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BEFORE THE
REGULATORY ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Docket Nos.:
INTEGRATED LICENSING PROCESS : AD05-6-000

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Commission Meeting Room
Federal Energy Regulatory
Commission
888 First Street, NE
Washington, DC 20426

Wednesday, June 22, 2005

The above-entitled matter came on for
workshop, pursuant to notice, at 11:05 a.m.

BEFORE: DAVID A. TURNER, FERC

1 PROCEEDINGS

2 (11:05 a.m.)

3 MR. TURNER: Good morning. Welcome to the
4 Commission's panel on effectiveness. I want to make sure
5 everybody's signed in. If you haven't, before you leave,
6 please do so. We had a handout which should include today's
7 presentation -- or a copy of the slides for today's
8 presentation and an evaluation form for the workshop.

9 (Audible noise was heard.)

10 MR. TURNER: I'm sorry, the folks in the region
11 and on the telephone line, when you're not being asked or
12 you want to ask a question, please mute your telephone line
13 or don't speak, because we're hearing you come across and we
14 don't know if you're trying to ask a question or not.

15 Before we get started, I want to just introduce
16 our ILP coordinators we also have here in the audience. We
17 have Steve Hocking, who's coordinating the Mystic Lake
18 project, Janet Hutzler, who's coordinating the Morgan Falls,
19 Kristen Murphy, who's working on Canaan, Alan Creamer that's
20 working on Smith Mountain, Susan O'Brien on PG&E's DeSabra,
21 and Ken Hogan, our technical expert here too today working
22 on Canaan. So welcome.

23 Also, we're going to be -- oh, and Liz. I'm
24 sorry, Liz. Our Office of General Counsel has been working
25 on the IOP rulemaking and all the way up through and

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1 following these things closely as well.

2 We've also got with us today Anna West and a team
3 of her folks, Christine Kanelli and Stephanie Obeita, which
4 will be handing out our mikes. So when you get ready to
5 talk, you'll need to speak into the microphones so that the
6 Court Reporter can pick that up, as well as the folks in the
7 region to hear you. Anna's gonna facilitate today's
8 conference after I get through going over some of the agenda
9 and the objectives and the introductions part.

10 We also have a number of folks who have agreed to
11 participate on panel discussions, and we want to thank those
12 for taking the time out of their busy schedules to do so.
13 We're sure we'll all gain some great insights from that.
14 They're here on the phone and in person, so we'll have to
15 keep this kind of a structured type of meeting, and I'll get
16 into that in a little bit.

17 As most of you know, we agreed when we passed the
18 rule to monitor the effectiveness of the ILP. We're keeping
19 track of the time and the cost. But as we get closer to the
20 date that this thing becomes a default process -- which all
21 of you know is July 23rd of this year, we thought now was
22 also a good time to get feedback from you as to what's
23 working and what's not working so well and what we might do
24 better to help the future ILP projects.

25 So today's conference is basically a culmination
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1 of a number of initiatives that we've taken over the course
2 of the last six months, more likely last two or three
3 months, or it seems like. We contracted with Kerns and West
4 to conduct some interviews with the pioneer projects, the
5 participants in those projects, and to ask their views on
6 what's working well and what's not working well.

7 So today's conference, we're gonna have Kerns and
8 West share some of the results of those interviews, as well
9 as three bisector teleconferences that were conducted with
10 applicants, in one conference NGOs in another and -- I'm
11 sorry, applicants in one, NGOs in another, and agencies and
12 tribes in another teleconference.

13 We also held four regional workshops during a
14 week in June and we're gonna -- we've summarized some of
15 that. We're going to put a number of the points that were
16 raised, at least some of the key points that we thought were
17 good ideas about how to work within the existing regulations
18 to make the next future projects work better. We're gonna
19 share some of those thoughts and we want to continue with
20 that by, at today's conference, digging into those things a
21 little bit deeper.

22 Again, this is going to need to be a little bit
23 structured. We've got a full day and a lot of topics to
24 cover. If you were involved in regions, you see a
25 similarity in the format. We've broken the initial stages

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1 of the Integrated Licensing Process into three basic topics:
2 PAD and process plan, scoping and study plan development.

3 Anna's gonna facilitate a discussion where we'll
4 introduce some of the things we heard about each one of
5 those topics. Then she'll ask our panel that has agreed to
6 participate -- and I'll let her introduce those panel
7 members as they come forward for their topics. She'll ask
8 them a couple of questions and then we'll turn it to the
9 audience. We're gonna go from the -- because we're on the
10 conference call and videoconferencing and a number of other
11 things, we're going to do this a little more structured.
12 We're going to go to the audience first here in the
13 Commission meeting room, answer your questions and get your
14 feedback, then we're going to go to the regional offices in
15 alphabetical order: Atlanta, Chicago, New York, San
16 Francisco, and Portland, and then we're gonna go to the rest
17 of the participants that are on the phone.

18 Please be sure again to mute your phones if
19 you're not talking and to speak into it and speak loudly
20 when you do. And say your name and who you're affiliated
21 with so the Court Reporter can get that for our proceeding
22 as well. We'll take a break for a half-hour at lunch
23 starting at 12:30. Then at 1:00, we need to return promptly
24 and begin talking about the study plan development process.

25 We've added a fourth topic here, which is
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1 basically a broad overview about some of the general things
2 we've learned and gotten feedback on in those conversations,
3 too. So that will be kind of the beginning of our wrap-up
4 and I'll try to complete things about 2:45 with the next
5 steps of -- or what you can expect in the future from the
6 Commission.

7 So just to kind of recap, Anna will start off
8 with a review of what Kerns and West heard during the
9 interviews, the focus group discussions, and then we'll turn
10 to the audience here for questions, and then we'll go to the
11 regions, and then we'll go to the folks on the telephone
12 line.

13 Any questions? Any questions from the regions?

14 (No response.)

15 MR. TURNER: I suppose silence means a no. And
16 anybody on the phone lines got any questions?

17 MR. NUESTIFTER: I have one question. Bob
18 Nuestifter with Consumers Energy Company. Earlier on you
19 mentioned slides --

20 MR. TURNER: Yeah, unfortunately you guys on the
21 telephone lines are not going to have a copy of the slides.
22 We'll have to kind of describe them as we go through. Right
23 now, for instance, we're looking at the agenda.

24 MR. NEUSTIFF: Okay. I was just wondering could
25 copies of them be posted after?

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1 MR. TURNER: Yes.

2 MR. NEUSTIFF: Okay. Thank you.

3 MR. TURNER: On the Commission's calendar, there
4 will be a copy of the slides I think.

5 MR. NEUSTIFF: Okay. Thank you.

6 VOICE: One more question. When we take a break
7 for lunch, do we hang up and then redial?

8 MR. TURNER: Excuse me, we've gotta have your
9 name and affiliation for the Court Reporter.

10 MS. NELSON: I'm sorry, Bea Malson, Tribal,
11 Vermont.

12 MR. TURNER: Okay. So your question again,
13 please? I missed it.

14 MS. MALSON: When you break for lunch, do we hang
15 up and redial or do we hang onto the phone?

16 MR. TURNER: I would hang on to the phone. You
17 could hang up, but it's just easier if you stay on line.

18 MS. MALSON: Okay. Thank you.

19 MR. TURNER: Anything else from outside?

20 (No response.)

21 MR. TURNER: Okay. With that, I'll turn it over
22 to Anna to talk about the ground rules.

23 MS. WEST: Thanks, David. Thank you everyone.

24 And I hope this is going to work. We're trying to

25 coordinate all across the country with all kinds of

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1 technology, but I certainly appreciate everybody's
2 participation.

3 In one of our regional workshops last week, I was
4 reminded of having a sense of humor, so I'm going to go
5 through our serious ground rules, but then also suggest some
6 ways we're going to have some fun today. So the serious
7 ground rules: If you could please, as we already said,
8 state your name and affiliation before speaking, and that's
9 so we can get it on the Court Reporter's record, but also so
10 we know in the room who's participating.

11 Those in the room wait for a microphone here. If
12 you're on the phone, speak clearly into the microphone
13 you're speaking from so we can hear you.

14 Same as the regional workshops, we really want to
15 focus on a programmatic level of discussion about the ILP
16 and I will reinforce this ground rule if I have to, but I
17 really don't want to. This should be a session looking
18 forward on recommendations based on our experiences from the
19 ILP pioneers on suggestions for improved practices for the
20 next round of ILPs. So if you could have forward-looking
21 recommendations, that would be great. And you're drawing on
22 your current experiences to inform what we're recommending
23 for the future.

24 Depersonalize discussions on issues. No personal
25 attacks, no organizational attacks, all those good things.

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1 We're going to be on excellent behavior today.

2 Again, be forward looking, focus on solutions.

3 And, if you haven't already, if you could turn
4 off your cell phones so that's not interrupting us.

5 So that's the serious part. Now for a little bit
6 of fun, David, I don't know if the folks can see me, but you
7 might remember some of us a while ago used these hats in a
8 fun forum where I was -- I was the moderator of that session
9 and we had the different entities from a hydro operator, a
10 tribe, a resource agency wear a different hat and take on
11 each other's roles, and it was kind of fun so we thought
12 we'd bring the hats back.

13 Now today the actual hats are going to be
14 representing your own sector and they're especially good for
15 those who are joining us on the phone, so we have a little
16 hat here in your absence because we don't have you in person
17 so we can share that.

18 And for those of you who remember what we fondly
19 called Hell Week, which was the first drafting session where
20 the stakeholders came to provide input to FERC on the
21 development of the rule, there was a special candy bar that
22 Richard Roos-Collins found that one of his colleagues
23 brought. It happens to be called FERC Lover.

24 So the fun we're going to have today is that all
25 our panelists, even those of you on the phone, we're going

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1 to mail them to you in thanks for your participation. And
2 then the extra kicker is for everybody who asks a good
3 question, we give you a candy bar. If it's a bad question,
4 we're going to take your candy bar away.

5 (Laughter.)

6 MS. WEST: So let's have some fun with it today.
7 And, of course, all the FERC project managers, we want you
8 to get a candy bar, too.

9 All right. As David mentioned, the agenda is
10 really divided into four sections and first off is the PAD
11 document and process plan. So, as David mentioned, I'll go
12 through a few slides capturing what was covered from what
13 we've heard so far through the interviews, the
14 teleconferences, and the workshops, and then I'll have some
15 questions for our panelists who I'll introduce, and then
16 we'll open it up for questions.

17 Here's the candy bar, folks, FERC Lovers. Oh,
18 you can't even read it. Oh well.

19 All right. So I'll quickly roll through some of
20 these slides and for those of you on the phone, hopefully
21 you'll get the points even though you don't have them in
22 front of you.

23 All right. So some general feedback we've gotten
24 about the PAD and the process plan. Everybody encourages
25 that we invite FERC to participate in any pre-NOI and PAD
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1 activities, trainings, workshops, things people choose to
2 do. Pretty strongly we heard that early preparation and
3 communications are really keys to the success of the ILP and
4 that we encourage casting a wide net for stakeholders, make
5 sure you reach out as far as you can to make sure that those
6 who might be interested or don't even know they have an
7 interest in the process, have an opportunity to be engaged.

8 On PAD preparation: an organized, well-
9 developed, and user-friendly PAD is crucial to getting the
10 process off to the right start. And the time you need to
11 develop the PAD really depends on a number of variables, and
12 we'll get into this in some of the questions, but things we
13 were hearing were it depends on the complexity and extent of
14 the resource issues associated with the project, the
15 complexity of the project itself, how many stakeholders are
16 involved, that really helps to inform your decisions about
17 how much time you need to include for preparation of the
18 PAD.

19 Some have suggested that a PAD questionnaire is a
20 useful tool, sending out a PAD in advance to ask people to
21 identify existing information, identify potential issues and
22 studies is really helpful. It's a useful way to engage
23 people early on.

24 And a new idea we heard in the workshops was the
25 applicant might consider including in the questionnaire a
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1 list of the existing information they already have so that
2 new information could be identified but that the
3 stakeholders don't have to repeat everything that the
4 licensee might already know about.

5 Another theme we heard, emphasize the inclusion
6 of all "existing, relevant, and reasonably available
7 information in the PAD." And in some cases, not all, some
8 were suggesting that the applicant may consider doing some
9 studies ahead of the PAD, and that again is a topic for
10 conversation, but it kind of depends on existing information
11 that you already have and you likely wouldn't want to do
12 that if it might be a controversial study. So it might be
13 the easier presence, absence, or monitoring data collection
14 that you might consider.

15 All have suggested considering structuring the
16 PAD like an EA document -- and I should go back. If you
17 choose to do earlier studies, people recommend that you talk
18 to agencies and stakeholders about it, so they're aware of
19 the methodology and have some buy-in in what you're choosing
20 to do.

21 The more detail in the PAD, the greater its
22 utility and the more efficient the study plan discussion
23 should be; it's not a guarantee, but that's what people are
24 recommending. So we'll also get into this in a little bit,
25 but putting in the detail can help.

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1 The process plan is most helpful when it's
2 developed with buy-in by all the participants and it
3 integrates the other regulatory processes. So we'll also
4 have questions addressing this.

5 Communications: a positive, energetic, open
6 attitude by everyone really helps create a more efficient
7 quality process. So be open, respect each other's
8 interests, really want to listen to each other and be
9 positive about it and get things on the right course.
10 Having established relationships or establishing good
11 relationships before filing the PAD can be helpful.

12 Pre-NOI outreach meetings can help get the
13 process off to the right start. And a project website is a
14 helpful way to access information for all involved.

15 One more, then on to questions. Another aspect
16 of communications: clearly establishing a distribution
17 protocol up front is very helpful. And people mentioned
18 that don't trust that e-mail is necessarily getting there.
19 If you're sending attachments with big documents, it's good
20 to check because sometimes they don't go through and so
21 people haven't received it when you think you sent it. And
22 some are recommending a communications protocol in addition
23 to a distribution protocol.

24 So that's it for the overview, let me now
25 introduce our panelists, many of who are on the phone with
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1 us. Thank you for joining.

2 First on my right with the hydro operator hat, we
3 have Frank Simms, who made it just under the wire from AEP
4 and the Smith Mountain project. Lauri Vigue, I think you're
5 on the phone from Washington Department of Fish and
6 Wildlife, is that right?

7 MS. VIGUE: Yes.

8 MS. WEST: Thanks.

9 And Liz Hatzenbuehler, did I hear you from the
10 Nature Conservancy?

11 MS. HATZENBUEHLER: Yes.

12 MS. WEST: Welcome.

13 And Bea Nelson, I think I heard you, from the
14 Alnobak Heritage Preservation Center, right?

15 MS. NELSON: Yes, Tribal.

16 MS. WEST: Tribal. Thank you.

17 So thanks, folks, for joining us. So I'll ask
18 our folks, our panelists, some questions and then open it up
19 to the various audiences for you to ask questions. So while
20 I'm asking, be thinking of the questions you have.

21 Okay. This one -- the thought was I wasn't going
22 to ask everybody all the questions so we'd save more time
23 for the audience interaction. So the first question I'd
24 like to ask of Frank, Lauri, and Bea. Here we go: what is
25 a PAD supposed to look like? Is it an EA? How would you --

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1 and also, how would you make it user-friendly and
2 accessible? So maybe since Frank traveled all the way here,
3 we'll give him the first one up.

4 MR. SIMMS: Well, if I understand right, if you
5 have a bad question you give the candy back, so I'm going to
6 hedge my bets on my answer.

7 (Laughter.)

8 MR. SIMMS: The way we looked at how a PAD should
9 look is we followed the format that's in the guidelines.
10 Essentially we had a lot of new people -- or people who were
11 new to FERC process and they were looking at the guidelines
12 as to the subject. And we thought if we followed that and
13 made it work together that it would make it a little easier
14 for them to follow.

15 The other way we made it a little more user-
16 friendly and maybe a little more accessible was that we had
17 the time that we could prepare a draft PAD. And when that
18 draft PAD went out, we definitely got comments as to the
19 content of the PAD, even as to how it read and how could you
20 make it a little easier to use. Even in that, we had the
21 FERC review that draft PAD so they could give us some
22 direction as to how it would be easier for them to look at
23 the information also.

24 How do you make it user-friendly and accessible?
25 I think one of the best things that we did was probably set
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1 up a website and on that website the PAD -- or draft PAD was
2 even placed on that website.

3 MS. WEST: Okay. Thanks.

4 Lauri, are you with us?

5 MS. VIGUE: Yes. It should be a comprehensive
6 summary of known natural resources in the vicinity of the
7 project, like a bibliography. It should contain unbiased
8 data. Applicants shouldn't hide potential project data
9 information. And it should not make premature judgments on
10 resource impacts or rule out studies.

11 The Packwood project, which I'm involved with,
12 they didn't do a draft PAD, so we didn't have a chance to
13 comment on a draft, which would have been really helpful.
14 Because it did not contain a lot of resource information
15 from our agency, as well as the Forest Service, which is the
16 major landowner in the area.

17 MS. WEST: Okay. Thanks for your suggestions.

18 MS. NELSON: Yes. I agree pretty much with Lauri
19 that a draft PAD was very helpful. I only act as a
20 consultant for historic property and cultural resources, and
21 with the draft PAD you get an intention of what they want to
22 accomplish, what area is going to be affected, and it helps
23 me to pinpoint my comments. And also to see how much
24 research or how much contact they've made about the
25 prehistory and the history of the area.

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1 MS. WEST: You both -- both Lauri and Bea -- do
2 you have recommendations about what makes things user-
3 friendly and accessible, what's a good one look like or what
4 would you recommend? Is it summaries of things, is it the
5 way it's written?

6 MS. NELSON: A little bit of both for me. It's
7 kind of -- I'm more interested in like the area of potential
8 effect and the surrounding areas to see if there is any
9 potential controversy or -- potential studies that need to
10 be done.

11 MS. WEST: Okay. Lauri, do you have anything to
12 add?

13 MS. VIGUE: I would agree. I mean, I've only
14 seen one PAD so it's kind of -- it would be nice to be able
15 to see different versions to see which one would work. I
16 guess an EA draft outline would be effective that way; it
17 would probably pick up all the resource issues.

18 MS. WEST: All right. We'll go on to the next
19 question. This is for Frank and Liz -- thank you for
20 patiently waiting, Liz, we'll make you next up.

21 My question is how to gather the existing
22 information needed. And I guess part of that is is it a
23 question to the applicant of how you gathered or, Liz, as an
24 NGO, how did you contributed if you were asked, and are
25 there constraints or problems you encountered and what would
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1 you recommend to deal with them?

2 MS. HATZENBUEHLER: I think what was helpful for
3 us is that before -- I guess it was actually the very first
4 meeting, when sort of just the overview of the project was
5 presented to I guess the stakeholder -- I'm representing the
6 kind of water resource group. And a form was sent out
7 looking for information. So I think that that was a helpful
8 for everyone to sort of see exactly what was needed. And
9 then that gives us direction as to where we can look and
10 what information Nature Conservancy has. And I think that
11 we actually found a lot of overlap. Everyone that was kind
12 of represented in the working group -- the Nature
13 Conservancy uses a lot of the same information that the
14 Colorado Division of Wildlife or the Forest Service and that
15 sort of thing. So I think it was a good collaborative
16 effort since that initial form was kind of sent out asking
17 for certain information.

18 MS. WEST: I'm hearing having a form was helpful
19 and there was a workgroup of some kind so you're going to
20 trade notes.

21 MS. HATZENBUEHLER: Right. The way our process
22 is going is that there's kind of a recreation group, a
23 terrestrial group, and a water resource working group. And
24 there are three different sections and although they don't
25 meet together, each one I assume was sent a form asking for,
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1 you know, information on -- I guess regarding their resource
2 group. And so that was helpful, I think it kind of --
3 getting the rest of the study plans together for that, or
4 information needed for study plans.

5 MS. WEST: Okay.

6 Next question is for Frank and Lauri, and this is
7 really on the process plan. What we've heard is people
8 really think it's a good opportunity to integrate other
9 stakeholders' processes, so what the applicant's doing, what
10 FERC's doing, but what the other agencies doing is all in
11 one place on the schedule. Are there recommendations on the
12 best way to integrate other stakeholders' processes? And
13 maybe Lauri, you want to go first?

14 MS. VIGUE: I would say preparing early as
15 possible -- at least with Packwood, Energy Northwest
16 initiated the 401 certification by proposing in-stream flow
17 studies a year before the Notice of Intent came out. So
18 that was helpful. And coordinating with all the agencies
19 with comments and Tribes for comments. And I know for ESA,
20 that's coming a little bit later, but there is a
21 consultation process going on -- that's something with the
22 U.S. Fish and Wildlife Service and NOAA that's going on
23 that's a little bit different.

24 MS. WEST: And was that established up front as
25 part of the process plan?

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1 MS. VIGUE: That's kind of -- I think it was
2 established when the NOI was issued, so that came a little
3 later. They issued the -- or they began the 401 process
4 earlier, the ESA consultation process.

5 MS. WEST: Okay. Frank?

6 MR. SIMMS: I tend to agree that you start off as
7 early as you can in meeting with the agencies and find out
8 what their agenda is for their particular certificate or
9 process and then to work with them -- we're lucky enough to
10 be able to have about four or five meetings and to be able
11 to work with the Virginia Department of Environmental
12 Quality, for example, on the 401 certificate and see how
13 they wanted to fit their certification process into this
14 process because again the ILP was also new to them. By just
15 having those meetings and discussions we were able to fit
16 that into the process.

17 MS. WEST: So it's laid out and it's in the
18 schedule and the process plan.

19 MR. SIMMS: Right. It shows in our process plan
20 where the 401 certification process begins.

21 MS. WEST: Okay. Well rather than my going on to
22 ask more questions, let's open it to the audiences. So as
23 David mentioned, I'm going to go to this group here first.
24 If you have a question, just raise your hand and Christine
25 and Stephanie will find you. You can ask any of our
26

1 panelists. And then I'll turn to the FERC regional offices,
2 and then to folks on the phone.

3 Any questions?

4 (No response.)

5 MS. WEST: And if you could share your name and
6 organization, that would be great.

7 MR. MURPHY: Mike Murphy with EPRO from Maine.
8 I'm curious when you do the draft PAD, how much time did you
9 build in for sending that out and for obtaining comments,
10 and did you respond to all comments, did you do a redline
11 version, how did you handle that kind of response?

12 MR. SIMMS: Frank Simms from AEP. The amount of
13 time that we allotted for was about six months after the
14 draft PAD was completed. The way we responded was we had
15 meetings then to discuss some of the comments that we
16 received on the draft PAD and then sent out the final PAD to
17 the FERC. So the way we addressed the comments was face-to-
18 face meetings.

19 MS. HARN: Hi, I'm Joan Harn from the National
20 Park Service. A lot of the recommendations and a lot of the
21 extra efforts, like the draft PAD and these technical
22 workshops, working groups, are not required in the FERC
23 regulations. I guess I'd like to hear what motivates some
24 of the licensees and, for those of you that are on the panel
25 that aren't licensees, if you know what motivated your
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1 licensee to make these extra efforts and whether or not you
2 think that these measures actually should be required.

3 MS. WEST: Who wants to handle that? Are you in
4 the mood, Frank?

5 MR. SIMMS: What motivated us is in the beginning
6 we wanted -- and in any license application process we've
7 gone through over the years as a company, we have always
8 tried to bring everybody together right in the beginning.
9 We might as well identify the issues from the start, get all
10 the information you can up front, and we put a lot of effort
11 into that.

12 So our motivation basically is if you don't get
13 the information up front and if you don't get the comments
14 up front, you're going to get them later anyway, so let's
15 get it done in the beginning.

16 MS. WEST: So is that because it's more efficient
17 if it's all up front?

18 MR. SIMMS: Well, not only more efficient, I
19 think it's only fair. As a licensee, you have a
20 responsibility I feel to hear what the concerns are and what
21 the issues are. And over your 40-year license term, you may
22 not hear those. But when you get into relicensing, all of a
23 sudden you hear things that maybe you haven't even done
24 correctly or maybe you get the pats on the back that you
25 want.

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1 MS. WEST: So I am thinking the answer might be
2 have people have a sense of responsibility or fairness?

3 MR. SIMMS: Yes.

4 MS. WEST: Okay. And Joan's question about
5 should it be required?

6 MR. SIMMS: That's a FERC question.

7 (Laughter.)

8 MS. WEST: Then David, do you want to answer that
9 one?

10 MR. TURNER: Should it be required? We'll figure
11 it out later.

12 (Laughter.)

13 MS. WEST: I guess he didn't want to answer the
14 question.

15 MR. SIMMS: Just based on the experience we've
16 had so far with the ILP process, I think it should be up to
17 the licensee whether they want to go through those prior
18 steps or not. And a lot of it depends on -- and I think one
19 of the questions you hear is what's the size of the project
20 and how many stakeholders are really gonna participate in
21 the project. So to make it a requirement, I don't think so.
22 I like where the ILP starts.

23 MS. WEST: Ann?

24 MS. MILES: I think all of you who were involved
25 in the rulemaking with us knew FERC's position very much,

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1 because one of the goals of the ILP was to reduce the time
2 and the cost of licensing and to try to keep it within the
3 timeframe that was established and this sort of pushes that
4 out on the beginning end. And I can understand in needing
5 to develop the PAD and wanting to have a good solid PAD at
6 the point that it's issued that it is -- that it does take
7 some up-front work, it's sort of inevitable. And we had
8 given a little bit of thought of whether we should separate
9 the NOI filing from the PAD so that the time to prepare the
10 PAD within the 5 to 5-1/2 year timeframe.

11 Just something to throw out there is our goal
12 still is to keep it within the shorter timeframe. And it
13 looks like one of the things we're hearing an awful lot in
14 getting this feedback is that it is requiring quite a bit of
15 work in the beginning. So I think that's something we'd
16 like you all to think about is, you know, is there a way
17 that we can work with this and keep it within the timeframe
18 that's allotted for relicensing.

19 MS. WEST: Anybody want to respond to that?

20 MS. NELSON: Bea Nelson here, Tribal.

21 I feel that the early research and the early
22 contacts are what helps increase communication, so that if
23 there are some discrepancies they can be hashed out
24 beforehand and early on in the process.

25 MS. WEST: Frank, do you want to answer -- Ann

26

1 was sort of begging the question could you do all this
2 advance work but within the 5-1/2 years. Wouldn't you have
3 to move the back end somehow? Could FERC produce its
4 documents in less time?

5 (Laughter.)

6 MS. WEST: Where's it gonna come from.

7 MS. MILES: Well, this is the situation. The
8 statute -- statute, right -- is 5 to 5-1/2 years for
9 relicensing. I think there are a lot of people at the
10 Commission that think Gee that's a good amount of time to
11 get everything in. What looks like in the ILP is because
12 the PAD has to be filed with the NOI, simultaneously, there
13 isn't the opportunity -- well, I mean, you could start at 5-
14 1/2 years, I guess, and use a six-month timeframe to get
15 both in at the 5 year timeframe, but for various reasons
16 people file during that six-month period.

17 I mean, what we're saying -- or asking is if we
18 change the regulations a little bit, can you do it all
19 within the 5 to 5-1/2 year timeframe. So at the 5-1/2 years
20 or whatever, you start with the early parts of it, you start
21 your early conversations. Can you fit it all in? A license
22 application would still need to be filed --

23 MS. WEST: NOI, PAD, studies --

24 MS. MILES: -- at two years. So we would have
25 plenty of time to do what we needed to do and I guess --

26

1 MS. WEST: And everybody else do the other part
2 in 3 to 3-1/2.

3 MS. MILES: Can it all be done -- I mean, I think
4 from our point of view, of course, we're not out there doing
5 everything, but we're with you a lot more now. 3 to 3-1/2
6 years seems like a pretty good length of time. Can you do
7 it all in that timeframe?

8 MS. WEST: Frank?

9 MR. SIMMS: Frank Simms from AEP.

10 To be honest, Ann, I could only answer to, you
11 know, the project that I'm working on, which is a rather
12 large project. And for that particular project, I don't
13 think we could. I think we needed the PAD and the NOI as we
14 filed it together. Maybe one thing that could be done is
15 that maybe the PAD has to come within that six month
16 timeframe -- you know, put your NOI in first, right at day
17 one, and the PAD has to show up sometime in that six months.
18 That might be a little change that could be made for the
19 projects. But for us specifically, no, we could not do it.

20 MS. WEST: Any other -- Liz?

21 MS. MOLLOY: One thing I just --

22 MS. WEST: Liz Molloy from FERC.

23 MS. MOLLOY: Liz Molloy, I apologize.

24 One thing we're looking at is what
25 recommendations or concerns people have in the current

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1 regulations. And while looking at changing, it might be,
2 something we're doing in the future, right now we want to
3 see what would work within the current ones. And the draft
4 PAD and the different alternatives that are being talked
5 about can be done with the current regulations. So we're
6 sort of looking for sort of the best ideas for working now
7 within the existing framework. So I want to make sure we
8 keep sort of focused to that before we already try to change
9 the regs.

10 MS. WEST: Okay. Any questions from the
11 audience?

12 MR. NUESTIFTER: Bob Nuestifter from Consumers
13 Energy Company.

14 MS. WEST: Bob, could you repeat your name,
15 please?

16 MR. NUESTIFTER: Bob Nuestifter.

17 MS. WEST: Nuestifter. Thank you.

18 MR. NUESTIFTER: I wonder if the panelists could
19 address whether they had any problems dealing with CEII,
20 Critical Energy Infrastructure Information, that was part of
21 the PAD and, you know, if they had any problems or if they
22 had any solutions or things they found that worked well with
23 dealing with the CEII.

24 MS. WEST: Your issue being that it's
25 confidential information so it couldn't be distributed?

26

1 MR. NUESTIFTER: Right.

2 MS. WEST: Any panelists want to answer? Frank?

3 MR. SIMMS: Frank Simms from AEP. We didn't have
4 any problem with it. When we filed our PAD document, we had
5 our CEII information as a separate document that was filed
6 under CEII. So no, we've not had any problems.

7 MS. WEST: Okay. No questions from this
8 audience, am I right, looking out there?

9 MR. NUESTIFTER: Could I ask a follow-up? This
10 is Bob Nuestifter again.

11 MS. WEST: Sure.

12 MR. NUESTIFTER: Then did the agencies and
13 whoever wanted CEI information just obtain the information
14 from the Commission rather than from you, Frank?

15 MR. SIMMS: Right. The way -- we had a
16 distribution protocol and communications protocol as part of
17 our PAD and within that we explained that if there was a
18 desire for anyone to obtain CEII information, then they
19 would have to go through the FERC under the FERC process for
20 obtaining that information. I don't know if there's been
21 any requests. The FERC person working on our project said
22 no.

23 MS. WEST: So it sounds as though, from some of
24 our experience, stakeholders aren't feeling a need to have
25 the CEII information, at least so far.

26

1 MR. KEARNS: Jim Kearns, I'm with Public Service
2 of New Hampshire. We're doing the Canaan project, a 1.1
3 megawatt facility.

4 The way we dealt with the CEII issue was that we
5 did file that information separately with the Commission,
6 but any stakeholder that wanted copies of that information,
7 we provided it directly to them.

8 MS. WEST: While I have you there, Jim, do you
9 want to address -- since you are a small pioneer, if you
10 wouldn't mind, even though you're on a future panel -- do
11 you want to answer Ann's question about timing? Could you
12 do it in 5-1/2 years?

13 MR. KEARNS: Well, for the Canaan project, it
14 took us probably less than four months from the time we
15 started developing the PAD, before it was filed with the
16 Commission. It was fairly straightforward. The Canaan PAD
17 was about a third of an inch in size. So timing was not an
18 issue for us. But I can imagine for bigger projects which
19 we have that that would be a tight schedule to meet.

20 MS. WEST: So you have fewer resource impacts
21 that you anticipate --

22 MR. KEARNS: That's right.

23 MS. WEST: -- associated with the project.

24 MR. KEARNS: It's a fairly benign project, so.

25 MS. WEST: Okay. Any regional -- oh, Robin --

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1 and get ready, regional offices, I'll ask you as well in a
2 sec.

3 MS. MARKS: Robin Marks, American Rivers. My
4 question is really to FERC related to a deficient pad. How
5 would you -- do you feel as though there are points at which
6 or PADS in which you would reject them and find them
7 deficient and ask them to increase the information
8 available?

9 MR. TURNER: This is David Turner with FERC.
10 I'll address that one.

11 There's really no provisions in the regulations
12 for dealing with a deficient PAD. I think it behooves an
13 applicant to do a good job because he opens himself up to a
14 lot more and broader study requests potentially. And
15 obviously, if we get that, it generates additional
16 information requests. And if you go back and look in the
17 record at some of the proceedings we have, we have found
18 gaps that needed to be filled and we've asked it as part of
19 our study request -- not necessarily characterized as a
20 study request, but to fill that data gap that might have
21 been reasonably obtained. So it does open them up to
22 filling it and we're trying to get them to fill it prior to
23 scoping or at least prior to conducting the study plan
24 meetings.

25 MS. WEST: So I think David just gave us another
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1 incentive answering Joan's question is it might reduce the
2 number of studies if you do the work up-front and have a
3 quality PAD, even though he's not a licensee.

4 Okay. Questions from the regional offices or
5 comments?

6 (No response.)

7 MS. WEST: It's hard to do this across phone
8 lines and conference lines.

9 (Audible noises.)

10 MS. WEST: Oh, we've got a lot of playback.
11 Could you say who you are?

12 MR. MOLLER: This is David Moller with PG&E in
13 the San Francisco regional office. And I wanted to weigh in
14 on one or two questions that were asked there. In
15 particular, with regard to the concept of a draft PAD, and a
16 couple of thoughts on that. As far as I know, only one of
17 the seven ILP pioneers produced and distributed a draft PAD.
18 So that experience probably shouldn't be looked at as
19 typical at this point. And one of the things that all the
20 pioneers faced was these were the first PADs, there wasn't a
21 heck of a lot of reference material out there. So I think
22 future applicants will have the opportunity to look at PADs
23 that worked out well and probably have less of an inherent
24 need to produce drafts for external distribution to get
25 feedback on the adequacy or the potential success of the
26

1 PAD.

2 I'd like to point out the PAD is summarized in
3 the existing relevant and reasonably available information.
4 It's not the functional document. The functional document
5 will be the application coming some time later.

6 With regard to Ann's question -- two questions,
7 really: one about should the ILP regs be modified to
8 require additional steps or additional requirements in
9 advance of the NOI. I agree with Frank's answer on that,
10 that at least in our experience to date the regs worked
11 pretty well in the pre-NOI period and I agree that it's a
12 project-specific decision as to do things -- additional
13 actions. A draft PAD would be a good example. It sounds
14 like in Frank's project it made a lot of sense, he had the
15 time to do it, it sounds like on Canaan it would not have
16 made a lot of sense. So I think the regs are pretty good
17 there.

18 And then finally on this matter about the six
19 months. From my experience under the DeSabra Centerville
20 project, we could not have prepared the PAD in the six
21 months after filing the NOI. So I think the sequencing
22 seems correct and, among the pioneers, it does seem that
23 each of the pioneers has tuned their individual approach to
24 match the circumstances of their project and their
25 stakeholder groups.

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1 MS. WEST: Thanks, David. Let me just ask a
2 question that I think is what Ann asked that Liz didn't like
3 very much, which was if you made the NOI one date and the
4 PAD due six months later, would that help?

5 MR. MOLLER: I kind of like the idea of the two
6 being done at the same time. One of the things that I think
7 is a little bit of a misperception about the ILP and the
8 PAD, in particular, is people have started shifting their
9 focus away from the NOI and instead focused on the PAD. And
10 the NOI is still the triggerpoint that starts the
11 proceeding. So the idea of at the triggerpoint also
12 providing the summarization of the existing relevant and
13 reasonably available information then provides all
14 interested parties with a good starting point: okay, here's
15 the start of the proceeding, here's a solid summary of the
16 existing relevant and reasonably available information,
17 likely there's been outreach to get everybody prepared for
18 this point in time, now let's get ready for scoping. So I
19 think that sequencing of the two at the same time makes a
20 lot of sense.

21 MS. WEST: Okay. While I have a few licensees
22 who were engaged under this, a sort of follow-up question on
23 your timing of whether you choose 5 or 5-1/2 years. Do you
24 have any recommendations on how future ILP applicants might
25 make that determination? Why would you choose 5 or 5-1/2

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1 years?

2 David, do you want to start, since your live --
3 before you do that mute button again, and then I'll turn
4 back to other folks here?

5 MR. MOLLER: Oh sure. You know, a couple of key
6 considerations on that would be the seasonality issue, the
7 timing of when that six-month period starts and end and how
8 that fits together with having two full study seasons in
9 advance of preparing the application. And at least on the
10 West Coast, the way our seasonality is, it appears that a
11 filing relatively -- around the middle of the year probably
12 sequences out well in order to have the following year get a
13 full study season, having completed the study plan
14 preparation. So certainly that seasonality for two study
15 seasons is a key thing.

16 The other thing -- and this is interesting,
17 Frank's comment about having six months for review of the
18 draft PAD. Frankly, on DeSabra, we ran out of time. We
19 wanted to file earlier than we did, but we needed to move
20 later in the six-month period. So I think the actual
21 process of developing the PAD will at least somewhat dictate
22 when in that six-month period it's actually ready to go.

23 MS. WEST: Okay. Frank?

24 MR. SIMMS: Frank Simms, AEP.

25 I agree with what David's saying. I think the
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1 driver for us was we actually started when the application
2 was due and worked backwards to figure out when we submitted
3 our NOI and the process started, how that would fit into the
4 study seasons, just like David said.

5 I think one comment I have on that ILP process
6 that does have to do with schedule is, when we filed our
7 Notice of Intent, it actually got docketed a week before the
8 process plan schedule. In other words, you have the process
9 plan schedule in your PAD, you have everybody waiting or
10 anticipating that schedule, the agencies and the other
11 stakeholders, and what occurred was because it had got
12 docketed a week early -- the mail went quicker than we
13 anticipated in this case -- that it was going to change that
14 process plan schedule. So I think once you have your
15 schedule, you know, if you do happen to do something a
16 little early, I think the one thing is the schedule should
17 stay the same. That's just one comment I have on it.

18 MS. WEST: Okay. Other questions on PAD or
19 process plan folks?

20 MS. SHERMAN: This is Rebecca Sherman with the
21 Hydropower Reform Coalition.

22 MS. WEST: Hi, Rebecca.

23 MS. SHERMAN: I had a question about studies in
24 advance. You brought it up on your Power Point
25 presentation. You're talking about the quality of the PAD

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1 and getting all existing relevant and readily available, I
2 think, is the standard, but that sometimes where there are
3 large data gaps, in order to avoid wasting your study season
4 on information, it's helpful to do studies in advance.

5 And I was wondering, Frank, if you did any
6 studies in advance and, if so, what kinds or did you even
7 contemplate doing some?

8 MR. SIMMS: Frank Simms, AEP. We did not do any
9 studies in advance. And I think because of the
10 consultations that we had up front, there was really nothing
11 identified particularly for a need for that, so we didn't do
12 it.

13 MS. WEST: Any other applicants here that did?
14 Do you want to share?

15 John, didn't -- yeah.

16 MR. JOURDONNAIS: This is John Jourdonnais, PPL
17 Montana. We actually started doing initial studies three
18 years before we filed our NOI. We'd been through a fairly
19 lengthy relicensing proceeding ahead of that and were
20 working with some of the same agencies. We knew what kinds
21 of things would come up, and so we worked with agencies to
22 design just very general studies, presence or absence kinds
23 of issues that weren't very contentious, that weren't costly
24 and were low-risk to go out and resolve. So we started well
25 ahead doing those kinds of studies to help make the PAD as

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1 complete as we could.

2 MS. WEST: So this is low-risk meaning not
3 controversial --

4 MR. JOURDONNAIS: Right, presence or absence
5 kinds of things and just what are the basic issues out
6 there. If they're easy to answer, we started some of those
7 very early.

8 MS. WEST: Did that help you, Rebecca?

9 MS. SHERMAN: I'm sorry. We were playing with
10 the equipment over here. Yeah, it was very helpful, thank
11 you.

12 MS. WEST: Okay. Any other questions?

13 VOICE: Yeah --

14 MR. KEARNS: Jim Kearns, Public --

15 MS. WEST: Sorry. Who was that on the phone?

16 MR. DU WALL: Ari DuWall with Mead and Hunt.

17 MS. WEST: Hi, Ari. Go ahead.

18 MR. DU WALL: Thanks. Just more of a curiosity-
19 type question in regards to the draft PAD. I'm wondering if
20 one of the purposes behind it would be to get that
21 information in front of the agencies as far as what's been
22 collected to date and use that as the forum for making sure
23 that all the information that has been collected is in fact
24 the latest and the greatest, so to speak, type of
25 information. In other words, is it being done in design to
26

1 more prod the agencies to make sure that they have in fact
2 provided all the information they have?

3 MR. SIMMS: Frank Simms, AEP. That was one of
4 the thoughts in the draft PAD was putting it out there,
5 making sure that we had all the information. And the result
6 of the review of the draft PAD was not just the agencies
7 alone, but some of the stakeholders on our project who had
8 studies done on, let's say, water quality, came forth with
9 that information, saying well, this is available, that is
10 available. So it really helped, I think, make a better
11 final PAD.

12 MS. WEST: Any other questions, folks?

13 MR. LEVINE: This is Chris Levine with the State
14 of Montana.

15 MS. WEST: Hi, Chris. Go ahead.

16 MR. LEVINE: Actually I guess I got two comments,
17 mostly directed towards FERC. I think the FERC needs to
18 work with the applicants, the prior two -- kind of like what
19 Jon Jourdonnais said, you know, well before they actually
20 begin this ILP process. The companies know that they're
21 going to be relicensing and FERC knows that also. So if
22 they could start early contacting the state agencies,
23 especially the 401 certification folks -- because, I guess,
24 that's where I'm kind of involved in this thing -- early on
25 to develop this information knowledge base, if you will,
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1 that would definitely ensure that they had as complete --
2 and it also then would give the companies or the applicant a
3 chance to work with the agencies and figure out what their
4 needs are, the agencies needs are.

5 Especially with the 401 certification. In
6 Montana, I have a very short timeline that I have to follow,
7 it's in rule. So like within two months, 60 days, I have to
8 make a 401 certification decision, either be approved, deny,
9 or condition, much shorter than the one year that other
10 places may have. I don't know what other states are like.
11 But it would be nice if FERC would assist the applicants
12 early on to get the ball rolling, if you will, prior to the
13 PAD development or even your Notice of Intent.

14 MS. WEST: And what's the best way to get in
15 touch with you, Chris, is it phone call, meeting --

16 MR. LEVINE: Yeah, telephone works just fine.
17 You know, of course, e-mail works. But the biggest thing
18 is, yeah, start with a telephone call and say okay we're
19 getting ready to do this, it's a ways out, and then yes,
20 have some face-to-face meetings, get the Fish and Wildlife
21 and parks or whatever the agencies are called and some of
22 the other obvious, if you will, interested parties together
23 and start discussing what's gonna happen and when.

24 I think this ILP is such a tight schedule, this
25 is not my job, you know, full-time to do 401 certs or work

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1 on these hydro projects, so I have to put it in, you know,
2 wherever the cracks happen to be in my schedule.

3 MS. WEST: Okay.

4 MR. TURNER: And I guess I want to respond to
5 that, Chris. We are doing a number of things to work with
6 applicants. We're sending out a letter a year before the
7 expected date to remind them that they do have to prepare a
8 PAD and file it within another year or so. We are giving
9 them the heads up. And most of the pioneers, we have been
10 working with them on a number of workshops and outreaches to
11 make sure that folks are up to speed. Now that's kind of
12 because the ILP is new and we want to make sure everybody
13 knows what's going on, but it still seems to be very well
14 received from what we heard so far.

15 Now I might have been a little confused, what are
16 you suggesting, that the FERC needs to contact the agencies
17 or the applicant? We believe the applicant should be taking
18 that burden since he's going to be putting together the
19 information. But we're willing to work with everybody to
20 make sure they understand the process.

21 MS. WEST: I think Chris was suggesting that FERC
22 encourage the applicant to make the contact, is that right,
23 Chris?

24 MR. LEVINE: That is correct. The biggest thing
25 I guess is I see FERC's role as kind of the ringleader, if
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1 you will, for what's going to be going on, just trying to
2 get them prodded, the applicants prodded, and then the
3 applicant makes the contact. I appreciate Steve Hocking has
4 sent a couple notices to me, e-mails, indicating that a
5 project's coming up and things like that. That gives me a
6 heads-up and I can let people know that, you know, guess
7 what folks, we've got a five year project coming on on line.
8 And within state government, five years can be three or four
9 people. So you have to plan for that.

10 The other thing is a lot of times these older
11 projects, they're 401s -- or maybe they didn't have a 401.
12 So I don't even know that they exist, as long as it's a
13 state agency. So it really helps if I find out early that a
14 project is coming on and maybe we can start with the
15 applicant, some early studies, like John said, two or three
16 years out in front do these things, you know, closes all
17 gaps or fish surveys or things like that.

18 MS. WEST: Just to clarify, David, when do you
19 send the letter out to the licensees or the applicants?

20 MR. TURNER: We make it a practice to send that
21 letter out a year before their NOI is due, so it would be --
22 at the five year mark, it would be about a six year mark
23 forward of that license expiration.

24 MS. WEST: So six years, not 6-1/2. Got it.

25 All right. Any more questions on the PAD and
26

1 process plan before we move on to scoping?

2 (No response.)

3 MS. WEST: A silent bunch. So somebody needs to
4 help -- Robbin, I think, stepped out, Robbin Marks.

5 So if there are no further questions, I think
6 we'll switch to our next panelists. Let me thank those who
7 are on this line. You did an excellent job. You get your
8 candy bar back.

9 MR. SIMMS: Thank you.

10 MS. WEST: We'll be mailing ones to you Liz, Bea,
11 and Lauri. Thanks very much. And I hope you're going to
12 hang in the whole time.

13 So I think next up is our scoping panel. Robbin.
14 So George Martin and Robbin Marks are going to join us in
15 person, and Chris Levine and Jeff Gildehaus will be on the
16 phone. We're changing hats and cards and roles. So Jeff
17 and Chris will have -- will have your hats in your absence
18 as two resource agencies. Thanks for joining us on the
19 phone.

20 I'll do the same, I'll go through a few quick
21 slides on scoping and then we'll turn to Q&A.

22 (Slide.)

23 MS. WEST: Those of you who can see the slides,
24 now we're on to scoping. Helps stakeholders understand the
25 purpose of the FERC scoping meeting.

26

1 And I should say some of the themes we're hearing
2 is that this scoping meeting is at both a different time as
3 well as a somewhat different type of scoping meeting. So it
4 is a change from the other licensing processes. People
5 really encourage that this type of scoping meeting be an
6 interactive scoping meeting, that you really are
7 facilitating issue identification in the process.

8 Stick to the purposes of the scoping meeting. In
9 other words, be very clear about what's in on the meeting
10 and try to not clutter yourselves with things that you don't
11 need to address. Those things could be identifying the new
12 issues, those not identified already in the PAD, seeking
13 clarification of existing issues, things you may have
14 identified but others would want to define in their terms
15 what they think the issues are, and also you may have an
16 opportunity to eliminate issues that are not important, what
17 really isn't an issue that you need to address because it's
18 not that significant in this case.

19 You obviously want to discuss existing conditions
20 and information and use it as an opportunity, if you've
21 missed existing information, is there other existing
22 information out there. Explore what additional information
23 needs you're going to have; obviously that's leading to
24 potential studies. And discuss the process plan. Make sure
25 people understand what the process plan is, for that you
26

1 need licensing, so they can get a grasp of what their next 5
2 to 5-1/2 years are going to be about.

3 (Slide.)

4 MS. WEST: We heard this very loud and clear,
5 that's it's really important people become familiar with the
6 project and the PAD prior to the scoping meeting. Because
7 the nature of this scoping meeting is to identify
8 information that hasn't already been identified in the PAD,
9 people really need to know what's in the pad to be able to
10 meaningfully participate. So coming prepared is really
11 important.

12 And being prepared to discuss new issues and --
13 again -- or eliminate or refine the issues. And the
14 emphasis is on not rehashing issues that you've already
15 addressed in the PAD.

16 (Slide.)

17 MS. WEST: Especially depending on the
18 stakeholders you have engaged in the process, you might want
19 to consider having multiple locations and times so you can
20 increase public participation. Not everybody can come to a
21 day meeting, you might want to have some night meetings.
22 You might want to have it in different places, so those who
23 have an interest can participate. And participants being
24 prepared really enhances the success of the meeting.

25 Again, these are all comments we've gotten from
26

1 folks from the three steps we took leading up to today.

2 So now it's on to our panelists questions. On
3 the phone, we have Chris Levine from Montana DEQ, the Mystic
4 Lake project. Robbin Marks on my left from American Rivers,
5 and she's been involved in Smith Mountain. George Martin on
6 my right from Georgia Power and the Morgan Falls Project.
7 And Jeff Gildehaus on the Mystic Lake project for the Forest
8 Service. So welcome everybody. Thanks Jeff and Chris, by
9 phone.

10 So a question for all four of you this time: how
11 do you prepare for scoping, given the tight timeframes which
12 seems to be a recurring theme? What do you advise or
13 recommend for folks? How do you deal with that tight
14 timeframe? Maybe I'll start with Robbin on my left.

15 MS. MARKS: I think in our -- this is Robbin
16 Marks from American Rivers.

17 First of all, I just wanted to thank FERC for
18 hosting this meeting. Very helpful. We really appreciate
19 it.

20 I think we think that one of the most important
21 preparations that can take place for scoping is the PAD
22 itself. It really provides the basis for what happens next.
23 And, as we heard from the first panel, it's really important
24 that it be user friendly, complete, developed through a
25 collaborative process. Although we heard that maybe FERC
26

1 won't be rejecting deficient PADs, I think this forum right
2 now is an opportunity to really raise the bar and think
3 about how to develop a best practices guide that will
4 determine what a good PAD looks like and how to create one.

5 We also see some benefits for having perhaps a
6 scoping -- a second scoping document. The rules allow that
7 opportunity. And we think that's a good possibility -- good
8 opportunity to address issues that are raised during the
9 public forum.

10 MS. WEST: Okay. Thanks.

11 George, our other in person participant?

12 MR. MARTIN: First of all, I as well would like
13 to thank FERC for conducting the ILP effectiveness effort.
14 As we're only 18 months into the class of pioneer ILPs. I
15 think broad participation is a great idea and I appreciate
16 personally the opportunity to participate in the Columbia
17 regional panel and here at the technical conference in D.C.
18 So thanks FERC and thanks Kerns and West as well.

19 As we all know or as we've discussed briefly
20 already today, the purpose of the scoping process is to
21 formally identify the issues and interests within a certain
22 proceeding. Leading up to scoping, of course, there's a
23 wealth of communication that has taken place: the PAD has
24 been developed and distributed and is in the hands of the
25 participants for at least 90 days or longer. There may have

26

1 been a scoping document one issued and it, as well as the
2 PAD, could allude to a preliminary list of issues and
3 interests to be further considered during the scoping
4 process.

5 Needless to say, as all proceeding participants
6 approach and enter into the scoping process, they need to be
7 prepared. Participants should know the project. They
8 should have read and digested and read again the PAD and any
9 scoping documents related to the PAD and have communicated,
10 as appropriate, with one another during the pre-application
11 activities.

12 Strong leadership is needed to identify the
13 pertinent issues and those that just as importantly need to
14 be eliminated from further consideration. Significant
15 attention must be given to the existence of existing
16 relevant and readily available information. It goes without
17 saying that a keen understanding of project operations and
18 the environment is needed to identify and eliminate issues
19 for further consideration.

20 MS. WEST: Okay. Thanks, George.

21 How about Jeff? We haven't heard from you yet,
22 and then we'll go to Chris. Jeff, do you have any comments?
23 How do you prepare?

24 MR. GILDEHAUS: How do you prepare? Well, in the
25 Forest Service's mind, scoping takes two forms: first is
26

1 the internal scoping that was extensive and done to help the
2 applicant prepare the PAD, and PPL Montana did a very good
3 job of that, in helping form that PAD, which really I
4 believe helps define and eliminate some issues that would be
5 otherwise considered if they hadn't been talked about. So
6 the internal scoping that it had was critical to defining
7 the issues.

8 As far as the external scoping, I worked very
9 closely with Steve Hocking in identifying the times and
10 places that we would be able to receive the best and
11 probably widest scope of participants and comments. I agree
12 with what George has said earlier in that the people coming
13 to provide comment should be well prepared. One of the
14 things that at least I noticed in scoping is that we had
15 numerous representatives from the same non-government
16 organization providing essentially the same comment over and
17 over again, and I don't discard that or attempt to say that
18 that's not important, but I think that it would have helped
19 to consolidate the meetings and the time taken had they been
20 all together and just formed one group and had one
21 representative. But that's neither here nor there.

22 Scoping meetings did elicit the comments that we
23 were seeking and I thought that they were well participated
24 in for the most part. One location that we thought was
25 important for a scoping meeting turned out not to be so, but
26

1 I don't think you know that going into it. So it's better
2 to provide the opportunity than not.

3 MS. WEST: Let me just follow on before we go to
4 Chris. Anybody who were pioneers participating on this, do
5 you have any techniques to recommend to reduce redundancy of
6 sharing the same issue? Are there any ways in the scoping
7 meeting -- techniques anybody?

8 I see David wriggling with his mute button.

9 MR. MOLLER: One technique, actually two things
10 I'd like to share on that that I think proved to be
11 particularly useful is, one, between the time the NOI and
12 the PAD was filed and the time of the scoping meeting, we
13 did quite a bit of continued outreach to the interested
14 parties to try and help orient them as to how to use the PAD
15 and how to prepare for scoping. So they weren't just left
16 on their own to say well I've got this PAD and there's
17 scoping coming up, now what?

18 So we tried to give them quite a helping hand,
19 direct them toward certain parts of the PAD, how to use the
20 PAD. We pointed out that the PAD did have extensive
21 compilation and description of issues that they should look
22 at and encouraged them to come to scoping prepared to
23 discuss exceptions to the PAD or additions to the PAD rather
24 than rehashing the same stuff that was already well-
25 delineated in the PAD.

26

1 The other thing that we did as a technique -- and
2 we worked this out with FERC because the scoping meeting
3 really is FERC's meeting, was at the meeting itself we
4 brought in big posterboards that had all the issues by
5 resource area that were already identified in the PAD on
6 these large posterboards. And we formed -- we called them
7 kiosk stations, where in advance of just opening up the
8 floor and everybody talk about everything, we invited all
9 the stakeholders to go around to the kiosks, take a look at
10 the list of issues that were already identified in the PAD,
11 and then add any additional comments or issues to those
12 already identified. So we tried to reinforce this theme
13 that the PAD had already hit -- we thought 80 to 90 percent
14 of the issues, I think it ended up being 90-plus percent of
15 the issues. And so we had a very efficient scoping that
16 could focus then on the exceptions rather than a lot of
17 wheel-spinning duplicating what had already been done.

18 MS. WEST: Okay. Thanks.

19 Chris, how would you prepare scoping?

20 MR. LEVINE: It's a continuous process, really,
21 from the moment that the project is beginning its
22 relicensing, at least with the state agency. You know, I
23 was involved all the way along with it. So preparing for
24 the scoping just happened, because of the preliminary work
25 or at least exposure.

26

1 But one of the things I think for the non-state
2 government or, you know, certifying agency, the public I
3 think is really kind of at a disadvantage in that most times
4 they didn't even realize that this process of relicensing
5 even exists. So it's kind of tough on a larger project --
6 Mystic Lake is a small project and it doesn't have a whole
7 lot of issues, I think, as compared to some -- you know, a
8 big dam in a highly-populated area with endangered species
9 and all those kinds of things.

10 But even there, you know, somehow we have to get
11 the information out and the education -- I think there needs
12 to be a lot of education to let people know that they can
13 participate and what the project is, of course knowledge of
14 the project -- people have to see it. I think we had at
15 least one -- well, I guess it was an attempted visit to the
16 dam, we had six inches or a foot of snow in the middle of
17 June so the helicopters wouldn't take us up to the dam.

18 MS. WEST: It sounds like you're encouraging the
19 outreach David was recommending.

20 MR. LEVINE: And know what's going on to make an
21 efficient scoping. I guess that's about, you know, the
22 biggest thing for the scoping thing.

23 MS. WEST: Okay. Visit the project and read the
24 PAD and applicants lots of outreach is what I'm hearing.

25 Are there any other -- any on the panel, any
26

1 other tools and techniques? David shared one with his issue
2 posters and kiosks. Any other tools and techniques you'd
3 recommend to make the scoping meetings interactive?

4 MS. MARKS: I have a bunch of ideas. Robbin
5 Marks, American Rivers.

6 I think that there's a bunch of ideas about how
7 to make it interactive that we can think of. The first is
8 an open and transparent communications protocol that all
9 stakeholders have participated in the development of. And
10 that's not just a process plan, but that's really kind of
11 ground rules about how to communicate with each other and
12 that should be jointly developed.

13 We would recommend public hearings that are in
14 convenient locations and times, day and evenings. I should
15 say here that FERC and Smith Mountain did a very good job in
16 terms of really reaching out to all the stakeholders and
17 making the meetings really participatory. There were
18 meetings in the evening, during the day, there were several
19 meetings. There were opportunities for a lot of back and
20 forth and questions and answers. It was a very pro-active
21 process to reach out to everyone.

22 I think that encouraging open ideas and allowing
23 time on the agenda for interaction, recorded meetings, a
24 court reporter, maybe the meeting notes could be open for
25 comment. And then it may be that there -- depending on how
26

1 the meeting goes, there might be a need for another scoping
2 meeting.

3 I guess in terms of the FERC role in all of this,
4 the tenor and the tone of FERC's interaction I think is very
5 important. It's really important that FERC is seen as
6 objective and open-minded and avoids acting in a way that
7 prejudices the outcome and makes participants feel like they
8 can't ask questions for a lot of NGO's, you know, this is
9 their first time in the process and, you know, they need to
10 better understand it and kind of an open attitude on the
11 part of the FERC and the licensee is really important.

12 MS. WEST: Okay. Great list of suggestions.

13 Panelists on the phone, any ideas for tools and
14 techniques, or George?

15 MR. MARTIN: Well, I wouldn't bar any
16 communication tool or technique that you might come up with.
17 Of course, in preparing for the scoping process, there's a
18 lot of information that's been put out by the applicant.
19 Story boards, they do work well, as David had mentioned; I
20 agree with that. Project-specific video that might
21 facilitate the site visit itself. Day and evening meetings
22 to accommodate, you know, the resource agencies on their
23 time clock and the public on their off hours, off work
24 hours. I think it, again, to reiterate, is up to the
25 project specifics and the environmental issues and concerns
26

1 that you're dealing with.

2 But scoping is the next step as this process
3 builds. They're not separate and independent steps. The
4 PAD leads to the development of the scoping document with
5 consultation taking place initially -- initial consultation
6 with the tribes. You consider the Endangered Species Act
7 implications. You anticipate Clean Water Act requirements.
8 And you move in a sequential fashion to scoping. And I rule
9 out no tools or techniques to communicate and involve folks
10 and help folks better understand project operations to move
11 to the next step.

12 MS. WEST: Okay.

13 MR. LEVINE: This is Chris Levine again with
14 Montana.

15 I think since the scoping is a FERC
16 responsibility, it really kinds of puts a lot of pressure, I
17 guess, on the person who is, you know, working on the
18 project from FERC so that they know what the issues are up
19 front. Granted some of them, or quite a few actually, could
20 be in the PAD.

21 But I think the document, the first -- instead of
22 calling it scoping document one, it should be referred to as
23 a draft scoping. Because on a larger project at least, all
24 the issues won't be known.

25 And then I think it would be good if a -- quote -
26

1 - final scoping were to actually be issued by FERC. It
2 might take -- you know, and it might be just a simple change
3 to the title or it could actually be, you know, a revision
4 of the document. But I think two documents should be
5 issued, one actually called a draft so that it doesn't imply
6 decisions have been made. And then come up with a final.

7 MR. TURNER: Chris, we do do that as routine when
8 we do have -- we do issue what we call a scoping document
9 one, hold the scoping meeting, and issue scoping document
10 two when we do have revisions that warrant changes. So I
11 don't know if we did that at Mystic because we may have
12 actually --

13 MR. HOCKING: Steve Hocking with FERC. I'm the
14 coordinator for the Mystic Lake project. At Mystic, we only
15 issued one scoping document. At the end of the scoping
16 meetings, I did take a poll specifically to see whether
17 folks felt like a second scoping document was needed, and
18 nobody felt that one was, so we did go with just a single
19 scoping document.

20 MS. WEST: And is that because what was in
21 scoping document one wasn't going to significantly change to
22 scoping document two?

23 MR. HOCKING: That's correct, yeah. Plus, PPL
24 Montana had chosen to do kind of pre-scoping. They had a
25 series -- two days worth of meetings to do scoping prior to
26

1 our actual, you know, official scoping meetings. So we had
2 the issues nailed down pretty well.

3 MR. TURNER: I've got a question to follow-up to
4 the panel though. The concept of a lot of this interaction
5 early on to talk about issues, get an understanding, we've
6 seen a lot of positives. But I'm wondering if any of the
7 applicants out there found that they scoped it to death so
8 that people didn't come to scoping?

9 MS. WEST: Any of the applicants, pioneers, want
10 to take that one?

11 Is there such a thing as scoping it to death? Frank?

12 MR. SIMMS: Frank Simms from AEP. I kind of wish
13 we would have, because everybody showed up.

14 (Laughter.)

15 MS. WEST: You mean that's the goal is a really
16 poorly-attended scoping meeting.

17 MR. SIMMS: Right. That's the goal.

18 (Laughter.)

19 MR. SIMMS: Actually, I don't think you could
20 scope it to death. I mean, the idea is you're trying to get
21 everything out there so that when you get into your study
22 plans and you get into your application, you've got
23 everything covered. So no, I don't think you could scope it
24 to death, personally.

25 Can I go into one of the problems we had though

26

1 with the scoping?

2 MS. WEST: Sure.

3 MR. SIMMS: And we're talking scoping document
4 one and scoping document two, and I'm going to try to
5 explain this the best I can. When scoping document one came
6 out, we were basing our study plans in our case on what we
7 saw from scoping document one, plus what we saw from the
8 scoping -- you know, the scoping meeting.

9 What occurs then when scoping document two comes
10 out, it came out the same day that our study plans were to
11 be filed. It makes it a little clumsy in that if you had
12 scoping document two first, you may make some decisions
13 reflective of that scoping document into what study plans
14 you're going to prepare. So that's kind of a clumsy part of
15 the schedule that we've seen.

16 MS. WEST: So ideally SD-2 would come out ahead
17 of study plans?

18 MR. SIMMS: I believe so.

19 MR. MOLLER: Anna, this is David Moller of PG&E
20 in San Francisco.

21 MS. WEST: Yeah, go ahead.

22 MR. MOLLER: I'd like to respond to your question
23 about over-scoping or the potential for over-scoping.
24 Because whether it's scoping or study plan development,
25 performance of studies, or PAD preparation, the ILP provides
26

1 some very good tools and some very discrete steps and
2 timeframes for performing those steps. I think it's
3 incumbent on all potential applicants not to undo those
4 steps by spreading those steps out or prestepping the
5 defined steps.

6 At the same time, there are many things that a
7 potential applicant can do to enhance the success of each of
8 those steps. And those may include things like outreach,
9 assistance preparing interested parties to participate in
10 scoping, it might include performing some select studies in
11 advance of the study plan development. But I think it's
12 important for potential applicants to more or less adhere to
13 the structure of the ILP and not undo that structure and get
14 us back, instead of an integrated process having a
15 sequential or unintegrated process. So focus on
16 enhancement, but not undoing the basic steps.

17 MS. WEST: I'm just thinking -- in response, it
18 was David's question about overdoing outreach. And some
19 processes that have long, collaborative processes, you do
20 have stakeholder burnout. So it has been an issue. I guess
21 what you're suggesting, David, or let me beg the question,
22 with the tighter timeframes and logic of the ILP working in
23 sequence, you're suggesting the additional outreach or extra
24 activities, you might not have the burnout because it
25 doesn't go on for agonizing year over year in that intense
26

1 mode?

2 MR. MOLLER: Right. And to not reinsert that
3 burnout by stretching all those concise steps into a bunch
4 of spread-out steps. And so I'm trying to emphasize
5 augmenting the steps that ILP provides, rather than ungluing
6 those steps and spreading them back out.

7 MS. WEST: So keep the same steps and then, when
8 it's an intense moment, think of doing extra outreach to
9 enhance the quality of that step.

10 MR. MOLLER: Exactly. So, for example, since the
11 ILP does provide for focused scoping led by FERC consistent
12 with NEPA requirements and ideally if a state agency has a
13 state environmental document to prepare too, coinciding that
14 is to help everyone successfully prepare for an efficient
15 and effective scoping process and not have a bunch of
16 separate scoping processes that kind of unwind the focused
17 scoping processes.

18 MS. WEST: Right.

19 MR. MOLLER: Help everyone prepare, as opposed to
20 undoing it.

21 MS. WEST: Sounds good.

22 Any other comments and now, time-managing
23 ourselves, any other scoping comments? Panelists? Before
24 we adjourn for a short lunch for folks on the East Coast?
25 One question. Hold on.

26

1 MR. YOUNG: Kevin Young, Lewis Berger group. It
2 didn't come up when we were talking the PAD, but I think it
3 highlights that one of the primary purposes of the PAD from
4 the applicants perspective is to do scoping, to identify
5 those issues and make sure the stakeholders have the
6 information to realize why the applicant thinks there are
7 issues.

8 MS. WEST: Thanks.

9 MR. LEVINE: This is Chris Levine again with
10 Montana.

11 One of the things that are on the questions here
12 is about with the scoping is to decide that certain issues
13 do not need to be addressed or if they can be put aside as
14 not -- you know, some decision is made that it's not a
15 significant issue or something of that nature. And that's
16 really something that I find quite difficult to comprehend,
17 how at a meeting you're going to have a decision made that a
18 particular question or issue really doesn't need to be
19 addressed or it can be -- you don't need a study for it or
20 something like that. Because in most situations, you're not
21 going to have all of the interested parties who should be
22 making those kinds of decisions -- sometimes you do. But I
23 think that at the scoping it should be just kind of an open
24 what are the issues and do you lay them all out and don't
25 make any decisions on which ones need to have a study at
26

1 that time and which ones would need a study.

2 MS. WEST: So maybe what you're suggesting,
3 Chris, the way you eliminate issues is by the time you're
4 done all your outreach and your scoping meetings, it's the
5 absence of issues that have come up is a way to eliminate
6 issues. If they're not mentioned, then maybe they're not
7 relevant for that particular project?

8 MR. LEVINE: I think that would be a better way,
9 if it doesn't come up, then you don't have to do anything.
10 Yeah.

11 MS. WEST: Okay.

12 MS. MARKS: I guess I would amplify this. Robbin
13 Marks from American Rivers.

14 You know, when you look at the purposes of
15 scoping in terms of evaluating the direct, the indirect, the
16 cumulative impacts, the range of alternatives, you know,
17 it's hard to at that point determine what is a superficial
18 issue and rule it out. I think scoping should be thought of
19 as kind of a broad opportunity to examine all the issues out
20 there and put them on the table.

21 MS. WEST: Thanks. Any other comments? George?

22 MR. MARTIN: I'll just -- the scoping process is
23 indeed directed at identifying the issues for further
24 consideration. And there are certain issues that will come
25 up that just don't warrant further consideration, and that's

26

1 what scoping is all about. I think we need to be very
2 diligent during the scoping timeframe, stay with the
3 timeframe, and make those things happen. And I think it's
4 incumbent upon the applicant to provide the information
5 that's necessary to lead that discussion and it's up to FERC
6 and the other regulators to understand when we come upon
7 issues that are just unrelated to the continued operation of
8 the project and any effects that might be placed upon the
9 environment. And that's just what it's all about. I mean,
10 you have to buckle down and come to some final list of
11 issues that warrant further consideration. It's a tough
12 job, but that's the goal of scoping.

13 MR. GILDEHAUS: This is Jeff Gildehaus with the
14 Forest Service.

15 Having not seen the final NEPA document that will
16 come out with PPL Montana, Mystic Lake project, I would also
17 think that if there were comments that were given in the
18 scoping process but that were not substantive issues, that
19 in that final document that it would be disclosed that these
20 were issues brought to our attention but, for one reason or
21 another, did not warrant any further review or consideration
22 or were dismissed from further review. So there's a way to
23 document that as well in the NEPA document itself.

24 MS. WEST: It sounds like that's tracking with
25 what George was recommending as well.

26

1 MR. MARTIN: Right. And I don't want to say that
2 once the scoping door closes, it's over. It's a sequential
3 process. You therefore later receive further comments on
4 the PAD and on the scoping document and it's incumbent upon
5 the licensee to put together a proposed study plan which
6 undergoes further comment and consideration and review and
7 more meetings. And the issues tend to be further discussed
8 and further refined during that process, and then you
9 finally come up with a final study plan which -- it should
10 address the issues that need further consideration. It's
11 not all said and done once that scoping meeting has been
12 concluded. There are further subsequent steps before you
13 lead to the director's determination.

14 MS. WEST: Okay. Any other comments?

15 (No response.)

16 MS. WEST: We're a little bit over, so I think
17 it's time for our break, time for candy bars for our great
18 panelists. So we will mail you some on the phone and George
19 and Robin, thank you.

20 We will start promptly at 1:00 East Coast time,
21 so it's 20 minutes. That means for the folks here the
22 cafeteria is right there and I hope the lines are quick, but
23 we will restart at 1:00 in fairness to folks hanging on in
24 the phone and the videoconference.

25 (Whereupon, at 12:40 p.m., the conference was
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1 recessed, to reconvene at 1:00 p.m., this same day.)

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1 AFTERNOON SESSION

2 (1:05 p.m.)

3 MS. WEST: Let's get started. We have two more
4 topics this afternoon and a nice new panel freshly with us.
5 Now we're going to do study requests and study plan
6 development. And I should note -- I think everybody knows
7 in this situation we're only going up through the study plan
8 process because not many licensees have gotten beyond that,
9 so we're going to limit our conversation there.

10 Just to give a heads-up of who's with us in this
11 panel, we have Jim Canaday from the State Water Resources
12 Control Board in California with us on the phone. Jon
13 Jourdonnais on my left from PPL Montana, the Mystic Lake
14 project -- oh, Jim is on the DeSabra-Centerville project.
15 Elizabeth Nicholas from the Upper Chattahoochee River
16 Keepers with me on my right from the Morgan Falls project.
17 And we had Kathy Turner, but instead we have Dennis Smith
18 from the Forest Service participating by phone, who's also
19 on the DeSabra-Centerville. So thanks panelists. I'll do
20 my usual up front with a few slides on what we've heard so
21 far.

22 (Slide.)

23 MS. WEST: Many stakeholders want the applicant
24 to include as much study detail as possible in the PAD, and
25 I'll show these recommendations and come back to them in the
26

1 Q&A, because this has been an important best practices
2 discussion we're having together. They use the study
3 criteria to explain why the information is needed and the
4 criteria are also helpful -- people feel they are very
5 helpful and we need to be careful to use them constructively
6 in a neutral manner.

7 (Slide.)

8 MS. WEST: Stakeholders might consider working
9 together during the study request phase. As we'll get into
10 in the discussion, the criteria that you now need to use in
11 requesting studies takes a fair amount of effort and
12 thought, and some have more resources than others and so
13 sometimes it's helpful to work together with others,
14 combining your expertise and resources to address the issues
15 you want to address for studies.

16 Consider posting revisions of study plans on the
17 project website for faster and more efficient stakeholder
18 review. The idea here is that if you're one of the active
19 stakeholders engaged in this study plan development process,
20 it's really helpful if the applicant posts the latest draft
21 up on the website and that way you know -- you can pull it
22 down and know you're working with the most recent version
23 that you need to look at and review for your own comments.

24 (Slide.)

25 MS. WEST: The study plan template in the PAD can
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1 be helpful to stakeholders in drafting their requests. This
2 is going one step beyond the seven criteria but sort of
3 putting together a mock study plan request so people can see
4 what one looks like and that gives them an indication how
5 they might want to consider filling out the study plan
6 request.

7 Informal study plan workshops before the release
8 of the proposed study plan is helpful or can be helpful.

9 And I think that's it for my up-front
10 conversation before we go into questions.

11 So giving ourselves a little more time for the
12 Q&A, I'm going to ask some of you questions, not all of the
13 panelists all the questions so we can move it along. So the
14 first question I was going to ask for both Jim on the phone
15 and Jon with me, how do you determine how much detail should
16 go into the PAD, the study requests, and the study plans,
17 and that's a large question. And how do you address the
18 advantages and disadvantages of each, given that people are
19 recommending a lot of detail in the PAD, for instance, how
20 do you deal with then other stakeholders having ownership in
21 what's being shared and presented? So how do you recommend
22 addressing the level of detail in each of those stages?

23 Jon, since you're here, do you want to start?

24 MR. JOURDONNAIS: Sure. Thanks for the
25 opportunity to be here today.

26

1 On a lot of older licenses, there simply is no
2 real information that's been gathered at these projects, and
3 so stakeholders and applicants might be starting from ground
4 zero. That was the case at Mystic. And so there isn't a
5 lot of technical information and studies that had been done.

6
7 We started early enough that we had a couple of
8 extra seasons of study to prepare. But the level of detail,
9 of course, in the study plans themselves probably is driven
10 by good science. More general types of questions, you know,
11 require more general kinds of studies. Very difficult or
12 controversial issues might need more focused, more intensive
13 studies over a couple different study seasons. I mean,
14 that's probably taken for granted by all the parties here.

15 So another question might be how central is the
16 issue that's to be studied to the actual PM&E plan that you
17 anticipate preparing. I mean, some of the issues are
18 general resource-based issues. In some cases, they're
19 questions that agencies have because they haven't actually
20 done work themselves on their own system and are waiting for
21 the relicensing window to open to have an applicant help
22 them gather that data. That's been the case for us a couple
23 times.

24 But the project nexus continues to be really the
25 focus of studies. What actual effect does the project have

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1 that resources -- for the different resources question, and
2 so that really drives I think the level of detail that's
3 required.

4 MS. WEST: Okay.

5 Jim, do you want to take a crack at it?

6 MR. CANADAY: Well I think it can be, you know,
7 only experiencing one PAD, so it's kind of hard to look at a
8 range of different methods of doing it. But as far as the
9 studies that come into the PAD, they can be generic -- and
10 that's the case basically that we had, was, you know, kind
11 of broad brush, broad areas, here are issue areas that we
12 intend to study, and then some general language about the
13 study but not detailed as far as protocols or these kinds of
14 things. So you can come in that way. And that's fine.

15 However I think, like I said, when we had the
16 Sacramento mean, I don't think it -- then it falls to the
17 agencies or the other interested parties to develop a study
18 plan for the licensee. I think what we do is then work with
19 the licensee to flesh out that and work through that.

20 The optimum way might be to come in with very
21 detailed study plans and protocols, and that way the
22 participants know whether there is a study there that
23 addresses their issue. And, if not, then indeed it's
24 incumbent upon them to go through the seven steps and
25 describe the study that they want to have done and comply
26

1 with the seven steps.

2 But there's different ways to do it. I don't
3 think there's just one hard and fast way that works. I
4 think it's flexible within the regs.

5 MS. WEST: So but am I hearing that if you had
6 your druthers -- and the information existed, which in Jon's
7 case, it didn't -- you would recommend more detailed study
8 plans going into the PAD?

9 MR. CANADAY: Well, that's helpful. You know,
10 the more information available -- I mean, FERC has -- or the
11 Commission has made statements that the studies -- if you're
12 going to design studies, you want them to answer resource
13 goals and objectives and you base those study requests on
14 existing information. So as detailed information as can be
15 in the PAD and detailed studies that are going to address
16 that information that isn't in the PAD, the better off you
17 are, I think.

18 But nevertheless, it depends a lot on the
19 licensee and we've -- or I personally think that the
20 licensee that we're working with on the PAD at DeSabra has,
21 you know, set the bar pretty high. They've been very
22 cooperative and we've worked very diligently together and I
23 think we've had a successful outcome.

24 MS. WEST: So I'll just follow up and then I'll
25 ask if Elizabeth or Dennis have anything to add. But how do
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1 you deal with ownership -- if the licensee puts a lot of
2 detail in a study plan in the PAD, then how do the agencies,
3 NGOs, other stakeholders feel as though -- you know,
4 sometimes it's the process of inventing that creates that
5 ownership.

6 MR. CANADAY: But I think you need to create
7 inertia, and that's indeed what this process is all about,
8 is to have a process that's rolling. I've seen over the
9 years of working in relicensing there's a lot of hand-
10 wringing that goes on and, of course, that takes time. And
11 while I think the ILP process -- I'm very much in favor of
12 it and I think it's a great idea. Because it creates the
13 opportunity for this initial inertia.

14 We have time -- if we have disagreements or
15 better ways of doing it, there is a process by which the
16 licensee and the public and the agencies can work through
17 that. So, you know, I think that as much as you can put on
18 the table and start the inertia going, in my view, that's as
19 good as it gets.

20 MS. WEST: So you mean if the applicant puts a
21 lot out then there's a momentum? And it sounds to me as
22 though you're working together in then refining the study
23 plans, is that right?

24 MR. CANADAY: Correct.

25 MS. WEST: Okay. Elizabeth or Dennis, anything
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1 to add before another question?

2 MS. NICHOLAS: Well, I think it's critical to
3 have a very high level of detail and specificity in the PAD
4 and the proposed studies in the PAD really need to address
5 the study criteria. Without any of that information up
6 front, it's extremely difficult for stakeholders who don't
7 have the same access to the facilities, operational history,
8 consultants or anything else to be able to then try and
9 craft requests that address, you know, very detailed
10 criteria. So I think it really needs to come from the
11 applicant and come as early in the process as possible.

12 And I think for ensuring the right kind of
13 information throughout the study plans, there needs to be
14 continuing dialogue and feedback from different stakeholders
15 to allow -- if there are, you know, bad assumptions in there
16 or some areas missed or they're concentrating on the wrong
17 aspect, to get that fixed, identified as quickly as
18 possible, and move towards a more effective study plan.

19 MS. WEST: Okay. Thanks.

20 Dennis, anything to add?

21 MR. SMITH: Yeah, I actually would go further.
22 Our comments on the PAD and the study plans were 202 pages
23 because of the seven criteria that we had to address. And
24 in the PAD, the study was defined as a one sentence with a
25 paragraph, a general description of the study. And it was

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1 so non-specific -- and I'll say that most of these studies
2 are out there already on the shelf. You can cannibalize
3 those, but have already been done and tailor them for the
4 specific project. And the consultants that people are
5 hiring have those and plus the agencies have those. If they
6 had asked the agency, we could have supplied a study plan
7 from previous relicensings. So that put an undue burden on
8 us -- you know, it took 10 people I don't know how many
9 weeks to go through each study.

10 The other thing is there was, on this particular
11 PAD I think there were 44 studies that were proposed, 15 of
12 which were going to be conducted in the first year. Because
13 of the shortened timeframe, we're running out of time in
14 those difficult studies to develop those studies, and
15 consequently a lot of the onus is on the applicant to get
16 those studies developed earlier rather than later.

17 And I'll give you a good example. We just found
18 out -- we could get up into the high country because of snow
19 last year, so we just got up this weekend and we have to
20 completely, I think, redevelop the geology study because
21 there was a severe downcutting in one of the spillways. The
22 applicant has told us well we don't have time to do that,
23 you won't get to see that until we submit that to FERC. So
24 there's no opportunity -- and plus they had prior knowledge
25 of this, they didn't develop the study. So if you're not
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1 pro-active, you know, we're left with nothing but going to
2 dispute resolution if we disagree with that study.

3 So I really think, one, the applicant should
4 start a year earlier and, two, that a fully developed study
5 should be in the PAD so we can hit the ground running as
6 soon as we get that PAD. Because I think we've really
7 wasted three or four months in that process that we didn't
8 have to waste.

9 MS. WEST: So that's the advantage -- I hate to
10 tell you, but you're all pioneers for a reason, because
11 we're learning from your experiences. And I think that some
12 have hesitated to put detail in the PAD, thinking that it
13 was important for others to contribute, but it's a different
14 process and we're learning from it. So I think we're
15 hearing resoundingly encouraging detail in the PAD to the
16 extent you have it.

17 MR. SMITH: The difficulty with the applicant is
18 you have agencies like the Forest Service has gone through
19 tens of these, if not hundreds, and we're up to speed. Then
20 the NGOs, especially the local NGOs, are not up to speed.
21 So you're dealing with two different levels of expertise.
22 And I think, you know, it's hard in this process to bring
23 those up.

24 The other thing that's going to be evident is
25 that, you know, you start out with a cast of thousands and
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1 by the time six or seven years has gone by, you're down to a
2 few hard-core, you know, devotees to this. And so I think
3 you need to keep that in perspective, that, you know, those
4 local people may drop out.

5 MS. WEST: Right. Maybe we won't burn them out
6 quite as badly because of our tighter, more efficient
7 process here.

8 How about -- the next question: what we've heard
9 so far is that the stakeholders responding to the
10 applicant's PAD study requests have had the most difficulty
11 dealing with the study criteria six and seven, the
12 methodology and the level of effort and cost. So do folks
13 of you who have gone through this have recommendations for
14 what to do to help address those two difficult criteria?

15 Elizabeth, you want to start?

16 MS. NICHOLAS: Okay. Well, first off, I'd
17 actually say that that wasn't our situation, that we found
18 Nexus to be the biggest hurdle, in part because it does seem
19 to be somewhat of a moving target and in part because we
20 haven't really had any good feedback from FERC. We have
21 throughout the process, in our comments on scoping, proposed
22 study plan, revised study plan, asked a lot of questions of
23 the agency as well as in the meetings of the kind of detail,
24 information that should be included, how that ties to
25 project operations, how we fit the NEPA process in all of
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1 this, and that would really impact our ability to show Nexus
2 if we better understood how the agency is going to review
3 this information, what factors they're considering and
4 looking at. And we haven't had any responses on this, which
5 is kind of frustrating and making it more difficult for us
6 to move forward.

7 MS. WEST: Agencies being resource agencies or
8 FERC or both?

9 MS. NICHOLAS: Both. So I think there needs to
10 be better communication from FERC on a lot of these issues
11 and particularly understanding that this is a new process
12 and so there are a lot of issues that will come up along the
13 way and we could really do with a lot better guidance on how
14 to address them.

15 And as far as, you know, addressing the criteria,
16 really applicants have access to a lot of information that
17 we simply will never have as stakeholders. For example,
18 discussions with consultants about actually preparing and
19 implementing studies possibly having done studies in the
20 past, cost information about these things.

21 And where that information is not provided to
22 anyone in the process from the applicant, it doesn't make
23 sense to hold other commenters, other stakeholders, to a
24 standard of providing information where they really don't
25 have the same access to that kind of information. The
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1 burden really needs to be on the applicant to put forward
2 enough detail so that when other stakeholders are reviewing
3 that or possibly supplementing or proposing different
4 studies, they have some good solid information to base those
5 proposals on.

6 MS. WEST: Okay. Jim, do you want to handle this
7 question on, you know, how have you handled or how would you
8 recommend addressing criteria six and seven in the study
9 criteria?

10 MR. CANADAY: Well what's really important with
11 the criteria as far as cost that -- I forget which number it
12 is, seven I guess it is -- is, you know, what is the
13 Commission looking for? Are they looking for a number that
14 is within 10 percent of the likely real cost, are they
15 looking for a ballpark number? Because it makes a big
16 difference what detail you go into as far as the study.

17 So understanding what FERC is looking for is
18 important to me. And I'm not sure yet what exactly they're
19 looking for.

20 MS. WEST: I'm gonna ask David.

21 MR. TURNER: Well, actually what we're doing it
22 trying to get a handle on what your scope is as much as it
23 is cost. When it really comes down to trying to compare
24 whether an applicant needs to do the Cadillac version versus
25 the Volkswagen is what we're going to have to base our
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1 decision on versus the quality of the data that you're
2 asking to gather. So when we're looking at that study
3 criteria, we're not trying to understand the level of scope
4 and effort that you believe is necessary to gather the
5 information you need.

6 MS. WEST: So for instance, does that mean for
7 cost you could say it's a relatively low cost for the high
8 value of the information you're getting?

9 MR. TURNER: Yeah, we're trying to get into at
10 least the ballpark of what you're trying to do so that we
11 can compare -- I think it becomes more critical when we're
12 trying to decide between what an applicant is proposing and
13 what an agency or an NGO might be proposing is is the
14 quality of the information you're going to get worth the
15 additional effort and cost that it might be to the
16 applicant?

17 It really actually is trying to put -- make you
18 think about what you're trying to get at and what you really
19 need from it. So it's just kind of a ballpark so that we
20 have a good idea of how to compare the two.

21 MS. WEST: So you could almost be saying a lot
22 more than the applicants or about the same as the
23 applicants? I mean, what kind of detail --

24 MR. TURNER: Along with some justification. I
25 mean, it's kind of like --

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1 MS. WEST: I'm hearing you say the justification
2 is more important than the actual costing information.

3 MR. TURNER: Probably, yeah.

4 MS. WEST: Did that answer your question, Jim?

5 MR. CANADAY: Yeah, no, that's quite helpful
6 because we've been struggling to try to understand how much
7 detail they want. And I think the explanation of what
8 they're looking for is a fair one. But we just weren't sure
9 if they were looking for a completely cost-out study, then
10 that's a different issue and would be, you know, a challenge
11 or a roadblock particularly for NGOs but for us as well.
12 But based on his explanation, this seems reasonable.

13 MS. WEST: Okay. Jon, did you want to comment on
14 this one?

15 MR. JOURDONNAIS: Yeah. I think that criteria
16 six and seven are important but they weren't the most
17 difficult for us, and I really don't consider them the most
18 difficult. Probably I would suggest that number one, goals
19 and objectives, and number five, the Nexus are the most
20 difficult.

21 Just to get our arms around goals and objectives
22 from all the different agencies and stakeholders, you know,
23 is probably the foundation for why we're doing anything.
24 It's what's driving them for the regulations they have and
25 other things. And that was and has been probably the most
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1 important thing for us to get our arms around. And then
2 focusing those goals and objectives on the Nexus to the
3 project operation or impacts was always something that we
4 needed to continue to remind ourselves. And so I would see
5 those, number one and five, being actually more difficult.

6 MS. WEST: So actually it sounds like Jon and
7 Elizabeth are agreeing that clearly goals and objectives and
8 then being clear about what the nexus is to the project is
9 the most challenging?

10 MR. JOURDONNAIS: We didn't struggle a lot with
11 methodology or science. We had biologies from agencies in
12 the company working together in the field, and they worked
13 out fairly quickly what needed to be done. And our
14 stakeholders were fairly conscious of cost, because early on
15 we talked about it being a small project with a low economic
16 potential to do things very creative, although we were
17 surely going to mitigate for our impacts. Those things were
18 all discussed up front. So we didn't have to wrestle with
19 those issues too much.

20 MS. WEST: Okay. Dennis, do you have anything to
21 add with your 200 page request?

22 MR. SMITH: You know I would only say that some
23 methodologies were no-brainers because we've done them so
24 many times there's nothing new on the horizon. Other
25 methodologies -- like take amphibians. In California,

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1 amphibians are where we were at with fish 10 to 20 years ago
2 in study development. The methodology is continually
3 evolving as we find out more and more how the projects
4 impact the animals. And so those are difficult and those
5 are the ones that, frankly, we've left kind of until the end
6 to make those hard decisions.

7 The issue of cost, level of effort and cost,
8 unless you're a consultant, you know, an agency really
9 wouldn't know how much it would cost because we never see
10 the applicant's balance sheet of how much they actually pay
11 for a study to the consultant, and plus their in-house
12 personnel. So we just ballpark that and it's a total swag.

13 MS. WEST: Okay. Anything else, folks?

14 (No response.)

15 MS. WEST: All right. We'll try the next
16 question.

17 In the ILP process, you have a higher bar for
18 adding new studies later in the study development process,
19 once the study plans are approved and you're off doing
20 studies; in later years if you want to introduce new
21 studies, it's more difficult. So how do you anticipate
22 future study needs in your initial study request when you're
23 dependent on the study results to know -- later study
24 results may bring up a new study request in mind. So how do
25 you anticipate those and put those in your initial study
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1 request? Anybody want to take that one on?

2 MR. JOURDONNAIS: This is Jon Jourdonnais. I
3 think it's uncertain when you start a series of studies what
4 follow-up is going to be required. And I think, too, with
5 the short study window you have, a two-year window in ILP,
6 you're trying to compress all the study needs into at least
7 a two-year window, maybe a one, and answer all the questions
8 you think you're going to need to move on from there. So it
9 becomes an issue of trying to compress all the studies -- in
10 our case, 18 -- into a very short study season or window of
11 up to two years and try to do all we can.

12 Questions aren't totally answered maybe within
13 that timeframe, I think one needs to step back and ask how
14 essential the information is to move forward to say a
15 preliminary licensing proposal or a final license
16 application, because some of these data needs may be long-
17 term monitoring needs that could continue over the course of
18 the license on intervals, and they aren't really required
19 right now to answer up front questions to develop PM&E for
20 example. So maybe there's a balance in how important the
21 information is to, you know, develop PM&E versus how
22 important it is to just continue to monitor certain things
23 over the term of the license, which, you know, maybe is a
24 different level of detail.

25 MS. WEST: So where you think it's -- the
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1 provision would likely be a monitoring provision, then you
2 don't have to worry about it three years up front because
3 you're going to do third-year moyers forever after.

4 MR. JOURDONNAIS: And those are going to be
5 study-specific and project-specific.

6 MS. WEST: Okay. That's one suggestion.

7 Elizabeth, do you have one?

8 MS. NICHOLAS: Yes. I think that the best way to
9 combat this sort of problem is to have continuing work
10 groups and dialogue. So that as you're going along in a --
11 well, first the development of the plan, but then as you're
12 going along with the study and new issues come up, you have
13 people there who are looking at it and are able to maybe
14 adjust the study or make decisions on how to move forward
15 based on the information you're finding out as you go along,
16 instead of waiting until the end of the process when the
17 study has been completed, people have their comment period.

18
19 Getting that information to everyone involved and
20 interested and having them work together on it throughout
21 the implementation of the studies I think will make it much
22 more -- everyone much more able to get all of the
23 information they need out of the studies and deal with
24 having to add on additional studies if necessary.

25 MS. WEST: So I'm hearing sharing study outputs

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1 frequently and on-going consultation would help.

2 MS. NICHOLAS: Yes.

3 MS. WEST: All right. Dennis or Jim?

4 MR. CANADAY: Well I'll speak to one example. If
5 we're working with a licensee and we want them to do kind of
6 a reconnaissance survey the first year and then if we get --
7 let's just say we're talking about water quality and we're
8 looking for mercury. And we're asking them to do fish
9 tissues and look at some of the substrates behind the dams,
10 we would say okay well the first year we're going to do this
11 kind of reconnaissance and then if, indeed, we have some
12 hits, we'll look at that and see, you know, in the second
13 year if indeed we need to do a more intensive survey. So I
14 think there has to be some flexibility there for those kinds
15 of things.

16 And I think the reason for this particular -- the
17 burden of coming up with new studies is in fact to avoid
18 late hits. And I will be the first one to suggest that
19 those things happen. So I don't think it's there to
20 discourage the going after important information. And there
21 has to be some recognition that some of these things, as we
22 go to study them -- particularly like one of the other
23 commenters said, they're coming into a project with very
24 little information. So it's like a new project, brand new
25 project.

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1 So as you go into the field and conduct your
2 studies and you may, indeed, come up with more questions
3 than you have answers and some of those questions may need
4 to be answered. So there has to be that kind of
5 flexibility.

6 MS. WEST: So you're saying make sure there's
7 flexibility in the initial study plan to acknowledge that
8 you may adjust methodology, intensify the process based on
9 what it is you're finding.

10 MR. CANADAY: Correct.

11 MS. WEST: Okay. Dennis?

12 MR. SMITH: I agree with Jim and Elizabeth both.
13 I think we need to keep these study groups going as the
14 studies go on and make decisions throughout the process.
15 One way we've done it on the DeSabra is we have a phased
16 approach, a tiered approach. So depending on the first year
17 studies and possibly the second year studies, we decide what
18 level of effort is needed for that last year in the study.

19 The difficulty I think is with dispute
20 resolution. And I think we've solved that. FERC has said
21 that we can have dispute resolution in the second year if we
22 don't agree on those later phases. Because if we don't have
23 that flexibility in dispute resolution, we have to make a
24 hard decision in the very first year, which means we can't
25 really rely on the information that we've gathered in that

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1 first year to make those second year decisions. And so I
2 think that's really important for FERC to hear is that we
3 really appreciate that dispute resolution has been extended
4 from the first year and the first decision on the studies to
5 the second year when we're making those decision on the
6 later tiered studies.

7 MS. WEST: Let me just -- those of you not in the
8 room, I'm looking at a lot of funny faces from FERC. Do you
9 want to comment on that, FERC -- or would you, whether you
10 want to or not.

11 MR. TURNER: Susan, did you want to comment?

12 MS. O'BRIEN: This is Susan O'Brien. I'm the
13 project coordinator for the DeSabla-Centerville project.

14 Dennis, I hope I can clarify this correctly.
15 What we have done in a few of the study plans is
16 incorporated a phrase into the study plan saying that these
17 things that can't be -- for instance, some of these final
18 issues that can't be resolved is why we're actually out in
19 the field. Maybe study cites or how many replicants for
20 instance for flow study.

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1 MS O'BRIEN: We've added the phrase that if the
2 group can't decide, it will be given to FERC for final
3 determination. Nowhere do we say that we would open it up
4 for dispute resolution, but we use the phrase and we let the
5 group know that they could come back and ask FERC to make
6 the final call on some of those instances.

7 MR. SMITH: That's my misunderstanding. So that
8 actually causes a bigger problem then, because we need to
9 make final decisions. Let me ask you a specific Susan. On
10 the amphibian study, we've got three alternative.

11 MS. WEST: You have to be careful. I'm afraid I
12 have to do that programmatic ground rules Dennis.

13 MR. SMITH: Okay, okay.

14 MS. WEST: You weren't there, but you might want
15 to call after the conference and we can talk project
16 specifics, how is that?

17 MS. O'BRIEN: So we will clear this up in the
18 near future, Dennis.

19 MS. WEST: Okay, how about questions from the
20 audience, and again, let's keep ourselves at programmatic
21 level as we can, and we are learning collectively. Any
22 questions from this group?

23 MS. HART: Joan Hart with the National Park
24 Service, and I'm not sure I'm outside the groundrules by
25 directing this to John, but I would direct it more generally
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1 to everybody.

2 But it sounds like in Mystic Lake, you actually
3 developed a study plan with collaborative working groups and
4 if that is indeed the case, could you describe that a little
5 bit and to also comment on how successful that was in
6 getting agreement on the study scope and methodologies.

7 MR. JOURDONNAIS: This is John. We basically
8 started the whole process by having Steve Hocking come out
9 and describe in detail the ILP process and from that point
10 on, it was really a collaborative effort to develop the PAD
11 and the components of the PAD.

12 Agencies contributed, stakeholders contributed
13 and the scoping was collaborative informally between the PAD
14 filing and the scoping sessions, we scoped with agencies and
15 stakeholders and the development of the study plan then was
16 very much easier because of all that.

17 So I know the ILP doesn't require collaborative,
18 but in our case, we did want to achieve consensus and were
19 able to do that on most of the items on the PAD, in the
20 study, the study plan itself.

21 We also provided a mechanism where PPL Montana
22 will consider early implementation of PM&E measures in
23 exchange for detailed studies where they weren't needed.

24 Obviously, some studies are going to need to be
25 focused and detailed, others are more general and one
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1 mechanism to avoid doing costly studies that aren't really
2 required is, maybe in terms of negotiation is, the concept
3 of providing early PM&E measures, even ahead of the issuance
4 of a license in certain situations.

5 I don't suggest that's appropriate for everybody.

6 MS. WEST: I guess that's where the PM&E measures
7 relatively.

8 MR. JOURDONNAIS: That's where the PM&E measures
9 are more or less intuitive as to what they might be and
10 there wouldn't be any large disagreement with it.

11 That stretches a few people, and I realize that,
12 but it's something I wanted to mention, it's just an
13 alternative. It's something that at Mystic we talk very
14 openly about and the agencies, and so for a Burk and others
15 have been fairly receptive to.

16 MS. WEST: Just to help answer John's question
17 because I'm mindful, we're hearing collaboration and
18 consultation and work with each other, and at that same
19 time, I'm hearing people looking -- pleased to see deadline
20 and efficiencies.

21 So how much -- how many meeting? Is it years and
22 years or a few intense months?

23 MR. JOURDONNAIS: No, we might basically have a
24 year of fairly quick meetings with the different resource
25 group before the PAD was filed, so we started studies, the
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1 company did, in consultation with agencies about three
2 years. I had a PAD and started basically gearing up for
3 formal meetings, working groups a year before the PAD filing
4 and continued to have those working group meetings as we
5 thought it was appropriate if it was in the regular
6 scheduled. We had those as we needed them to get us through
7 the process.

8 MS. WEST: Okay. Maybe I'm going to put David on
9 the spot for a second because I know David, I believe, in
10 December you had some workshops addressing study plans. Do
11 you want to share? Lean over the table now, now we know
12 you're going live.

13 MR. MOLLER: Hi, I got to make my sound
14 adjustment here. We used a number of workshops on study
15 plan development. This was part of the same theme and
16 spirit of a outreach and helping all participants
17 participate effectively like we used for the PAD development
18 and the scoping we didn't apply the same sort of approach to
19 study plan development.

20 What we did, we also had informal study plan
21 development workshops between scoping and the time we
22 actually filed our proposed study plan.

23 So we focused on a specific group of studies at
24 that point that we hoped to get going in the first study
25 season, and then we developed a proposed study plan that

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1 then became the basis for the specified study plan meetings
2 which turned out for us, I believe, it was nine days of
3 meetings, in addition to the four or so days of workshop
4 that proceeded the proposed study plan.

5 This prove to be pretty effective and I want to
6 kind of get back to a point that was touched on earlier
7 because it ties right into this, in that, we found one of
8 the major learning so far in our pioneering ILP was exactly
9 this point of how detailed should the study plans be and at
10 what time should they be that detailed.

11 And going in, as one of the pioneers, our
12 conclusion was along the lines of some of the questions you
13 asked Anna, is if we got the study plans too detailed
14 without input from the other participants in the proceeding,
15 that they would be rejected, that we sort of co-opted
16 everybody else in a proceeding.

17 What we've heard from a couple of participants in
18 that proceeding and the others, is exactly the opposite,
19 that the people wanted a lot of detail.

20 So this has been a major learning in our
21 proceedings and we are actually starting our second ILP.
22 We're working on a second PAD right now. We're having out
23 first outreach meetings on our second ILP proceeding next
24 week.

25 So we're applying these lessons learned right
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1 now, and I think that the solution where we're headed, and I
2 would recommend this to other licensees on how to deal with
3 this issue of the desire for detailed study plans, but how
4 far to take it in the PAD, is to kind of do both. And by
5 that I mean, keep the PAD simple so it works for those who
6 don't have the sophistication but simultaneous with
7 preparation of the PAD, prepare a set of detailed study
8 plans that can be provided either at the same time as the
9 PAD, or immediately thereafter.

10 So those who need to learn about the project and
11 make project learning and ILP learning their major focus,
12 can focus on the PAD, but at the same time, once the process
13 starts working towards development of the study plan, that
14 there is a detailed set of study plans available for all to
15 use.

16 In the case of DeSalba, we had to really scramble
17 then to develop this -- the licensee had to really scramble
18 to develop a set of detailed study plans for the
19 participants to then comment on.

20 So this was a major learning of ours and I think
21 that solution of -- can you stop -- and again, this would be
22 a project-specific consideration that would have to be made
23 is, if a project only had very simple studies, it might
24 totally work to include detail study plans from the PAD.

25 In the case of DeSalba, the composite of all the
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1 detailed study plans was as big a document as the PAD.
2 That's a pretty big PAD if you put all those in the PAD. So
3 some sort of combination, I agree, is incumbent on the
4 licensee to take the first stab at developing detailed study
5 plans.

6 Whether those are put into the PAD or presented
7 as a companion document, moving into study plan development,
8 I think either one of those would work on a project-specific
9 basis.

10 MS. WEST: Okay, thanks. Analysts, any other
11 thoughts or comments you'd like to share or ask more
12 questions, for folks in the audience? Group? Panelists on
13 the phone, no. Okay, any other questions from folks here or
14 on the phone or video with us?

15 (No response.)

16 MS. WEST: Here we go.

17 MR. SIMMS: Frank Simms from AEP. I'm bringing
18 this from the stakeholders that are involved in our process.
19 And it's just a bit of confusion they have right now.

20 We're in the process of developing study plans
21 and the way the process works is, once we file our initial
22 study plans, then you have your study plan meeting and after
23 that study plan meeting, we're all working together in
24 working groups to develop the final study plans.

25 In the middle there, the stakeholders are asked
26

1 to comment on the initial study plans and writing the FERC.
2 And it causes a little confusion because they're saying, gee
3 here we are commenting on these preliminary study plans that
4 we're working with you on to try to finalize and it's just
5 seems like it's something that's put into the process that
6 either doesn't belong or just confuses it.

7 It's just a statement from the stakeholders that
8 I'm getting.

9 MS. WEST: Is that something Kirk wants to
10 respond to?

11 MR. TURNER: Maybe I'm a little confused, but all
12 we're asking the stakeholders to do is comment on the
13 preliminary study plan. We're using that 90 days for study
14 disputes to work in your work groups and then you follow
15 revised study plan and they have an opportunity to talk
16 about it. So I'm a little not quite following your logic, I
17 guess or your question.

18 MR. SIMMS: I think what they're saying is, you
19 know, you have the preliminary study plans already in hand
20 as the stakeholder. You've made your comments, let's say to
21 the applicants on the aide, or you've made your comments at
22 the initial study plan meeting.

23 And what you're getting from there is to be able
24 to start identifying what the difference are and what needs
25 to be modified in the preliminary study plan and start
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1 working together or you are working together to take care of
2 those issues.

3 So here you are working along together to try to
4 develop a final study plan, but in the middle there you're
5 asking somebody to write their comments on a preliminary
6 study plan that's already kind of pass .

7 MS. WEST: Liz.

8 MS. MALLOY: One thing is, it's not exactly in
9 the middle. It's just before the revised. It's 30 days
10 before. So I think when this was designed, I think the
11 meetings, and trying to work it out was envisioned before
12 the comments would be filed.

13 Because there is 90 days between the initial plan
14 and the comments, if I counted correctly -- I'm counting
15 wrong. So I think it was sort of in everyone's mind that
16 the meetings would occur, or any discussion would occur
17 before that time and then comments could be filed by
18 different ways.

19 But it is an option for people to get their
20 comments on the record directly, kind of thing. I don't
21 know if that clears anything. It might make it more
22 confusing.

23 MR. SIMMS: I see where you're saying if you look
24 at it as an option, if somebody wants to get their comments
25 in writing, that's one thing, but basically there is people
26

1 out there that feel they have an obligation to make comments
2 even though we're working in working group sand commenting
3 again on something that's kind of just -- it could have even
4 been that one of the study plans you changed totally during
5 your group discussions, but they still feel obligation to
6 comment.

7 It's just is a clumsy little step in there, I
8 think, for some of the people that are involved in the
9 process. That's the comment I'm getting.

10 MS. WEST: So I guess one way to address that
11 would be to make the comment period shorter but I would
12 image there would be great concern if you need to do a
13 thoughtful job responding to the criteria, to have adequate
14 time to prepare those responses.

15 MR. SIMMS: If I was going to make a suggestion
16 from the experience on this, would be, I would get rid of
17 this step, period, because the people or the participants
18 are going to comment on your final study plan, anyhow, that
19 they should be working on with you. And that's where really
20 the substantive comment should be coming from.

21 I think it's just -- it serves to them, and even
22 to me, it just doesn't seem to serve a lot of purpose.

23 MR. TURNER: I think, if you're been working
24 along in the study plan meetings and have gotten resolution,
25 hopefully their comments will be that extensive on your
26

1 proposed study plan, because it should reflect any
2 discussions that you had in those 90 days. So if I'm
3 picturing your point, right?

4 MR. SIMMS: Right, but the people who are
5 commenting are reading the rules, and the rules says,
6 comment on the preliminary study plan, don't comment on what
7 you've been doing so far, comment on what was filed with the
8 FERC.

9 MR. TURNER: I'm finally getting the picture.

10 MR. MOLLER: Anna?

11 MS. WEST: Yes.

12 MR. MOLLER: This is David Moller of PG&E. May I
13 comment on this?

14 MS. WEST: Sure.

15 MR. MOLLER: I think Frank has raised a very good
16 point here and it has come up in our proceedings exactly the
17 concept of participants in the proceeding wanting to follow
18 the rules as written down here, and yet the actual process
19 sort of begs for a more informal approach.

20 So here is the problem as I see it, just to
21 amplify on Frank's comment is, not only does the other
22 participants have a requirement to comment on the proposed
23 study plan, so they feel some obligation to that, but in
24 fact there is nothing writing that captures the agreements
25 to resolve disagreement on that proposed study plan that may
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1 have been worked out in the study plan meetings.

2 So it's sort of a double hit here from the
3 perspective of participants. And I'd like to share with the
4 participants today, a tool that we've developed on DeSalba
5 to at least help with the second part and by so doing, kind
6 of help with the first part.

7 And what the licensee took on was to track all
8 the comments made in the discussions, the study plan
9 meetings, with regard to the proposed study plan.

10 And so as a given verbal comment on the proposed
11 study plan was resolved to the satisfaction to the
12 participants in the study plan meetings, the licensee would
13 document what the comment was, how it got resolved, will it
14 be adopted in the revised study plan.

15 Then what we did was encourage the participants
16 in the proceeding then to rely on that track record of the
17 status of all the comments in inputting their comments on
18 the proposed study plan.

19 So they would have a document that says, okay,
20 there were -- I'm just going to pick a number -- 100
21 comments made during the study plan meetings regarding the
22 proposed study plan, these 80 comments have been resolved
23 and the licensee will revise the plan to accommodate those.
24 These 20 remain outstanding.

25 Those 20 then, it can become the basis for
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1 comments on the proposed study plan. We haven't see yet
2 whether our participants will follow that path, but that's
3 how we've tried to set it up so they wouldn't have to
4 comment on the 80 comments that have already been resolved.

5 MS. WEST: There is an interesting conundrum in
6 the study plan development process and I was going to have
7 the panelists to have a go at it. Jim.

8 MR. KEARNS: We had a slightly different
9 approach.

10 MS. WEST: Jim Kearns from.

11 MR. KEARNS: Oh, Jim Kearns, Public Service, New
12 Hampshire. We used a slightly different approach and maybe
13 it's more appropriate for a smaller project like Canaan, but
14 when we initially distributed our draft study plans for the
15 90 day comment period, we didn't want to just wait 90 days,
16 get written comments and then we have 30 days to incorporate
17 that into a final study plan.

18 So as we had meetings with the agencies, we'd
19 wrestle with -- we had a total of nine study plans that we
20 developed. We would meet, we would talk about or draft
21 study plan, they would point out where, you know, we
22 interpreted things differently than they intended, what have
23 you, and rather than reducing all of that to meeting
24 minutes, we just went back, revise the study plan and sent
25 it out within that 90 day period and said, are we closer
26

1 now, are we there yet, so that by the time the 90-day period
2 was up, we were in agreement.

3 MS. WEST: So you made the study plan a living,
4 moving document through the discussion.

5 MR. KEARNS: Exactly, rather than attaching
6 minutes to it, because the trust is built when they see it
7 in writing and a study plan, a revised study plan has more
8 weight than meeting minutes.

9 MS. WEST: Jim and Dennis and John, do you have
10 any comments?

11 MR. JOURDONNAIS: This is John. We had the same
12 issue, Frank, at Mystic, in the sense that we were trying
13 hard to resolve issues after filing the initial study plan
14 and then having to stop and the Agencies felt compelled, I
15 think, this being the mandatory conditioning agencies to
16 provide comments, which when they were filed really didn't
17 reflect where we were.

18 So it was awkward for us and we resolved it in
19 the end. PPL actually then filed additional comments on
20 their comments before the Commission plan determination.
21 But from the perspective of the group trying to resolve
22 issues and reach consensus before an actual final decision
23 was made, that was real cumbersome for us. A lot of anxiety
24 over what should be filed, are we going to miss an
25 opportunity or not.

26

1 If it were optional, it was clear it was
2 optional, that might help, or jut do away with that step
3 altogether, would be in hindsight my recommendation.

4 MS. NICHOLAS: I'd like to comment.

5 MS. WEST: Yeah, Elizabeth.

6 MS. NICHOLAS: I guess I'm probably coming at
7 this one from a little bit different of a perspective and we
8 didn't have work groups, we didn't have a lot of
9 collaboration, we didn't have a lot of meetings on these
10 things.

11 So when you're in that kind of situation, I think
12 there are few things going on. How does this process work
13 of negotiating out study plans, but also what is within
14 FERC's purview, and what is their role supposed to be versus
15 the applicants and stakeholders.

16 I think there is certainly a difference, and it's
17 interesting to hear how it's gone in other proceedings, of
18 whether negotiations are supposed to be between stakeholders
19 and the applicant, versus stakeholders and FERC, or some
20 sort of combination of these.

21 I think that having the opportunity to comment
22 for stakeholders is very important, particularly where you
23 don't have ongoing workgroups and you aren't getting
24 feedback on your recommendations and discussions along the
25 way. It's sort of an emergency safeguard there to make sure
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1 you get your thoughts and concerns on the record.

2 I would rather see things go where there is more
3 collaboration and work groups. I mean it's not required in
4 the regulations right now, but I think that that would
5 certainly be something to consider in certainly a best
6 practice to have these sort of updates when revised plans
7 along the way or the recording of agreements made on these
8 revisions, I think will be very helpful in moving forward,
9 but I would be very hesitant to say that we should remove
10 the comment period.

11 MS. WEST: David.

12 MR. TURNER: We were just kind of still talking,
13 Liz and I going back, and we kind of look at the regulation.
14 I'm not sure where the confusion is arising here but the
15 regulations in 5.21 do provide for comments to reflect the
16 accommodations reached during those discussions.

17 So maybe we need to make that clearer in our
18 discussions in outreach in terms of how that occurs but
19 obviously, we're looking for comments back on the proposed
20 study plans that do reflect those discussions during those
21 study plan meetings.

22 MS. WEST: It may be a misinterpretation of the
23 rule but it also may be given that there is not necessarily
24 a formal record of the revised plan, may make people
25 uncomfortable commenting on something they don't really
26

1 have.

2 MR. TURNER: That could be, but we would hope
3 that they would at least explain what their understanding is
4 from the study plan development meetings.

5 MS. WEST: Question? George.

6 MR. MARTIN: This is George Margin, with Georgia
7 Power. Just an observation and a comment and we must all
8 recall we all pioneers. There are seven of us trying to
9 road test this thing.

10 MS. WEST: Some of us finally call you guinea
11 pigs, but for public purposes, we'll call it pioneers.

12 MR. MARTIN: Right. This is good discussion.
13 This is good to have the effectiveness measurements taken
14 and perhaps subsequent proceedings will take to heart some
15 of this creative license, if you will, to craft a process
16 that's the particulars of a proceeding.

17 To reflect back on bringing this rule to life and
18 us guinea pigs, the rule and the timelines are well written.
19 The first time where the notion of including a list of
20 issues, a list of studies, and a list of the impacts, is
21 captured in the regulations that require the content of the
22 PADS.

23 Then that set of information undergoes a comment
24 period by the ruling. And I'm not going to go through the
25 rule, but every time a document is created, there is a

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1 review look, and so I just urge caution in pushing too much
2 information, additional information than what was already
3 added to the PAD to go into great detail as the study
4 planning process will reveal later.

5 That's what NEPA is all about. It lays the
6 ground work initially with initial information documents, if
7 you will, PADs or scoping documents and what not, and we
8 came upon that with some caution. Why are we going to go
9 through a NEPA process if indeed in the PAD, we are going to
10 resolve the studies at a very detailed level, we are going
11 to identify the impacts, and we're going to say how we are
12 going to move forward with those things? That's what the
13 subsequent steps in our opinion are to be.

14 And so I just, you know, reflecting on being the
15 initial projects there, obviously are many different ways to
16 skin a cat.

17 MS. WEST: Jim and Dennis, do you have any other
18 comments to add?

19 MR. SMITH: This is Dennis. I would go the other
20 way. Because of the shortened timeframe and we already have
21 a few studies that we probably are going to flip a coin at
22 the end because we have run out of time. The more
23 information in the PAD and the more detail the studies, the
24 sooner we can come to resolution, and with 40 or 50 studies
25 and so few people on both sides, I think it's imperative

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1 that we start earlier if we can, and you have as much
2 information up in front.

3 Because the more information you have, the more
4 detail you know about the subject matter and the more
5 detailed you can become on developing the studies earlier.

6 MS. WEST: Do you have any comment, I think it
7 was Frank's original conundrum from stakeholders in his
8 process, this dual track of filing a comment at the same
9 time you're working on reconciling study plan?

10 MR. SMITH: You know, my feeling is, we'll file
11 the comments. PG&E is great with creative groups. They
12 have been over the years and we work together but we still
13 have a responsibility under the rules to file our comments.

14 We do that and we do that because we want it in
15 the record on what our issues are and if we do go to dispute
16 resolution, FERC has a clear idea of the process we've gone
17 through to get to that dispute resolution.

18 The other part of that that I think in this ILP
19 that I would say is probably the best thing about ILP is
20 that FERC has upfront participation through the process.
21 And so they can see the issues as they develop through that
22 study development process where in the old ALP and TLP, they
23 didn't have that visibility.

24 I think, for the decision makers, even though if
25 we go to dispute resolution it's going to be independent
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1 people, but I think it's important for FERC to understand
2 the site specific issues that we go through in each one of
3 these processes.

4 MS. WEST: Basically you do both.

5 MR. SMITH: Yeah, I think the other good thing
6 is, I think there are good moderating factor in the meetings
7 and they help us, especially in this process because it's
8 new, it helps us with some of the detail and some of the
9 confusion.

10 MS. WEST: Jim do you want to add anything on
11 this dual track of providing comments while working out
12 study plan?

13 MR. CANADAY: Well, I'll just echo Dennis's
14 comments but I'd also like to add, even though it is an
15 echo, that I think there is great value in FERC's staff
16 participating in these processes.

17 I think that's one of the big upsides to this is
18 having them there. Many of the meetings on the phone
19 conferencing in so that they can answer questions regarding
20 the new rule or how would the Commission look at a
21 particular question.

22 MS. WEST: I'm just trying to link that to what
23 Dennis is saying. The tempering factor that FERC may play.
24 What I'm hearing is just educational in the rule but too, if
25 there are disputes between the resource agency and the

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1 applicant, FERC helps by explaining what they are going to
2 be looking for, and that helps people resolve issues? Is
3 that what you're suggesting?

4 MR. CANADAY: Well, that's correct. That's one
5 of the things but it's just also the fact, I don't know if
6 it's just misery loves company.

7 (Laughter.)

8 MS. WEST: That's one way to summarize this
9 process.

10 MR. CANADAY: That they are participating in the
11 process and they have a vision of many different kinds of
12 projects across the country, many of them I suspect, and
13 that's a valuable resource.

14 MS. WEST: Okay, thanks. Well, study plan
15 panelist, any parting comment? We've said it all?
16 Elizabeth is on the way.

17 MS. NICHOLAS: Just as I've sort of mentioned the
18 few times, I guess, and I understand certainly the Agency is
19 working it out certainly the same way we are of how the
20 process works, but I think there needs to be a bit more
21 clearly defined role of how FERC does and will participate.

22 I think having Agency participation along the
23 process is great and certainly want FERC out there and
24 involved. But as to their relationship with the applicant
25 versus stakeholders and what issues they will and won't

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1 weigh in on, I think that it would be helpful to have a
2 little bit more clarity on that.

3 MS. WEST: Okay, thanks. John.

4 MR. JOURDONNAIS: Just one thing that occurs to
5 me listening to all the panels today is, how does FERC lack
6 consistency with the rule but main flexibility for
7 individual projects.

8 Maybe the ILP does that, but to me that's really
9 the balance is not losing flexibility and individual
10 projects like we've talked about, but one where it's more of
11 a consensus, one where it's maybe more of a controversial.

12 For an applicant, that flexibility is very
13 important. I think it is to stakeholders too, but then
14 maintain consistency with the rule as you guys need to.
15 That's a big job. Maybe you're close to doing that with
16 ILP, I don't know but it sounds like we might be.

17 MR. TURNER: Looks like you're looking for a
18 comment. We are trying to maintain consistency. We are
19 meeting our regular base, talk about how our projects are
20 moving forward, what issues are coming up and trying to view
21 that as a process.

22 I think we are applying these things as flexible
23 as anybody else and it is a pioneer for us as well as we're
24 still learning so we're taking that to heart.

25 MS. WEST: Jim and Dennis, any parting thoughts?

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MR. SMITH: The only parting thought that I would have is that this is the first time we've gone through this. We are very nervous that we will not have enough time to completely develop all the studies, especially the difficult studies and that we are actually coming down to our last meeting in a week or two and we have two days, I'm going to ask for three days, because of some unexpected surprises.

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It remains to be seen how effective this process is. I think it looks good from the standpoint of having steady plan development drag on for two or three years. I think that was counterproductive and it cost the applicants too much money.

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Plus, frankly, the agencies didn't have that kind of manpower to supply with this budget, but I think the jury is still out. I think the process is more effective but I don't that we are going to come up with all of the answers we need by the end of this study process development and if that is the case, we will go to dispute resolution.

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I would have liked to see a little more flexibility to try to resolve those issues that would go to dispute resolution but we have to go to dispute resolution because there is a firm deadline.

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I think the better process is not having somebody arbitrate it but to come up with some consensus between the

1 applicants and the licensee and the agencies and NGOs.

2 MS. WEST: So we will send you an extra candy bar
3 Dennis since you all need extra juice to get through those
4 last three days on study reconciliation. Jim any parting
5 thoughts?

6 MR. CANADAY: Well, I'd like to be more
7 optimistic. As I think I said earlier, I think this process
8 has great potential. We're all going to be stumbling in the
9 dark a little bit as we try to work our way through it. We
10 heard from Commission staff that they're learning as they go
11 as well.

12 So I would just encourage everybody to kind of
13 keep the faith and work, at least my experience working with
14 PG&E on the DeSalba, that they have -- David has made a
15 tremendous commitment to make sure that this project or
16 process work as my agency has and I think it offers great
17 opportunities so I'm hoping that everybody else can commit
18 to it and buy into it and we can make it a success.

19 MS. WEST: Perfect segway to our last segment.
20 Thank you. So I want to thank these panelists and give you
21 your candy bars. Thanks and thanks Jim and Dennis on the
22 phone. Everybody, you're still with us for the last segment
23 but I'll move on to the next one and I think we need to
24 change out our panelists.

25 While they're taking their seats, we have David
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1 Moeller on the phone, everybody knows his voice by now, and
2 joining me is Jim Kearns, who you also know by voice from
3 Public Service New Hampshire on the Canaan Project, Jeff
4 Duncan who was switching your hats and things. Jeff is with
5 the National Park Service and the Morgan Falls Project, and
6 John Seebach from the Hydro Power Reform Coalition.

7 Thanks everybody. All right, this is kind of a
8 how are we doing on the ILP and I will share just a few
9 slides and we will get into our discussion.

10 (Slide.)

11 Well, we have already heard this theme but people
12 really are encouraging and please to see FERC's involvement
13 early and throughout the process. They've said it's very,
14 very helpful. Again the applicant is in the best spot to
15 help everyone to be ready when the train leaves the station.

16 This is a theme that some like and some don't but
17 it's a pretty fast moving train so get on and be ready to
18 roll and people are suggesting the applicant is really in
19 the best role to be able to launch that process. Be
20 inclusive and helpful, try to get everyone involved early in
21 the process.

22 Recognition in this process that the ILP is a
23 front loaded process and that you need to plan ahead and
24 prepare for active participation. So stakeholders be
25 prepared to be very engaged upfront. You can't sleep

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1 through the first few years and then wake up. We've got to
2 be there from the get go.

3 Licensee, I think or applicants have certainly
4 been sharing how much work it takes to put a quality PAD
5 together upfront and be ready for that intense study
6 development process.

7 (Slide.)

8 Think about using the resources on FERC's web
9 page. Their website e-subscribe and the e-file systems are
10 really helpful in making things more efficient and having
11 things accessible. It seems, and again we're going to get
12 into this discussion, but people seems to value the ILP
13 timeframes and deadlines. They're very demanding.

14 We'll have debate about some aspects of them but
15 we've been hearing in all our feedback that people like
16 having the structure and clarity of when it is you're
17 supposed to do something because it may be demanding but it
18 helps you focus on the time when you need and not so
19 extensive so long as some other processes have had us do.

20 Training on the ILP is really helpful. It gets
21 everybody prepared for t he start. It helps everybody
22 understand what the ILP process is or what licensing is, if
23 they're new to the process, which many are in different
24 areas and helps them understand what's going to be in the
25 PAD, it helps them understand what they need to be doing in
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1 scoping.

2 So all that upfront training is helpful. Others
3 have suggested that the applicant's attitude and willingness
4 to collaborate and engage upfront really makes for a
5 smoother process down the road. So that's that a suggestion
6 people are making.

7 And that's it for overview. Now on to questions
8 for the panelists. Okay, so where we go. based on your
9 experiences in other licensing proceedings and the stage
10 you're in, and again, we're learning only a couple years
11 into this ILP process, or even less than that.

12 But based on your previous experiences and
13 experience to date on the ILP, do you think the ILP is
14 achieving or at least on the right track to achieve its goal
15 of reducing the cost of licensing, increasing the efficiency
16 of licensing while protecting our resources. So I'm looking
17 left. Jim do you want to go first?

18 MR. KEARNS: Sure, I'd be happy to. Jim Kearns,
19 Public Service Company of New Hampshire. We started the ILP
20 process just about a year ago, so at this point I can't
21 really comment on the cost savings but I can say that it
22 certainly is achieving greater efficiencies across the board
23 for us.

24 Public Service of New Hampshire is currently
25 relicensing another project, a 30 megawatt conventional
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1 hydro project and so I get a chance to look at them both
2 side-by-side and Canaan, I have a few notes here.

3 What I'm finding with the Canaan project, which
4 is a one megawatt project, it's up where the borders of New
5 Hampshire, Vermont and Canada come together. It's in a very
6 remote location, a fairly benign, environmentally benign
7 project, but I'm seeing a four-fold increase in the number
8 of stakeholders in the Canaan relicensing than what I have
9 at this other facility.

10 That's pretty remarkable. I think to a large
11 part it's curiosity about the ILP process but I think also
12 that FERC has made a very strong impression, at least for
13 the Canaan project, that this is a very different process.
14 The people need to get engaged, get engaged early and stay
15 on top of things or they're going to be left behind.

16 So I'm finding that the agencies, in particular,
17 they're coming to these meetings much better prepared,
18 they're participating on a more regular basis than I'm
19 seeing at other projects that I've relicensed, not only
20 currently but in the past.

21 So I think the process is bringing out the best
22 in people, or the better of them, and what I'm seeing is
23 that, I think the agencies, in particular, have much greater
24 respect for this process than they did for the traditional
25 process.

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1 MS. WEST: And yet you're calling it more
2 efficient. So you have more stakeholders you're involved in
3 but you think it's more efficient?

4 MR. KEARNS: I think the rigid timelines are key
5 to that and just getting people out there. I know on
6 traditional relicensing, what I'm finding is that people,
7 agencies and stakeholders, they see it as this long three-
8 year process before FERC ever gets involved.

9 So they feel, I'm just going to sit back, you
10 know, they're just going to fight and bang heads so let's
11 just wait until FERC gets involved and then we'll file our
12 formal comments. But now I think they see that that's
13 changed, or at least they're hopeful that there is a change.

14 MS. WEST: Okay, John.

15 MR. SEEBACH: It's interesting that you identified
16 the goals of increasing efficiency and lowering cost because
17 these are definitely very important goals and ones that we
18 share. But from the public perspective, we see a few other,
19 sort of important goals for the ILP as well and thought
20 might be worth addressing here.

21 We think that just as in themselves increase
22 public participation, better outreach and a really consensus
23 driven process are when you are managing a public resource
24 such as you are here, are really important goals in and of
25 themselves.

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1 In fact, we are of the opinion that those goals
2 tend to drive the efficiency and the cost production of the
3 process itself. So as to whether it's working or not, I'd
4 say that we are consciously optimistic. We've seen
5 applicants who've made a really genuine effort to get the
6 public involved and we've seen FERC staff who go out of
7 their way to make sure that people feel they have a say and
8 have a meaningful role to play in the process.

9 We've seen cases where that's not as obvious or
10 forthcoming and we would actually remind FERC that they have
11 a pretty important role to play in encouraging applicants to
12 take the high road, so to speak, to really get the public
13 involved.

14 When they see a case where that's not happening,
15 sort of prod and push them to really raise the bar on the
16 process.

17 But it's kind of still early to tell whether any
18 of these goals have been met, because no licenses have been
19 issued, the public really doesn't know to what extent or
20 input is going to influence the final license yet, nor do we
21 know whether the actual cost is going to be lower, the
22 process itself is going to be more efficient.

23 But we certainly hope and are encouraged that all
24 those things will be met.

25 MS. WEST: All right. Jeff.

26

1 MR. DUNCAN: Jeff Duncan, National Park Service.
2 I guess my answer is similar. I kind of dissected the
3 question a little bit. It depends on how you measure cost
4 and it depends on how you define efficiency.

5 I think it's certainly possible that the ILP may
6 be reducing initial cost to the applicant but I think it's
7 left to be seen whether or not the long-term costs are going
8 to be any less.

9 The process that I'm involved with, I think there
10 is arguably some stakeholders that are feeling
11 disenfranchised by the process. In the long run, that's
12 likely to result in further arguments on down the road on
13 additional studies, polarization of interest at the table
14 and possible ultimate litigation.

15 MS. WEST: Remember to stay programmatic.

16 MR. DUNCAN: I don't think I have --

17 MS. WEST: No, you're doing well.

18 MR. DUNCAN: I think that in the process that I
19 have seen, it is not -- I would not characterize it as
20 collaborative process. I think that it is definitely
21 adhering to the letter of the rule but not necessarily the
22 spirit of the rule.

23 If you read what's in the preamble to the rule, I
24 think the intent of the people that were in the room, that
25 was not in the room, but the intent of the people that were
26

1 in the room, or at least the majority of them was to have a
2 collaborative process that was also efficient.

3 And the rule itself is not clear on that. There
4 is nothing in the rule itself that says it needs to be
5 collaborative. But I think in order to be an efficient
6 process, in order to have a timely outcome, a timely license
7 agreement, that a majority of stakeholders and the applicant
8 can live with, that to me is how you define efficiency.

9 The jury is still out as to whether or not we're
10 going to get there.

11 MS. WEST: Okay, thanks. David on the phone.

12 MR. MOLLER: Okay, thanks Anna. You know, PG&E
13 has completed 18 relicensing proceedings and has eight
14 proceedings underway right now, not including the upcoming
15 ILP where we are starting PAD work on right now.

16 So we have some experience to address this
17 question. We've used the TLP, ALP and hybrids as well. And
18 I think I can say without question here that if done well,
19 the ILP is definitely going to reduce the cost and increase
20 efficiency for all participants at least up through the end
21 of the study period.

22 After that, it kind of looks pretty much like the
23 other processes in terms of okay, now that we have the
24 information, what does this mean in terms of PM&E. What
25 researches need to be address and then the whole process of
26

1 trying to sort that out.

2 But at least on the upfront part, if there is the
3 outreach, if there is the collaboration, if everyone
4 successfully gets on board the train when it leaves the
5 station, I think unquestionably.

6 And I say this for a couple of specific reasons.
7 The main one is, you don't have all this wheel spinning.
8 The rubber hits the road, you go, you don't spend years kind
9 of hemming and hawing the low hanging fruit trying to avoid
10 the tough issues.

11 The information that exist is gathered, we don't
12 have to argue about performing studies that would really be
13 duplicating existing information. That a combination of the
14 timeline, the study criteria, the availability of the
15 information, all provides the discipline to the process that
16 was absent in those other processes.

17 The other thing that I think it's going to be a
18 huge savings on is once the study plan becomes finalized and
19 gets approved and the study periods starts, I think there
20 could be major periods of time where the participants in the
21 proceeding can basically just observe what's going on and
22 not have to continually engage.

23 Whereas in those other processes, virtually the
24 entire three-year period from NOI to application filing, the
25 participants are continually engaged trying to sort out one
26

1 thing or another.

2 Here, since the study plan disputes would have
3 been resolved, the studies are under way, there is an annual
4 check in on the study results, I think it's going to be a
5 tremendous saving during the study performance period of not
6 continuing to wrestle with unresolved study plan issues
7 during that period.

8 So we're seeing, I think, major efficiencies and
9 cost improvements for everyone.

10 There is one downside from the licensing
11 perspective on cost, and that is this higher early cost
12 compared to a slower starting process using one of the other
13 approaches. But I think in the end, the overall cost to the
14 licensee on a well done ILP, will be less.

15 MS. WEST: All right, lots of reason you're
16 saying you thin it's a better process.

17 MR. MOLLER: If it's done well. I think, you
18 know, we've all used the analogy of the high speed train
19 leaving the station and the importance of the licensee or
20 the applicant helping everyone to get onboard.

21 Certainly, if people don't get onboard and the
22 train derails, that's going to be problematic.

23 MS. WEST: Yes. Let me move to another question
24 because the theme has come up and I think it's a good one to
25 discuss.

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1 How does FERC's role change in the ILP? How do
2 you want FERC involved, and what are specific
3 recommendations you have for FERC's role in this process? I
4 know Elizabeth spoke to this earlier, so now these panelists
5 get to address it. Should we go in reverse order, or let's
6 try down here, Jeff do you want to start?

7 MR. DUNCAN: Sure, I'll give it a shot. Clearly,
8 I think everybody would agree that FERC's staff are involved
9 more in the upfront stages of the process. I think that in
10 the -- I don't when we talk about it, I guess I need to ask
11 a procedural question here. Because when we're saying good
12 things about a project, people are giving the name of a
13 project, but when we're being critical, we're not allowed to
14 do that.

15 (Laughter.)

16 I'm not making any personal attacks. I mean my
17 friends with the applicant over here are still my friends
18 but I do have some criticism of the process in the way it's
19 being --

20 MS. WEST: To the extent you can get those two in
21 future suggestions to me, that would really help. So given
22 that we are seven processes going through an experience
23 together and no one of them is going to be perfect, it
24 really helps if you can say, so if I had my druthers, the
25 way I would do it would be.

26

1 MR. DUNCAN: Okay, I think I can sum that up very
2 concisely. I think that I would like to see FERC's role --
3 I would like to see FERC involved upfront as it seems like
4 they are in all the projects.

5 However, I would like to see that role as
6 maintaining objectivity, maintaining impartiality, and being
7 a facilitator type role that ensures that the stakeholders
8 and the applicant stay within the bounds of the ILP and
9 within the nexus of the project, but not necessarily rule on
10 what the nexus of the project is.

11 Because I see that often as a negotiation that
12 goes on between the stakeholders and the applicant. So I
13 think maintaining objectivity, trying to, at least in the
14 early stages where we are now, not get involved in
15 substantive issues.

16 MS. WEST: So you're raising an interesting issue
17 because you have FERC -- others have said it helps to have
18 FERC as an arbiter, but that would mean FERC would have to
19 help clarify and define what is the project nexus or how it
20 would be seen.

21 So doing that and yet remaining in a facilitator
22 role without an opinion is an interesting tension for FERC
23 staff.

24 MR. DUNCAN: Well, I mean it gets back to my
25 original soapbox and that is collaboration. I think one of
26

1 the other questions that you all, I don't know if you're
2 going to get to it or not, but based on your experience in
3 other processes in the TLP and the ALP, what's the
4 difference? A rose by any other name still has thorns.

5 Tome it doesn't matter what process is used.
6 There are things about the ILP I like, but the thing that
7 really matters is with willingness of the stakeholders, the
8 applicants, the agencies and the NGOs to have intense
9 collaboration. That's what it really boils down to. And if
10 you have that, I think I would include FERC in that if it is
11 a collaborative environment.

12 If it is a non-collaborative environment, I don't
13 think I want FERC in there playing the role or referee on
14 technical issues.

15 MS. WEST: Okay. Some tension we have on this
16 conflict I think. You're doing very well. John, you want
17 to go?

18 MR. SEEBACH: Sure. I think that FERC should act
19 as an objective arbiter first. I think that's the most
20 important role they can play. And then second a process
21 facilitator and then last, if at all, an advocate, although
22 I think I'd stress the, if at all.

23 MS. WEST: So maybe expand objective arbiter.
24 How does that work?

25 MR. SEEBACH: Well, FERC should be pushing all of
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1 the stakeholders to ensure that the process is of the
2 highest quality. And that means they should be encouraging
3 people to cooperate and they should be clarifying rather
4 than not, questions where people don't understand the
5 process.

6 Especially now, where the process is particularly
7 new and there are a lot of very real questions about how
8 different parties should behave and how we should react to
9 certain things and what's appropriate for us to do and not
10 to do, that the regulations aren't particularly clear on.

11 I've heard from some people that the FERC staff
12 have been really good about answering those questions and in
13 other cases, they've sort of dodged the questions or just
14 refused to answer them altogether. And I just remind them
15 that that's really their first priority, I think, should be
16 their first priority.

17 MS. WEST: So active guiders on what the process
18 is about?

19 MR. SEEBACH: Yes. I actually have a list of
20 questions that were sort of unclear that we wrote down on a
21 napkin, but I can save those for later if you prefer.

22 I think they should -- I think when questions
23 like these arise, it's better for FERC to provide clarity
24 upfront. I know the flexibility is really important and
25 it's something that we encourage as well, but I also think

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1 that in 85% of the cases having some guidance as to what the
2 Agency expects, would really go a long way towards making
3 the process work and I think that not having that guidance
4 leaves the potential for participants but really all
5 stakeholders, NGOs, agencies, the licensee to try to sort of
6 drive the process and push for sort of more extreme
7 interpretation of those rules to get what we want.

8 I think the agency can do a good job -- I'm sorry
9 FERC could do a good job of heading those things off.

10 MS. WEST: Thanks, and if you don't share it
11 today we'll collect your questions because that might be
12 good things for best practices. Typical questions that come
13 up. Jim.

14 MR. KEARNS: Having gone through the process now
15 for 12 months, I have specific things that I'd like to talk
16 about, roles that FERC has played in our relicensing that I
17 think are important to point out.

18 I'd like to start though by saying that, when
19 FERC originally approached PS&H a year and a half ago,
20 asking if we would be willing to volunteer for this ILP
21 process, we met that with great trepidation.

22 We said to ourselves, it's a one megawatt
23 project, the traditional process will go through it, it
24 shouldn't be an issue. We don't want to invite the eyes of
25 the whole world on the Canaan project.

26

1 MS. WEST: And now you're in a conference in
2 Washington, hey.

3 (Laughter.)

4 MR. KEARNS: I attribute that to Ken Hogan. He
5 did a tremendous job in not only convincing me but my
6 company that to was something we should be brave and
7 determined to succeed in.

8 MS. WEST: I'm sure that was a facilitated
9 process, right? Your objective arbiter.

10 MR. KEARNS: I owe all that to Ken. But having
11 said that, I guess some of the specific roles that I've seen
12 FERC play from the very beginning Ken and some others came
13 up to Canaan. We had a meeting site visit. This is before
14 we even filed our Notice of Intent.

15 And Ken went through the ILP process, educated a
16 bunch of us all at the same time, stakeholders, agencies.
17 And he made it very, very clear, this is a very different
18 process, very demand on stakeholders, the licensee and FERC,
19 and t hat we all need to be committed to it or it's done.

20 MS. WEST: So one was that active FERC role way
21 up front.

22 MR. KEARNS: Right.

23 MS. WEST: Education on the ILP process.

24 MR. KEARNS: Yes. I think he did an excellent
25 job in telling people that this is serious, things are

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1 different, we're not in that old traditional process
2 anymore.

3 So I think that set the stage for what I learned
4 about a month later that we had quite a few people that
5 wanted to get involved in this and so they've been showing
6 up on a regular basis, they're coming prepared. I think
7 that was all set with that initial meeting.

8 MS. WEST: Okay.

9 MR. KEARNS: Next thing was, when we were putting
10 together the PAD, again, FERC staff had guided us
11 tremendously, I think.

12 When you're putting together a PAD and you're
13 identifying the issues that are out there, often times you
14 want to present that in a defensive mode and so someone
15 says, bank erosion, it's you and you want to put in the PAD,
16 no, we're not causing erosion, whatever, and again, Ken, I'm
17 sorry Ken, but you know, he'd say, you have to be honest,
18 you can't be controversial in dealing with issues, just be
19 open with that, and that was a challenge for us.

20 MS. WEST: So finding a way to make sure you're
21 identifying the issue objectively?

22 MR. KEARNS: Exactly. And that does, t hat can
23 set off a relicensing on the wrong path, if you start
24 picking battles early on.

25 The other thing that they advise, and it's worked
26

1 out tremendously well, is to cast the broad net. We put
2 together a list of stakeholders that were pretty obvious,
3 but as we spread the net wider and wider, we got more
4 people in. It showed that the process had integrity, I
5 thought.

6 Next thing was scoping facilitation. When we
7 actually got into scoping studies, FERC was there, and I
8 thought they did a great job facilitating those meetings
9 that in stances where it was evidence that a stakeholder had
10 an issue and we perhaps didn't see it as an issue, they
11 would come up with alternatives to try to bring us together,
12 and I thought that served a very valuable goal.

13 And I also believe that it helped to avoid at
14 least one dispute resolution for us. So I think that's of
15 great value if we can achieve that.

16 MS. WEST: So for example, serving in a
17 facilitator role that you cite.

18 MR. KEARNS: Yes. As far as flexibility, I heard
19 that concern raised earlier, and maybe this is a bad
20 example, but I thought the process did display some
21 flexibility. Once we put our process plan together, it
22 became apparent that if you go through all the time chunks,
23 that we wouldn't be able to capture 2005 as a study season,
24 we would probably miss most of it.

25 So we looked at the process plan and with FERC's
26

1 help, we were able to actually accelerate the schedule for
2 scoping and also study plan development so that it allowed
3 us to accelerate the timeline, and now we're actually
4 getting field studies done this year.

5 MS. WEST: So here is one just to note where we
6 shortened the timeframe?

7 MR. KEARNS: Right. but it showed that there was
8 flexibility.

9 MS. WEST: Uh, huh, and flexibility, okay. So
10 you're saying FERC having flexibility and accommodating?

11 MR. KEARNS: Actually they went further than
12 that. The contacted the other stakeholders and asked if
13 everyone was in agreement that we accelerate the timeframe.
14 And I thought that served as a useful role. I think if we
15 went to them and said here is what we want to do, they might
16 have been well, why is that. So that was helpful to us.

17 The next thing was on the draft study plan, FERC
18 actually reviewed those and provided comments on that. When
19 I think of a traditional process where we would issue an
20 initial consultation document, a draft license application,
21 all of that is just going to the stakeholders.

22 FERC is not providing any input or guidance on
23 that, so I think, you know, just them reviewing something in
24 the early stages and commenting on it was helpful to us and
25 to everyone else, all the other stakeholders to see how FERC

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1 frame the issues.

2 MS. WEST: I'd like to highlight. I think there
3 is probably a tension because having that comment I'm
4 hearing you say is very useful, and at the same time doing
5 that in a way that I'm hearing some concerns over here that
6 isn't drawing a line in the sand prematurely may be a
7 difficult balancing role for FERC.

8 MR. KEARNS: We're saying it's only a study plan,
9 it's not reflecting what the outcome of that study will be
10 or do you need fish passage or not. It's sort of this is
11 how you go about studying it.

12 And I guess finally, I just like to say that I
13 certainly appreciate everything FERC has done for PS&H in
14 regard to the Canaan project. And I know there are people
15 in the industry wondering going forward, whether FERC will
16 continue to provide that high level of support or whether
17 this is just sort of a honeymoon period for us.

18 But, I guess I'd like to leave this question
19 saying that, I'm sure it's going to involve much more
20 demands and costs on everyone upfront but I think at the
21 tail end, my hope and expectation is that it will pay huge
22 dividends on the tail end that should more than make up for
23 the upfront --

24 MS. WEST: Investment.

25 MR. KEARNS: Right.

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1 MS. WEST: All right thanks. David, you want to
2 speak to the question about FERC's role?

3 MR. MOLLER: Thanks Anna. It's clear from the
4 comments of the other panelists here that there are many
5 different roles FERC can and has played in the context of
6 ILPs and I'm not going to go back over those.

7 It does show that every proceeding is a little
8 bit different and the needs of each proceeding has to be
9 accommodated and FERC participation is part of that.

10 I have to say, if I were asked for the kind of
11 handful of key changes and key tools the ILP offers, having
12 FERC in the room from day one would certainly be on that
13 list. As a participant, as an ILP guidance expert, and also
14 as one of the mandatory conditioning agencies.

15 Their presence in the room, definitely several
16 panelists and speakers from the audience have commented on
17 this, really does draw other participants to participate in
18 the proceeding.

19 With FERC absent, we see in many proceedings
20 people do sit on the sidelines, why should I be here until
21 the license issuer is in the room. So it's not only useful,
22 but draws in the other participants.

23 Another big advantage that someone mentioned a
24 little bit earlier, and that is that by being an active
25 participant, directly involved in the proceeding from day
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1 one, when the application is filed down the line, FERC staff
2 understands all the processes that went into that, all the
3 thinking, all the collaboration and so on, so it's not
4 coming in out of the blue and having to start a whole
5 process of familiarization again.

6 And I think that's going to end up being one of
7 the huge advantages which, of course, we're not seeing yet,
8 but we will see down the line.

9 The final point that I'd like to make is the one
10 Jim just touched on. it seems to me, at least as we've seen
11 the FERC participate on the DeSalba proceeding, that that
12 model of participation seems to be working very well and
13 involves a lot of the many specific roles that the other
14 panelists have eluded to.

15 And I would certainly recommend that going
16 forward with that kind of model for participation is an
17 appropriate one and I have the same concern that Jim brought
18 up and many in the industry have brought up is, the ability
19 of FERC to maintain that model and that level of
20 participation and have that value as the number of
21 proceeding is no longer just seven pioneering proceedings
22 with a lot of focus, but becomes 20 proceedings or 30
23 ongoing proceedings.

24 So I think that's a challenge, but no question
25 it's one of the key tools of ILP, one of the key changes and
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1 provide, I think, tremendous value to all participants.

2 MS. WEST: Thanks. I'm now noting that our time
3 is short, so let me just ask the panelists if you have a
4 parting thought or comment on the FERC role, on the ILP
5 overall, on -- questions from the audience.

6 MS. NELSON: Bea Nelson, the Canaan project, the
7 Tribe. Could I make an observation?

8 MS. WEST: Sure Bea.

9 MS. NELSON: I have worked on one other project
10 and this, the Canaan project is the only ILP that I worked
11 on and I do want to say that I have been kept up to speed on
12 everything and have been in all the process and I really
13 appreciate -- I think the ILP is working as far as being a
14 consultant participant.

15 And it has helped me to know every stage that has
16 gone along, both from FERC and from Jim and how the process
17 has been going, and it's been helpful for me to know what
18 steps have been taken and having the deadline. They've all
19 been very helpful.

20 MS. WEST: Great. Thanks. Do I see some
21 comments here? Jeff.

22 MR. LEAHY: This is Jeff Leahy with NHA. I just
23 first want to say thank you to FERC for all it's work that
24 it's done in putting together the ILP and putting together
25 this process to monitor its effectiveness.

26

1 We're only 18 months into it so I'm sure we'll
2 probably be doing more of these in the future. NHA and its
3 members played an active role in developing the ILP and also
4 we supported it when it came out and we continue to support
5 it.

6 But we recognize that the ILP is not the TLP and
7 the ALP, that it was a new process. and one of our main
8 hopes for the implementation, as some have mentioned here,
9 was flexibility.

10 The ILP sets up a good framework with milestones
11 and timelines, but as we've seen here today by the pioneers,
12 many of which, if not all of which are NHA members, they've
13 all done it differently and yet I think they've done it
14 successfully.

15 So I guess my call is to keep up the flexibility
16 and allow licensees and stakeholders who are involved in
17 these processes to craft a process that works for them.

18 MS. WEST: Okay.

19 MS. SMOOTS: I'm Carol Smoots with Perkins
20 Cooley. I haven't worked in the ILP process, that's why I'm
21 hear today, but I have worked in the ALP process and I just
22 wanted to comment on the involvement of FERC's staff.

23 In my experience, I think it's absolutely
24 critical. Not only critical to keep the wheels on the train
25 when you reach some difficult moments, but I think it's very

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1 important.

2 I've had occasion to deal with people from the
3 public who are involved in these processes and to a person
4 that is somewhat confused, they're overwhelmed and even if
5 they are pretty sophisticated, this is a foreign world for
6 them.

7 And I think they come away very jaded if they
8 find out later that something an applicant has said may not
9 have been completely accurate or may just have expressed
10 their views on it, as opposed to the law or the procedure.

11 So I think that a FERC staff doesn't become an
12 advocate, but can be pretty active participant in telling
13 people how it works, what the procedures and what their
14 rights are, what the limitations on their rights are, I
15 think it builds trusts, and I think people, particularly
16 from the public, but people go away from the process feeling
17 better about it.

18 MS. WEST: Okay, thanks. Any folks, another
19 here. Go ahead.

20 MR. MCCARTY: Hi, I'm Michael McCarty, law firm
21 of Brickfield, Burchett, Ritz and Stone. I think the
22 commission has done a great job of integrating as much as
23 they can into this rule, including the mandatory
24 conditioning processes under 4E and Section 18 but there is
25 one process that still remains a separate track, and that's
26

1 the section 7 ESA consultation process.

2 I think a lot of the projects with relicensing
3 upcoming, especially the ones on coastal rivers, are going
4 to have endangered species issues as very significant
5 portion of the environmental scoping in the project. And if
6 there is some way, as you go along, in gaining more
7 experience under this process to somehow integrate the
8 section 7 consultation process into the ILP, or at least put
9 it in your best practices manual, as to some timelines and
10 guidelines.

11 I know you can't get blood out of a stone, and
12 sometimes you can't get a BIOP out of NOAA, because they've
13 got some serious staffing issue. I know in one cases you've
14 issued a license a couple years before the BIOP was included
15 -- I know David worked on that one -- but I think it's going
16 to continue to be an issue and a lot of the good that's
17 done in the ILP in terms of timelines and milestones could
18 be undone if section 7 kinds of unravels the thing and rags
19 it on, and on.

20 So just hope that that could be somewhat
21 integrated at some point in time.

22 MR. TURNER: I just want to quickly respond to
23 this and incorporate EAS into this as best we can. I think
24 we've made some great inroads, particularly in the Packwood
25 case where we've already worked out a schedule with Fish and

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1 Wildlife Service to deal with Section 7 and integrate it
2 into the process.

3 We will obviously see how well it works in the
4 end, but if we can get the information base, which I think
5 the ILP really is forming, the real crux there to the ILP is
6 to make sure we have the information. The services will
7 probably be in a better position to give us more timely
8 biological opinions. At least that's our hope.

9 MS. WEST: Okay, other questions, folks on the
10 phone or on video?

11 MR. NEWSTIF: Just a quick general question.
12 After hearing some of the experiences of t he different
13 pioneer projects, it would be helpful to be able to take a
14 look at some of the things they filed and maybe follow their
15 progress on the website.

16 Could you list the project numbers for the
17 different pioneer projects so we would have some way to kind
18 of track them and get a hold and check out certain files if
19 we'd like to?

20 MR. TURNER: If you give me a call I'd be glad to
21 give you that number. I can't do it off the top of my head.

22 MR. NEWSTIF: Okay.

23 MR. TURNER: My number is 202-502-6091.

24 MS. WEST: That's Avan Turner you're going to
25 call.

26

1 MR. NEWSTIF: Okay, thank you.

2 MS. WEST: Is there a question Elizabeth?

3 MS. NICHOLAS: This is a question I guess for
4 FERC or possibly for Kearns and West as to follow up.
5 Obviously, the different ILPs are at different stages and
6 being in the first one we've gotten a little further and
7 have some new issues that we probably would like to discuss
8 when it's the appropriate time to do that.

9 And so I wanted to know what was the plan for
10 looking at the ILPs it moves along.

11 MR. TURNER: Well, it's kind of a segway into the
12 wrap up, but we will be putting out a best practices but if
13 I understand your question, I think we're too early in the
14 process now to be thinking about any regulation changes.
15 We're just trying to figure out how to best work within the
16 existing regulations and make it work better with the
17 current processes.

18 MS. WEST: I think Elizabeth is asking, are you
19 going to do this kind of effectiveness review again later
20 after we've all got more experience. Is that right?

21 MS. NICHOLAS: Yes.

22 MR. TURNER: I think we will continue the
23 effectiveness evaluation. Obviously, we're going to have to
24 carry it through until we actually have these seven
25 resolved, licenses it issued.

26

1 So this is the first series of steps I'm sure, as
2 we continue this effort, so yes.

3 MS. WEST: And do you want to speak David? Are
4 we at closing?

5 DAVID: I don't know.

6 MS. WEST: Anymore comments or questions from
7 folks on the phone or on video? One here.

8 MS. MARKS: This is Robin Marks from American
9 Rivers. Maybe this will be answered in the wrap up, but I'm
10 wondering whether this best practices guide comes out, there
11 will be the opportunity to comment on it. is that going to
12 be a draft document, a final document, what's the status
13 that you're thinking about?

14 MR. TURNER: Okay, I guess we'll wrap up.

15 (Laughter.)

16 MR. TURNER: We're working on it right now.
17 We're still developing the concepts of exactly what it will
18 look like. Hopefully when it comes out, it will be a good
19 document that reflects all the candid discussions and
20 comments that have been provided over the interviews and he
21 focus groups here today, and we appreciate those kind of
22 candid comments.

23 We're taking them to heart and trying to work
24 within those to make this process work. Obviously, this is
25 going to be a living document as we go through and we gain
26

1 more experiences, we'll try to update those. But we weren't
2 anticipating on making changes to that, but obviously we'll
3 always consider those if you guys want to follow it.

4 We give the Commission's gratitude to all our
5 panelists, and Kearns and West for an excellent facilitation
6 and to all of you guys for sharing your thoughts and
7 feelings. If there are any other questions -- we hope to
8 get the best practices out this fall and probably
9 September/October timeframe, but we'll see, make sure that
10 it's a quality document.

11 As I said, we're still working on the concepts of
12 how that's all going to look, but we'll get it out soon.

13 MS. WEST: It's fair to say David, that you're
14 open to any suggestions and recommendations people might
15 have of what would be helpful in the book?

16 MR. TURNER: Sure. We're going to try to
17 structure it -- one of the concepts we're thinking about is
18 structuring it to be something that stakeholders, but their
19 category might be able to use, applicants, even FERC in
20 terms of our role. So that's one of the things we'll see,
21 but we're definitely willing to entertain suggestions.

22 MS. WEST: What would you prefer, recommendations
23 you might consider.

24 MR. DEVINE: John Devine, Devine Tarbel
25 Associates.

26

1 MS. WEST: You prefer lessons learned John?

2 MR. DEVINE: Yeah, I was wondering how are you
3 measuring best, that's all. It seems like that's in the
4 outcome for all the stakeholders and at this point, it's a
5 lessons learned and some things that have worked and not
6 worked.

7 But it seems like ach of the seven pioneers have
8 actually tried something a little different and some of the
9 designs have been of the programs, have all been within the
10 outline of the ILP, but have all had some different
11 practices in them and who is to say, what's best yet and
12 what's not. It seems like it's tailored to the particular
13 circumstances.

14 MS. WEST: So going back to the flexibility
15 theme?

16 MR. DEVINE: Yes.

17 MS. WEST: Okay.

18 MR. TURNER: Obviously, I guess you're right.
19 The title does convey certain connotations where we're not
20 intending that, but things that have worked, I guess is what
21 we're trying to portray in that document. So it will be,
22 obviously the regs drive the process, the applicant can
23 utilize them to the extent they want to utilize those
24 practices.

25 We will be taking written comments. If you guys

26

1 have anything else you want to share, you can file them
2 under the docket ADL5-6 by July 15.

3 MS. WEST: And the transcript from this session
4 will also be on the web, right David?

5 MR. TURNER: AD-05-6. Excuse me Anna.

6 MS. WEST: You want to say that again so
7 everybody has got it right?

8 MR. TURNER: The docket is AD05-6, the same
9 docket the notice went out on.

10 MS. WEST: And transcript from this meeting will
11 be on the web.

12 MR. TURNER: Will be on that docket as well if
13 you want to review it.

14 MS. WEST: Thank you final panelists, and we will
15 be mailing to all of you on the phone directly or FERC lover
16 candy bars and passing them out to those who have been
17 excellent participants asking questions. Thank you very
18 much.

19 MR. TURNER: Again, thanks all, appreciate it.

20 (Applause.)

21 WHEREUPON MEETING ADJOURNED
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