to be
20 all lit up and annoying? I would have concerns about that.
21 I don't want to see the wall.

22 I also -- this is off the subject of aesthetics.
23 But earlier we were talking about the evaporation issue. I
24 would like to know about the seepage issue, too. That has
25 to be taken -- I mean is he sealing this thing off? Is it,

1 you know -- But the lights aesthetically I'd like to know if
2 that's going to be --

3 MR. HANSEN: Okay.

4 MS. TERRY: -- part of the deal.

5 MR. HANSEN: No, that's actually a great issue.
6 And I'm glad you mentioned that.

7 We will need information on how this thing is
8 going to be lit and what it's going to look like at night.
9 Absolutely.

10 MR. BYRNE: Mike Byrne again.

11 My property is real close to the switching
12 station for Ruby. And they have a severe noise problem
13 because they're compressing a large amount of gas in a big
14 pipe into a little pipe before it goes across the road into
15 PG&E. And that noise goes on continuously, day and night.
16 It needs to be addressed.

17 As far as other projects, I have Tuscarora
18 pipelines, I have PG&E pipelines, I have 500 kV transmission
19 lines, the lines that go to Reno and the lines that go into
20 California. all go through my property.

21 I have a Ruby pipeline right-of-way. They said
22 they'd leave the land as good or better condition. It was
23 an old lumber mill that I owned. It had hundreds of loads
24 of gravel. They mixed it all up and they brought in two
25 loads of crushed rock as mitigation.

1 I have a big mud hole right now where I used to
2 have a nice gravel yard. The rocks are all over the top of
3 the surface where there used to be grass. And they came in
4 with a Chinook helicopter since it's a steep grade. They
5 dropped it from several hundred feet and it never
6 germinated.

7 These projects never go back to the condition
8 they were before they come through.

9 MR. SAVAGE: I had a couple of issues. One of
10 them was I live just south of town here and I have currently
11 a beautiful view of Bryant Mountain. And I don't want to
12 look at a 200 foot wide dike. It's just not congruous with
13 the current living conditions here.

14 One of the reasons I moved here was because it
15 was a rural area that had beautiful views all the way
16 around. It had good air quality. It had great living
17 conditions. I believe all that would be diminished by a
18 huge reservoir with fluctuating water.

19 Number two is the Ruby pipeline and these other
20 things are possible sites for terrorist activity. And I
21 know they've talked to our local marshal about doing some
22 sort of patrol over there. Would this require that also?

23 Three, if he gets his project started or condemns
24 the land or gets there and the whole project falls apart, is
25 he going to have to post some sort of bond to basically

1 reconstitute it back to the way it was? What would happen
2 to the land?

3 If this thing falls apart, everybody here that's
4 a stakeholder that's already living here is going to have a
5 significant amount of time, energy and probably legal fees
6 in either fighting the taking of our lands or fighting the
7 taking of our water. Would there be any way to be
8 compensated for that?

9 MR. HANSEN: As far as the requirement to have
10 the funds to reconstitute a site that they couldn't complete
11 construction upon, that would be a part of a license if he
12 were to be given one. That says that you must within a
13 certain amount of time of this license prove that you have
14 money in a bond somewhere that will allow for that action.

15 So that is something the Commission requires of
16 every licensee. So they can't just start a project, tear up
17 the land and say, 'Oh, this isn't going -- this is not
18 feasible economically,' and leave town and leave it all in
19 the state that it's in. So that will be part of any
20 license, if he were to get one, that he would not be allowed
21 to do that.

22 I believe you are asking me is there any sort of
23 way you can be recompensed for legal fees in fighting this?
24 Was that correct?

25 MR. SAVAGE: Well, basically, when you're making

1 your decision will you take into consideration the financial
2 and emotional costs to the citizens if they allowed this
3 license to go --

4 MR. HANSEN: I see.

5 MR. SAVAGE: -- if it becomes an adversary
6 position where people are fighting to keep their property
7 and their livelihood.

8 MR. HANSEN: Absolutely. Definitely. That's --
9 you know, in this sort of project and what we're hearing,
10 that's the number one priority resource area that we're
11 interested in here. It's going to be the biggest con, if
12 you will. So, yes, absolutely.

13 MR. SAVAGE: Basically the people that live here
14 are just regular ranchers and farmers. We have limited
15 income.

16 MR. HANSEN: Understood.

17 MR. SAVAGE: And limited resources. And we're
18 not really in a position to fight a large corporation or a
19 billion dollar project. It's kind of like a David and
20 Goliath thing. And our hope is that the Federal Government
21 will not issue a permit to somebody that has an unviable
22 project to start with.

23 MR. HANSEN: Right. And I -- and you'll just
24 have to take my assurance that the Commission does not issue
25 licenses for projects that are unviable.

1 MS. BAGG: Sarah Bagg, landowner.

2 What I don't quite understand is this is
3 supposedly a green power project. But yet they're using all
4 this conventional power. Granted it's in the middle of the
5 night when power is cheap. But they're using that power to
6 push the water up the mountain and then they're selling the
7 power as it comes back down the mountain.

8 To me that seems excessive use of power.

9 MR. HANSEN: It is true that pumped storage
10 projects usually use more electricity than they produce.
11 That is true.

12 UNIDENTIFIED PARTICIPANT: Not usually; always.

13 MS. BAGG: To this doesn't -- this whole project
14 to me doesn't make any sense. It's just to ruin the
15 landscape.

16 MR. HANSEN: So this project as proposed is
17 what's called a pumped storage project, which means that
18 water will be kept in an upper reservoir and it will be
19 allowed to travel down to a lower reservoir during the day
20 when there's a high demand for electricity.

21 MS. BAGG: Right. I understand that.

22 MR. HANSEN: I'm sorry. I understood you
23 understand. But there are some people in the back --

24 MS. BAGG: Oh.

25 MR. HANSEN: -- that I could see didn't --

1 UNIDENTIFIED PARTICIPANT: It's basically a
2 storage battery.

3 MR. HANSEN: Yes, sir, it is.

4 UNIDENTIFIED PARTICIPANT: That's all it is.

5 MR. HANSEN: It's a storage battery.

6 So what will happen is then at night the water
7 that is in the lower reservoir will then be pumped back up
8 to the upper reservoir using electricity that is not
9 actually generated by the project itself.

10 So the idea is you make electricity when it's --
11 when there's a market for it and you store it when there is
12 not.

13 There's a number of benefits these projects do
14 have as far as allowing -- the storage part is what's
15 attractive to anyone who works, you know, with grid issues.
16 The idea that if something were to happen somewhere and a
17 part of the grid were to go down, you have all the energy
18 stored up in the reservoir that could back start a grid
19 immediately.

20 So there, you know, there are some benefits to
21 pumped storage projects. But they do use power.

22 MS. RODMAN: Also, during the height of the
23 summer when California is over 100 degrees and they're
24 looking at a possible brown-out situation, you can turn a
25 project like this on at noon, say, and generate when people

1 in the west desperately need it, and then turn it off.

2 And then in the wee hours of the morning when the
3 coal-fired projects are -- they still have to continue
4 generating, but nobody's really using it. That's when --
5 and the power is dirt cheap. That's when they get their
6 pumping power to move the water back up to the upper
7 reservoir.

8 So a pumped storage project does indeed use more
9 power than it generates; but it provides power at just
10 exactly the right time -- or it can provide power at just
11 exactly the right time when people need it.

12 MR. HANSEN: Right.

13 MS. RODMAN: So you don't have to build, say,
14 another coal-fired -- two or three coal-fired projects that
15 are going to continue to produce power in the wee hours of
16 the night. So from that standpoint it makes sense from an
17 overall grid management point of view.

18 And from the owner's standpoint it makes good
19 sense because they're selling power when people are willing
20 to pay really high prices for it. And then, again, when the
21 power is dirt cheap they buy power to pump. These are,
22 however, hideously expensive systems to build. So their
23 economic analysis has to continue -- has to take into
24 account all of that.

25 Now -- Did I answer your question?

1 MS. BAGG: Yes.

2 MS. RODMAN: Okay.

3 I think we had a gentleman back here.

4 MR. KENYON: Mike Kenyon.

5 How many deadlines has this organization met?

6 MR. HANSEN: Well --

7 MR. KENYON: How many extensions have they had?

8 MR. HANSEN: Well, this is the -- the licensing
9 process just started on December 21st when they sent in
10 their pre-application document. Since that -- there really
11 haven't been any deadlines that they've needed to meet. But
12 they have a number of them upcoming that they will have to
13 meet.

14 MR. KENYON: Didn't they have a deadline today to
15 be here?

16 (Laughter.)

17 MR. HANSEN: Well, no. No, they didn't.

18 MR. KENYON: But you can't explain the total
19 gamut of the project itself, which is one of the questions
20 that the people in this room would want to have answered.

21 MR. HANSEN: Understood.

22 I am very unhappy that they are not here. I
23 really wish they could have --

24 MR. KENYON: Well, I would imagine the people in
25 this room are very unhappy, too, since these are the people

1 -- when you go back to Washington, these are the same people
2 that have to deal with this situation.

3 MR. HANSEN: I understand.

4 MS. RODMAN: It was in their best interests to
5 get the time right.

6 MR. HANSEN: Yeah.

7 MS. RODMAN: And they blew it.

8 MR. KENYON: Didn't they set the time?

9 MR. HANSEN: No, sir.

10 MS. RODMAN: No. We did.

11 MR. HANSEN: It's our meeting. We set the time.

12 MS. RODMAN: Yeah.

13 MR. HANSEN: And I will say -- Diane alluded to
14 this earlier -- that as we go along through this process
15 there are a lot of deadlines they need to meet. If they
16 start missing these deadlines -- the Commission oftentimes
17 will dismiss applications or proceedings if applicants are
18 not playing nice.

19 If they're not playing by the rules and doing
20 what they need to do, the Commission is not going to put up
21 with that and not going to continue to deal with their
22 licensing proceeding.

23 MR. KENYON: Just one final comment:

24 That in this area they're in the process of
25 taking a large amount of money to remove dams. And now

1 we're going to place into the seashore -- not the lake
2 bottom, which is -- I can't imagine when you fill that full
3 of water, where the water goes, because that's sand. That's
4 not like Tulalake, which is lake bottom. We're on the
5 shoreline.

6 But when they do that then they're going to have
7 highly rated or highly, you know, usable power at certain
8 periods of time when it's peak energy and all that kind of
9 stuff. But here, in one vein we're taking out dams and
10 reducing power; in another vein we're adding highly -- we
11 have to have power to use power, you know, you have to have
12 power to create the power.

13 And so you've got three things going on all at
14 the same time based on -- one more comment -- just based on
15 that same amount of water that is here, and no more. I mean
16 this doesn't even, to me, quite honestly, doesn't even seem
17 worth the time and trouble to go through this whole process.
18 I mean it just isn't.

19 MR. HANSEN: I understand.

20 We can't make that decision. If somebody wants
21 to go through the process, we have to let them go through
22 the process.

23 MR. BYRNE: This is Mike Byrne.

24 Can you comment on whether the current lines are
25 fully subscribed or not, whether there's space for that

1 power?

2 MR. HANSEN: No, sir, I cannot.

3 MR. BYRNE: Because it's my understanding that
4 those lines are almost fully subscribed when she's talking
5 about when all the power needs to get to California.
6 There's no room for additional power on those lines.

7 MR. HANSEN: Yeah. I do not know anything about
8 that. So I can't answer that.

9 All right. The next section would be
10 socioeconomics. And this is another big deal. We've
11 touched on this the whole meeting. The effects of the
12 project on the local economy of Klamath County.

13 And this bullet means, you know, the effects on
14 the loss of agricultural land; the effects of, you know,
15 energy rates in the area, on everything. Any socioeconomic
16 effect, both pro and con, this project could have would be
17 considered under this bullet.

18 Like I said, we've touched on a lot of this
19 already. Are there some additional things anyone wants to
20 talk about on how this would affect basically the bottom
21 line, you know, their livelihoods, as Mr. Sturm has already
22 talked about. I know a lot of you have, you know, you're
23 going to be losing acres of land if not entire ranches.

24 I'd like to hear from you about, you know, on the
25 record, you know, what this would do to you from a

1 socioeconomic standpoint.

2 MR. BAGG: Lawrence Bagg.

3 Over the last four or five years the power rates
4 for agricultural pumping have gone up considerably. It is
5 my understanding that the benefit of this project will not
6 come back to the basin at all. And if that could be
7 addressed as to we're going to put up with the problem but
8 we're not going to receive any benefits.

9 That's my comment.

10 MS. BAGG: Sarah Bagg, wife of this person.

11 (Laughter.)

12 MS. BAGG: Affected landowner.

13 It will affect personally on our socioeconomics
14 of our family. It will destroy our whole house, the office,
15 the main headquarters of our business, our shops for our
16 business, which is farming. And our house is somewhat
17 historical to the area. It will destroy that. And so it
18 will affect us very seriously.

19 MR. STURM: Les Sturm, the biggest landowner in
20 this project.

21 If this goes through it will completely destroy
22 my operation, which is approximately 900 acres. I have 300
23 head of cattle that I raise and cow out on that property. I
24 raise two or three different kinds of hay. It would
25 completely take over my place 100 percent. I would have no

1 more livelihood at all.

2 MS. STASTNY: Diana Stastny.

3 It would take our headquarters. We would still
4 have a few properties. But we have cattle, we have hay
5 sheds. We have shop. We have my father-in-law's home.
6 It's kind of like working without a head: It doesn't work.

7 MS. GRAHAM: Carol Graham, landowner.

8 We are not as directly affected as these others.
9 A portion of our property, the northern portion of our
10 property is affected, which really doesn't create a big
11 hardship for us, though I really do support our neighbors in
12 the hardship that they would have.

13 MR. STURM: Les Sturm, the biggest landowner in
14 this project.

15 I also have a licensed airstrip on my place that
16 Lawrence Bagg, my neighbor, uses for his airplanes. And
17 that's licensed as an emergency landing strip. And it's
18 been licensed since the 1940s. And this project would
19 completely wipe that out.

20 MR. HANSEN: Okay. And that's an FAA license?

21 MR. STURM: It's licensed with the Oregon
22 Department of Aviation.

23 MR. HANSEN: Okay. Very good.

24 MR. BYRNE: Mike Byrne.

25 My property is not directly affected, but my base

1 property is where the ephemeral stream came off of Bryant
2 Mountain where all the settlers were before the Modoc War.
3 All the water, if it breaks, it's going to come directly
4 towards my place. It will tear everything out, that much
5 water at one time, if that dam breaches.

6 As far as the other socioeconomic factors to the
7 county, in this room a couple of nights ago they had a
8 candidates' night. And the assessors got up and talked about
9 the effects of when they dry us up for no water, how they
10 have to reassess our land and put dry land values on it,
11 reduce the taxes to the county, which they've done three or
12 four times in the last 15 years because we ran out of water
13 because of the problems with the downstream salmon and the
14 suckers in Upper Klamath Lake.

15 And our lake levels that we have to maintain plus
16 our stream flows downstream for the other fish. So it can
17 have detrimental adverse effects to the whole county when
18 the tax base is destroyed like this.

19 So the water problem and the taxing problem and
20 all that's going to make a lot of different to Klamath
21 County.

22 MS. BAGG: Mike, what about that historic house?

23 MR. STURM: Well, the -- we have pictures out of
24 my grandfather's house of the cavalry out there trying to
25 catch Captain Jack after the Modoc War in the 1872. And

1 there already was cultivation there. And the house has been
2 there since 1926. Zane Grey wrote Forlorn River in part of
3 it. It's got a lot of history.

4 There's a lot of history around here. The
5 massacre of the settlers by the Indians happened on Bryant
6 Mountain just a little bit south of where this proposed
7 project is. We have all kinds of history. We could go on
8 for hours and hours about the history that this project
9 could potentially destroy.

10 MR. HANSEN: Okay. Good.

11 MS. HARTMAN: Jennifer Hartman, landowner, ag
12 farmer, all kinds of stuff.

13 You guys will take some of our land, though we
14 farm, part of where our cows go. My house, however, is
15 down.

16 And I don't know if you guys realize, but in this
17 area there's not a whole lot of natural disaster. House
18 insurance is very cheap. It will not be anymore. If we
19 have that, everybody will have to get flood insurance. And
20 that's not just for us in here; that's for Malin, Tulelake,
21 Merrill, because it's flat and it's just going to go as far
22 as -- you know, until it hits another lake.

23 So there's impact on more than just the ag. It's
24 everybody that works for minimum wage down here that has a
25 house, renters, any of that. So--

1 MR. BAILEY: Jim Bailey, homeowner, farmer.

2 I have four children that grew up in our home now
3 that my wife has made a beautiful home of this place that we
4 live in.

5 Four years ago I had four children fighting in
6 our house over who gets to live in our house when we pass on
7 or give it to them or let whichever one wants it.

8 (Laughter.)

9 MR. BAILEY: When they put the Ruby pipeline in,
10 I've only got one girl now that's going to college that says
11 she's even interested in living there because of the noise.

12 If you put this dam in, my house is worthless.
13 You know, property values I believe have gone down because
14 of the Ruby pipeline. They're going to just deplete down to
15 anything if this project goes. Nobody wants to live in the
16 country.

17 And they might as well move down to Hoover dam
18 and build right on top of the cliffs there and see the same
19 kind of action.

20 MS. TERRY: I'm Penny Terry, T-e-r-r-y.

21 I just want to know, as far as your eFiles and
22 comments, does it help for people to comment about Oregon
23 getting no benefits out of this? We're affected by it, but
24 what does Oregon and this community get out of this project?
25 It's all being shipped off somewhere else.

1 Why don't they take it to California if that's
2 what they want to do.

3 MR. HANSEN: No -- Number one, yes. Every single
4 thing that you eFile is, yes, very important. We need to
5 know all of that; it needs to be on the record. So we've
6 heard a lot of it in letters to this point. Everything you
7 said today is now on the official record.

8 But I highly recommend that at every turn any
9 issues -- even if it's the same issue every single time --
10 just keep eFiling, keep sending things in. All of this
11 stuff helps, believe it or not.

12 And then -- I'm sorry. What was the second
13 question? It was-- You asked if it helped, and you asked a
14 second question, I thought.

15 UNIDENTIFIED PARTICIPANT: Exporting the
16 benefits.

17 MR. HANSEN: Oh. Yes.

18 As this proceeds, if we were to do an EIS we
19 would have to do an analysis of where the power would go,
20 who would benefit from the generation of that power. And
21 all of that would be a part of that analysis. So, yes. We
22 don't know much about it at this point.

23 MS. OXLEY: My name is Margie Anne Oxley, O-x-l-
24 e-y.

25 And I wanted to address the moral issue. I have

1 a real moral issue with the government licensing this
2 project because you'd be taking away people's homes and
3 livelihoods. And to me that's just wrong.

4 And I think one of the wonderful things about age
5 comes wisdom. And I think most of us in this community know
6 the difference between right and wrong. And to me it's
7 wrong to license this project, not only on a socioeconomic
8 level, but on a moral level. And I would guess on a legal
9 level.

10 I can't imagine that our Federal Government would
11 come into our community and license a project like this that
12 would completely wipe out locals' homes and businesses.
13 It's just not right.

14 So that's the issue I have with it.

15 MR. STURM: Les Sturm, landowner.

16 This project hasn't even got off the ground. But
17 just the talk about it to other people has killed sales to
18 people that have had their property for sale.

19 Even in the Swan Lake situation, if somebody had
20 their property for sale and a buyer was there to look at it,
21 and they heard that they're going to -- there's potential to
22 put this big dam in or run these big power lines past their
23 house, the buyer backs out. So even though neither project
24 has got the okay to go, it's already done a lot of damage to
25 poor people and they've lost a lot of sales, a lot of money.

1

2 You know, it's costing us landowners a lot of
3 money already, and it's just getting started. It's not
4 right.

5

MR. KENYON: This is Mike Kenyon.

6

I'm pretty sure I live in the floodplain.

7

(Laughter.)

8

MR. KENYON: I didn't really understand this
9 until Mr. Sturm was talking about the type of -- how long a
10 dike is this?

11

UNIDENTIFIED PARTICIPANT: 15,000 --

12

MR. HANSEN: Well, there's two of them. The
13 upper one, up on Bryant Mountain would be 200 --

14

MR. KENYON: I'm more interested in the one on
15 the bottom.

16

MR. HANSEN: The bottom. All right.

17

MR. KENYON: I'm not going to worry about the one
18 on the top because I don't need to worry about that.

19

MR. HANSEN: Very well.

20

MR. KENYON: I have time to look at it, I think,
21 when it comes down the hill.

22

MR. HANSEN: Let's see.

23

(Pause.)

24

UNIDENTIFIED PARTICIPANT: Is it there?

25

MR. KENYON: 7000 feet long?

1 MR. HANSEN: Oh, there it is.

2 MR. KENYON: That's the water supply.

3 MR. HANSEN: That's the water supply.

4 Oh, no. 13,800 foot long.

5 MR. KENYON: 110 feet high.

6 MR. HANSEN: Yes, sir.

7 MR. KENYON: Okay.

8 Now if we have a 110 foot high dike -- I'm pretty
9 sure I'm, like some of the others here, I'm not going to
10 have a very good view.

11 But the other thing is who builds it?

12 MR. HANSEN: The applicant.

13 MR. KENYON: The applicant.

14 MR. HANSEN: But it --

15 MR. KENYON: Well, the last thing that I could
16 think of about a dike that was somewhat similar is Katrina.
17 And it was built by professionals that knew what they were
18 doing. I don't know anything about this.

19 What is the composition of this dike? What's it
20 made of? Dirt?

21 (Chorus of 'Dirt.')

22 MR. HANSEN: I believe it's --

23 MR. KENYON: What kind of dirt.

24 MR. HANSEN: I believe it's an earthen dam.

25 MR. KENYON: But what kind -- well, you can't

1 believe; you've got to know, because you're the ones that
2 are --

3 MR. HANSEN: Oh, and trust me. When we go to
4 make --

5 MR. KENYON: Okay. But I mean what kind of dirt?
6 I mean there's all kinds of different dirt.

7 What's the base? How wide is it at the base?
8 How wide is it at the top? What materials are they using to
9 build this? Are they building it out of boulders, or what?

10 See, I mean I -- after listening to what Mr.
11 Sturm said, now I'm really concerned.

12 (Laughter.)

13 MR. KENYON: I'm not kidding. I'm not kidding.

14 MR. HANSEN: I don't think you're kidding.

15 MR. KENYON: I won't have time to wake up and
16 swim out of there.

17 MR. HANSEN: Understood.

18 MR. KENYON: I guarantee you. And that's a whole
19 area -- that's about -- that's our whole area.

20 And now I'm -- I know I sound kind of like I'm --
21 but this is really very upsetting to me now because after I
22 begin to think about this, you've got this long a dike.
23 That's a long dike. And there was never -- there was never
24 meant to be a dike there to begin with; otherwise there
25 would have been something. There was never meant to be

1 water there to begin with, or otherwise there would have
2 been water.

3 So they're creating something out of material
4 which I do not believe -- unless they're going to truck it
5 in -- and where are they going to truck it in from? They're
6 creating something that is -- it just -- it's very -- I
7 don't even know how to explain it.

8 But this is really nerve-wracking. You know
9 eminent domain, the term -- that comes up, some of these
10 other terms come -- but I mean this dike, this long big dike
11 that they're going to put there, if I was Mr. Bailey, I
12 don't -- he has less time than I do. Or the gentleman who
13 was sitting here, Mr. Schmidli, which is right across the
14 road.

15 You know, you're building something -- or they're
16 considering to build something that has a great deal of
17 impact. And who -- I mean they can license it. They also
18 licensed the dikes down in Katrina, you know.

19 I mean I'm just saying that all this process is -
20 - God, they should go take one of the Copco dams and work on
21 it. You know, I mean there's already a dam there. I mean
22 it's in a river. You know, this is not. This is up on a --
23 God, it's up on the side of a hill.

24 MR. HANSEN: Yeah.

25 MS. RODMAN: Sir, when the application is filed,

1 if they get to the point of filing an application, our
2 regulations require that they include a supporting design
3 report. And that would have the engineering details.

4 MR. KENYON: I understand what you're saying.

5 MS. RODMAN: Right.

6 MR. KENYON: I understand exactly what you're
7 saying. I mean I understand that process and I can say,
8 'Well, that's really good.'

9 MS. RODMAN: Right.

10 MR. KENYON: The trouble is when the engineering
11 process is all done and the dirt's there, it ain't you guys
12 that are going to live below it. It's somebody else. And
13 no matter what the government says, unless they want to come
14 -- I'll tell you what: If they'll bring over a mobile home
15 and park it right below the dam, I'll feel a lot better.
16 But I'll bet they don't do that.

17 (Laughter.)

18 MS. HARTMAN: Jennifer Hartman again.

19 When a group of landowners that finally made this
20 applicant sit down and talk to us, I asked him. I said,
21 'Okay. What happens if it breaks? I have a house; I have
22 two kids. I'm not getting out of there.' And his response
23 was, 'Well, only one in 15,000 dams breaks a year' -- which
24 that's one too many -- and, 'I'll just buy it from you.'

25 So this guy, who thinks that he can come in here

1 and just buy everybody, there's a lot of history -- I mean I
2 didn't grow up in Malin, but I know a lot of people that do.
3 And they're not selling.

4 So for this guy to think that one in 15,000 we
5 should not be concerned about, my kids are nine and five. I
6 plan for them to live in the house that I'm in right now.

7 It's not okay for him to have this almighty power
8 that he can just buy everything and that we're just peons in
9 his little world.

10 MR. SAVAGE: Tom Savage.

11 Regarding dam safety, building that dam up there
12 and filling it with 35,000 cubic feet --

13 MS. RODMAN: Acre.

14 MR. SAVAGE: -- or, pardon me, acre-feet of
15 water, is creating a hazard that doesn't exist there now, to
16 what benefit.

17 And it is a direct hazard and a life-threatening
18 hazard as well as a property-threatening hazard to everybody
19 that lives below there. You know, there's 600 residents in
20 this town that probably wouldn't survive it if were to
21 break.

22 We're in a seismically geographically -- we're in
23 a seismic area that is -- that can have earthquakes. Right
24 now if we had a major earthquake maybe our house would fall
25 down and some people would get hurt.

1 But with that much water up there and an earthen
2 dam, and let's say they made it for a category four or seven
3 or six or whatever; well, what if it doesn't hold and what
4 if that earthquake is the one in a million that's one above
5 there. That's a risk that we shouldn't have to live with.
6 And it's one that's being created for somebody's personal
7 profit, and somebody that is just creating an idea that's
8 going to sell it to somebody else for personal profit.

9 This thing's just a scheme, and it puts all of us
10 living here at risk. And while it may be a risk he wants to
11 take, he doesn't live here.

12 I live here. I plan on living here the rest of
13 my life. And I don't want to end it prematurely because
14 somebody wanted to make a buck off of building a giant water
15 storage area just above me for no other purpose than to try
16 and scam some money off of somebody else -- and probably
17 some government funds because it says green on it. And I
18 find that highly objectionable.

19 MR. BAILEY: Jim Bailey, landowner, homeowner.

20 I know it's called Bryant Mountain LLC. Mr.
21 O'Keefe is the main man in charge of that?

22 MR. HANSEN: Yes, sir.

23 MR. BAILEY: How can we find out or who do we
24 find out from who is partners with him? Is there local
25 people that live here that are behind this also?

1 MR. HANSEN: I don't know. The Commission does
2 not require them to bring forth, you know, their financial
3 partners public. So I know very little about -- there's
4 nothing on the record as to his backers financially, who
5 they are or where the money comes from.

6 MS. RODMAN: Yeah. A company only has to be
7 licensed to do business in the United States as far as the
8 Commission is concerned.

9 MR. BAILEY: Which Bryant Mountain LLC is.

10 MS. RODMAN: Yeah.

11 MR. BAILEY: So that's as far as that --

12 MS. RODMAN: I believe they're -- I believe
13 they're incorporated in Nevada; why, I don't know.
14 Everybody seems to like -- the east coast people seem to
15 like I think it's Delaware.

16 UNIDENTIFIED PARTICIPANT: It's taxes.

17 MS. RODMAN: But anyway, it's Nevada. And I got
18 curious myself and looked on the internet, and that's about
19 as much as I was able to find. Maybe people who are a
20 little smarter about business would know where to find that
21 sort of thing.

22 MR. BAILEY: Well, an LLC is limited liability
23 corporation. He'd better have more liability than limited.

24 MR. HANSEN: And I will say that if you're able
25 to come back this evening when he's here, you're welcome to

1 ask him these questions.

2 MR. BAILEY: Will he be here or will he just hide
3 again?

4 MR. HANSEN: Well, he said he's coming. I'm
5 taking him at his word.

6 But you can ask him these questions. But please
7 understand that he doesn't have to answer. But there's no
8 harm in trying.

9 MR. STURM: Les Sturm.

10 At the meeting we had with him personally on the
11 29th he told us that he had a European investment group that
12 was backing him with the money. Now whether that's true or
13 not, I don't really know.

14 MS. BAGG: He also has his son up on -- his son's
15 --

16 MR. STERM: Yeah. He has a son in Mammoth,
17 Oregon, too.

18 (Simultaneous discussion.)

19 MR. KENYON: Is not part of the licensing
20 agreement a full disclosure of those individuals who are
21 involved in the process, you know, I mean the company.

22 MS. RODMAN: Nope.

23 MR. HANSEN: No.

24 MR. KENYON: It's not.

25 MS. RODMAN: They just -- we tell them what to

1 do; and if they don't do it, they're in trouble. You know,
2 I mean --

3 MR. KENYON: I'm sorry, but that makes absolutely
4 no sense at all.

5 MR. HANSEN: Well, it's really not -- the
6 Commission does not need to know exactly how many people are
7 a part of Bryant Mountain LLC, for example, or who they get
8 their loans from. I mean that doesn't affect what we have
9 to do as far as the Federal Power Act, so we don't require
10 them to tell us that.

11 UNIDENTIFIED PARTICIPANT: What if the money came
12 from somewhere very unscrupulous, like terrorists?

13 MR. HANSEN: Well, I'm --

14 UNIDENTIFIED PARTICIPANT: You wouldn't be
15 interested in tracing that back to where they're getting
16 funded?

17 MS. RODMAN: The CIA probably would. But I don't
18 think we would.

19 UNIDENTIFIED PARTICIPANT: Well, I would think
20 going through the licensing process, if you're the one that
21 is responsible for licensing them, then you should be also
22 the one's responsible for making sure that companies that
23 are asking for the license are above-board and legal.

24 MR. HANSEN: Well, we do do that.

25 UNIDENTIFIED PARTICIPANT: And don't have any

1 illegal connections.

2 MR. HANSEN: Well, Bryant Mountain LLC is
3 licensed to do business in the United States, and therefore
4 they are able to apply for a license.

5 UNIDENTIFIED PARTICIPANT: So there's no --
6 there's no background checks involved with anyone that goes
7 through the licensing process?

8 MR. HANSEN: No, no.

9 UNIDENTIFIED PARTICIPANT: Is there ever?

10 MR. HANSEN: No.

11 UNIDENTIFIED PARTICIPANT: It seems odd when the
12 socioeconomic effects on the community members is so great,
13 and perhaps even, you know, lives at stake for the people
14 who live right below the dam, it seems odd that, you know,
15 the government of all people wouldn't be interested in who
16 the people are and where the money's coming from behind the
17 applicants.

18 MR. HANSEN: Well, I think for what we're doing
19 here -- I mean where the money comes from doesn't change the
20 effects the project is going to have here in this area.
21 Whether it comes from someone in Klamath Falls, whether it
22 comes from a company in Canada, the effects are the same for
23 you folks here, living here.

24 UNIDENTIFIED PARTICIPANT: Sure.

25 MR. HANSEN: So that's what we're concerned

1 about. What could the project do and is this something that
2 we think the Commission should license. And we'll recommend
3 yes or no, and here's why.

4 UNIDENTIFIED PARTICIPANT: I understand that.

5 But if I'm a -- if I want to have a daycare, for
6 instance, in my home they -- you know, in order to get a
7 license they do a background check. But you're telling me
8 in order to do this huge multi-billion dollar project that
9 puts homes and livelihoods and people at risk for losing
10 everything, that there's no questions about who people are.

11 It just seems very odd and it seems like, you
12 know, it's a real loophole.

13 MR. HANSEN: Okay.

14 MR. KENYON: Mike Kenyon.

15 What happens if they build it and ten years from
16 now or 15 years from now it doesn't pan out and they give it
17 up. And then all of a sudden what you have is a something
18 left that they don't even have to really probably put back
19 the way it was.

20 MR. HANSEN: No, sir.

21 What I was saying was that any license that the
22 Commission issues forces a licensee to prove that they have
23 the money put away to return the land back to its natural
24 state somewhere.

25 Now where that money comes from once again is not

1 the Commission's concern. But that's part of their license,
2 that they prove that that money is available.

3 MR. KENYON: He asked if it was an escrow
4 account, didn't he? Do they have to put it in some kind of
5 an account over here?

6 MR. HANSEN: Yes.

7 MR. KENYON: What percentage?

8 MR. HANSEN: I don't know.

9 MR. KENYON: I mean is it just a flat fee based
10 on the dollar volume that is there, they have to put ten
11 percent over here in some account? Or is it based on
12 economic impact? Or I mean what are the conditions that
13 cause them to put that money away?

14 MR. HANSEN: I'm not sure how they determine the
15 amount of money that needs to be in that account.

16 But I'd be happy -- this is something else that I
17 would need to do some further research on and talk to some
18 other folks. I'd be happy to get back to you later this
19 week about the specifics of that account, if you would like
20 me to. I'd be happy to do that.

21 MR. KENYON: But you really -- in reality you
22 can't know -- unless you know who the people are that are
23 involved in the -- I mean they'd have a license, but I don't
24 think it's that complicated to get a license.

25 I mean they may have a license to do something,

1 but that doesn't necessarily mean that they have the capital
2 to set aside to --

3 MR. HANSEN: No. They have to prove the presence
4 of that capital as part of their license requirements.

5 MR. BYRNE: Just an example of agreements like
6 that, we have out here on the -- Modoc National Forest, the
7 over-the-horizon backscatter radar which was built in the
8 '80s at a cost of over \$600 million. And the Air Force
9 signed an agreement with the Forest Service they'd put it
10 back to the original condition if they abandoned it.

11 It never was fully operational. It's been in
12 mothball status. Now it's in decommission status. The Air
13 Force, with the full faith of the American government behind
14 it, will not put it back like it was. We're fighting over
15 whether they'll even the build the fence right now, which is
16 a couple thousand bucks.

17 So to say that these people have the money when
18 the United States government doesn't have the money to put a
19 facility back after they've signed an agreement is
20 ludicrous.

21 MR. STURM: Les Sturm.

22 I just had a question. When it comes time for
23 these studies to be done on the property --

24 MR. HANSEN: Yes, sir.

25 MR. STURM: -- we have to let them on the

1 property?

2 MR. HANSEN: Nope.

3 MR. STURM: We don't have to.

4 MR. HANSEN: Nope. Nope.

5 MS. RODMAN: You do not.

6 MR. HANSEN: And if the applicant is not able to
7 collect the information that they need to complete a license
8 application, then we would have to end the proceeding.

9 MR. STURM: Thank you.

10 MR. HANSEN: All right. So we've got a couple
11 last bullets here and then we're going to just finish with
12 last comments. And save some for tonight, please.

13 (Laughter.)

14 MR. HANSEN: Air quality would be the next one.
15 We thought we would look at the effects of the construction
16 and operation of the project on air quality in the region.
17 You know, any time you're making something this large and
18 excavating, there's going to be air quality issues. So we
19 meant this bullet to be all-encompassing for that.

20 Do we have any comments on air quality issues
21 that anyone wants to bring up?

22 MR. BAGG: Lawrence Bagg.

23 My question would be not so much air quality.

24 MR. HANSEN: Yes, sir.

25 MR. BAGG: On a short-term basis in the

1 construction, air quality in the basin when you transfer
2 35,000 acre-feet of water daily up and down the hill.

3 MR. HANSEN: I would point out --

4 MR. BAGG: I don't know -- I know of no movement
5 of that much water on a short-term basis like that. And so
6 I'd like to see some information on long-term, not just the
7 short-term on dust control, et cetera.

8 MR. HANSEN: Right. Right. Okay. Sure.

9 And that bullet does -- it does contemplate the
10 effects of construction and operation, meaning, you know,
11 throughout the life of the license. So we would be
12 analyzing whatever air quality effects would be a result of
13 operation of the project. Yes. Yes, sir. Thank you.

14 Are there any other comments on air quality
15 issues?

16 (No response.)

17 MR. HANSEN: All right.

18 And the final one is developmental resources. In
19 an EIS we would look at the effects of the proposed project
20 and alternatives, including any protection, mitigation and
21 enhancement measures on the economics of the project.

22 And what this basically means is that we would
23 look at how much money it would cost to build the project;
24 how much money the project would earn; how much it would
25 cost to do all of -- and to do any mitigative measures,

1 protecting environmental measures. And basically look at
2 the bottom line and see how that fits into the overall pros
3 and cons argument.

4 So that's kind of how that fits in.

5 And we've talked a lot about, you know, the pros
6 and cons of the developmental issues and how much money this
7 is going to make versus how much impact it's going to have,
8 and things along those lines. So we are definitely taking a
9 look at that.

10 Does anyone have any comments additionally
11 regarding that they want to bring up at this point?

12 MS. OXLEY: I'd like to ask a question.

13 MR. HANSEN: Yes, ma'am.

14 MS. OXLEY: Is the builder -- I'm Margie Anne
15 Oxley again.

16 Is the builder required to provide an estimate of
17 -- or to provide monies to protect the locals that would
18 live around the project from EMFs, which are the emissions
19 from such a high-powered line being close to their homes and
20 their animals and their children?

21 And where is the money to protect them? Because
22 there's proof, even if you just believe a quarter of what
23 you read, there's proof that those have very ill health
24 effects.

25 MR. HANSEN: Yes, ma'am.

1 And for those of you who are unaware, the
2 electromagnetic fields is an issue that sometimes comes up
3 with large transmission lines and the possible health
4 effects with those. That is definitely something that, now
5 that you're bringing it up and asking us to analyze that, we
6 can put that into a -- we can analyze the effects of that
7 and add that to the pro and con debate. Absolutely.

8 MS. OXLEY: Yes. I would request that you do so.

9 MR. HANSEN: Okay.

10 MS. OXLEY: It's very, very important --

11 MR. HANSEN: Okay.

12 MS. OXLEY: -- for anyone that lives within a
13 certain distance of the project.

14 MR. HANSEN: Okay.

15 All right. We're going to wrap it up here in a
16 second. I want to reiterate that comments on this document,
17 this SD-1, scoping document one, as well as their pre-
18 application document are due to the Commission on June 11th.

19 The next date after that would be the applicant
20 would have to provide what's called a proposed study plan.
21 And what that is, that would be their proposal: these are
22 the studies that we're going to conduct to collect the
23 information that you need to do an EIS. And they're going
24 to build that based on all of the requests they get from the
25 FERC and from all the other state and federal agencies that

1 are sending those in.

2 After they do that there will be a study plan
3 meeting. It will probably be in Klamath Falls. And this
4 will be in August. And everyone is certainly welcome to
5 join us on that. But it will be a discussion of those
6 studies. It will be some time in August and there will be
7 notices of that. So if you're e-subscribed you'll see that.

8 So those are the next big steps after this
9 evening's meeting.

10 MS. HARTMAN: So the dates that are in here
11 aren't necessarily correct.

12 MR. HANSEN: The dates in there are not correct
13 at all.

14 MR. KENYON: Can I ask why the meeting will be in
15 Klamath Falls?

16 MR. HANSEN: Well, the study plan meeting is
17 normally a meeting that is attended by a lot of state and
18 federal agencies. And that's typically the city that's
19 easiest for the majority of those folks to get to.

20 MS. HARTMAN: We're not that far from Klamath,
21 thanks to the --

22 MR. KENYON: We have facilities around here that
23 could probably be used.

24 MR. HANSEN: Okay. I'm not averse to having the
25 study plan meeting in Malin, Oregon.

1 MR. KENYON: Klamath Falls is not involved in
2 this issue, are they?

3 MR. HANSEN: Well, it's in the basin zone.

4 But if -- I certainly would not schedule a study
5 plan meeting in Klamath Falls if -- I'm not trying to
6 downplay the importance of the fact that the project's going
7 to be in your back yard. So please understand that.

8 If you feel it's important to have a study plan
9 meeting here, you know, I think that certainly can be -- we
10 can make that happen. You know, you can come listen to all
11 the agencies and communicate with them, which is very
12 useful.

13 UNIDENTIFIED PARTICIPANT: No.

14 MR. HANSEN: No?

15 MR. KENYON: I just think that's-- You know, I
16 mean it just seems to me like it ought to be where it's
17 going to happen, not where it's going to think it's going to
18 happen.

19 UNIDENTIFIED PARTICIPANT: Yeah.

20 MR. HANSEN: Okay.

21 MS. HARTMAN: In August, that's farming.

22 Jennifer Hartman.

23 For farming in August you have grain, you have
24 hay, you have potatoes. You think that all of us who have
25 to earn our own wage need to drive someplace to meet with

1 you guys who are getting paid to meet with us.

2 So right now most of us are either rearranging
3 our schedule so that we could be here, and you want us to
4 come back tonight, or we're paying somebody to do what we
5 need to do out on our land to make money. And that's what
6 we're saying, is you don't see anybody from -- many people
7 from Klamath in here.

8 But you want us, who actually have an interest in
9 what this is going to do to our community, to have to go up
10 there because the government agencies like to be there.
11 It's a pretty drive. Enjoy the scenic tour on your way
12 down.

13 But in August everybody is very busy and might
14 not have time to make it up there. And then it will look
15 like we don't care.

16 MR. HANSEN: Understood.

17 The study plan meeting can certainly be held in
18 Malin. That's not a problem.

19 UNIDENTIFIED PARTICIPANT: We'll be there.

20 MR. HANSEN: I will say typically -- I will say
21 typically -- the reason that I originally had planned for
22 Klamath Falls is that citizens very rarely ever come to a
23 study plan meeting. It's not that you're not welcome; it's
24 usually there is very little interest on the studies
25 themselves.

1 But people are very welcome to come. It's a
2 public meeting. I would like everyone to come because
3 there's going to be, like I said, state agencies, the
4 federal agencies, the Klamath Tribe. And people are going
5 to be discussing what studies they want this applicant to
6 produce to provide information for this licensing process.

7 MR. KENYON: In August there's a nice school over
8 here that has all the rooms that you would need.

9 MR. HANSEN: Okay.

10 Now I will say that I can't deviate from the
11 August date. It's going to have to be some time during
12 August. And the reason that is is that the integrated
13 licensing process, which they are now under, has got a lot
14 of rigid timelines, time frames that have to be met.

15 And the reason that they have been put into this
16 process is so that everyone knows exactly when everything is
17 going to get done. And so there's no surprises. It's very
18 inflexible, unfortunately. But that is actually a benefit
19 to a licensing process where there's a lot of controversy,
20 so everyone knows what's going to happen when and
21 everything.

22 So it's going to have to be in August,
23 unfortunately.

24 MS. HARTMAN: And we're not asking to change the
25 date. We're just asking --

1 MR. HANSEN: Okay.

2 MS. HARTMAN: It's a lot easier to get off the
3 tractor and come here -- versus travel.

4 MR. HANSEN: Understood.

5 I will set up the study plan meeting in Malin due
6 to your wishes because, you know, if you would like to come
7 and be at that meeting I'll want to make it easy for you
8 all. So, yes.

9 Thank you. I'm actually very glad that you all
10 brought that up because if I had known it prior that you all
11 were interested in that meeting I would have considered it
12 earlier. The meeting is not set up yet. So when it is, it
13 will be in Malin now.

14 MR. BAILEY: Good. Thank you.

15 Jim Bailey. I want to thank you again.

16 But another reason that I would like the meeting
17 down here is to bring those agency people down here where
18 they can visually see the mountain, see where this project
19 could possibly be put in place instead of looking at it on
20 paper.

21 MR. HANSEN: Yes, sir. And I will say --

22 MR. BAILEY: So I want to watch them shake their
23 heads as we're shaking our heads so they know how asinine
24 this project is.

25 MR. HANSEN: Understood.

1 I will say that the meeting we had in March
2 where, unfortunately, we didn't get into the newspaper so
3 nobody got notified, all of the agencies got notified
4 because they were all e-subscribed. So that public meeting
5 that we had in this room was just the agencies.

6 So there were 30 different folks from different
7 agencies sitting here. And they did go with us on the site
8 visit to see everything. So they've already done that. I
9 think they would have all been here today had they not
10 already, you know, had we not done the ones in March.

11 MS. RODMAN: Now I will say on that meeting, I
12 did attend with a lot of agencies. We could not walk the
13 lower reservoir site because that's Mr. Sturm's property and
14 we had no permission to do that. So we parked on the side
15 of the road, looked over at his fields and looked over at
16 houses and said, 'Oh, my, who lives over there. That's
17 going to be where the reservoir is.'

18 You know, we certainly understood that, you know,
19 my gosh, it's going to be flooded.

20 It was in -- it was March 22nd, I believe, so we
21 could not visit the upper reservoir because of the snow. I
22 don't believe that we have an environmental site review
23 scheduled for the study plan meeting.

24 But if the -- if that proved to be a real good
25 idea, if we had -- you know, if somebody felt -- if Mr.

1 Sturm felt that we would learn anything more by actually
2 walking his land or by walking the upper reservoir site, you
3 know, we could schedule our travel plans and I guess put in
4 the public notice that we would do a second visit out to the
5 project.

6 You know, we're flexible. We can do this.

7 MR. HANSEN: Yeah.

8 MS. RODMAN: And if you feel that this will help
9 us in any way, I don't know -- Let's see. We had BLM, we
10 had Reclamation. Who else did we have on that visit, Ryan?

11 MR. HANSEN: U.S. Fish & Wildlife Service, Oregon
12 Department of Game & Fish.

13 MS. RODMAN: Water Resources.

14 MR. HANSEN: Water Resources.

15 MS. RODMAN: So if you or the agencies feel that
16 there is any value in us going out a second time, we'd
17 perfectly be fine to do that. You know, if we could see
18 more, that would be good.

19 MS. BAGG: You could come and look and see our
20 place and see what you guys would be destroying -- or they
21 would be destroying.

22 Mr. O'Keefe said, oh, he grew up around this area
23 and he knew Bryant Mountain like the back of his hand and
24 yadda-yadda-yadda. And, look, he didn't seem to realize any
25 of us were living up there and he thought there were going

1 to be no objections to this. And that's kind of wrong.
2 There are several of us that live up there and this is our
3 home. And this is where we do what we do.

4 And since this whole thing started, which was
5 year and years ago, it seems like all the government
6 agencies and everybody has been notified and all of the
7 Tribes have been notified, and nobody ever cared about those
8 of us that live there whose land they wanted to take. And
9 we never got notified.

10 The first time we got notified was when we
11 received a DVD in the mail last September from Bart O'Keefe
12 himself. He's never come and knocked on our door and said,
13 'Hey, we'd like to take your property. Can we take a look
14 here?'

15 And nobody ever -- it's like we don't count. We
16 as landowners who live there don't mean anything, don't mean
17 as much as the government agencies and the endangered
18 species. Well, we're endangered species.

19 And so I just kind of wanted to say that we are
20 individuals. And I think we have individual rights. They
21 can't just come and squash us like a bug.

22 MR. HANSEN: Okay.

23 So that is pretty much what we needed to
24 accomplish at this meeting. The one tonight will be the
25 exact same thing we just did. It's the exact same slides

1 that we would have seen. You will see the slides. You will
2 see the presentation from Bryant Mountain. They will be
3 present -- knock on the plastic table.

4 And so I know it's repetitive. And I'm sorry
5 that you have to come and waste your time -- well, not --
6 'waste' is a terrible word -- that you have better things to
7 do. But that you have to come again tonight.

8 MS. BAGG: We're trying to stick up for our
9 rights and our properties.

10 MR. HANSEN: Exactly. Absolutely.

11 But the point I'm making is the fact that you
12 have to come to two of these meetings, I wish it could have
13 been easier for everybody. But we need to hear all of this.
14 All of this is vitally important for what we're doing. So
15 that's why when we found out that the original notice wasn't
16 in the paper and that's why nobody came --

17 MS. BAGG: Right.

18 MR. HANSEN: -- we had to come back. Because
19 originally we thought, 'well, you know, people are upset.
20 But maybe they're not that upset.' So that's why we're
21 here. That's why we're here today.

22 So do we have any final comments? And then we're
23 going to start this meeting again at 6:00 p.m. and we're
24 going to do it all over again.

25 MR. KENYON: I'm not mad at you. I am mad at a

1 situation that I think has developed over the course of time
2 which doesn't involve the individuals who are within an
3 area.

4 To me -- and I appreciate you being here. But I
5 am telling you that all too often it appears as if when
6 there are dealings with governmental agencies that -- that
7 the tide has turned.

8 The governmental agencies have, instead of
9 dealing with the individuals, deal with a bunch of other
10 stuff. And then the last people to be dealt with are the
11 individuals.

12 And I think if you look throughout the course of
13 the last ten years in this area -- maybe fifteen -- you
14 would see that there have been several hits here
15 specifically in this community which need to be taken into
16 account, which need to be thought about -- you know, the
17 water issue.

18 I just cannot tell you how ridiculous this whole
19 process seems when I hear that they're going to take even an
20 acre of water. Because when they get their acre of water
21 and these farmers in this Malin Irrigation District can't
22 farm that year because there isn't enough water -- and
23 they're B ground and they're not A ground -- there are some
24 real specific issues there.

25 And I think that one of the things you need to

1 think about in this whole process is -- are these kinds of
2 things.

3 MR. HANSEN: Okay.

4 MR. KENYON: I want to know who the heck they
5 are.

6 I don't think it's fair that anybody can come in
7 here and use the term 'eminent domain' -- eminent domain for
8 individuals who have been here since the beginning, since
9 1902. They are the culture of this area. They are the
10 backbone of this area. They are the people.

11 The guy that started this park right across the
12 street was her great-grandfather, Mike Stastny, one of them.
13 You know, these other people that sit up here, you know,
14 they are the backbone of this community.

15 And for that term, it's very -- I mean this isn't
16 China. They are going to build a great big dam there and
17 wipe out a million people and tell them, 'Get the hell out.'

18 You know, this is Malin. This is the United
19 States of America.

20 And you can say whatever you want: for the
21 greater good. I went to college, too. For the greater
22 good. You know, you can use all those fancy terms. It
23 isn't for the greater good. It's for nobody's good except
24 somebody who we don't even know who the hell they are. And
25 you don't know who they are. That's not right.

1 And so thank you for showing up.

2 Where are they?

3 MR. HANSEN: You're very welcome.

4 MR. KENYON: I think tonight they should be
5 publicly reprimanded in front of the crowd that's here by
6 you for not showing up.

7 UNIDENTIFIED PARTICIPANT: In here.

8 MR. KENYON: Thank you.

9 MR. HANSEN: You're welcome.

10 And I do want to thank you all for hosting us.
11 This is difficult stuff. And I'm glad everyone was here.
12 I've really appreciated everything that we've heard. I'm
13 ready to hear some more tonight.

14 So thank you for having us in your town. And I
15 appreciate it.

16 So if there is nothing else to be said -- Is
17 there anything else? If not, I'll go ahead and adjourn the
18 meeting and we'll pick it up again tonight.

19 (No response.)

20 MR. HANSEN: All right.

21 Meeting adjourned. Thank you.

22 (Whereupon, at 11:25 a.m., the meeting in the
23 above-entitled matter was adjourned.)

24