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BEFORE THE

FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: :

LAKE POWELL HYDROELECTRIC : Project No.

SYSTEM : 12966-001

: :

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Dixie Center
1835 Convention Center Drive
St. George, Utah

Wednesday, June 11, 2008

The above-entitled matter came on for scoping meeting, pursuant to notice, at 6:00 p.m., Jim Fargo, moderator.

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

2 (6:00 p.m.)

3 MR. WELCH: Good evening everyone. If you'd take
4 your seats, we're about ready to begin. I'd like to welcome
5 everyone to the Lake Powell Pipeline Scoping meeting. My
6 name is Tim Welch. I'm with the Federal Energy Regulatory
7 Commission in Washington, D.C. I am the chief of West
8 Branch Number 2 and I'm also an aquatic biologist. Again,
9 on behalf of Chairman Keiliher and the Federal Energy
10 Regulatory Commission, I'd like to welcome everyone to our
11 meeting tonight.

12 The Commission typically meets in Washington,
13 D.C. once a month and it's our tradition to open a
14 Commission meeting with a pledge to the flag. So I'd like
15 to continue that tradition here at our public meeting. So I
16 would ask you to please rise for the Pledge of Allegiance to
17 the flag.

18 (Pledge of Allegiance recited.)

19 MR. WELCH: Thank you very much. Again, welcome
20 everyone. Thank you for coming out, taking time in your
21 busy lives to come out on this warm evening. We are here
22 tonight to begin a public process for the Lake Powell
23 Pipeline Project. It is a public process under the National
24 Environmental Protection Act known as NEPA and our prime
25 purpose for being here tonight is to begin to gather

1 information and identify the issues that FERC and its
2 federal partners will be looking at in our Environmental
3 Impact Statement. So what we'd like to do tonight is we'd
4 like to hear from you what kind of issues you feel are
5 important to you and the types of things that we need to
6 look at and analyze in our environmental documents.

7 So having said that, I want to turn things over
8 now to our project manager, one of my staff from Washington,
9 D.C., Mr. Jim Fargo, and he'll sort of be taking you through
10 the FERC licensing process and talking a little bit about
11 what's ahead of us with this public process. He's also
12 going to introduce our team of experts here that are here
13 tonight, all technical experts from various disciplines. So
14 without further adieu, I'm going to turn everything over to
15 Mr. Fargo.

16 MR. FARGO: Thanks Tim. As Tim said, my name is
17 Jim Fargo. I'm seeing some familiar faces from our meeting
18 and our site visit that we had earlier this week and it's
19 great to see some people following and getting some more
20 input from city to city.

21 With me tonight from the FERC staff is Ellen
22 Mitchnick. Ellen is a terrestrial biologist who's going to
23 be looking at the terrestrial and T&E species aspects of
24 this project. And also we have under contract from Louis
25 Berger's Ellen Hall and her team. Ellen, would you like to

1 introduce the team that we have hired to bring some
2 additional expertise on this Lake Powell?

3 MS. HALL: Thanks Jim. Yes, my name is Ellen
4 Hall and so I'm the lead for the Lewis Berger Group part of
5 this team to help the FERC staff through this process. I am
6 a socio economist by background, so that's my resource area.
7 Here at the table with me tonight is Alison McDougall who is
8 our cultural resource specialist and we have two other
9 specialists on the team at this point who were with us on
10 the site visit and who were also with us at the public
11 meeting at Kanab last night. That's Jot Splenda who's a
12 water quality specialist and Dincer Egin who's a geo-
13 technical engineer, and so those are the parts of the
14 project that we will be analyzing. Thank you.

15 MR. FARGO: Thanks Ellen. So we have the four
16 Berger's employees. In addition to Alan back in the D.C.
17 office, we also have a fishery biologist, a recreation and
18 land use specialist and a cultural resource specialist also
19 assigned to the project, but they're not out here on the
20 trip, and I do engineering when I'm not doing project
21 management, which I find less and less time that I'm doing
22 engineering.

23 With us up here is project manager for this
24 project for BLM, Joe Incardine. Joe's been telling me a lot
25 about the project, getting me up to speed over the last six

1 months. Joe's been with the project for the past year, year
2 and a half now and he's trying to tell me all the ins and
3 outs of the BLM and takes me quite a while for it to sink
4 in. So Joe would you like to say a few words?

5 MR. INCARDINE: Thank you Jim. As was said, my
6 name is Joe Incardine. I'm with the Bureau of Land
7 Management in Salt Lake City, Utah. I work for the
8 Washington office and I was designated as the national
9 project manager for the Bureau of Land Management for this
10 project. The Bureau of Land Management has a lot of
11 potential involvement here because probably about half of
12 the alignment of the pipeline would be on the BLM land, on
13 public land. So we will be taking an active role in the
14 NEPA document, the Environmental Impact Statement that is
15 beginning now.

16 Informally, we've indicated we would be a
17 cooperating agency under NEPA. Formally, we have to get a
18 letter back to FERC by July 7th and we're planning on doing
19 that. From there, there would be a memorandum of
20 understanding, which is a relationship thing of how FERC and
21 BLM would operate together. So anyway, this is the
22 beginning of the project. BLM is here tonight listen to you
23 all, to listen to the comments that the public will be
24 giving us this evening. With me tonight are two offices
25 representing the Bureau of Land Management locally here. We

1 have the St. George Field Office. If those representing the
2 St. George field office can rise.

3 (Representatives stand.)

4 MR. INCARDINE: Thank you. And we have the
5 Arizona Strip office represented here as well. Many of you
6 may know some of these people and we wanted to have local
7 expertise here in case there's any question as you all look
8 at the posters and sort of try to help facilitate that. So
9 I look forward to being involved in this project and thank
10 you.

11 MR. FARGO: Thanks Joe. Before we get started, I
12 know a number of individuals have asked to make formal
13 statements or presentations tonight, what I have kind of on
14 the agenda before that is I've asked the state to provide us
15 with a brief introduction of what is being proposed as far
16 as their project. So I've given Eric Millis about 10
17 minutes or so to fill us in on those aspects. And then I'm
18 going to go through a little bit about the FERC process that
19 the federal team is going to be using as it goes through
20 this project and I'm going to be hopefully pointing out
21 where you can see the many places where the public and the
22 agencies participate in that process as we go along. So
23 Eric, if you're ready, go right ahead.

24 MR. MILLIS: Thank you. We appreciate your
25 attendance tonight and appreciate the opportunity to be able

1 to give you a brief explanation of the Lake Powell Pipeline
2 Project, we've been working on for some time and which the
3 state legislature, through the 2006 Lake Powell Pipeline
4 Development Act, authorized and directed the Utah Board and
5 Division of Water Resources to develop. So we are working
6 concert with the three water conservancy districts that
7 would receive water through this project, those being the
8 Washington, Kane and Central Iron County water conservancy
9 districts.

10 (Slide.)

11 MR. MILLIS: Of course, the need for the project
12 is driven by the tremendous population growth, which has
13 occurred in this area and which is expected to occur over
14 the next many years. This chart shows projections from the
15 governor's Office of Planning and Budget, starting with a
16 population -- and this is the aggregate population for the
17 three districts, starting with 165,000 population at about
18 2005 and ending up in about 50 years from now at just over a
19 million. And so with that, that's about a six-fold increase
20 in population and that is the basis that we're using for
21 estimating the demand and the need for this project.

22 AUDIENCE SPEAKER: (Off mike.)

23 MR. MILLIS: I need to just plow right through
24 this. I have about 10 minutes to do this presentation, so I
25 won't be able to take any questions right now.

1 The future water needs of these areas will be met
2 by a number of means. First of all, the currently developed
3 water supplies which exist and will take you out through the
4 end of the future a little ways. We also are insisting and
5 know that water conservation will happen. We also know that
6 as agricultural lands that have been irrigated are built
7 over with homes that the water that was used on those can
8 become available for the new municipal and industrial
9 purposes that will take place on those lands.

10 We know that there are water reuse projects that
11 are happening now in Washington County and there will be
12 more that will happen here in the other districts. There
13 are also a number of local water development projects that
14 will occur. And even though these are smaller projects,
15 they will help take the water supplies out into the future.
16 But even so, by about 2020 there will be a need for an
17 additional source of water and that's where the Lake Powell
18 Pipeline can help fill the need.

19 So as proposed right now, the pipeline would
20 deliver 100,000 acre-feet from Lake Powell to southwest
21 Utah, 100,000 acre-feet is proposed to go Kane County Water
22 Conservancy District, 70,000 acre-feet would go to
23 Washington County and 20,000 acre-feet would go to Central
24 Iron County Water Conservancy District.

25 (Slide.)

1 MR. MILLIS: So up until this point, we've spent
2 a lot of time thinking about the project. We've hired
3 engineers to do studies for us. Right now we have NWH,
4 which is a worldwide engineering and environmental
5 consulting firm working for us to help us outline the
6 project, do preliminary engineering for us and do the
7 environmental studies that will be required to help write
8 the EIS and make the decisions that need to be made by the
9 agencies on the project.

10 Back in about 1991 Washington County Water
11 Conservancy District, again, looking at the tremendous
12 growth that was occurring here in the area and trying to
13 figure out ways to meet the water needs of that growing
14 population, the Division of Water Resources proposed the
15 idea of bringing water over from Lake Powell. We kind of
16 penciled things out. They appeared to look feasible, not
17 only from a technical standpoint, but from a cost
18 standpoint, so we pursued that further. Washington County,
19 of course, was looking at their needs and trying to assess
20 what they would need in the future.

21 (Slide.)

22 MR. MILLIS: In 1999, the Board of Water
23 Resources set aside a large water right for this project, so
24 we have a Utah water right, which is in place and exist
25 right now which would supply the water for the project. We

1 had Boyle Engineering doing feasibility reports for us in
2 1995 to go beyond the "back of the napkin" calculations that
3 we had done to determine where the pipeline should be and
4 could be located, what facilities would be needed and to
5 look a little bit at the economics of it.

6 They completed a report in 1995. They also
7 updated that, along with a look at the pipeline that would
8 be required to take the water from this area up to Cedar
9 City, completed that report in 2003. And in the meantime,
10 we had the Bureau of Reclamation working with us since they
11 manage Lake Powell, looking at how we could get water into
12 the pipeline. So they did a couple of conceptual
13 engineering studies for us to determine what the intake
14 pumping station for the project would look like.

15 (Slide.)

16 MR. MILLIS: So again, we're authorized by the
17 2006 Lake Powell Pipeline Development Act to do this. The
18 water that would be used by the project, the 100,000 acre-
19 feet come from Utah's allocation of the Colorado River.
20 Utah's allocation of the Colorado River is just under 1.4
21 million acre-feet of which we're using about a million acre-
22 feet each year. So we've got about 400,000 acre-feet that
23 are still left for development. This would take about one
24 quarter of that amount.

25 We've divided the project into four main

1 components, mainly, just for convenience in being able to
2 describe the components of it. We have the water intake
3 system, which is principally the pump station on the edge of
4 Lake Powell. We also then have the main pipeline, which is
5 broken into two segments. One is called the water
6 conveyance system and the other is the hydro system. And
7 then the fourth component is the Cedar Valley Pipeline,
8 which runs from this area on up to Cedar City.

9 The main pipeline is estimated to be a 69-inch
10 steel pipeline. It would be buried. There would a number
11 of pump stations, which I'll show you here just in a minute,
12 hydro power plants also along the way. The line that runs
13 up to Cedar City is projected to be a 30-inch also a steel
14 pipe and would be buried in the ground. The facilities that
15 you would see above ground, of course, would be pump
16 stations, the hydro plants, but of course, those would be
17 hidden and try to design them so that they create minimal
18 effects.

19 (Slide.)

20 MR. MILLIS: So here we go with the proposed
21 alignment. We start over here on the edge of Lake Powell
22 with the intake pumping station. We come across the Bureau
23 of Reclamation managed property onto National Park Service
24 property along an old existing road for a bit across the
25 national recreation area. As we get towards Utah, then we

1 come onto the highway. We're trying to stay in the highways
2 and along power line alignments and other disturbed
3 corridors in order to minimize further environmental
4 disturbance, but as we come out there are four booster pump
5 stations that will lift the water about 2000 feet to this
6 high point, which is just about 10 miles east of Kanab.
7 It's about a 2000-foot lift to get the water from Powell up
8 to that high point. The four boost pump stations will get
9 that done.

10 There is an opportunity for us from that point to
11 develop a significant amount of hydro power and so we're
12 doing that in order to try to capture the access energy
13 that's in the system and make good use of that not only to
14 replace power that is being used to pump the water up the
15 hill and of course the amount of power required to pump up
16 is significantly greater than the amount that's generated.
17 Nonetheless, good opportunity to develop hydropower and that
18 would help offset not only the use of the power, but also
19 the cost of pumping up.

20 (Slide.)

21 There is a hydropower station here just before
22 the Cockscomb and then the second one is right here just
23 west of the high point and just east of Kanab. From this
24 point the pipeline will dip down into Arizona, will
25 intercept the Navajo-McCulloh power line, go around to the

1 south of the Kaibab/Paiute Indian Reservation, which is
2 right here. Then we will move back up north and on into
3 Hilldale. There will be a hydropower station here just west
4 of the Reservation. We'll also have another power station
5 at Hilldale. And as the pipeline then moves across the
6 Utah-Arizona border towards the Hurricane Cliffs, we'll have
7 another power generation station. At the top of the Cliffs,
8 we'll have another one and this will be the principal one
9 because you know you've got about 1100 feet of drop at the
10 Cliffs. So this will be our principal hydropower plant.
11 Then we'll also have another one here at Sand Hollow
12 Reservoir.

13 And then at this lower reservoir at the base of
14 the Hurricane Cliffs is where we intend to then take off
15 with that Cedar Valley pipeline pass Laverkin (phonetic) and
16 on its way up to the Cedar Valley area. So in a nutshell
17 that is the layout of the project.

18 There are a number of land managers and
19 landowners that we will be crossing as we go along with this
20 pipeline. Of course, we come out across Bureau of
21 Reclamation property at the very beginning, but then we have
22 a significant stretch here from near the dam up into Utah
23 that is national recreation area that's managed by the
24 National Park Service. We will cross Utah State Trust Lands
25 in the Big Water area. We'll also be crossing a significant

1 area of the Grand Staircase National, Escalante National
2 Monument, which is administered by the Bureau of Land
3 Management.

4 We also then have a number of miles of pipeline
5 that will cover Bureau of Land Management lands and as we
6 come around then we will be crossing a number of Arizona
7 State Trust Lands and also private lands here south of the
8 Reservation. And then as we move up towards Sand Hollow
9 Reservoir we will be crossing a significant amount of
10 private lands along with some trust lands on both sides of
11 the border.

12 We also have some ACECs that we will be crossing
13 or in the neighborhood off. And then as we move into the
14 Cedar Valley area, there will be a mix of BLM and private
15 and other lands that we'll be crossing. So we've got a lot
16 of land managers. We have a lot of agencies that we will be
17 working with as we develop this, nine federal agencies, as
18 many as five Indian Tribes and then we have a number of
19 state agencies on both sides of the line.

20 (Slide.)

21 MR. MILLIS: The federal lands that we're
22 crossing, well, 55 percent of the lands that we'll cross
23 will be federal lands. Most of those are Bureau of Land
24 Management lands. The trust lands on both sides of the line
25 comprise about 23 percent of the lands, and then about 22

1 percent is private land.

2 (Slide.)

3 MR. MILLIS: So where are we at this point? We,
4 in early March, filed our preliminary application documents
5 with the Federal Regulatory Commission and have begun the
6 environmental and compliance process as well as the
7 permitting and licensing process just as Mr. Fargo noted.
8 In late March and through the month of April, we held a
9 number of public meetings here in this area to inform you of
10 what we're up to and try and answer the questions that you
11 have. We've also met with a number of the agencies, in
12 fact, most of the agencies that we know we'll be involved
13 with through that time for the same purpose, to let them
14 know what we are doing, to answer their questions and also
15 find out what requirements they will have of us as we work
16 towards developing this project.

17 So we're here participating with the scoping
18 meetings, with the Federal Energy Regulatory Commission.
19 Through this summer we will be completing the preliminary
20 design and planning of the project. Hope to have a cost
21 estimate to you this summer. I know that's a question
22 that's on your minds as well as ours and so we'll be
23 continuing that, continuing to take the information that we
24 get from the scoping process and incorporating that into the
25 development plans for the project.

1 So our plan schedule for this is to get into
2 final design somewhere around 2014. We know that will take
3 several years to accomplish. Construction would begin
4 probably at the soonest in 2016. Again, another multi-year
5 process with many contractors involved and we would like to
6 have things completed a year or two in advance of 2020,
7 which is when we need to deliver the water, get things
8 wrapped up and finished a couple of years in advance so that
9 we can ensure that the project is already to go in terms of
10 delivering water and generating power.

11 We have information on our website that will
12 answer further questions that you might have. There's a
13 project updates tab at this site that you can look and see
14 where we are with that. And with that, that's my
15 presentation. I thank you for your time.

16 MR. FARGO: Thanks Eric.

17 (Applause.)

18 MR. FARGO: But before I allow you to disappear
19 in the crowd, is there any understanding-type questions for
20 Eric about the basic project proposal as far as what their
21 proposing, the facilities, where they're located -- anything
22 like that? Yes, sir. Go ahead. If you could take that
23 mike back to the gentleman.

24 AUDIENCE MEMBER QUESTION: I speak pretty loud.

25 MR. FARGO: That's all right. He still has to

1 pick it up, the court reporter does.

2 AUDIENCE MEMBER QUESTION: He mentions that there
3 will be cost estimates at the end of the summer. Will the
4 cost estimates only deal with the construction or will it
5 deal with all the financing cost, the infrastructure
6 additional costs to the communities? In other words, will
7 it be a projection out over several years, let's say over
8 the next 50 years what the cost is to the residents of these
9 communities?

10 MR. MILLIS: The cost estimate will not include
11 the financing. The cost estimate will include the
12 construction cost, the engineering cost, the legal cost, any
13 other administrative cost that we have, really, the total
14 development cost of building the project. And I guess if
15 you were to compare this with building a house, you know, in
16 the beginning you would look at say a \$300,000 house that
17 you were going to construct. You wouldn't necessarily add
18 in all the financing in that as you looked at the cost of
19 that house and that's, I guess --

20 AUDIENCE MEMBER QUESTION: There are a lot of
21 homes that are being foreclosed because people can't afford
22 them. So the question is what are people going to afford in
23 the future. And my question to FERC, your economic experts,
24 would be is your study going to include the total costs
25 projected out for the next 50 years.

1 MR. FARGO: Our cost would compare the current
2 cost. Our Commission back about 15 years ago decided that
3 they didn't want staff using crystal balls to make
4 escalation projections out in the future, so what it will be
5 using is the current cost in a certain year when the
6 application is being processed. We're not going to be
7 looking 50 years out in the future. I mean there are a lot
8 of decisions on projects that have to be made by the people
9 who are going to be paying the bills whether they can afford
10 the project, how it's going to be paid for. The NEPA
11 document isn't necessarily a place to be answering every one
12 of those questions, but those are great questions. Those
13 are questions you're going to have to be asking the people
14 who are responsible for your water supply to be answering as
15 this project goes on.

16 Now, when the FERC and the federal agencies get
17 together and start the NEPA work, which isn't probably for
18 about three years now, in our NEPA document there's going to
19 be an independent cost estimate that we'll be making of the
20 project and the project facilities. We'll be looking at the
21 state cost estimate, but we'll also be looking at the
22 construction of what's being proposed, any contingencies
23 that we think that are needed because of geologic factors
24 that we didn't maybe are accounted for properly and we'll be
25 putting out an estimate and then everyone can take shots at

1 our estimates. It's one that we'll have to defend, us and
2 the federal agencies and the state will be taking shots at
3 us and saying, nay, you're overestimating this. You're
4 underestimating that. But that will be part of the NEPA
5 process. So by the time we put a final NEPA document, we'll
6 have a project cost out there and we'll be considering all
7 the comments that have been made on the draft EIS, but we
8 will be doing an independent analysis of it.

9 But your question about what it's actually going
10 to cost the people who are going to pay for it, again, that
11 gets down to an affordability question and not all those
12 questions are going to be answered within NEPA and within
13 the federal records of decision on this project. But they
14 are important, as you say, to the people who are going to
15 have to be paying the bill.

16 Yes, sir, do you have again a question that would
17 clarify for the state's proposal at this point without
18 getting to far into debate? Yes, sir.

19 AUDIENCE MEMBER QUESTION: Some of the earlier
20 depictions of the route of this project showed a fairly
21 straight shot, about 120 miles from the lake down to Sand
22 Hollow. This one shows a big detour in the middle going
23 down into the State of Arizona and appears to skirt almost
24 perfectly the Indian Reservation. Could you explain that a
25 little bit because it would seem like we'd probably pay by

1 the mile for this pipe and this adds a lot of length to the
2 route.

3 MR. MILLIS: Yeah, the original estimates that
4 were done by Boyle Engineering showed the pipeline coming
5 actually down into Arizona, but following the highway
6 through the Kaibab/Paiute Reservation and then back up into
7 Utah. We've looked at a number of different alternatives
8 and those alternatives included going south of the
9 Reservation, also included going out through Kanab Canyon up
10 around the Coral Pink sand dunes and back down into the area
11 here. We have had a number of discussions with the
12 Kaibab/Paiute Tribe asking them if they would allow us to go
13 across the Reservation. Of course, they are a sovereign
14 nation and that would be their decision as to whether or not
15 they would let us do that. The initial discussions that
16 we've had with them were they said no we're not -- we don't
17 want you to -- we got a pretty strong indication that the
18 Tribe was not in favor of us going through, but we've
19 continued to have discussions with them and we would be
20 agreeable to going through the Reservation if it is
21 agreeable to them. So we're having discussions with them
22 still. We continue and hope that we can have discussions.
23 And if that works out, that would be fine with us.

24 AUDIENCE MEMBER QUESTION: (Off mike.)

25 MR. MILLIS: I don't understand the question.

1 I'm sorry.

2 AUDIENCE MEMBER QUESTION: (Off mike.)

3 MR. MILLIS: Well, you've got a lot of topography
4 in between, as you know, and so just to come across -- we
5 looked at the option of trying to stay maybe entirely in
6 Utah, but even with that, you can't just draw a straight
7 line between A and B. You've got a lot of topography that
8 you've got to go around and so there is no straight shot.
9 I'm sorry.

10 AUDIENCE MEMBER QUESTION: Would you comment
11 about the water rights? I'm understanding that the Upper
12 Basin states have water rights. The Lower Basin states have
13 water rights. Can you comment on whether or not you think
14 the Upper Basin can maintain those water rights given the
15 pressure they're going to get, both in the court system,
16 politically, legally, any other way of keeping the water
17 away from Las Vegas or California when push comes to shove?
18 Whiskey's made for drinking. Water's made for fighting. Do
19 you think we can do that?

20 MR. MILLIS: As I mentioned, Utah has an
21 allocation of the Colorado River. There are seven states in
22 the Colorado River basin and they all expect that each one
23 of them will develop their share of the river and so the
24 downstream, the lower basin states expect that the upper
25 basin states, which are one of, will develop our share of

1 the water. We, with agreements that have been made, feel
2 that there's an assurance that the states will allow us to -
3 - well, allow each other a certain number of years, 20, 25
4 years to develop their shares of the water without much
5 controversy.

6 As we look at the demand for the water in this
7 part of the state, in the eastern part of the state we see
8 at least enough uses for the water we have remaining. We
9 wouldn't be able to meet that with the remaining allocation
10 that we've got. So we feel fairly comfortable that we'll be
11 using most, if not all, of our share of the Colorado River
12 within the next number of years and that the lower basin
13 states asking for our water will not become an issue.

14 AUDIENCE MEMBER QUESTION: What fraction of the
15 pumping costs is going to be recovered by the generating
16 stations?

17 MR. MILLIS: Don't have a figure on that yet. Of
18 course, we will have a peaking plant at the Hurricane Cliffs
19 to be able to maximize the amount of dollars that come in so
20 you can generate as much as you can during the peak hours
21 and generate electricity. That's the reason for the two
22 reservoirs, one at the top of the Hurricane Cliffs and one
23 at the bottom.

24 AUDIENCE MEMBER QUESTION: Any (inaudible)
25 percent.

1 MR. MILLIS: Two thirds, perhaps. I'm just
2 making a wild guess right now, but it would be significant.
3 It would be helpful, very helpful to paying off the project
4 costs.

5 MR. FARGO: If there are one or two more
6 questions about clarifying the facilities in the proposal I
7 think that's the really important thing. We've got a whole
8 bunch of people that want to talk tonight, so debating some
9 of these things -- you know, as we go on we're going to get
10 a lot more information that everybody can take a shot at in
11 the draft NEPA documents and SD2. So are there any more
12 questions about understanding? Four hands, okay.

13 AUDIENCE MEMBER: I was curious to know why the
14 Bureau of Reclamation wasn't the lead agency in this rather
15 than FERC. It seems like the project is primarily water
16 transmission and it seems like Bureau of Reclamation has
17 been left out of it other than the original lifting studies
18 that were made. Could we have an explanation why FERC is
19 the lead agency rather than the Bureau of Reclamation?

20 MR. FARGO: Again, if anybody has any clarifying
21 questions for the state on the proposed project and where
22 the facilities will go. I'll be speaking next and I'll be
23 explaining some of our process and how we intend to involve
24 the other agencies. Hopefully, that will answer your
25 question. I probably can't answer it to your satisfaction,

1 but I can try my best. So I'll be doing my presentation
2 next, but I'd like to just -- if there's anything more for
3 Eric about the facilities or proposal or what really is on
4 the board from the state. Alan, there's the one question
5 from the gentleman.

6 AUDIENCE MEMBER: This refers to the first slide
7 in your presentation that had a straight line on it and as
8 you said later things don't necessarily work out as a
9 straight line. Does the states think that population growth
10 in the southwestern part of the state will be subject to
11 other factors that's going to make it fluctuate that would
12 affect the magnitude and success of this project?

13 MR. MILLIS: The population curve that I believe
14 you're referring to came from the governor's Office of
15 Planning Budget. They've got a model that they use that
16 accounts for all kinds of factors and I'm not a population
17 expert and so I'm sorry I can't answer that question. But
18 I'm sure that if you spoke with someone up there they could.

19 MR. FARGO: I'm sorry, one more question Alan.
20 Someone else identified himself or herself earlier. Okay.

21 AUDIENCE MEMBER: Hi. This is just a quick
22 question to help define something. In the beginning you
23 said that there's an assumed assumption that development is
24 going to occur and that this is the motivating factor.
25 Could you define development because that seems to be this

1 underlying driving force and it's not clear to me what kind
2 of development you're talking about. Are you talking about
3 LA-type development? Are you talking about sustained
4 development? Are you talking about locally controlled
5 development? What is this?

6 MR. MILLIS: I believe what I said was that the
7 population would continue to grow as the governor's office
8 has planned it. You folks here in this area will decide
9 what the growth will look like and we are just doing what
10 we've been asked to do in developing this to meet the
11 anticipated need that the governor's office is showing.

12 AUDIENCE MEMBER: (Off mike.)

13 MR. FARGO: She asked whether it was vague and
14 you said it was based on the government's projection. Is
15 there something specific in the government's projection that
16 gives you an idea about what future needs are going to be?

17 MR. MILLIS: Well, the governor's projection, of
18 course, is based on what's happened in the past and what
19 they see happening into the future. I think most part of
20 the state, including this area, would argue that the
21 governor's projections have generally been a little bit low
22 and so I know there's been discussion between the decision-
23 makers here in this area and the governor's office regarding
24 what those population numbers would be. Your association of
25 governments has reviewed the population projections and

1 helped distribute those throughout the county.

2 AUDIENCE MEMBER: (Off mike.)

3 MR. FARGO: All right, thanks Eric. Of course, I
4 lied when I said 10 minutes, but I didn't tell you
5 everything. There are a lot of seats up here. There's got
6 to be at least two dozen or more seats up here, so anybody
7 standing in the back who would like to sit down there's
8 certainly a lot of chances up here.

9 Okay, before I get started, I'd just like to
10 comment on the lead agency question now that it's my time.
11 We got back about six months ago the state approach came to
12 us with this project and talked about Lake Powell and told
13 us that there was going to be hydro facilities on the lake
14 in that they wanted to use our ILP process, if they could,
15 to be processed in the project. The ILP, Integrated
16 Licensing Process, which is one that I'm going to be talking
17 a little bit about tonight, is a process that's been
18 developed between FERC and the various resource agencies.
19 We've had participation with all the resource agencies of
20 Interior and also with NIMPS and other interested parties
21 who are involved in hydro projects. And over a couple-year
22 period, they worked with us in developing the rulemaking for
23 the ILP. It's a process where the agencies wanted FERC to
24 be more involved in earlier consultation and so did the
25 applicants. They wanted a process where they could scope

1 first and decide what alternatives should be looked at and
2 also what studies should be done and go through that process
3 of study development early on in and in a lot of
4 coordination with FERC and with the applicants and that's
5 what the ILP process does.

6 And so here when the state came in and filed a
7 preliminary application document with us for the hydro
8 portion of this project, our desire was not to do a
9 segmented process and just look at authorization of future
10 hydro project facilities on the state's piping line knowing
11 that from the federal agency's perspective talking to BLM,
12 which was the first agency we talked to, the BLM and the
13 other agencies wanted us to look at this whole line together
14 going all the way from Cedar City all the way out, although
15 there is absolutely no hydro on the Cedar City segment and
16 so we've had these conversations with the federal agencies.
17 I went out to Salt Lake and got a chance to talk to all the
18 Interior bureaus and agencies about a month or so ago and
19 outlined what the Commission's intent was, how much of this
20 line we saw as jurisdictional and how we could use the ILP
21 process and expand the various jurisdictions so that we
22 could include all the federal agencies jurisdiction
23 throughout the entire project. So they various agencies
24 have considered this. At this point, nobody's signed a
25 memorandum of understanding, so you can't be a lead agency

1 if nobody's signed on with you. But as Joe said, the BLM is
2 definitely going to be considering coming together with us.
3 I don't know about the Park Service for sure. They've
4 expressed an interest and I'm pretty sure the Bureau of
5 Reclamation is also going to be coming together.

6 So what we anticipate is a federal team that's
7 going to be going at this project. FERC is only going to
8 have some of the jurisdiction. BLM is going to have plenty
9 of the jurisdiction and they're going to be responsible for
10 right-of-ways in areas that FERC has got little interest
11 because it won't be part of the FERC jurisdictional process.
12 So I've been working with Joe from Day One and he is the
13 person who is leading this effort for BLM and so not only is
14 he involved, but he the person I'm learning a lot about the
15 particular project from and the other resources agencies
16 within his agency and other bureaus. So that's where we are
17 and yes, it could have been done different ways, but we've
18 asked the other agencies if they'd like to join together and
19 do it this way.

20 I think the main thing all the federal agencies
21 want is not a segmented process for this process. They
22 don't want just FERC authorizing a piece of pipeline in the
23 desert with no water going into it. They want one
24 continuous document that all the agencies can use for the
25 Record of Decision.

1 AUDIENCE MEMBER: (Off mike.)

2 MR. FARGO: I'm sorry. It's Integrated Licensing
3 Process I'll be talking about right now.

4 (Slide.)

5 MR. FARGO: This slide, as we go on I know
6 there's probably a sign-up sheet where we have probably
7 about 26 speakers that have asked to speak --

8 MALE VOICE: Forty-one.

9 MR. FARGO: Forty-one?

10 MALE VOICE: Forty-four.

11 MR. FARGO: It's going up every second here. So
12 some of the guidelines that I'd like to follow tonight are
13 please show respect for other participants. There are
14 people from all different sides of this issue that are in
15 the room tonight. You never know who's sitting next to you,
16 so let's please see if we can't buy into the one guide I
17 have up there about trying to show respect. Let's get our
18 points across, but we don't have to take attacking blows at
19 each other. Please sign in if you wish to speak. We had a
20 sign-in out front. I believe we still have one. And then
21 oral comments will be taken in order of sign in. We have a
22 sign-in list. We're taking them in order of sign in and
23 we're going to have a time limit tonight of four minutes.
24 If you start going significantly over the four minutes, I'll
25 come up and start looking obnoxious to you and that'll be an

1 indicator that, you know, you're kind of running over time.

2 And I'll also be asking two people to come up,
3 the speaker whose time it is to speak first and then the
4 next speaker to come up front so we don't have to wait for
5 each speaker to come up from the back of the room or other
6 places. That'll make things go a lot quicker.

7 FERC, I know that Utah doesn't get a lot of
8 hydropower, but to introduce FERCE we're an independent
9 regulatory agency. We have a five-member commission that is
10 appointed by the President. We have a staff of about 1300.
11 In the office that I work in, Office of Energy Projects,
12 there are 340. And our staff we have a whole bunch of
13 different types -- biologists, recreational land use
14 planners, archeologists, economists, and engineers. It's
15 pretty diverse.

16 Over the last three years or so, as far as NEPA
17 documents go, we've produced in the office somewhere around
18 80 EISs and almost a thousand environmental assessments, the
19 projects that those assessments are for hydro project,
20 natural gas pipelines and liquid natural gas facilities.
21 Some of the gas pipelines that we've licensed in a typical
22 year are around 4000 miles.

23 (Slide.)

24 MR. FARGO: Again, here are some of the resource
25 areas that we regulate. In our office that does the

1 licensing for hydro we have the Licensing Dam Safety
2 Division and also a License Compliance and Administration.
3 License Compliance and Administration takes over after
4 license is issued and follows the requirements for the
5 license throughout the license duration, which could be
6 anywhere from 30 to 50 years.

7 (Slide.)

8 MR. FARGO: Now, again, which I talked about a
9 second ago, the Integrated Licensing Process or ILP, we
10 created it in 2003. It provides for an early identification
11 of issues and it's got very established timeframes. Once
12 this starts, we get a whole generated set of dates when
13 certain things have to happen and it tells in the rulemaking
14 who has to do what, whether it's the applicant, whether it's
15 the agencies, the public, or FERC staff. So it's a very set
16 process that gives everyone a lot of clarity on what's going
17 on next and it also integrates all the other agencies
18 permitting processes.

19 FERC is kind of a clearinghouse when it comes to
20 environmental matters. A lot of agencies get their
21 authority tied into the FERC process. So whatever FERC
22 decides is the jurisdictional piece of a project a lot of
23 agencies gets authority that's associated with that
24 jurisdictional piece. On this particular project a lot of
25 this was in the state slide, the three agencies that are

1 going to have the main permitting authority of whether this
2 goes or not and what conditions would be associated with it
3 are going to be the BLM has right-of-way authority.
4 Reclamation is going to have conditions within their own
5 reservation or where the water will be taken out and they'll
6 also have water withdrawal authority or permitting.
7 National Park Service also has right-of-way authority.

8 Getting to scoping, the main purposes identifying
9 the issues, environmental effects and concerns of the
10 proposed project and looking at alternatives. Once we have
11 this federal group working together and hopefully before SD2
12 is put out, we'll be expanding on the alternatives that
13 we're going to be looking at as we go through the study
14 plans and into the NEPA document. We were trying to
15 identify through this whole pre-filing stage the information
16 that's going to be needed when we do analyze the project
17 within the EIS, Environmental Impact Statement, and develop
18 recommendations.

19 Now, these recommendations are going to be
20 important when we get to that question again of cost because
21 depending on what conditions the federal agencies put on
22 this project it could significantly affect how much it's
23 going to cost the state to go ahead and build it. So they
24 can -- you know, cost estimates now are nice, but the real
25 cost estimates are going to be a little bit more meaningful

1 are going to be later on in the process when the various
2 Records of Decision by the federal agencies come out, which
3 would be apparent in the draft EIS and the final EIS because
4 at that point there will be a good indication of what kind
5 of conditions are going to be put on this project and how
6 much those conditions differ from the state.

7 (Slide.)

8 MR. FARGO: This is kind of in a nutshell what
9 this process looks like. Where we're at is just the first
10 step there. Back in March the state filed with us their
11 initial proposal and information document. Now here in June
12 we're doing the scoping meetings and from the next six to
13 eight months the state's going to be coming up with some
14 revised studies that the public has several opportunities to
15 comment on. I'll be going over those opportunities in a
16 second. Once we get to a point where we tell the state --
17 and by "we" I mean FERC and the federal agencies that are
18 working together tell the state what studies we want the
19 state to do, then they have to conduct those studies, which
20 might take one to two years depending on how lengthy the
21 study protocols are.

22 When the studies are finished, of course, and the
23 post-filing below that's the pretty much conventional kind
24 of processing, the post-filing the application comes in.
25 It's reviewed by FERC and the other federal agencies. Then

1 we come together, working together to do one environmental
2 document that covers the entire proposal. And from that,
3 and it's not shown quite correctly up here. There's the
4 FERC authorization, which is the license order, but also at
5 the end of this line is going to be the Record of Decision
6 for each of the federal agencies.

7 I mentioned a second ago about the agencies and
8 the public participation opportunities. There's a comment
9 on the Scoping Document 1 and PAD and submitting study
10 requests. That date's coming up July 8. Pardon? July 7.
11 Ellen keeps me straight. Review proposed study plans and
12 attend study plan meetings the later part of this year.
13 There's going to be the opportunity for any interested
14 public to attend the study plan meetings that the state's
15 got to hold to try to hack out what studies should be done
16 and what those studies should consist of.

17 Our comments on revised study plans, the revised
18 study plans go out for comment and then there are comments
19 on the study results once the comment studies are completed
20 each year the study results come in. Again, there's a
21 chance for comment on those results and also comment on the
22 draft application that the state would be preparing.

23 Post-filing the agencies file preliminary terms
24 and conditions. The public and the agencies can comment on
25 the license application and of course, they can comment on

1 the draft Environmental Impact Statement. And after the
2 final impact statement is issued, agencies are going to
3 issue their final terms and conditions.

4 As far as the SD1 issues go, we had noted in SD1
5 FERC identified a number of issues that extended past just
6 our jurisdictional project with the intent from coordinating
7 with the other federal agencies of looking at this entire
8 pipeline. So we took a stab at issues throughout the
9 pipeline and in the SD1 we got a number of those that are
10 identified. Ellen, could you just go over a little bit what
11 some of those issues are?

12 MS. HALL: We handed out these sheets at the
13 table where people signed in, so I hope everybody got a
14 copy. If you didn't get one when you came in, you can
15 probably pick one up as you leave.

16 This is a preliminary list of environmental
17 issues that have already been identified as possibly or
18 probably being relevant to this project such as the impact
19 on certain threatened or endangered species that are known
20 to live in the area of the proposed pipeline route. They're
21 geological and soil resource issues such as where the
22 pipeline would cross or be near a known fault, issues about
23 water quality, about socioeconomic issues, impacts on
24 cultural resources. One thing that you might note about
25 this list is while it's occasionally fairly specific, a lot

1 of times the impacts are listed in a rather broad way such
2 as impacts on archeological and historical resources and all
3 cultural resources including traditional, cultural
4 properties.

5 It's a little bit vague as to what might be
6 intended to be studied to address these issues. So insofar
7 as you have comments to make about issues which should be
8 addressed the more specific you are about what your
9 particular concern is, then the more that helps us be sure
10 that these studies that will be performed and the
11 information that will be available to go into the draft
12 environmental impact statement, you know, the more careful
13 we can be and the more sure that we'll address your concern.

14 So this is the preliminary draft of issues. It
15 can get you started. If you see things on here that you
16 think aren't relevant to this project, please so comment.
17 And if you think there are things that are missing from this
18 list, that's what we'd like to know about now.

19 Environmental issues that you think need to be looked at,
20 alternatives that you think should be looked at in the NEPA
21 analysis and studies that you think that should be done in
22 the next couple of years before we actually start to prepare
23 the Environmental Impact Statement. Those are the kinds of
24 comments that are particularly helpful in this process to
25 make sure that your issue is addressed when the EIS

1 eventually comes out.

2 MR. FARGO: Thanks Ellen. This overhead I know
3 is a little confusing, but what it does do I think is just
4 kind of put out some of the milestones that gets set in the
5 ILP. At this point we're doing the scoping and site visits,
6 federal staffs. The participants had the opportunity to
7 comment by July 7 and you can see that it has the
8 responsible entities we're going to be issuing SD2. The
9 state, after that, will be filing their proposed study plan
10 back in the end of August. After that, there will be a
11 series of meetings taking place to try hack out and resolve
12 study plans that meet everyone's satisfaction. That'll take
13 place up until probably in January. And then finally the
14 federal staffs, which will be FERC and the federal agencies,
15 will make the final call as to what those studies are that
16 we think the agencies should undertake and what they're
17 going to look like.

18 As far as the public record goes, two things that
19 are very important if you want to follow this process is
20 that you can use FERC's netsite and our e-Library and in
21 that e-Library system you can get in there and the docket
22 number for this particular proceeding is going to be P-
23 12966. You can get in there and find any document that's
24 has been filed just by getting into your computer and
25 dialing in our FERC.gov site and getting into that. So the

1 e-Library is very important thing. Another thing that, if
2 you're really going to be serious about following this
3 project is also on the FERC website. It's called e-
4 Subscription with that you can set it up so that every time
5 something is filed in this particular docket, every time
6 somebody files something on Lake Powell or every time the
7 Commission issues something on Lake Powell you get notified
8 right away on your computer. If something comes up, it
9 shows you where you can get access to whatever was filed or
10 whatever the Commission issued.

11 There's also, Alan, there's also an e-Comment
12 aspect that's come out that could be helpful in commenting
13 right now on the SD1. Could you tell us just a little bit
14 about that?

15 MR. MITCHNICK: Sure. The Commission has just
16 come out with what we call Quick Comment, so in order to
17 save you from having to print your comments, put it in an
18 envelope, get a stamp and go up to the post office you can
19 now file comments online and you can go to the document and
20 filings tab, click on quick comments and then you can just
21 type in or cut and paste into the form that will show up and
22 you can file directly with the Commission at that point.
23 The important thing to remember is to make sure that it
24 includes the docket number, which is the P-

25 MR. FARGO: 12966.

1 MR. MITCHNICK: Right.

2 MR. FARGO: And the one thing you can't do is e-
3 mail me directly your comments. They have to go through the
4 Secretary of the Commission, although I get plenty of direct
5 e-mail. What's next is going to be the Scoping Document 2.
6 This is the one that hopefully all the federal agencies will
7 be working on. It'll be the same Scoping Document 1 but
8 improved greatly by your comments, by the scoping meetings
9 and by the deliberations among the various federal agencies
10 involved in this project.

11 Again, we're going to have a number of people
12 speaking. Let's try to adhere to the time limits and let's
13 try to show some respect for others by keeping to the
14 issues. That will be appreciated by all. Leave written
15 comments with the court reporter if you have some that
16 accompany your talk. If you filled out any of those comment
17 forms that were available outside and you like them to get
18 into this transcript record, just bring them up and leave
19 them with either myself or the court reporter and we'll make
20 sure those are put together along with the transcript.

21 MR. WELCH: So now it's time to go through our
22 speaker list. As I said earlier, we have 44 individuals
23 that have signed up to speak here tonight. Just let me
24 emphasize once again that any public statements here at the
25 scoping meeting, this is only one avenue of making comments

1 into this docket. As Jim mentioned earlier and Alan just
2 talked about, we have the new Quick Comments and also we are
3 taking written comments that are filed with the Secretary.
4 You can drop written comments off tonight here with the
5 court reporter and so there are many, many different avenues
6 for getting comments during the scoping process and the
7 deadline for comments is July 7 once again.

8 Okay, so as I said, we're going to begin our
9 speakers' list. Just let me say this is our court reporter
10 here, so it's very important so that you get your name into
11 the transcript to -- the first thing you do is identify
12 yourself and if you have a particular affiliation go ahead
13 and give that and just come right here and step up to the
14 microphone. It looks like it's about four minutes per
15 person. So as I said, we have a lot of people to get
16 through tonight, so we'd appreciate your efforts in that
17 area.

18 So I'm just going to go down in order here. I'll
19 call the first person and then I'll say who's on deck and
20 you can come up, the on deck person can come to the on deck
21 circle over here so we can keep people moving very quickly.
22 The court reporter asked me if your name is unusual in any
23 way, of course, I don't think my name is unusual. Probably
24 no one does, but just to spell it for the court reporter so
25 we make sure we get right into the record.

1 So anyway our first speaker tonight is John Wall
2 and he will be followed by Newell and Lela Matheson.

3 MR. WALL: Quite a pipe dream we have here it
4 looks like. My name is John Wall, an individual. The
5 comments I have is the scoping document that we have here
6 are quite extensive except for two short sentences on our
7 social economical resources, which will be it looks like the
8 most heavily impacted of all of them. With this many people
9 in this small of an area, with what we have now and what we
10 deal with on a daily basis I cannot imagine a million people
11 in here. I was thinking this thing was 800,000 guesstimate
12 on the possibilities with all this water that we're supposed
13 to be bringing in. But they say over a million people.

14 It seems to me that this is one part that is left
15 to just kind of work itself out without all the resources
16 that's being put into the project to start it and I'm -- you
17 know, I'm appalled at the cost that's going to be fostered
18 on the future generation, which includes my grandchildren
19 and that's all I have to say. I can't imagine that many
20 people in this area and the impact that would have. It
21 would be devastating.

22 MR. WELCH: Thank you John. Newell and Lela
23 Matheson followed by Ron Axton.

24 MR. MATHESON: I think the big reason why most of
25 us are here is that we're concerned with what is this going

1 to take out of back pocket.

2 MR. WELCH: Sir, could you identify yourself real
3 quick?

4 MR. MATHESON: I'm Newell Matheson. This is a
5 tremendous cost that will be a burden both on the state and
6 on Washington County and I think we need to have some
7 projections as to what the cost will be. We should have had
8 some pumping costs and some generating cost estimates here
9 tonight. We don't have them. We need to know what the cost
10 to the state will be and what the cost to the county will be
11 and if the population projections don't go where they have
12 been projected what is the cost to the population of
13 Washington County going to be per capita?

14 I realize that's not an easy thing to do, but we
15 need to know what our costs are going to be and how much our
16 tax increase will be. The whole cost basis for this, and I
17 don't think we've heard any of that tonight. Thank you.

18 MR. WELCH: Thank you Newell.

19 (Applause.)

20 MR. WELCH: Our next speaker is Ron Axton
21 followed by Richard Spotts.

22 MR. AXTON: I'm Ron Axton, A-X-T-O-N, and my
23 concerns are also in that socioeconomic resource. In the
24 late 1980s Las Vegas was facing a real crisis and they
25 started talking about a moratorium on building. That

1 happened also in the 1990s when they said, well, we cannot
2 survive beyond the Year 2000 if we keep building at that
3 rate. Today, if anyone has driven to Las Vegas, there are
4 times when you cannot see when you cross the Apex Mountain
5 you cannot see Las Vegas for the smog and so forth that's
6 going on there.

7 We are currently non-compliant in southern Utah,
8 Washington County, with the Utah State clean air
9 requirements. I see us, as the gentleman spoke here, growth
10 does not equate to quality of life. I lived 10 years in Las
11 Vegas. I've lived 50 years up in the Salt Lake area, so I
12 know what quality of life is and how it can deteriorate.
13 And I don't want any more of it. I think we need to limit -
14 - you know, if we can't, greed is what took over in Las
15 Vegas -- the contractors, the casinos and the politicians.
16 The only thing we have lacking here is the casinos.

17 (Laughter.)

18 (Applause.)

19 MR. WELCH: Thank you Ron. Richard Spotts
20 followed by Terry Lucky.

21 MR. SPOTTS: Good evening. My name is Richard
22 Spotts and I'm a Washington County resident and taxpayer.
23 In fact, I paid over \$130 last year in property taxes to the
24 Washington County Water Conservancy District even though I'm
25 Diamond Valley water and I receive no benefit. So there's

1 concern there about taxation without representation. But in
2 terms of issues and concerns on this project, in reviewing
3 the FERC Scoping Document Number 1, I have several
4 questions. First, the key one is a legal issue has come up
5 under the Colorado River Compact that the Utah 400,000 foot
6 acre-feet allocation is an upper basin allocation, but the
7 use here in Washington County would be in the lower basin.

8 I understand that an Arizona entity has filed as
9 an intervener and it may not be clear yet where some Arizona
10 political entities may stand since this pipeline would go
11 through Arizona and on some Arizona State lands and require
12 approvals from Arizona. My concern is there could be
13 protracted political and legal squabbles that can
14 substantially exacerbate the costs and the timetable for
15 this project.

16 Next, I'm very concerned about energy. Many of
17 us are concerned about the Topoc coal-fired power plant a
18 few miles west of here near Mesquite and how that could
19 affect our air quality and our visibility of our scenic
20 beauty. I've heard speculation that because the pipeline
21 would be a net consumer of energy that we may need to build
22 a coal-fired power plant or at least help facilitate a coal-
23 fired power plant to enable the piping of this water. I
24 want this group to take a hard look at energy costs and
25 tradeoffs, including the potential for having wind and/or

1 concentrated solar facilities in approximate to the actual
2 pipeline to keep power generation renewable and as close to
3 the source of the need of the pumping stations as possible.

4 Next, I think a very vexing issue is going to be
5 the indirect and cumulative affects of the pipeline in terms
6 of grow-inducing or grow-enabling affects. I think a lot of
7 the emphasis in the scoping report is on the site-specific
8 impacts on different resources along the pipeline alignment
9 and for the ancillary facilities like rights-of-way for the
10 power coming into the pumping stations. My concern is that
11 the bigger picture is that if this facilitates the hundreds
12 of thousands of people that could not live here but for this
13 new water how is that going to affect, in a reasonably
14 foreseeable way, the growth and development patterns in
15 these three counties, particularly, here in Washington
16 County where we're already seeing potential increases in
17 conflicts with special status species and cultural
18 resources. So in other words, it's not just looking at how
19 the water gets here, but how the availability of that new
20 water will affect those resources here in Washington County.

21 Next, an issue I don't think that has been raised
22 is this is a valuable asset. Water prices are going through
23 the roof. Water that was maybe was a thousand or \$2000 an
24 acre-foot may be going for 5 or \$10,000 for Las Vegas and
25 Phoenix and LA markets. Utah is a sovereign state and as

1 taxpayers we have this valuable asset. What about water
2 wheeling and sharing agreements to use some money from using
3 this water to sell it to help with our education deficit
4 that we're like the 49th or 50th state in per capita
5 spending on students on education, helping with health care
6 for poor families and children. You know, if this is a
7 valuable asset and we can look at reasonable alternatives to
8 meet the needs of the people of Utah, the value of this
9 water might be better used elsewhere because we know urban
10 development often costs the effected communities. It's not
11 necessarily a net economic benefit.

12 Another more site specific question how might
13 this project be connected to the proposed Jackson Flat
14 Reservoir Project that the Kane County Water Conservancy
15 District is pushing with the Army Corps of Engineers? This
16 is a project that I understand would be about 80 percent
17 federal funded through the Army Corps of Engineers. I
18 haven't heard that it has been raised in this process, but
19 my concern is that at some point some of this 10,000 acre-
20 feet for Kane County might be stored in or distributed from
21 this proposed Corps of Engineers' project and the proponents
22 have said this is going to be exclusively a state and local
23 financed project, but I'm concerned about any potential sort
24 of backdoor connections with other federal projects and how
25 that affects the costs and who's paying for them.

1 Next, there's a question about the Hurricane
2 Fault that's come up and the fact that the two new storage
3 facilities for water for the peak pumping would be on
4 approximate to the fault. I think that there's a concern
5 that if water does seep, even accidentally into the fault,
6 it could potentially increase earthquakes and an earthquake
7 could be devastating. It's one of those things that might
8 be very, very remote probability, but potential catastrophic
9 impacts. So I think that's a relevant issue to be addressed
10 in terms of public safety, not just as a technical,
11 geological type issue.

12 And I guess finally I'd point out that in the
13 back of the scoping document where it talks about relevant
14 plans I believe there are a number of serious omissions and
15 errors. Some of the relevant plans aren't referenced and
16 some that are are not pertinent to this region. Thank you
17 very much.

18 (Applause.)

19 MR. WELCH: Thank you very much Richard. Terry
20 Lucky followed by Greg Stevens.

21 MR. LUCKY: Yes, my name is Jerry Lucky and the
22 question that I had was I understand there's several water
23 conservation projects in addition to the pipeline project.
24 My concern is if the pipeline project is successful and
25 approved and everybody buys into that is there any

1 relationship to the other water conservation projects that
2 are listed that anybody is going to follow through on those?
3 Is there a possibility that once the water line project is
4 approved all the other conservation measures just by the
5 wayside and nobody feels committed to follow through on
6 them? Is there any relationship with one that if this one
7 is followed that the others also have to be followed and
8 followed through on. If I understand it correctly, all
9 these projects together is supposed to add up to whatever
10 water it is we need in the future and that's a question I
11 don't know. Thank you.

12 (Applause.)

13 MR. WELCH: Greg Stevens followed Leanne Barnes.

14 MR. STEVENS: Greg Stevens. I'm a St. George
15 native. I just want to speak out in support of this
16 project. It's something that we need desperately and should
17 have been built a long time ago. I'd like you to study the
18 social and economic impacts of a water shortage on our
19 county should we not have this Lake Powell Pipeline as part
20 of your social and economic studies. Also, I'd like to
21 point out that all the people that are so concerned about
22 growth when you start studying the effects of the growth I
23 want you to take into account that over 66 percent of our
24 county is owned by the federal government and will not be
25 developed and so we have a lot of open space and it's like

1 have a city or a community in the middle of a great big
2 park. Sixty-six percent of our county is owned by the
3 federal government and will not be developed. There's a
4 land act bill right now before Congress and they're only
5 going to allow 5,000 acres of the millions of acres that the
6 federal government owns of our county to be sold off. So
7 I'd like you to take those things into consideration.

8 And as far as the power usage of the pipeline,
9 I'd like -- I thought that other gentleman's comments with
10 alternative energy to produce the power, somehow being
11 incorporated is not a bad idea and I don't think -- I think
12 that if we have any pollution and if Las Vegas has a
13 pollution problem, the pollution is primarily caused by our
14 society driving automobiles powered by petroleum products
15 and we need to get our government shifting away from an oil-
16 dependent economy onto an electricity-based economy. And
17 I'd just like to say that I'm in support of this and anybody
18 who is not in support of it really needs to go back and
19 think about the people who have come here before them and
20 the sacrifices they've made so that these people can come
21 and enjoy this beautiful area. We don't just move to an
22 area and put a gate up and say nobody else can come here.
23 We found our paradise. If we were going to do that, many of
24 the local people who have been here for five or six
25 generations most of the people who are complaining about the

1 building of this pipeline wouldn't be living here today.

2 Thank you.

3 (Applause.)

4 MR. WELCH: Thank you Greg. Leanne Barnes
5 followed by Frank Neilson. Leanne? Did I get that name
6 right? Frank Neilson followed by Paul Blanchard.

7 MR. NEILSON: Hi. My name is Frank Neilson. I
8 just had a couple of questions for my clarification. One of
9 the questions that came up to me was will we have power
10 lines that run all the way from Lake Powell to St. George?
11 Will there be power lines running all the way? Okay. The
12 other question I had that St. George will receive 70,000
13 acre-feet of water on this little handout it says that one
14 acre foot of water is enough for one household for up to one
15 year. So what does that make, 70,000 households? Is that
16 right, 70,000 households?

17 MR. FARGO: We didn't prepare I think what you're
18 looking at, but the number that I've heard before and it's
19 used in the Utah State Water Plan is that one acre foot is
20 good for one household of four people. So 70,000 would be
21 70,000 households or close to 300,000 people.

22 MR. NEILSON: Right.

23 MR. FARGO: That's going by the State Water Plan.

24 MR. NEILSON: But I mean when you were saying
25 projecting a million or something on a projection if we only

1 had enough water here for maybe another couple hundred
2 thousand people, then were are we going to get the rest of
3 the water?

4 MR. FARGO: That'll be presented in the NEPA
5 document, but what was presented earlier was presented by
6 the state and they were showing what their reasoning was for
7 this proposal. We're now in the earlier stages of just kind
8 of collecting information and doing studies. So a couple of
9 years from now all that stuff is going to be laid out in the
10 NEPA the best as the federal agencies see it.

11 MR. NEILSON: All right. Thank you.

12 (Applause.)

13 MR. WELCH: Thanks Frank. Paul Blanchard
14 followed by Wayne Ramprey. Paul? Okay. Wayne Ramprey
15 followed by Barbara H.

16 MR. ROMPREY: Wayne Romprey, Washington County
17 resident, R-O-M-P-R-E-Y. This last gentleman asked the
18 question that I was interested in, too. But I divided 365
19 into 326,000 gallons, which is an acre-foot, and I come out
20 with 885 roughly gallons per day. I think the current usage
21 for a family of four is less than 300, if I remember right.
22 I don't have the figures with me, but I've started attending
23 the meetings at the Conservancy District. So anyway it
24 looked that would serve up to three times as many households
25 as what probably is at the current rate with the

1 conservation programs in hand and everything. I just
2 wondered if that looks like it's a reasonable assumption?
3 Anybody can answer that.

4 MR. MILLIS: (Off mike.)

5 MR. ROMPREY: Okay. I think they estimated low
6 on that by our current standards. Thank you.

7 MR. WELCH: I just want to say who's on deck too.
8 Barbara H. followed by Wayne Hamilton.

9 MS. HJELLE: And that's H-J-E-L-L-E, Barbara
10 Hjelle. I'm the assistant manager of the Washington County
11 Water Conservancy District. We're obviously a partner in
12 this proposed project and we're grateful to FERC for coming
13 out here and the other federal agencies for taking the time
14 to find out the facts about this project. The water
15 district is a wholesale water provider to more than 85
16 percent of communities with residents containing more than
17 85 percent of the residents in the county. And we are
18 charged, obviously, with coming up with a reasonable plan
19 for providing the needs that are set forth by their general
20 plans.

21 We've spent a lot of time, resources looking at
22 the available water projects and we believe that the Lake
23 Powell Project is going to be the most cost effectively,
24 highest quality water available with the least environmental
25 consequences. With that in mind, we think that this

1 environmental study needs to take a close look at what the
2 alternatives are for our community. What other alternative
3 water resources are there? And in particular, what would
4 the costs be? What would the costs be to our community of
5 trying to develop alternative water resources to meet
6 reasonably anticipated needs and what would the costs be to
7 our community of not having water to meet reasonably
8 anticipated needs?

9 And certainly, the Lake Powell Project provides
10 redundancy for our communities. Right now we're dependent
11 entirely on the Virgin River basin with issues relating to
12 climate change and drought, having the redundancy in our
13 system, even for our existing population seems to be
14 critical and those impacts also ought to be considered.

15 So we certainly hope and expect and understand
16 that you'll be doing a thorough review of a no action
17 alternative and I think that's going to be critical for
18 public understanding of what the real impacts of doing or
19 not doing this particular water project will be on our
20 community. Thank you.

21 (Applause.)

22 MR. WELCH: Thank you very much Barbara. Wayne
23 Hamilton followed by Barry Barnum.

24 MR. HAMILTON: Thank you. I'm Wayne Hamilton. I
25 think FERC is doing a very good job here today. I am

1 opposed to the project however. I'm fourth generation
2 Washington County. I've also been a university professor.
3 I do full-time, more than full-time research on climate at
4 the present. I strongly urge FERC and its associates to
5 look into forecast for climate change in southwestern Utah
6 and in the headwaters of the Colorado River. We moved here
7 -- we've been away for many years. We moved back here in
8 about 2000 because I realized that the El Ninos were going
9 to become more frequent in the southwest. Well, they had
10 become more frequent, but in the late nineties they became
11 more drier. They became much drier. So we need to wonder
12 if a full-size pipeline is going to be half-full of water
13 because of decreases in Colorado River discharge. Thank
14 you.

15 (Applause.)

16 MR. WELCH: Barry Barnum followed by Paul and
17 Sarah Winn.

18 MR. BARNUM: My name is Barry Barnum. I'm the
19 water services director for the City of St. George and my
20 concerns are primarily from a St. George perspective. In
21 2002, the average person in St. George used 262 gallons per
22 day. In 2007, that use was reduced to 205 gallons per day.
23 A decrease of 27 percent in five years. This is a great
24 response from the residents. However, conservation savings,
25 as you now, are asymptotic and cannot continue indefinitely.

1 We know that it takes around a hundred gallons per day per
2 day for in house use, for cleanliness, health and welfare.
3 So if all outside water use is eliminated, we could
4 theoretically double our available culinary water. This
5 could support a St. George population of approximately
6 150,000 people, which we should achieve around the year 2020
7 or slightly before.

8 This would require that irrigation-quality water
9 be used outside and all water currently used for agriculture
10 in the area would need to be converted to landscape
11 watering. If we don't do this, we no longer have our
12 landscape amenities that we enjoy around our homes and in
13 common facilities. However in 12 or 13 years, 2020, we'll
14 have to close the doors to St. George. No new people. None
15 of our children or grandchildren can move back here. New
16 jobs in the area will be severely limited. That's the no
17 action alternative.

18 It's been suggested that irrigation water can be
19 converted to drinking water. As already pointed out, if
20 this is done, then our landscapes will fail to thrive for
21 lack of outside water. Also, the cost of such treatment is
22 on the order of \$6 per thousand gallons. This will increase
23 residents monthly water bill from 25 or \$30 a month to 150
24 to \$200 a month. For every 100 gallons of water using this
25 treatment method, remove impurities, impurities in 75

1 gallons of water are concentrated into 25 gallons of water,
2 which renders that 25 gallons useless, even for irrigation.

3 Disposal of this contaminated water will be
4 expensive and an environmental liability. If we convert our
5 irrigation water to culinary water, we'll have somewhere
6 between 5 and 10 million gallons a day of toxic water that
7 we will have to dispose of. Also, converting irrigation
8 water to culinary water not only increases cost several fold
9 but it also put us half of a decade on our conservation
10 efforts. This is because we would have to use 100 gallons
11 of water to create 75 gallons of water we can use. No one
12 who cares about the environment or conservation would
13 consider treating irrigation water if any other alternatives
14 are available.

15 The alternatives that we have are shut the doors,
16 create an environmental, a very expensive environmental
17 nightmare that reverses our conservation successes or get
18 water from Lake Powell. Lake Powell is an existing source
19 of high-quality water, which we already have the rights to.
20 It's the most cost effective and environmentally friendly
21 source of water to support our economy and maintain our
22 quality of life in Washington County. Growth has been
23 mentioned as an issue with the water. Using water to
24 formulate growth policy is a very bad way of doing business.
25 To me it's sort of like trying to save gas by puncturing the

1 tires on your car so you won't drive. Growth should be
2 dealt with as a growth policy not as a water policy. Thank
3 you for the opportunity.

4 (Appause.)

5 MR. WELCH: Paul and Sarah Winn followed by Don
6 Scharlow.

7 MR. WINN: My name is Paul Winn, and whether
8 you're a proponent or opponent of this Lake Powell Pipeline,
9 I feel everyone should have a voice in this and that the
10 people should have a vote in this.

11 (Appause.)

12 MR. WINN: And so myself, my wife we've already
13 contacted the governor's office and already got a hold of
14 the state senators, the congressmen as well. So everyone
15 should do the same as what we've done and write letters
16 demanding that we do have a vote on this. Thank you.

17 (Appause.)

18 MR. WELCH: Don Scharlow followed by Dale Barnes.

19 MR. SCHARLOW: Just some brief comments. It's
20 kind of sad to hear so many comments, worried people it
21 sounds like. I'm not against growth, but definitely planned
22 growth is pretty important and one question or concern mine
23 is that the pipeline isn't going to create its own draw of
24 more people, and I'm not saying growth is bad, but it will
25 bring its own problems offering a 69-inch, whatever pipeline

1 that may not run full, you know. I mean the Glen Canyon Dam
2 issue you know that was a 500-year planned dam and they're
3 proven today that it's not a 500-year dam anymore, you know,
4 and how old is it?

5 Also, socioeconomically, I'm not hearing figures,
6 dollar figures for the project and certainly today's
7 dollars, but projected dollars certainly are going to bump
8 beyond the millions of dollars. I haven't heard much of
9 that at all and I think people here, whether you have five
10 generations or one generation should be concerned with the
11 cost that this is going to lay on Washington County. This
12 area is going to foot a huge part of that bill like that is
13 going to be painful, probably equal to, you know, the gas
14 prices that are going. Water wars that's not a new issue.
15 That's been forecasted for several decades, so I just say
16 look at the big picture for your next five generations for
17 sure. That's all I have.

18 (Applause.)

19 MR. WELCH: Dale Barnes followed by Allen Brown.
20 Allen Brown? Okay, and you are? You are Allen Brown?

21 MR. BROWN: Allen Brown.

22 MR. WELCH: All right, on deck Craig Booth.

23 MR. BROWN: I have several questions but many of
24 them addressed. I thank you for having the patience to sit
25 through all this. There's a lot bearing on the governor's

1 projections. It seems as if the payment for the pipeline is
2 built into that project, at least as I understand it,
3 through impact fees if I'm correct. And I think in light of
4 impact fees and the Vision Dixie document, which has been
5 generated by the public here, I think it's time to revisit
6 the population growth estimates. Thank you.

7 (Applause.)

8 MR. WELCH: Thank you Allen. Craig Booth
9 followed by Stephen Roth. Stephen?

10 MR. ROTH: Stephen Roth. I spell it
11 S-T-E-P-H-E-N R-O-T-H.

12 MR. WELCH: And Lin Alder you're next.

13 MR. ROTH: The proponents of this project as well
14 as other governmental projects, bureaucrats, politicians,
15 developers, so on and so forth, will look at a meeting like
16 this and say there only a few hundred people that attended.
17 Well, I think that I'm getting to the point in my life to
18 where I can see why people don't and that is the legislature
19 has already put their stamp of approval on this as well as
20 apparently the state water engineer and the senators and I
21 would guess the local politicians. And so that point is I
22 think that's the reason why we don't have a larger crowd
23 here and I think that if the people -- the public servants
24 really asked the people who have lived here for years and
25 years why do you want this and do you want it, I think that

1 if we had a bigger percentage of the population here I think
2 that they would find that I know that they would agree with
3 the project. I don't. I grew up over in Marysville and
4 when I graduated from school a lot of the kids -- I didn't
5 at the time, but a lot of the kids moved down here in the
6 early seventies and were in the construction workforce and
7 they were happy to have the work and we help build the
8 community along with the Washington County people here.
9 I've lived here now in Washington County for 25 years and
10 this is a hard thing to talk about, but it hasn't been
11 mentioned.

12 I've agreed with everything and I've been really
13 proud of the comments that have been made so far. This
14 won't be quite as popular, but what benefit is it to the
15 Washington County residents, speaking from the construction
16 point of view the last job I was on a week or so ago I was
17 at a construction site and it's not a lot of benefit, this
18 massive growth, to our local people. What I'm trying to say
19 is we were just two or three of us on the job that could
20 speak English. It's not a big issue. It hasn't been
21 mentioned, but the growth of this water project I'm
22 wondering if it will really benefit our grandchildren.
23 Everybody always says, well, our grandchildren. No, it's
24 out of control. The kids that moved down here in the
25 construction business they're not the workers anymore. They

1 can't keep up with it. The economic benefit is going to
2 non-Washington County people. I'm sorry, unpopular comment.

3

4 (Applause.)

5 MR. ROTH: I'm just proud of the things that have
6 been said. I wish that the pipeline were a little shorter.
7 You know, maybe the fine folks over in Big Water, I don't
8 know why the state engineer -- why is it for St. George
9 exactly? It's Utah water rights, but what about those folks
10 over there. Maybe they'd like -- you know, that's an
11 important destination over there at Lake Powell. Why
12 couldn't they use the water? The folks up in Hanksville, a
13 beautiful area and kind of a point -- well, it is. They
14 only have three dead trees now.

15 (Laughter.)

16 MR. ROTH: And that's an important point for the
17 tourists going to visit our beautiful Lake Powell. So for
18 the people that love Lake Powell, it would be maybe nice to
19 put some development over there.

20 (Applause.)

21 MR. ROTH: Anyway, my last point as my four
22 minutes is about gone. I am a resident here and I feel like
23 I've help to build this beautiful area and when --
24 occasionally we go down to Las Vegas, not very often, but
25 when you drive back and you're coming back and you see the

1 first glimpses of St. George, it still seems like St. George
2 a little bit. It's not like it was, but it still seems
3 small in comparison to Las Vegas. But it's getting to the
4 point where it's just tittering on that line and you know
5 the car dealership and so forth it's just -- it's getting I
6 think completely out of control and the fine people that run
7 the Washington County who is ever in favor of this project
8 they're saying that they're responsible to provide water.
9 Well, I think that the people just need to say, okay, we've
10 had enough. We've gotten to that point, you know, to where
11 our town is big enough and you don't need to worry about it
12 any longer.

13 (Laughter.)

14 (Applause.)

15 MR. WELCH: Thank you Stephen. Lin Alder
16 followed by Bob Routsong.

17 MR. ALDER: That's great Stephen. My name is Lin
18 Alder. I'm a candidate for Washington County commission and
19 this is a formal invitation to Stephen. Will you be my
20 advisor on the humor aspect of speeches, please?

21 (Laughter)

22 MR. ALDER: Steve's my neighbor. Thanks Steve.
23 I am a pro-smart growth candidate for Washington County
24 commission and that's the election that you guys may have
25 heard of. It's on November 4th. You know that McCain/Obama

1 thing. I'd like to thank the Federal Energy Regulatory
2 Commission for holding this scoping meeting tonight and for
3 those of you, the hundreds of you who are here tonight to
4 identify the issues about the pipeline that you want FERC to
5 address.

6 I'm a fifth generation Utahan and I'm deeply
7 grateful to my ancestors from Austria and Switzerland and
8 Scotland who were drawn here by democracy, economic
9 opportunity and the right to use their free agency. But now
10 here we are as residents of Washington County 148 years
11 after my first ancestors arrived in Utah and on behalf of
12 the numerous citizens who are supporting my campaign, I have
13 three requests regarding the Lake Powell Pipeline.

14 First, we request a democratic process. Second
15 we request that you, as decision-makers, produce the best
16 plan for our water future, not just a plan that water
17 officials in Salt Lake City like, and three, we request the
18 serious study of at least three alternatives.

19 Here's request number one. As taxpayers we're
20 asking our elected officials to ensure that this is a
21 democratic process and those of us who would pay for this
22 enormously expensive project deserve the dignity of a vote.

23 (Applause.)

24 MR. ALDER: If built, this would be the largest
25 and most expensive public works project in Utah's history

1 without federal or state funding. Never before has a
2 project of this size been attempted with this kind of
3 funding. We would be entering unchartered territory in
4 uncertain economic times. The people deserve a vote.

5 (Applause.)

6 MR. ALDER: The Lake Powell Pipeline may very
7 well be the best plan for our future. If it is, it will be
8 proven so through strong, local dialogue preceding a
9 referendum. Representatives from the Washington County
10 Water Conservancy District have publicly stated that our
11 elected representatives should be the ones to decide on the
12 pipeline. As a candidate for Washington County Commission
13 is fiscally conservative and a believer in democracy, I
14 believe this expensive project should be decided by those
15 who would carry the debt and suffer the increased traffic,
16 sprawl, smog, crime and lost of our small-town character.

17 (Applause.)

18 MR. ALDER: Two many people in this community
19 have told me they want to vote on this project. I would be
20 not being doing my job as a commissioner to rely on any
21 other process.

22 Here's request number two. We're asking our
23 elected officials and the FERC staff to treat these next
24 three years of the permitting project as a way to identify
25 the absolute best plan for our water future, not just the

1 one imported from Salt Lake City. We're asking FERC and
2 Utah to study a serious Plan B and not put all of our eggs
3 in the leaky, unreliable Lake Powell Pipeline basket.

4 In Washington County we use an average of 330
5 gallons per person per day. Iron County is 280 and Kane
6 County wins the national price 440 gallons per person per
7 day. If we think of it in terms of acre-feet, one acre-foot
8 supports three people per year at our rate. In Las Vegas it
9 supports more than four people per year. Albuquerque and
10 Tucson support more than five people per year per acre-foot.
11 According to reports from the Water Conservancy District and
12 the legislative taskforces, we have 144,000 acre-feet of
13 water available for development, this includes not just the
14 Virgin River, but the Santa Clara groundwater wells and
15 springs. If we do the math at three people per acre-foot,
16 that translates into 432,000 people without the pipeline.

17 At four people per acre-foot like Las Vegas,
18 that's 576,000 people without the pipeline. At five people
19 per acre-foot like Tucson and Albuquerque that's 720,000
20 people. Does Washington County need the Lake Powell
21 Pipeline to support future growth? The data says no. So
22 what's the real reason for the pipeline? Decision-makers in
23 Salt Lake City want to use the pipeline to develop Utah's
24 share of the Colorado River and they want us to pay for it
25 alone. They also want us to take the risk of artificially

1 propping up the size of our community on an unreliable water
2 source that is 133 miles away. What will happen when the
3 big decade-long drought come that the experts have shown is
4 a historical occurrence? It will come back.

5 Those of us, including me, who own property here
6 would much rather fin for our water with a half a million
7 residents as neighbors than a million residents as
8 neighbors. There are 30 million people in Arizona, Nevada
9 and California drinking water stored in Lake Powell today.
10 If the pipeline is built or by the time the pipeline is
11 built, if it's built, that number will reach 45 million
12 people. Our children and grandchildren will have wrestle
13 with all of those people for generations to come to get
14 their drinking water.

15 As a candidate for Washington County Commission,
16 this sounds like trouble. Speaking of trouble, there are at
17 least six reasons why the pipeline could ultimately not
18 provide water to southern Utah, to southwest Utah. One,
19 Mother Nature could send us on a sustained, severe drought.
20 Two, population growth in the lower basin and Colorado River
21 politics could leave the pipeline empty. Three, a local
22 taxpayer revolt. Have you heard of taxation without
23 representation and the Boston Tea Party? It could leave the
24 project unfunded. This recession or the one to follow
25 sometime in the next 50 years could reduce impact fee

1 revenue and cripple our local economy, leaving the project
2 unfunded.

3 Once the quaka (phonetic) mussel is found in Lake
4 Powell, and we were told yesterday by the experts that we
5 know it's coming. It'll happen. It's just a matter of
6 time. And their proposal is to continue to put more
7 chlorine into the water. If that amount of chlorine isn't
8 enough, they're going to put more chlorine in. So much
9 chlorine could be in the water to keep the quaka mussel out
10 that it will be unhealthy. The final one the federal
11 government could rule that the coming climate changes that
12 are seemed to be very obvious, based on our best science,
13 will make the project unfeasible.

14 If any of those six reasons prove to make the
15 pipeline unfeasible, what is our Plan B? Because I'm a
16 fifth generation Utahan, I care about Utah's future and I
17 want to see Utah's share of the Colorado River developed. I
18 personally believe that the pipeline represents the
19 absolutely riskiest plan for developing our water and a plan
20 that could not only cripple us economically, but leave us
21 and our families and our businesses without water. What
22 would we do then? I formally request that FERC study at
23 least three alternatives in addition to the proposed
24 alternative. One obviously is a no action alternative.
25 Two, a local water development alternative, which provides

1 for our future needs with local water supplies, not trans-
2 boundary, distant water delivery. The third alternative is
3 this. As has been suggested earlier, Stephen again, if I
4 could say as funny as you I'd say it again, but there are
5 55,000 acres of state trust lands in Kane County less than
6 20 miles from Lake Powell. That is the largest, non-federal
7 block of property in the State of Utah. By comparison
8 25,000 acres of land is developed in Washington County. It
9 supports 120,000 people. So there's twice as much land in
10 Kane County on the east side owned by the state trust lands,
11 which, of course, benefits the school kids.

12 The State Trust Lands Administration would like
13 to start a giant agri-business there. They see the loss of
14 agricultural land in California's central valley as a
15 significant issue and they see an opportunity for economic
16 gain. They suggested a giant pecan farm. Some of those
17 displaced hurricane farmers who've sold their land for
18 development could get back into the business. I'm glad you
19 chuckled. There actually is an opportunity there. That
20 55,000 acres of state trust land could also support a
21 community similar to St. George. Not only is it on the
22 shores of Lake Powell, it's right next to Grand Canyon
23 National Park and Grand Staircase Escalante National
24 Monument. More than 5 million people visit the area every
25 year. Instead of fouling our own nest with an artificially

1 propped up population and \$2 billion of debt, we could have
2 a sister city in Kane County. At the end of a \$100 million
3 pipeline. You laugh now, but think about it. Our local
4 families who are involved in the development business can go
5 to Kane County and keep their businesses thriving on land
6 where profits would benefit the school trust lands
7 administration.

8 Here's the real clincher. The big water area
9 sits on top of a giant plateau of Navajo sandstone, the best
10 water sponge in the Southwest. Utah could begin storing our
11 share of Colorado River water there just as like the water
12 district is doing at Sand Hollow Reservoir. Sand Hollow has
13 already stored more than 70,000 acre-feet. Arizona has been
14 storing water underground for 13 years now. They've put
15 away more than 1.5 million acre-feet. Once that water is
16 stored underground it could literally save Utah's bacon and
17 if the big, bad drought comes, if some day a pipeline to St.
18 George ever proves to be needed, we could use that water
19 that way. But what I predict will actually happen is that
20 water will become so precious that Utah will not need it for
21 so many decades Utah can do what Governor Leavitt proposed,
22 lease water on a yearly basis to Nevada, Arizona or
23 California and send massive profits to the School Trust Fund
24 because it's on School Trust land.

25 So this is your invitation. Ensure us a

1 democratic process, produce the best plan for our water
2 future and seriously study alternatives. Thank you.

3 (Applause.)

4 MR. WELCH: Thank you Lin. Bob Routsong followed
5 by Jim Eardly.

6 MR. ROUTSONG: Thank you. Bob Routsong, R-O-U-T-
7 S-O-N-G. I'm a resident of St. George. Steve must have
8 descended from Will Rogers with his great humor. Anyway,
9 there are those who would advocate that one of justification
10 for the growth is to benefit their children and
11 grandchildren so that they have economic benefits. But at
12 some point water is a finite resource. So if with current
13 water resources and conservation we can sustain a population
14 of 250,000 people --I'm not certain what the right number is
15 -- versus a million people at some point water is finite and
16 at some point somebody's going to have to say we can no
17 longer have growth. And so the question is do you have
18 growth to the 250,000 people or to the million people and
19 then cut it off? And can it be controlled? Obviously, the
20 two mayors here, Mayor McCarthy and Hershey out at Hurricane
21 have indicated that the limiting factor of growth is water.

22

23 Now, another point is that someone mentioned
24 earlier that 60 percent of the land is federally owned and
25 40 percent, I presume, it belongs to counties and private

1 ownership. Well, if that's the case, and there's going to
2 be a million people here that suggest that the million
3 people are going to be in 40 percent of the land. One of my
4 questions for this then this evening is what happens to the
5 air pollution? In a recent news article it indicated that
6 Salt Lake and Logan are now on the American Lung Association
7 top worse communities for air pollution for short-term
8 particle pollution where automobile emission amount for half
9 of this pollution.

10 So my question to you is this. If there's going
11 to be a million people here, how many cars are going to be
12 here and what impact does that have on air pollution in this
13 community? I checked with the Utah health community and I
14 asked them, an environmental agency, and asked them about
15 what causes the air pollution? They say, well, a lot of it
16 has to do with temperature inversions. I asked, well, are
17 there temperature inversions here in St. George and southern
18 Utah. He says absolutely. So my question to you is what is
19 the impact of the automobiles and air quality that is going
20 to be here. And then going to the economic side of that,
21 what about the infrastructure? Who's going to pay for that?
22 That goes to the cost factors. So those are some of my
23 concerns. Thank you for your time?

24 (Applause.)

25 MR. WELCH: Jim Eardley followed by Morgan

1 Jensen.

2 MR. EARDLEY: I'm Jim Eardley, E-A-R-D-L-E-Y.
3 I'm currently chairman of the Washington County Commission.
4 Our commission represents about 165,000 citizens that reside
5 here in Washington County. I am grateful for the
6 opportunity to share some of our concerns regarding the Lake
7 Powell Pipeline Project here with you this evening.

8 We believe the project is a very important public
9 project necessary to the existing and future needs of our
10 county. Not only do we need the water the project will
11 provide, our experience with water here in the county tells
12 us that the best alternative available to buy water in the
13 quantity and quality that we will need and the least costly
14 alternative available to us. In fact, we are doubtful
15 whether there's another project available to us that would
16 serve the needs that Lake Powell Project would serve. The
17 people of Washington County have always been faced with the
18 need for water development and that's just the way it is
19 living in a desert. We look back over our history our
20 forefathers undertook monumental efforts to ensure that we
21 had adequate water supply and that would serve the future
22 and offset the impacts of drought, which has always been a
23 concern in our area. And may I, as chairman of the Vision
24 Dixie Process that we've just been through, may I just state
25 that this is the very essence of smart growth. Thank you.

1 (Applause.)

2 MR. WELCH: Morgan Jensen followed by Harry Hill.

3 MR. JENSEN: My name is Morgan Jensen. I live in
4 Toquerville. I am the chairman of the board of trustees to
5 the Washington County Water Conservancy District. I want to
6 thank you for coming here to listen to our concerns tonight.
7 I appreciate the opportunity to speak and hope that you
8 enjoy your stay in southern Utah.

9 The Washington County Water Conservancy District
10 was established in 1962 under the Utah Water Conservancy
11 Act. Water Conservancy districts were created by the state
12 legislature to provide for the conservation and development
13 of water and land resources of the state. A water
14 conservancy district is a separate and distinct arm of the
15 government with objectives, powers and rules that distinct
16 to such entities. The public purpose for which a water
17 conservancy district is organized is intended to benefit the
18 public generally. The Washington County Water Conservancy
19 District's mission is to provide water for today and
20 tomorrow. The Washington County Water Conservancy District
21 has the responsibility and obligation under state law to
22 manage and develop water resources in an environmentally
23 sound manner so as to be able to provide for the rapidly
24 growing areas of Washington County.

25 After more than 10 years of careful consideration

1 and studies and environmental and engineering studies, the
2 Washington County Water Conservancy District board of
3 directors believed that the Lake Powell Pipeline is the best
4 project to provide water to meet the long-term needs of the
5 county and we are fully committed to it. Water management,
6 conservation and development have always been a part of
7 Washington County's history and will remain an integral part
8 of its future. Water projects are easier today than when
9 after 11 winters men working picks, shovels, wheel barrels,
10 crowbars and hand-driven drills constructed the Hurricane
11 Canal to take water from the Virgin River up to the crops on
12 the Hurricane Bench. This was done in August of 1904. I
13 doubt if this pipeline project is near as daunting to us as
14 this canal was to them at that time.

15 Since its creation the Washington County Water
16 Conservancy District has been a leader in planning and
17 implementing water conservation practices, but also to
18 provide for sensitive and/or threaten fish species within
19 the Virgin River and its tributaries. The Virgin River
20 Management Program is a conservation effort with a
21 cooperative effort with state and federal agencies and has a
22 significant impact, positive impact on the fish species.

23 Since 1960, Washington County has experienced
24 record population growth. While the growth rates various
25 from year to year, the average of the last 40 years has

1 hovered around 60 percent. We see no basis to expect the
2 trend to change dramatically. Population projections from
3 the governor's Office of Planning and Budget have estimated
4 that Washington County will reach 860,000 sometime around
5 2060. Under this estimate we could reach a population of
6 450,000 at around 2032. The Washington County planning
7 process, known as Vision Dixie, addressed what participants
8 wanted our area to look like in the future, incorporating
9 planning principles often referred to as smart growth. The
10 Vision Dixie process chose to evaluate a population of
11 450,000. We cannot meet the needs of that population
12 without the water from the Lake Powell Pipeline.

13 A study done for the Washington County Water
14 Conservancy District looked at developable land in the
15 county. Using a moderate density, the population would
16 reach about 330,000 people. At a higher density, something
17 similar to the core of St. George, the population could
18 provide, the land base could provide for a population of
19 over 700,000. The Bureau of Reclamation in its Water 2025
20 Initiative recognized southern Utah as an area with one of
21 the highest potential for experiencing a water supply crisis
22 by 2025.

23 Many alternatives to the Lake Powell Pipeline
24 Project have considered included increasing diversions from
25 the Virgin River. Currently, approximately 40,000 acre-feet

1 of the Virgin River water is yielded by existing water
2 projects. Because the average flow of the Virgin River
3 exceeds 130,000 acre-feet, some suggest that we should take
4 more water from the river to meet local needs. These
5 proposals ignore certain inescapable facts such as there is
6 no infrastructure and the threatened and endangered species
7 in the river.

8 You indicate I'm about out of time, so I'll
9 conclude. The impacts of the Lake Powell Pipeline were
10 considered in the purpose and needs study completed by Boyle
11 Engineer. This study considered the Lake Powell Pipeline as
12 a reasonable project to meet future needs in Washington
13 County. The study found that the Pipeline had high initial
14 costs, however, no fatal flaw environmental or geo-technical
15 issues were identified. The unit cost for water from this
16 project was viewed as being below those of most large inter-
17 basin transfers being developed in the western United
18 States. The pipeline would provide more water than all of
19 the districts previous projects and would provide Washington
20 County with a reliable and long-term water supply. It was
21 also found that the pipeline would avoid many of the
22 environmental and institutional concerns associated with
23 development of Virgin River resources.

24 Again, I thank you for being here. I appreciate
25 your attention and the water district will be submitting

1 written comments. Thank you.

2 (Applause.)

3 MR. WELCH: Thank you. Harry Hill followed by
4 Ladel Laub.

5 MR. HILL: Yeah, I'm Harry Hill and I live here
6 in St. George in the water world commonly called Sunbrook
7 Golf Course. They have brought up about Environmental
8 Impact Statements. Great. I really, really believe in
9 environment impact statements. It has to do with the land
10 and disturbing the land and all that sort of bit. But
11 there's human beings involved here. What we need also is a
12 social impact statement. I think that should be part of
13 your report, the social impact statement because we are
14 human beings. Now, anybody that lives in the suburbs
15 there's an old axiom in the suburbs that said "Build a road
16 and they will come." Absolutely true. Build another water
17 line so that we can use more water just like in Sunbrook.
18 I'm surrounded with water. They will come. So in another
19 20 or 30 years, it will be de ju vue all over again. We
20 won't be talking about it, but some of you will be saying,
21 hey, pipeline number two because we got all these people.
22 We've got to give them water. We've got to keep the
23 contractors rolling.

24 So the person how touts the pipeline now can beat
25 their breast and say, see, I was right. Of course, we

1 suffer in between time. Now, they also talk about so many
2 acre-feet of water. I have read that this poor western area
3 is going to sort of get short on water in the future. Say
4 yes, it does. Okay, so no, it does not. You want to bet
5 that way. And I think that these people have to say when
6 they say, look, we're going to have all this water they've
7 been talking to Zeus or Juneau. I have no idea which one it
8 is.

9 Now, here in St. George we have sort of like a
10 population explosion of another sort. I just wonder, and
11 I'm not a contractor, but when contractors bid for this big
12 pipeline where will they hide the bid for cantinas. I've
13 often wondered. Remember, social impact statements because
14 you're dealing with humans. That's us. Thank you.

15 (Applause.)

16 MR. WELCH: Thank you Harry. Ladel Laub followed
17 by Jeff Marbey.

18 MR. LAUB: It's Ladel Laub. It's L-A-D-E-L and
19 L-A-U-B. I appreciate the opportunity to address you
20 tonight and feel for you having to put up with all of these
21 comments, but it's a good process. First of all, I
22 represent Dixie Escalante Electric and we have been involved
23 in the planning and studies on a generation and the power
24 use. And the studies look pretty good. This project has
25 some very beneficial generation resources to our community

1 and is very favorable in that light.

2 There's one thing worse than doing some planning
3 and that is if you turn the light switch on and the lights
4 don't come on or you turn the spicket on and no water comes
5 out. This room was fairly full of people and I guarantee
6 you if the lights didn't come on in our system when the
7 light switch was flipped, we'd have 20 times the amount of
8 people here.

9 We have worked with growth projections in the
10 county for a number of years and like it's been said it's
11 our experience that our planning has not kept up with the
12 growth projections. We have always been behind in our
13 infrastructure development with the planning projections for
14 growth. So we don't plan far enough in advance,
15 historically, here in the county. We have worked with the
16 water district for many years and they should be given some
17 credit for the planning they've done along with some of
18 their criticism. One example of this is the Quail Creek
19 Project. It went through a similar process. It too had
20 protests and it's my personal opinion that if it had been
21 given to the public to vote on it would have been voted down
22 and where would we be today without that project. So again,
23 give some credit to the local utilities for doing some
24 planning and preparation.

25 My last comment is, as you can see, this process

1 is going to take a long time and we can't sit around and
2 wait until the water is needed and do the planning. We've
3 got to plan now. So I applaud the efforts of the people in
4 the state and the county who are planning for the future.
5 Thank you.

6 (Applause.)

7 MR. WELCH: Thank you Ladel. Jeff Morbey? Jeff?
8 We've been up here for probably about what, two and a half
9 hours. If you wouldn't mind, we'd like to take a short
10 break just to stretch our legs a little bit and use the
11 bathroom. I'd like reconvene at 8:30, which is in about
12 eight minutes. So we will reconvene precisely at 8:30.

13 (Recess.)

14 MR. NOBLE: -- and the second name is Noble, N-O-
15 B-L-E. What I've seen here tonight is four levels of
16 government. So the federal government has gotten in on the
17 act of trying to save us or not save us, depending on how
18 you think. I'm thankful for the federal government going in
19 because they're the ones I believe in more than anything
20 else. It's obvious that the other forms of government have
21 lead to this and we know that by your demonstrations or
22 visual aid tonight. It said that there was somehow a
23 message got out to the governor and her body of people that
24 we wanted this place to grow to a million people. And they
25 said okay, all right, we'll send down different people and

1 we'll send the federal government and they'll come down with
2 the message that that's what we want.

3 But I believe that there's one section that's
4 been left out. I want to see and I want this on record. I
5 want to see the governor sitting down here with this
6 committee facing all the people that have gone home. We
7 want him facing the people that live here with these
8 questions that we're asking you because you can't answer
9 them, but they can because they're the ones that have a
10 decision in this. You're messengers. You're engineers.
11 You're scientists. So what? Good stuff.

12 You see, when we first come here there was just
13 sand. Then the people come up to the point of 165,000
14 people. And to get 165,000 people we had enough water to do
15 that because it was estimated in by these wonderful
16 organizations like the city governments. They figured it
17 out. So we know that there's enough water here. What
18 you're doing by putting in that pipeline you're estimating
19 up a million people, but it's a two-prong thing. One is the
20 people who live here and who are here and want to be here
21 against those that could come because you're going to bring
22 this water in.

23 Look at it this way. Have you ever been to Lake
24 Powell? I understand you have been to Lake Powell. And I
25 understand you've seen it and metaphorically speaking about

1 Lake Powell I say Lake Powell is saying to me, "Oh, don't
2 take this water from me. I don't have any left." See what
3 I'm saying. That is a poor lake. That is a poor, sad lake,
4 though I've only seen it twice in my life, but I think
5 that's what it's telling me. It doesn't want you to touch
6 it. It doesn't, no. But what it does want you to do, what
7 it does want you to do is no more growth in Washington
8 County. Washington County will be the last stop on the road
9 to that water coming down if you put it in. Guess what,
10 Washington County will have the highest rates to pay for
11 that because we're on the last trip of the journey. They're
12 right about building a town around Lake Powell, bringing
13 people in there. Just keep it there. Thank you.

14 (Applause.)

15 MR. WELCH: Rick Evertsen followed by Chris Neil.

16 MR. EVERTSEN: My name is Rick Evertsen. That's
17 E-V-E-R-T-S-E-N. I'm a resident of Washington City,
18 Washington County. I wanted to reflect on a couple of
19 things that's taken place here tonight and it's positive,
20 and that's we live in such a wonderful country where we have
21 troops around the world fighting for freedoms for so many
22 people that we can gather here at a time like this in our
23 city and to be able to discuss and share our views in a
24 respectful manner. And I want to know how proud I am to be
25 an American. What a great system we have.

1 I wanted to preface my comments by saying how
2 grateful I am for the history of this community. I'm a
3 Utahan and a transplant to southern Utah. I lived in Utah
4 all my life and learned an appreciation for the people that
5 developed and were able to sustain themselves over some very
6 trying years here in southern Utah. It's a fascinating and
7 beautiful history of overcoming, triumph and we're all here
8 with different views. We see things, many of us, with two
9 eyes, but we see them with a different slant and I respect
10 that and I think we live in a wonderful place where we can
11 share that. I don't take away from those that desire to
12 have the pipeline, those that are the old natives that have
13 five generations here. I respect those folks that I've read
14 about and learned about.

15 But I'd like to begin with an honest appraisal of
16 what drives the need for this source of water. And without
17 getting caught up in the numbers game that can be
18 legitimized by either camp, consider that the proposed
19 pipeline is not just about procuring water. Please focus on
20 the issues that drive the proponents position. It's about
21 money. The homebuilders and the landholders, the
22 speculating investors, many of those that drove us to this
23 bubble that busted may have a different need and want that
24 may be identified as the profit motive. There's nothing
25 wrong with that as long as the population knows it comes at

1 a price that has an impact on the environment that is
2 irreversible. And this being an environmental impact area.
3 I won't dwell on that.

4 But I must also point out that the Washington
5 County Water Conservancy District has crossed the line in
6 the past of being an advocate of just water procurement into
7 that of being a political pro-growth advocate. This
8 appointed entity has been the outspoken backbone and voice
9 of the pro-pipeline group with an occasional sound bite from
10 members of the elected Washington County Commission, a
11 reversal of role.

12 A sustainable flow of water from Lake Powell is
13 questionable and an arguing point. The safe distribution of
14 the limited power generation, together with the water,
15 becomes a real concern when earthquakes or seismic events
16 are a legitimate possibility. We can't look at this as a
17 water issue only. The impact the proposed population
18 increase puts on the growth of government, the BLM land
19 accessibility, air pollution, skyline pollution, light
20 pollution, crime, drugs, graffiti, traffic congestion,
21 infrastructure demands and sprawl that adds to all of those
22 things are just a few serious considerations that surround
23 environmental issues that must be included in the debate.
24 And what if, just what if Lake Powell does not sustain the
25 needed water supply this demand has put on it?

1 Las Vegas allowed growth to the point of near
2 begging for water it now demands. Where are our leaders
3 that see beyond the short-term bottom line? It is not just
4 about water. It's about doing what is right for this
5 generation and the generations to follow. And I go on
6 record, asking you and any one that's within my ear to vote
7 no and take a position against this pipeline. Thank you.

8 (Applause.)

9 MR. WELCH: Thank you Rick. Chris Neil followed
10 by Mike Small. Chris Neil? Mike Small followed by Nina
11 Bauer.

12 MR. SMALL: My name is Mike Small, S-M-A-L-L.
13 I'm a resident of St. George. I'm also a retired biologist
14 and am currently the conservation chair for the local Red
15 Cliffs Audubon Chapter. I appreciate the opportunity to
16 come in here to help you make a better analysis. And I'm
17 going to do something a little different here. I'm going to
18 actually give you some scoping comments on this list.

19 I think that if I could start with the threatened
20 and endangered species it looks like the Fish and Wildlife
21 Service or someone provided a list of possible species in
22 the various counties affected and I would submit at this
23 point it looks like the desert tortoise and bady pincashion
24 cactus are questionable that they would be affected in any
25 way. The golden eagle is also a protected federal species

1 under the Bald Eagle Protection Act as amended. You might
2 want to include that.

3 A couple of other things that I would think that
4 you might want to look at, I didn't see anything about the
5 effects downstream if the water is withdrawn within the
6 Colorado River drainage and that could go all the way to
7 Mexico. And so downstream effects in the Colorado drainage
8 would be something that you might want to look at. And
9 also, livestock grazing management and the affects on it,
10 including access and that would be both temporary during
11 construction and during operation of the pipeline.

12 I wanted to kind of emphasize a couple of other
13 things that you did touch upon. We, as a society, I think
14 tend to underestimate the effects of exotic species and in
15 this county in the last three or four years 25 percent of
16 the county has burned in wildfires primarily due to the
17 growth of chi (phonetic) grass and the exotic species.
18 These large wildfires I've been on actually several of them
19 and when they're really going and the burning conditions are
20 right we have the same conditions that they had at Milford
21 this last year. It looks like pictures of the Iraqi oil
22 fields. I mean it looks like the world is coming to an end.
23 And in the water the invasive mussels may have a similar
24 thing. The mivasive (phonetic) and zebra mussels I realize
25 do not currently exist in Lake Powell, but I think they

1 probably will and I think most people will tell you that.
2 They're trying to do everything they can to stop them. They
3 weren't discovered in Lake Meade until, I think, 2007. Now,
4 they're estimated at millions of these mussels in the lake.
5 They've been found as far down on intake pipe as 90-feet
6 down.

7 What they can do is they can reproduce really
8 fast and plug pipes, as you guys I'm sure well know, and you
9 can have a 69-inch pipe to start with, but if you have a
10 foot of mussels on each wall you're reduced down to about a
11 45-inch pipe pretty quickly. So anyway, I think that the
12 exotic mussels could reduce the effectiveness of the pipe
13 and certainly increase the maintenance costs quite a bit. I
14 think they should be considered because of the potential I
15 think is very real.

16 Something else, too, a lot of people have talked
17 about the Colorado River Compact. It allocates waters
18 between the states in the upper basin and lower basin, as
19 you well know, but it does not address water quality or
20 aboriginal rights. I think, you know, one needs to consider
21 what will happen if the Navajo or Ute or other Tribes get a
22 treaty right to a certain amount of the Colorado water and
23 also we need to look and remember about the treaty with
24 Mexico. Oil shell development in Colorado and Wyoming to
25 the north will also affect water quality and the amount of

1 water available.

2 I think that, in closing, I wanted to say, and
3 this is kind of a weird comment. I don't know how it fits
4 in, but it might be something that you might want to
5 consider is kind of a worse case scenario where you think
6 about seismic activity's been mentioned and well also the
7 fact that maybe this period of climate change there may not
8 be enough water in the lake. But I think seriously another
9 worse case scenario might be sabotage and terrorism could be
10 considered. And so anyway, with that I'll close. Thank you
11 very much.

12 (Applause.)

13 MR. WELCH: Thanks Mike. Nina Bauer? Cavara
14 (phonetic) Coor? Amy DeFreese followed by M. Homer Orton.

15 MS. DEFREESE: Hi. Good evening. Thank you for
16 taking the time tonight to listen to everyone's comments. I
17 know that you specifically asked us to address issues I
18 think for NEPA process. My name is Amy DeFreese and I'm
19 here representing Utah Rivers Council. We are a statewide
20 non-profit organization based in Salt Lake City and so I'm
21 here representing them, but also as a private citizen who is
22 paying sales tax on a daily basis and every year and I
23 understand that those funds are going toward the feasibility
24 studies on the Lake Powell Pipeline and so I do feel like
25 even though I'm from Salt Lake City I still should have a

1 say in this process.

2 I guess specific to the scoping process, and I've
3 read a lot of government NEPA documents in the past and I
4 have often found that the need portion of the purpose and
5 needs statement is somewhat vague or missing, frankly. And
6 so I would really encourage you, in your NEPA process, to
7 look at the issues that were raised in Eric Millis's
8 presentation about the various options that are available to
9 Washington County for meeting their future water needs. He
10 mentioned water conservation, agricultural water, et cetera
11 and I would be very interested in seeing data that describes
12 how those water sources could meet the future needs and what
13 the existing situation is right now with those potential
14 water resources.

15 And I guess the rest of my comments are more
16 directed to the division of water resources other than FERC.
17 I think that it's been clear to me this evening that there
18 are a lot of folks very uncomfortable about this project,
19 uncomfortable about the cost of the project, about the
20 future affects of the projects and I guess I would ask the
21 Division of Water Resources to take that information back to
22 the governor and our legislatures and communicate that to
23 those folks. If ultimately the DWR is acting on the behest
24 of our legislature, then I think it's really important that
25 the legislature understand that there is a significant part

1 of the community that is very uncomfortable with this
2 project and the potential costs it will bear to them in the
3 future. And those are my comments. Thank you.

4 (Applause.)

5 MR. WELCH: Thank you Amy. M. Homer Orton? Fred
6 Johnson followed by Bob Amoroso.

7 MR. JOHNSON: Hi. I'm Fred Johnson. I haven't
8 studied this issue a heck of a lot. I'm a local geologist
9 that works here and I've got a few things. I know how the
10 NEPA process works -- a little bit about it anyway because I
11 kind of help people write plans to get through things. The
12 way I understand it is that you guys are looking for
13 alternatives or things that could be better in this project
14 and I'd just like to throw out some suggestions. I've heard
15 some really good one here. I've heard a lot of
16 alternatives. Well, that means that everybody's thinking.
17 It's really good.

18 Number one, I think that I kind of agree with the
19 lady that was sitting behind me that kind of asked like the
20 guidelines -- what got this started and it seems that
21 everything is kind of based upon population growth
22 statistics or things like that. I would just like that in
23 this process that there is a good, non-biased sort of as a
24 peer review population growth study based on no pipeline and
25 existing environment, okay, as opposed to one based upon a

1 pipeline being there so that we can see the difference of
2 that situation. There's a lot of argument as to if you
3 build it, you know, they will come. Well, this would kind
4 of answer that question. So that is one thing. That's not
5 really an alternative, but I'd like to see that study done.
6 It goes along with developing a baseline and a good baseline
7 in any study is the best starting point and I think that's a
8 good, scientific baseline.

9 I'd like to see some studies done like Nevada
10 right now on using deep, lower carbonate aquifers say like
11 in the west desert possible alternatives in bringing water
12 from there to this community. I kind of liked another
13 alternative that was thrown out a minute ago. It actually
14 may be a better alternative. If the water is there, build
15 your community there. I thought that was an interesting
16 alternative, such as Lin Alder made earlier.

17 On the socioeconomic thing, I think the
18 socioeconomic in your list here -- I don't have it, anyway,
19 but in that list where you have socioeconomic, I believe
20 that we need to study that, take that some steps beyond and
21 taking a look at the socioeconomic structure not just the
22 pipeline and construction of the pipeline does for the
23 socioeconomic structure, but what does the construction of
24 the pipeline do in the long run because we have here a
25 beginning. We have here what's going on in the middle,

1 which is construction and we have here then an end and then
2 after the end. I would hope that in your NEPA study that
3 you would take in the results of what happens after the end.
4 What is the kind of environment that we're going to develop
5 by doing this? And from that environment what type of
6 socioeconomic structure will be in place because environment
7 essentially will dictate what that socioeconomic structure
8 will happen in the long run.

9 As far as cost, I'd like it when in disclosure of
10 costs, and I don't know whether you guys do that --

11 (Audio trouble at this point.)

12 MR. WELCH: It's on.

13 MR. JOHNSON: I just like it that we would
14 include the cost of the process. This process started in
15 1991. The cost of this particular thing should include the
16 cost of you guys, all our tax dollars that are spent on this
17 so we can understand what those costs would be. And right
18 now I think some of the costs that are being thrown out are
19 pretty wild when we consider that we're actually starting
20 into a relatively long process and I think that more
21 emphasis should be put on alternatives for conservation. I
22 often wondered how would it be if we had kind of started out
23 this way or even if we continued from right now this way if
24 we just, everybody actually when they built a new home or
25 when they were doing this they actually enclosed a catchment

1 system for catching their water off their roofs and running
2 it and recycling it right back through so that they could
3 utilize that water. It would be unbelievable when you
4 looked at how much water that would save. So those are some
5 alternatives and I appreciate your guys being here and you
6 have a daunting job I know, and I sure hope we get some good
7 results from it. Thank you.

8 (Applause.)

9 MR. WELCH: Bob Amoroso followed by Kathleen.

10 MR. AMOROSO: Good evening. Thank you for being
11 here. My concern -- I'm sorry, Amoroso, A-M-O-R-O-S-O. I'm
12 concerned also about population growth in Washington County.
13 We now have 150,000. If you had 700,000, as proposed, can
14 you imagine driving down St. George Boulevard during any
15 time 9:00 to 10:00 or 12:00 to 1:00 and 5:00 to 6:00? You
16 can't do it now. This projection is not our projection. I
17 participated in Vision Dixie and the estimate was anywhere
18 from 385,000 as a terminal limit up to 400,000. Right now
19 we have the water supplies at 331,000 gallons per person per
20 day to provide for 280,000 people without conservation.

21 With conservation, if we could do what Phoenix
22 and Tucson do, 178 gallons per person, we could get to
23 approximately 400,000, which is what Vision Dixie proposed.
24 I don't know if anyone here -- two Mondays ago I wrote an
25 article in the paper about costs. It was printed in the

1 Spectrum. I came up with -- I was always wondering what the
2 cost of this pipeline would be. Nobody had a figure. It
3 was \$585 million since 2005 and no increases. So I did a
4 little investigating, asked questions at our April 22nd
5 meeting and I came up with a cost of \$3 billion unfinanced.

6 Now, it seems like a lot of money, but then
7 again, I have an article here from Ron Thompson where in his
8 article he describes three other water projects, Southern
9 Nevada Water Authority groundwater pipeline from Northeast
10 Nevada to Las Vegas estimated at \$2 million and that's for
11 50,000 to 200,000 acre-feet. The Navajo Gallup Water
12 Project, \$720 million for 37,800 acre-feet, much less than
13 we were going for, and then Flaming Gorge Pipeline Water
14 Project from Flaming Gorge to Denver, approximately \$4
15 billion, at 165,000 acre-feet.

16 So what we have there is about \$720 million for
17 the Navajo, \$2 billion for the Las Vegas project and \$4
18 billion for the Flaming Gorge project. So now \$3 billion
19 doesn't sound like a bad estimate. And if you recall in the
20 article that I wrote two Mondays ago that the Central Utah
21 project started out at \$2 million as an estimate, ended up
22 being \$3 billion. We've started ours at \$187 million. So
23 again, \$3 billion doesn't seem like a bad figure.

24 Now, that's unfinanced. Now, if you know the
25 rule of '72 when you put your money in a bank at 4 percent

1 and you want to find out how many years it takes to double
2 you divide 4 into 72 and it means every 18 years the
3 principal doubles. Now, this pipeline is being financed for
4 54 years at 4 percent. This is a figure I got from what was
5 going to be proposed. So 18 into 54 goes three times, so
6 you're going to end up -- in the article I state it's going
7 to cost \$9 billion to finance \$3 billion for a total of \$12
8 billion.

9 Now, if this pipeline is financed by impact fees,
10 assuming 500,000 people -- now the Water Authority one bad
11 thing about it is it's a self-regulating authority and we
12 don't vote on who goes on it and their tax fees. And if the
13 people don't come, then the people who are existing here,
14 say, the 300,000 will have to pay for this pipeline. And at
15 300,000, assuming that we don't get any more growth after
16 2020 is when we're going to be needing the pipeline that
17 means it will cost us close to \$40,000 per person impact fee
18 for this to pay off the \$12 billion. I'm not totally
19 against the pipeline for the fact of bringing water to this
20 area, but the population and the impact fee that it will
21 cost us in taxes I figured it out to be \$741 per person for
22 54 years per year.

23 Now, I mentioned the three water projects. The
24 Southern Nevada water project from Nevada to Las Vegas is
25 going to be paid for by a private industry. It's not going

1 to cost the taxpayers anything except for water fees. The
2 Navajo Gallup water project is going to be paid federally,
3 so it's not going to cost the Navajos anything, just fees
4 for water, and the Flaming Gorge is a private pipeline.
5 What I resent is having the state tell us that it's going to
6 be our project, but you're going to pay for it. I mean I
7 wouldn't have a problem with it at all except for population
8 growth. If the state and the feds would pay for it like
9 they paid for the Central Utah Project. I feel that we're
10 being unjustly imposed on financially and it will ruin the
11 quality of life in this area. Thank you.

12 (Applause.)

13 MR. WELCH: The next name I have here it just
14 says Kathleen, so-- Suzanne Allen then followed by Paul
15 VanDam.

16 MS. ALLEN: Good evening. My name is Suzanne
17 Allen and that's S-U-Z-A-N-N-E, Allen, A-L-L-E-N. I'm a
18 city council member in the City of St. George and tonight
19 I'm acting as ermi pro tem (phonetic) as our mayor is out of
20 town on family business, otherwise I'm sure the room would
21 be absolutely full if they knew that the mayor was going to
22 be here.

23 Thankfully, all the comments made tonight are
24 comments that we had. The City of St. George, for the
25 record, has in the last Council we joined the Washington

1 County Conservancy District so that we could be a part of
2 the program and part of their water distribution. I think
3 that it's important for people to know that we are charged
4 with planning for the future. We would be negligent in our
5 duties if we didn't, as would you, as you would any other
6 governmental entity and this is exactly what we do. We're
7 doing it in our roads. We're doing it in other utilities
8 and we're looking at the future in everything. We cannot
9 stop people from moving where they want to in this country.
10 That is America. And we can say it would be nice to have
11 another city over at another place and we'll move to
12 somebody else's backyard, but the reality is St. George is
13 St. George and people come here for a reason.

14 I'm very glad that the people, my ancestors and
15 my husband's that came as the original settlers, even though
16 we did not grow up here, we are so grateful that plans were
17 made back then and through all of the other people who
18 shoulders we stand on so that we were able to move here 22
19 years ago. When we came there were about 25,000 people.
20 Sixty thousand people alone have come into the St. George
21 area since then. That means very few people are original to
22 this area any more. They are now the minority and it's an
23 interesting comment I heard tonight from those people who
24 have lived here the whole time. I myself as a city council
25 person, not speaking for the rest of the council and the

1 mayor, I was telling somebody tonight I don't get the
2 negative comments from the old timers. I usually receive
3 them from people who've just moved here and moved here about
4 five years or less, so that's just a personal observation.

5 I appreciate Barry Barnum's, our water director's
6 comments tonight. He had facts to back up what we are
7 saying and there have been a lot of questions tonight, a lot
8 of good questions from the audience and these are the same
9 questions that we asked Barbara and the water district
10 before we made our decision to join and we grilled them
11 pretty good. We wanted to know exactly the details and what
12 was going to happen. Water conservation has been very
13 successful. We have a very successful water conservation
14 plan in St. George. Even with our exceptional growth, we
15 have cut water usage by around 27 percent. That is pretty
16 incredible and at 204 gallons per day rather than what it
17 used to be, we've cut down quite a bit. What is Barry, we
18 used to be at 260 and now we're at about 204? I have to
19 tell you it's still a beautiful community with grass and
20 trees and flowers and a lot of beauty around us.

21 We do have a cost that will come with this, a
22 majority of it being paid for with impact fees. Impact fees
23 are paid by those people coming in and causing the need for
24 new resources. Our cheap water is gone. I mean we've
25 drilled for the cheap water and it's going to get expensive

1 now, whether it's like Powell Pipeline or whatever it is the
2 cheap water is gone. And then we have to look at what is
3 the cost of not doing a pipeline, of not planning for the
4 future. Those costs will also be very high and I would say
5 that, yes, maybe people don't want to see growth, but they
6 still -- we still have an economy that runs no matter what,
7 whether the only growth that comes is just our own children
8 that want to stay here we will still have growth. We do
9 need to have the water. And another thing that observe is
10 tonight I'm seeing many of the same faces that I saw at the
11 meeting where the majority of the audience opposed the Topoc
12 Power Plant and we have an opportunity here to have some
13 clean power generated, which we will need. The world is
14 becoming more technologically advanced. We have many more
15 uses for electricity, many more needs and we have a chance
16 for some good, clean power from this, the generation that we
17 could get from this pipeline and we would be definitely all
18 for that. Generating power is not cheap. It is not easy
19 and it's nearly impossible to get a power plant through
20 these days, so I appreciate your time tonight and appreciate
21 all the people that have come to listen and I hope that the
22 mayor doesn't kill me for what I've said. But he wasn't
23 here and I stayed this long, so, so be it. Thanks again.

24 (Applause.)

25 MR. WELCH: Paul VanDam followed by Richard

1 Jensen.

2 MR. VAN DAM: I'm Paul Van Dam. It's spelled
3 Paul and the last name is V-A-N with a space D-A-M. I am
4 the executive director of the Citizens for Dixie's Future.
5 I'm a former county attorney in Salt Lake County and a
6 former state attorney general. I've dealt with federal
7 agencies fairly extensively in my jobs, both from the state,
8 county and federal levels and I appreciate your time and
9 your attention here this evening. This has been a meeting
10 that has exactly stayed on course.

11 And so what I have had to say and what I had
12 planned to say has basically been said. But I have a few
13 observations because as a citizen of this state, as a
14 taxpayer as now a citizen of Washington County I'm appalled
15 that a process could get this far with so little public
16 input, so important a process, so expensive a process that
17 we could be here talking about how we're going to do this
18 and the public has never been consulted about how this
19 project is going to be funded. We don't even know tonight
20 how much it's going to cost us. We've heard everything from
21 \$500 million to \$12 billion.

22 I've done my own math on it and I don't actually
23 know what it's going to cost, but what I do know is that the
24 water district, the local water district and the Washington
25 County Water Conservancy District, the DWR or the state has

1 a lot of resources at their disposal as do you to calculate
2 costs. You happen to know what pipe costs. You happen to
3 know what it costs to bury a pipe. You happen to know what
4 it costs to put a power generating station in and a pumping
5 station, things that we have no idea about. And we happen
6 to know that this planning has been going on for about 15
7 years and I suppose I'm at a loss to know why we're having a
8 hearing tonight with so little information about what it is
9 that's going to happen.

10 Having said that, let me say that there should be
11 a referendum. It isn't very possible in the State of Utah
12 because our legislature has made it extremely difficult to
13 do referendum on projects like this. If we were talking
14 about bonding for a school district, we could all go vote on
15 it, even if it was 10, 20, 30, \$50,000, but a \$2 billion
16 pipeline or whatever it's going to be, we'd have to go
17 statewide and get 10 percent of the population, the voting
18 population that's registered in 29 counties of this state
19 just like happened last fall with the referendum that was
20 had on the school vouchers system and we can't afford to do
21 that in Washington County and in Kane County and in Iron
22 County. And so we're a bit at the mercy of whatever the
23 state, the local and the federal people want to have happen
24 here.

25 There is an end to resources. Resources are

1 limited. Water is becoming more and more precious
2 everywhere we go in this world and this is no exception.
3 One thing I would ask you for specifically is to look at
4 climate change, because I have read 19 different studies
5 done worldwide on worldwide climate change and as it comes
6 to talk about climate change in the southwest of the United
7 States, there's a near unanimity of opinion that there will
8 be a decline in the water available here. Anywhere from
9 several percent all the way to a dust bowl, depending on
10 what you read. But they all generally agree that it's going
11 to impact this part of this country in a rather significant
12 way. And I would like a vulnerability study to be
13 considered because this project is not going to be helpful
14 to anybody for any reason if when you start building it in
15 2015 or 2016 and finish it in 2018 or 2020 if there is not
16 water, no reliable source of water in Lake Powell.

17 And besides, a referendum would provide us the
18 opportunity to say we would like to get along with the
19 resources that we have. I've owned property in this county
20 for over 30 years and Pine Valley Mountains, the Virgin
21 River, the Santa Clara River and all the other resources and
22 wells that we have make this actually an unusually plentiful
23 place for water, as evidenced by the fact that it's been
24 well developed here. We've got 72,000 acre-feet of water
25 available. We're only using 45 or 50,000 of that. There's

1 growth potential and there's potential to capture a lot more
2 water from the spring runoff in the Santa Clara to do
3 recharge and to do reuse of water and to convert
4 agricultural water. It is reliably estimated that we can
5 get 124 to 144,000 acre-feet of water and with the kind of
6 conservation that we see throughout the southwest that is
7 going to support a population of a lot more people than I,
8 frankly, would like to see here, up to half a million people
9 because in spite of what was said about how much property
10 there is and how much of it is federal and that we're like
11 dropping a city into a big park that's just not the way it
12 looks and feels. And if you put 600,000 people here, it's
13 going to look like Utah County and it's going to feel like
14 Utah County outside of Salt Lake City.

15 We tend to love the beautiful places in our
16 country to death. And I moved from Salt Lake City to become
17 a resident of this county because we have loved Salt Lake
18 County to death. We now can't go outside and do outside
19 activities because the air quality is not proper most of the
20 time or a good part of the time. We've loved Park City to
21 death. We've loved Logan, Utah to death. And now we're
22 going to love St. George to death as we have loved Las Vegas
23 to death. And those of you who used to go to San Diego
24 early on, we've loved that to death. And the last time I
25 went down to Phoenix and those environs, it's a sight to

1 behold. Well, there are limits to our resources and I
2 suggest we live within these limits that we have here.

3 (Applause.)

4 MR. VAN DAM: And accept that we have enough
5 water to grow to a pretty good population and at that point
6 we're going to have to say some day, wow, that' all the
7 water we've got. These are all the people we can
8 accommodate. When in the world will the people in this
9 country face that fact. I hope we face it now and I hope
10 you can help us do that, but more than ever our group is
11 going to be working with the legislature so we can have a
12 referendum on a countywide basis and we can have a real
13 exchange of information and let people speak. And frankly,
14 if the people of this county say yes, then I will be a yes
15 man. And if they say no, I will accept that no. Thank you
16 very much.

17 (Applause.)

18 MR. WELCH: Thank you Paul. Richard Jensen?
19 Elwood Harrison? Glen Mesa (phonetic)? Jerry Howard
20 followed by Joe Crose.

21 MR. HOWARD: Howard, H-O-W-A-R-D. I think that
22 living in the desert we need to really look at ways we can
23 do a lot more with conserving our own water supplies and I
24 do a lot of research on a lot of this stuff, and I've looked
25 at some things and we've talked about reducing our per

1 capita consumption. It's down much lower than it used to
2 be, but it's still not anywhere near some of the other
3 cities that have a lot lower water consumption than we do
4 like David mention Tucson and different cities about 180
5 gallons per person per day. Even if we all could somehow
6 magically use 30 gallons less per day, 100,000 people you're
7 looking at 3 million gallons of water saved every day, which
8 would only accommodate another 17,500 people that could move
9 here and we're expecting -- well, the city is hoping, I
10 guess, for another 600 or 700,000 people to live here some
11 day, or up to a million, depending on who you listen to.

12 But apparently, with our 144,000 acre-feet that
13 we have now, this is supposedly able to accommodate 600,000
14 perhaps or so if we were using some conservative measures
15 and maybe using say 170 to 180 gallons per person. But
16 there are other alternatives I think we should look at. I'm
17 told that there's aquifer here east of the Virgin River that
18 has quite a bit of water in it, except that it's that highly
19 mineralized water that we can't really use. And in order to
20 use it we'd have to build some kind of reverse osmosis water
21 treatment plant to do that. We could possibly consider that
22 because there's a progressive, high tech town called
23 Abilene, Kansas, population 600,409 people and they did just
24 that and built this reverse osmosis plant so that they could
25 have water for their population. Martin County, Florida had

1 to do the same thing so that they could get some water to
2 drink. They have a huge metropolis of 25,000 customers on
3 their water plan there. The problem is the cost, of course.

4
5 We have to accommodate -- let's see we have
6 enough water for 5 or 6 or 700,000 people now. We need
7 enough for 950,000, so we need about 250,000 customers that
8 we need to accommodate with more water, which would need
9 another 50 or 60,000 acre-feet of water and this plant in
10 Martin County, Florida, the water treatment plant that they
11 build cost a whopping \$15 million. So we would need one 10
12 times that size, which would cost us \$150 million, which
13 would be about 10 percent of the cost of the pipeline, which
14 would save us a billion dollars if my calculations are
15 correct.

16 So I'm not sure how much water we have available,
17 but we need to look at some other alternatives. I think
18 that reverse osmosis plant is relatively inexpensive
19 compared to the cost of the pipeline and I'd like to see
20 that somehow the people do have a voice in all of this. At
21 some point our elected officials have told us that they
22 represent the voice of the people and yet repeatedly they've
23 also told us that, no, we will not be allowed to vote on
24 this issue. That seems to be a total opposite and they
25 don't really represent what the people want.

1 And I have one other thing. I'm not sure about
2 the answer to this, but they have proposed a coal plant over
3 by Mesquite, which may seem off topic here, but a typical
4 500-megawatt coal plant uses 2 billion, that's B-I, yeah
5 billion, 2 billion gallons of water every year and I'm not
6 sure where they're going to get that water, but that's
7 Nevada's problem, I guess, and not ours unless they take it
8 from the Colorado River before we get our share and then it
9 would be our problem. But anyway, those are my concerns.
10 Thank you.

11 (Applause.)

12 MR. WELCH: Joe Krose, Joe? Well, I've come to
13 the end of our speaker list. Is there anyone else here that
14 would like to speak? Sir, please go ahead. Please state
15 your name for the record.

16 MR. ERICSON: My name is Steve Ericson. I do
17 believe I signed up on that list, so I'm not sure exactly
18 how I didn't get the opportunity to be called. I reside in
19 Salt Lake City and I represent the Great Basin Water Network
20 and the Citizens Education Project. Because you're a
21 federal energy agency, you only saw two people here from
22 Salt Lake City and there's a reason for that. It might have
23 something to do with 300 miles and expensive gas. We wrote
24 you a letter just the other day. You haven't received it
25 yet to Kimberly Booze requesting hearings from FERC on this

1 issue in Salt Lake City. We believe that that would be
2 important because certainly the impacts are statewide. The
3 water is Utah's water and not Kane County's, not Iron
4 County's, not Washington County's allocation of the
5 Colorado. The energy for pumping of the water from Lake
6 Powell would certainly come from the grid, at least in part,
7 and it's a statewide and region wide grid.

8 The decision, as others have pointed out, have
9 been made by legislators and so, of course, they tend to
10 reside, when they're making decisions, in Salt Lake City as
11 well. This letter I'd be happy to give to you. I would
12 also ask that the Department of Water Resources and its
13 board encourage the Federal Energy Regulatory agency to
14 support a hearing and hold a hearing in Salt Lake City. So
15 I'll be happy to give you those. Because this is really the
16 St. George show and because I'm sure you're going to agree
17 to come to Salt Lake City and we would welcome you there,
18 I'll keep my comments very brief and hope to have the
19 opportunity to speak to you again in Salt Lake City and
20 we'll be submitting written comments.

21 I just simply wanted to let folks know that the
22 reason that we're concerned about the Lake Powell Pipeline
23 is when we work with the ranchers who are in the west desert
24 fighting the Las Vegas Pipeline and there's been some rather
25 negative comments that have been made about the wonderful

1 city of Las Vegas here this evening. We have our own
2 opinions, but we certainly don't want them taking Utah's
3 water. I think it's not widely known, but the two pipelines
4 are connected, even though they won't run together with the
5 same water. They're connected politically and it's very
6 important that people understand that this pipeline from
7 Lake Powell very much depends upon the success of Las Vegas
8 getting their pipeline to central Nevada and to the parts of
9 Utah known as the Snake Valley.

10 We're resisting that with all we can and we will
11 work with those who have an interest in the Lake Powell
12 Pipeline, whether pro or con in terms of how those two
13 pipelines work together politically. So with that, I thank
14 you for the time and I'd be happy to leave the letters with
15 whomever is appropriate.

16 MR. WELCH: I saw a couple more hands go up. Go
17 ahead, sir, please.

18 MR. JACK: My name is Colin Jack, C-O-L-I-N
19 J-A-C-K. I signed up on a list outside, but maybe there's a
20 paper loss. Anyway, I'm the engineer for Dixie Escalante
21 Power and one of my primary job description is to do
22 planning and ensure proper power supply and delivery so that
23 whenever somebody turns on a switch in our service territory
24 the lights go on and I know that as a utility it would be
25 negligent to not have planned adequately to have that power

1 supplied.

2 Washington County Water Conservancy District is
3 in the same situation. They're also a utility. And as a
4 resident of St. George and I guess since we've talked about
5 genealogy here, I know my genealogy quite a ways back. I'm
6 a sixth generation. My third great grandfather was one of
7 the original pioneers in Washington and my other -- one of
8 my other third great grandfathers was one of the original
9 pioneers in Lavercon (phonetic). Anyway, as a utility, it's
10 there obligation to ensure that there's water as a water
11 utility or a electricity and so I've heard a lot of comments
12 of about wanting to limit growth and therefore limit water
13 and limit electricity and that's the backwards way to attack
14 the issue.

15 If somebody wants to limit growth, then they need
16 to talk about zoning and they need to talk about planning
17 with their elected officials. But as a utility, Washington
18 County Water Conservancy District has the obligation to
19 ensure supply, just like Dixie Escalante has the obligation
20 to ensure electricity.

21 Now, I also have some other maybe unique
22 experience. I don't know how many here beside myself have
23 lived -- I lived several years in Dacca Bangladesh. It's
24 one of the largest, most polluted cities in the world and
25 one of the things that makes it a Third World country is the

1 fact that there is not an adequate supply of electricity.
2 Inside the city we had two hours of load shedding three
3 times a day every day and it was more in the rural areas.
4 And that's what happens when you don't have planning. I
5 also lived and worked in Nepal, in Katmandu, Nepal and there
6 they had the problem with water. They had to distribute --
7 they had such a shortage of water that they had water trucks
8 with buckets that had a very limited supply of a bucket per
9 household and they were not sure that they were going to
10 have more of that.

11 Now, that's not the kind of world that we need to
12 be living in. That shouldn't be our goal. We shouldn't
13 have a standard of trying to not plan for the future and
14 that's one of the comments I want to make is that we need to
15 ensure that we've planned. There may be other options and
16 we need to consider and put the price tag on the less cost
17 present worth analysis, but you don't just say, well, we
18 don't want growth so we're not going to plan. That's bad
19 planning. Thank you.

20 (Applause.)

21 MR. CLARK: Thank you. I appreciate the
22 opportunity. I applaud you folks. This has got to be a
23 bottom numbing type of ordeal for a couple days of meetings.
24 David Clark and is it proper to spell? Is that what
25 everybody is doing? No "E" on the end, C-L-A-R-K.

1 I happen to have the privilege of serving as the
2 Utah House Majority Leader. I'd like to put a face to the
3 legislature that has been referred to here and that would be
4 me. I happen to be the House sponsor of the Senate bill
5 that made this a statewide project and it's something that I
6 think you need to know that legislatively this was near
7 unanimously passed in both the House and the Senate before
8 it was signed by the governor. And in fact, we've also gone
9 on and looked at the financing of how we were to put this
10 project together. Governor Olene Walker put together an
11 executive committee under the state treasurer, invited
12 several legislators, water people within the State of Utah
13 to figure out how to do the financing of this project.

14 Governor Walker has since retired as governor and
15 is a full-time resident here in Washington County now. We
16 have put together a concerted effort on this as
17 representatives throughout the state and here in this county
18 we're behind this project. We think it is viable. We think
19 there are opportunities. We think that we should have, and
20 I'm delighted to have the opportunity here, and I think the
21 process by which both those that are pro and con will allow
22 this become a better project. That's part of our political
23 process is the venting and coming up with the better and
24 more unique way to do this. I applaud you for your efforts,
25 but I wanted to let you know a little bit of the history

1 about legislatively the support that this project has had
2 statewide in the legislature through the executive branch
3 and what brings us here today in this effort as we move
4 forward. Thank you.

5 (Applause.)

6 MR. WELCH: Come forward sir.

7 MR. NOEL: Hey, I'm back. Mike Noel. Tonight
8 I'm actually here as a state representative for District 73,
9 Utah State Legislator. I represent eight counties in rural
10 Utah, including Kane County, Washington County and Iron
11 County, which are part of my district. I'm also here to go
12 on record that I support this project as a state legislator.
13 I want people to know that up front so there's no question
14 about it. I also want to comment on the vote part of this.
15 I'm not sure how much FERC is going to get into that, but I
16 would be in opposition to vote and my reason for that is
17 this, number one, normally on a vote like this you don't get
18 all the facts out. You get one group of individuals that
19 seem to go out and create a lot of ruckus and a lot of
20 misinformation.

21 I think we've got elected leaders in the State
22 House of Representatives. We also have a committee, a
23 management team committee and the State of Utah that is
24 involved with this project as the applicant for this
25 project. So the bonding part of this is to all the people

1 of the State of Utah. If you're going to have a vote, I
2 guess it would have to be everybody in the State of Utah. I
3 think that vote was taken in the legislature several years
4 ago as the good representative from Washington County
5 mentioned and that vote was near unanimous. So I would not
6 support a vote that goes with my idea of a lot of the votes
7 we didn't get to vote for. We didn't actually vote for the
8 Grand Staircase National Monument. We didn't vote to have
9 them burn down Kaibab National Forest nor did we vote to
10 have all these bark beetles kill all the trees up there nor
11 did we vote for the prairie dogs in Cedar City. So I don't
12 think we really need to have a vote on this. I think we've
13 got the answers here and I hope you people can do your job,
14 go through the process, dispense with all the hyperbole and
15 make a decent assessment of this on the environmental merits
16 of this projects, which I think we found we can mitigate
17 them, have a good project and continue to meet the demands
18 of the water needs of the people of these three counties.
19 Thank you.

20 (Applause.)

21 MR. WELCH: Is there anyone else that would like
22 to speak? Ma'am?

23 MRS. CASTRO: Hello. My name is Valencia
24 Castro. Valencia is V-A-L-E-N-C-I-A, Castro is C-A-S-T-R-O
25 and despite the first and last name I am a native of this

1 area. I cannot tell you how many generations I am of this
2 area seeing as all of my ancestors, including myself and my
3 children are native Paiute. I come from the northern Kaibab
4 area. I have grandfathers and grandmothers here in
5 Shivwitz. For those of you who are not familiar with
6 Shivwitz, Shivwitz is the Paiute Tribe just west of St.
7 George who actually settled this area.

8 Now, I'm here just to collection information.
9 Before any decision is made, we would like to hear and I
10 really appreciate this opportunity to hear everybody's
11 comments, everybody's questions because a decision like this
12 cannot be made just based on what somebody's projecting our
13 growth is going to be, what our needs are going to be, but
14 we have to look at the long-term effects that this going to
15 have because when I speak, especially for my people, I don't
16 speak for the here and now, I speak for 50 years down the
17 road. That's how long-term thinking should be done and I
18 would just like to thank everybody here. I know you had a
19 long day, but I would like to thank you guys for taking the
20 time to listen. Thank you.

21 (Applause.)

22 MR. WELCH: Is there anyone else that would like
23 to speak tonight?

24 (No response.)

25 MR. WELCH: Well, thank you very much for

1 attending our meeting tonight. Jim, do you have any closing
2 thoughts or words?

3 MR. FARGO: I just want to bring up something
4 earlier that was presented about costs. There is a cost
5 figure for the project and I think it's date to about 2003
6 data that's around \$585 million. The state is in the
7 process of trying to come up with another cost figure and it
8 should be released by the end of the summer.

9 Again, the federal agencies working on this
10 project will be putting a cost figure out in the draft NEPA
11 document. That cost figure will probably differ from the
12 state because at that point we'll know better about what
13 kind of changes to the project we'd proposed and what sort
14 of mitigation, so the cost for the proposal will be updated
15 and it'll be an independent analysis that we'll be
16 responsible for. So there is an updated cost estimate
17 coming from the state that the information, and I know Eric
18 talked about earlier, but I just wanted to bring that up
19 again.

20 And I wanted to again thank you all. I know a
21 lot of people have gone already, but I know we had some
22 guidelines for meetings and I think we had some really good
23 comments coming from both sides of this particular issue and
24 never once did I have to get up a referee like I have to do
25 in California, not to mention other states. So you guys are

1 just very orderly and very considerate of the various
2 viewpoints that we've heard tonight. So I think you guys
3 should yourselves a round of applause for that. Thank you.

4 (Applause.)

5 (Whereupon, at 9:35 p.m., the above-entitled
6 matter was concluded.)

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