

UNITED STATES DEPARTMENT OF ENERGY

Federal Energy Corridor Designation  
EIS Scoping Process  
Public Meeting

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Hilton Garden Inn  
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REPORTER'S TRANSCRIPT OF PROCEEDINGS

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Deborah L. Moreash, RPR  
Certified Court Reporter #50294

365 E. CORONADO ROAD, SUITE 150  
PHOENIX, ARIZONA 85004  
(602) 266-6525  
FAX (602) 266-4303  
1-800-488-DEPO (3376)  
[www.drivernix.com](http://www.drivernix.com)

## 1 APPEARANCES:

2 Paul Johnson, USDA Forest Service  
 3 Jeff Holdren, U.S. Department of Interior  
 4 Jerry Pell, Ph.D., CCM, U.S. Department of Energy  
 5 Carl Rountree, Arizona Bureau of Land Management

5

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

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3 MR. ROUNTREE: Good afternoon. My name is Carl  
4 Rountree and I am the Associate State Director for the  
5 Bureau of Land Management here in the State of Arizona.  
6 I'd like to thank all of you for coming out this afternoon  
7 to participate in this scoping meeting about energy  
8 corridors and energy corridor designations on federal lands  
9 that are administered by the Bureau of Land Management and  
10 the Forest Service.

11 As many of you probably know, the Energy Policy  
12 Act was passed this year, and one of the provisions in the  
13 2005 act requires the Secretaries of Energy, of Interior,  
14 and of Agriculture to designate corridors for oil, gas, and  
15 hydrogen pipelines and the electricity transmission and  
16 distribution facilities on federal lands here in the 11  
17 contiguous western states.

18 The Act further tells or requires and directs  
19 the Secretaries to incorporate these designated corridors  
20 into the relevant agency land use plans and resource  
21 management plans that each of the agencies is responsible  
22 for developing and having in order to manage various uses  
23 on public lands and to perform any environmental reviews to  
24 complete the designation of these corridors with the  
25 completion of plan amendments for these land use plans.

1           It also requires us to take a look at some of  
2 the environmental consequences associated with the  
3 designations of these corridors on public lands that the  
4 Forest Service and BLM manages. For that purpose, the  
5 Department of Energy, the Forest Service, and the Bureau of  
6 Land Management are preparing the West-wide Energy Corridor  
7 Programmatic Environmental Impact Statement. Currently, as  
8 many of you probably realize, right-of-way applications are  
9 usually considered on a case-by-case basis and sometimes  
10 without benefit of prior analyses and without doing a very  
11 comprehensive look about how these corridors are going to  
12 impact various uses on adjoining lands.

13           The West-wide Energy Corridor Programmatic  
14 Environmental Impact Statement will evaluate the  
15 programmatic issues, and if you're concerned about what  
16 constitutes a programmatic or specific, I would certainly  
17 encourage you to ask one of the gentlemen on the panel.  
18 But we'll be taking a look at some of these programmatic  
19 issues associated with the designation of these corridors  
20 on public lands as well as the amendment of land use plans  
21 for BLM and Forest Service administered lands, excluding  
22 Alaska.

23           The designation of these energy corridors will  
24 go a long way towards facilitating the processing of  
25 rights-of-ways on public lands and related right-of-way

1 sites and the types of analyses necessary to permit  
2 different types of uses within these corridors. Argon  
3 National Laboratory is assisting the Department of Energy,  
4 the Bureau of Land Management, and the Forest Service in  
5 preparation of the Programmatic EIS. Representatives from  
6 DOE, from BLM, and the Forest Service are here as well as  
7 representatives from Argon Laboratories to receive any  
8 comments that you have regarding the development of this  
9 programmatic EIS.

10 We certainly appreciate your interest in this  
11 project, and by the number in attendance here at the  
12 meeting this afternoon, I think it's an indication of  
13 interest, and are really interested in working with you in  
14 hearing whatever comments that you might have regarding the  
15 designation of these corridors on public lands here in the  
16 west.

17 To collect your comments today are three  
18 gentlemen in the front of the table. Jerry Pell is with  
19 the Department of Energy and is the lead panel member.  
20 Paul Johnson, in the middle, is with the Forest Service,  
21 and Jeff Holdren is with our Bureau of Land Management's  
22 Washington office. With that, I'd like to turn it over to  
23 Jerry.

24 DR. PELL: Carl, thank you very much. Let me  
25 make sure that we have good audio here. First of all, I'd

1 like to tell you how much a pleasure it is for me to be  
2 back in Arizona. I've been here a few times before on  
3 other projects and I've had the opportunity to spend some  
4 time both in Phoenix and in Tucson, and it's always a  
5 pleasure to come back to Arizona and to see some familiar  
6 faces that I've worked with in the past. So I just wanted  
7 to say hello and tell you a little bit about what we're  
8 going to do. Carl did a pretty good job of reviewing the  
9 highlights of the background of why we are here. I may end  
10 up repeating some of it for the sake of the record, so if  
11 there's any redundancy, please forgive me, but what I'm  
12 going to do is go over some of the fine points of the  
13 background and what we're going to do here and let my two  
14 fellow panelists introduce themselves and add anything that  
15 they might like to contribute, and then open it up to  
16 comments.

17 I'm going to proceed in the following sequence.  
18 I'm going to first ask if there are any elected officials  
19 or government officials in the audience that wish to speak,  
20 give them first chance as a courtesy, and then go from that  
21 to the preregistered list, and from the preregistered list,  
22 the preregistered list included five people, six people  
23 actually, go from the preregistered list to people that  
24 have signed in upon arrival here, and after that open it up  
25 to anybody that wishes to put their hand up and come

1 forward.

2           Upon completion of the formal statement  
3 session, we will then adjourn. I will dismiss the court  
4 reporter, we will go off the record, and we will open it up  
5 to just congenial conversation and Q and A off the record  
6 if you like. We are staying because we have another  
7 session from 7:00 to 9:00, so you're welcome to stick  
8 around as long as you like and get to know us better if  
9 that's your pleasure.

10           I have a couple of housekeeping points to make.  
11 Some of you may have paid for parking. I am told that the  
12 Argon National Lab people that are helping outside with the  
13 administrative side of the meeting do have a parking  
14 validation stamp. So if you did pay, get your parking  
15 ticket stamped, or if you're supposed to pay, get your  
16 parking ticket stamped and you should not have to pay for  
17 parking here.

18           Also, the room is a little small but if you go  
19 outside the room to the immediate left, immediate my left,  
20 there is a table with coffee, and I believe there's tea  
21 there as well. So please don't hesitate to help yourself.  
22 There's ice water in the back of the room here on my right.

23           Having said that, let's get back to the script  
24 here. As Carl mentioned, the three primary agencies  
25 involved in the preparation of this Programmatic

1 Environmental Impact Statement, or EIS as we call it, are  
2 Energy, the Bureau of Land Management of the Department of  
3 the Interior, and the Forest Service of the Department of  
4 Agriculture. There are actually two other agencies that  
5 are working with us and they are the Department of Defense  
6 and the Department of Commerce. In the actual management  
7 of the EIS itself, BLM and BOE are coleads, colead  
8 agencies, and the Forest Service is a cooperating agency.

9 On the subject of cooperating agencies, we have  
10 also invited state governments, Indian tribes, and some  
11 other organizations to cooperate with us should they so  
12 desire. We have not yet collated the responses, so I can't  
13 tell you exactly who may also be working with us in  
14 coordination, but we did extend invitations.

15 And as far as tribal governments are concerned,  
16 there's a process known as consultation, which is a formal  
17 process, and they have been invited to enter into  
18 consultation with us on the conduct of this Programmatic  
19 EIS. And also, as Carl mentioned, this is a Programmatic  
20 EIS in the sense that it's an Environmental Impact  
21 Statement that addresses the program of designating energy  
22 corridors as opposed to a project-specific EIS where you  
23 have an actual project that wants to build a real thing in  
24 a real place. That will come, environmental analyses of  
25 real projects will follow the Programmatic EIS as the



1 occasion arises.

2           The reason for the Programmatic Environmental  
3 Impact Statement is that the federal agencies that are  
4 involved in this undertaking have determined designating  
5 corridors as required by Section 368 of the New Energy  
6 Policy Act constitutes a major federal action which may  
7 have a significant impact upon the environment within the  
8 meaning of the National Environmental Policy Act, better  
9 known by many as NEPA. So by virtue of that act, we're  
10 required to develop an Environmental Impact Statement, in  
11 this case the Programmatic Environmental Impact Statement,  
12 which is much less common than the project-specific kind  
13 that more of you may be familiar with.

14           I want to draw your attention to our Web site.  
15 This is a living site in the sense that we will be updating  
16 it as more information becomes available that can be shared  
17 with you. Transcripts of these public meetings, of which  
18 there are 11 cities, will be posted on the Web site once we  
19 have a chance to receive all the transcripts. There will  
20 be a scoping report which will also appear on the Web site,  
21 and then sometime late summer hopefully in the year 2006  
22 we'll have a draft Environmental Impact Statement to share  
23 with you, and that will trigger a series of formal hearings  
24 just like the scoping meetings where we'll come back and  
25 entertain comments on the actual draft document itself.

1 The Web address is corridoreis, that's  
2 C-O-R-R-I-D-O-R-E-I-S, no spaces, dot ANL, as in Argon  
3 National Laboratory, dot gov, as in government.

4 There are four ways to comment on this scoping  
5 process. One is by speaking here today. Another is by  
6 submitting written material, and written material can come  
7 in by mail, by fax, or by e-mail, or electronically by the  
8 Web site. It makes no difference which way you comment.  
9 All comments will be given equal weight regardless of how  
10 they're received.

11 One method I do discourage is using regular  
12 mail to send your comments to the Department of Energy  
13 because we now do Anthrax screening, which has the  
14 marvelous benefit of prolonging mail delivery by about two  
15 weeks and then, when you get it, it's usually destroyed,  
16 because what happens is it's a thermal or X-ray process and  
17 it tends to fuse together carbon particles. So if it's a  
18 Xerox document, you end up with a lump of paper. So  
19 please, if you're going to send written comments, try to  
20 use an overnight service like FedEx or USPS or Emery Air  
21 Freight or what-have-you, and electronic copies are always  
22 welcome and appreciated.

23 The deadline for comments, the formal deadline  
24 for comments are triggered by when the public scoping  
25 period began, and that began with the issuance of the

1 Federal Register Notice, which was the 28th of September.  
2 We're allowing 60 days for comments, so the official  
3 comments period closes on the 28th of November. But as is  
4 usually the case in NEPA situations, we will not preclude  
5 considering comments to the extent practicable if they come  
6 late, but I would encourage you to please help us by having  
7 your comments come in in a timely fashion, because if they  
8 do come in late, we will make every effort but there's no  
9 assurance that we will have time to consider them.

10 Congress has limited us to a two-year deadline  
11 to get this job done, which I assure you requires a  
12 Herculean undertaking. That's lightning fast in the  
13 business of NEPA. So we're going to be struggling very  
14 hard to meet that Congressional obligation.

15 Having said all that, let's go to the fun part,  
16 which is hearing what you all have to say. I'm starting,  
17 as I said earlier, I'd like to keep, we have a large number  
18 of people that wish to speak this afternoon, which is very  
19 gratifying, but also requires time, so I will ask you to  
20 please limit yourself to a five-minute verbal presentation.  
21 Your written submittal can be however large you want. I'm  
22 not going to name names, but one gentleman had the  
23 distinction in a previous project of submitting comments  
24 with 99 attachments, so there is no upper limit.

25 So on that note, I'm going to start with Mr. Ed

1 Beck of Tucson Electric Power. When you do come up, please  
2 be kind enough to give your name and affiliation and spell  
3 it for our court reporter so that she can get it straight  
4 in the transcript. AZ01

5 MR. ED BECK: Hi, my name is Ed Beck, E-D,  
6 B-E-C-K, and I represent Tucson Electric Power Company. I  
7 want to thank you for this opportunity to speak on the  
8 corridor process and your EIS that you're developing.

9 First of all, we praise the efforts that the  
10 federal departments are putting together to try and create  
11 this programmatic agreement for corridors. And TEP fully  
12 supports the process and have been a part of the process in  
13 the west since the early '70s, starting with the Western  
14 Utility Group efforts that created reports in '86, '92, and  
15 then more recently there's been some efforts through the  
16 BLM to kind of reevaluate those corridors and revalidate  
17 them.

18 It's critical in the west due to the large  
19 federal ownership that the federal agencies be a part of  
20 the process, and it's very important relative to the long  
21 distances between load and generation that corridors be  
22 developed for use. We would like to offer several  
23 suggestions and recommendations for this process.

24 First of all, corridors should be designated on  
25 a regional network basis and incorporate the input of the

1 various regional planning groups that are developing plans  
2 in particular for the electric energy industry. The  
3 starting point for the process should also be the Western  
4 Utility Group efforts of the past. There has been some  
5 good documentation and good reports written with  
6 information on what a corridor should be and how it should  
7 be developed and, in fact, various corridors have been  
8 identified on maps, which I believe are already on some of  
9 your maps that are outside this room.

10 All land use plans should incorporate the  
11 designated corridors. Whatever comes out of this effort,  
12 the next step, the next level of effort needs to be  
13 incorporating the results in all of the local  
14 jurisdictional planning processes, whether they be the  
15 zoning codes for cities or counties or the state siting  
16 agencies that get involved. All parties need to be aware  
17 of the corridors and keep them alive going forward. That's  
18 been one of the problems we've seen in the past, was with  
19 the Western Utility Group efforts, the corridors were  
20 developed and then the process got dropped and they were  
21 lost as we moved forward.

22 One other comment relative to the corridor  
23 width. TEP supports the concepts that were laid out in the  
24 Western Regional Corridor Study that identified a width of  
25 two miles to up to five miles, depending on whether there

1 were existing facilities or no existing facilities. In the  
2 case where no existing facilities were present, the Western  
3 Utility Group had kind of proposed a five-mile-wide  
4 corridor be used; if there were existing facilities, it  
5 could drop down to two miles. And the width is critical  
6 for the flexibility required when a specific project is  
7 actually identified and moved forward in the process. This  
8 process should end up clearly delineating what procedures  
9 will be required for use of designated corridors. When a  
10 utility needs to use a corridor going forward, it needs to  
11 be clear what they need to do for the next steps and what  
12 the streamlined process will be.

13 And lastly, I would like to suggest that  
14 whatever process, as you go through your process here, that  
15 some input be from the NEPA Congressional Task Force that  
16 has been developed and is reviewing NEPA issues because I  
17 think, through some of those comments received in that  
18 process, they can help you move your process forward in a  
19 workable fashion.

20 Again, I would like to thank you for this  
21 chance to speak and we will be submitting written comments  
22 and actual corridor proposals by the end of the month.

23 DR. PELL: Very good. Thank you, Mr. Beck,  
24 appreciate your thoughts and certainly enter them into the  
25 record and consider them. I'm especially interested in

1 hearing suggestions on corridor width because this is one  
2 of the issues we will have to address and has been raised  
3 by others. So whatever rationale you care to bring on the  
4 subject, whatever light you can shed with a reason for why  
5 a certain corridor width should be taken will assist us  
6 tremendously.

7 I was remiss in starting with Mr. Beck without  
8 first asking whether there were in fact anybody here from  
9 the elected governments, federal, state, or local, that  
10 wishes to speak. Any elected officials? Any Indian tribal  
11 officials or representatives that would like to speak this  
12 afternoon? Okay. Thank you. We'll move on then to  
13 Mr. Paul Herndon of the Arizona Public Service Company.

14 Welcome, Mr. Herndon.

**AZ02**

15 MR. PAUL HERNDON: Good afternoon. My name is  
16 Paul Herndon, the spelling is H-E-R-N-D-O-N. I'm here  
17 representing and on behalf of Arizona Public Service  
18 Company, also known as APS. For the record, APS is a  
19 subsidiary of Pinnacle West Capital Corporation. We're the  
20 largest electric utility company in the state of Arizona,  
21 serving over a million customers and 11 of the 15 counties  
22 within the state.

23 We'd like to say that we appreciate the  
24 opportunity to speak here today. We've got a number of  
25 points that we would like to make and we'll try to be

1 brief. We also will be filing formal written comments on  
2 the process by the November 28th deadline. We also hope to  
3 continue to be a partner in the development of the process  
4 for recognizing and designating both present and future  
5 corridors.

6 APS supports the process and recognizes the  
7 need to keep existing corridors and identify and designate  
8 new ones within the state and within the region. We also  
9 recommend that existing designated utility corridors  
10 continue to be recognized. With regard to corridor widths,  
11 we also agree that there are issues that need to be  
12 considered with regard to the widths of the corridors. As  
13 part of our formal written comments, we will include our  
14 recommendations with regard to corridor widths.

15 And just as a point, recently issues regarding  
16 separation of transmission lines and common corridors and  
17 the reliability of those facilities have surfaced, and  
18 we're in the process of studying the issues associated with  
19 that and hope to have good information to share briefly and  
20 shortly, and of course safety and the types of utilities  
21 placed in the corridors are something that we believe needs  
22 to be considered as well.

23 We believe that there is merit for corridors to  
24 be multi-use or the mixing of utility corridors with  
25 transportation corridors. We believe that siting



1 transmission lines along major highways or roadways has  
2 merit and should be considered. We recommend that, once a  
3 corridor is used by a utility company, that they should  
4 remain in effect until no longer needed or the facilities  
5 are removed.

6 Also, any subsequent transfer of federal land  
7 subject to a corridor should remain in effect and managed  
8 by the federal agency. At a minimum, the transfer should  
9 contain constraints to ensure no future conflict with the  
10 use of the right-of-way should exist and that the cost  
11 should remain as public versus private type land costs.

12 The west in general is unique and especially  
13 the state of Arizona in that, not only are there large  
14 areas of federal lands across the state of Arizona, there  
15 are also large areas of Indian tribal lands and Arizona  
16 State Trust lands. This presents a unique issue in regard  
17 to trying to cross the state with major utility lines in  
18 having to cross these other entities. We believe that this  
19 process should look at corridors that not only cross those  
20 jurisdictions but also alternatives to those jurisdictions  
21 so that we make sure that we can get the lines through  
22 where we need to get through.

23 Probably one of the most important points that  
24 we would like to make is we strongly recommend a  
25 streamlined process for compliance with NEPA within

1 existing and future designated utility corridors on federal  
2 lands, and federal lands should actively seek a coordinated  
3 process and consensus on all state and Indian lands through  
4 this process as well.

5 With regard to USDA Forest Service lands, we  
6 recommend continued recognition and expansion of the  
7 utility corridors across Forest Service lands for 69 kV and  
8 distribution facilities, and these corridors we believe  
9 should follow existing linear features, such as highways,  
10 Forest Service roads, existing utility lines, et cetera.

11 APS encourages the federal agencies to work  
12 with industry and other agencies to develop consistent  
13 vegetation management practices so that utilities can  
14 comply with the NERC transmission vegetation management  
15 standard.

16 I'd like to briefly mention a project that has  
17 just become public as far as APS is concerned. We refer to  
18 it as the TransWest Express Project. On October the 21st  
19 of 2005 APS publicly announced our intent to explore  
20 building two 500 kV lines from Wyoming to northern Arizona.  
21 The project is referred to as the TransWest Express  
22 Project. This project would provide Arizona and other  
23 western states increased capability to access electricity  
24 generated from coal, wind, and other resources. During the  
25 coming year, APS will study the feasibility of the project

1 and seek participation of interested parties. If the  
2 project is pursued, it is expected to have an in-service  
3 date of approximately 2013. As part of our future  
4 submission and interaction with the PEIS effort, we will  
5 recommend corridors for the TransWest Express Project.

6 I'd like to also have the record reflect that  
7 APS has had a good working relationship with the local  
8 federal agencies in the state of Arizona, especially the  
9 Phoenix field office of the BLM. We believe they're doing  
10 a very good job with regard to managing the corridors  
11 across the state and including the necessary, addressing  
12 the necessary issues with regard to their resource  
13 management plans. We have found that using the existing  
14 utility corridors that cross the state has been beneficial  
15 to us for our projects and we find that they help to make  
16 the process go easier and faster.

17 Again, we hope and plan to be included in the  
18 future discussions during this effort and look forward to  
19 this project continuing and hope to, like I say, be a part  
20 of it in the future. That is all I have to say.

21 DR. PELL: Thank you, Mr. Herndon. I  
22 appreciate that. I would add to your comments one of the  
23 issues that arises in considering co-locating power lines  
24 with the gas or oil pipelines is the need for cathodic  
25 protection and that's another area where your technical

1 input would be beneficial. And sir, in researching the  
2 literature on the subject, it turns out that the literature  
3 is very sparse in terms of good technical guidance on what  
4 that entails.

5 Before we go any further, there are some people  
6 that came in at the back that are more than welcome to come  
7 forward. There are seven or eight empty seats up front, so  
8 please feel welcome to come on up and make yourself  
9 comfortable.

10 Our next speaker is Mr. Marshall Magruder, who  
11 is representing himself this afternoon I believe.

AZ03

12 MR. MARSHALL MAGRUDER: My name is Marshall  
13 Magruder and I'm a resident of Tubac, Arizona. I'm  
14 representing myself this afternoon. I'd like to talk about  
15 a case study that I was recently involved in in southern  
16 Arizona, and in that case study there was a line, there was  
17 a corridor that was existing. The corridor got modified  
18 and there were new corridors proposed by the utility  
19 company.

20 It's interesting that the Arizona Corporation  
21 Commission approved one set of corridors and the Forest  
22 Service approved the other set, so the utility did not get  
23 a permit or doesn't have capability yet to build its  
24 transmission lines, and that's the case I intend to talk  
25 about. There were many lessons learned and this is only a

1 summary of a much greater in-depth letter which will not  
2 include 99 enclosures that will be submitted later.

3 The first issue, and they're programmatic  
4 issues, and I think the process is -- I don't want to say  
5 broken, but the process is not very smooth and the process  
6 needs to be much better. The first programmatic issue I'd  
7 like to talk about is state and federal cooperation. The  
8 lessons learned are that the federal, state, Native  
9 American, local government, and nongovernmental  
10 organizations should cooperate and proceed jointly through  
11 a single environmental review process. In the case study,  
12 the state was independent of the federal process. Local  
13 and tribal interests were almost not considered.

14 Second subject, depth of review. That a review  
15 process plan needs to be promulgated and pushed through all  
16 these different organizations before you start the  
17 environmental review so everybody is agreeing that this is  
18 what we're going to review before you start.

19 Third, that a preliminary environmental review  
20 must be held to ensure that the applicant is ready for the  
21 environmental review. In the case study, the applicant was  
22 not prepared to properly go through the NEPA process and  
23 that delayed and caused a five-year final EIS issue. A  
24 preliminary review with enough horsepower to send back and  
25 rewrite your application until it's good enough to get

1 through the review would have made it much easier for all  
2 the other parties involved.

3 The next is that environmental reviews are  
4 conducted so that significant impacts are understood prior  
5 to making decisions. In other words, the environmental  
6 review is a decision-making process. It is substantive in  
7 nature and must be completed prior to the decision maker,  
8 such as the land manager, making its decision. That means  
9 that the pressure that was applied on the senators, the  
10 congressmen the county supervisors, the mayors, the city  
11 council, the Corporation Commission, on the Forest Service  
12 in this particular case study, should never occur, because  
13 that's the ex parte rule of influencing decisions that  
14 cannot be made until an EIS has been completed.

15 Funding for environmental reviews needs to be  
16 clearly understood, that either the applicant can pay in  
17 advance or it can be put in the federal budget and five to  
18 seven years later the funding occur through that process,  
19 which is almost for never. So the funding has to be paid  
20 by the and in advance for government participation on an  
21 environmental review.

22 Need to determine the supply and demand  
23 requirements for the commodity being transmitted in the  
24 corridor. The corridor has two ends, it's going in and  
25 it's coming out, whether it be natural gas, hydrogen,

1 electricity. That has to be put, as Mr. Beck said a little  
2 while ago, in context with the bigger picture. That bigger  
3 picture should be a part of the environmental review  
4 because that's why you're doing the job.

5 Then I have some, and then we also need to look  
6 at reliability data. The system that's being proposed has  
7 to be reliable so that additional maintenance isn't  
8 required, failure of that system doesn't happen. So we  
9 need to use standard reliability engineering terms such as  
10 mean time between failures and mean time to repair to  
11 assess whether the proposal will provide the availability  
12 needed for the use of that commodities transfer.

13 Specific comments on issues with respect to the  
14 EIS. There were several announced in the Federal Register,  
15 and I will come to those, and there were four alternatives.  
16 In my viewpoint, only the optimization criteria alternative  
17 provides a balance between the other three alternatives.  
18 In other words, the fourth alternative would be the one  
19 that I would recommend.

20 General comments on all the alternatives. In  
21 general, the utility corridor, whether it be for natural  
22 gas, hydrogen, oil, electric transmission, and the  
23 associated distribution facilities needs to ensure all  
24 local, regional, tribal, state, national, and in some cases  
25 international issues are presented at one time to the

1 associated decision makers. That's a long series of  
2 things, but decisions need all of the information and  
3 should not be made prematurely.

4           Going into your issue list. With respect to  
5 the social, economic, and recreational issues, I think that  
6 the ecotourism industry is very important in these federal  
7 lands and needs to be considered and clearly and  
8 objectively provided and discussed in actual EISs. Impacts  
9 on species need to of course use a biological opinion.  
10 Unfortunately, or fortunately for somebody, these corridors  
11 will last for 50 or more years. A biological opinion 50  
12 years ago in any part of the state of Arizona is obsolete  
13 at best. So I recommend every three to five years that the  
14 biological opinion be updated for that particular corridor  
15 and that it look at the terms of the status of species  
16 changes and whether they've been improved or degraded and  
17 reasons to improve them.

18           Impacts on flood plains and wetlands. The  
19 joint environmental review needs to incorporate the Corps  
20 of Engineers Section 404 information when the 100-year and  
21 the 500-year flood plains are involved and include it in  
22 the one environmental review for all projects. And these  
23 are very important because there's a lot of critical  
24 facilities inside the 100-year flood plain that should be  
25 outside of the 500-year flood plain. Wild and Scenic



1 Rivers Act need to be considered.

2           Incorporation of archeological, cultural, and  
3 historical resources. Native American tribal cultural  
4 organizations are a critical part of environmental reviews  
5 in the western states and they need to be actively invited,  
6 participation is important and should be invited to all  
7 meetings.

8           The impacts on health. Dr. Pell a little while  
9 ago talked about the influence of electrical and  
10 electromagnetic fields affect the corrosive impacts on  
11 pipelines, in particular ferromagnetic pipelines. The  
12 National Academy of Science is trying to do a study on this  
13 and the results of that study should be incorporated in all  
14 corridors throughout the United States, not just those on  
15 public lands.

16           Impacts on existing and future land uses. The  
17 State of Arizona State Trust land says, if you hurt my  
18 property values, you can't put your corridor on my land  
19 because they are responsible, according to the Constitution  
20 of the State of Arizona, to get the maximum value when they  
21 sell the lands. So we have a conflict here, so the State  
22 Trust people need to be involved in all ends, in particular  
23 long term. Visual impacts need to include maintenance  
24 roads. Border communities have a very high minority and  
25 low income population. That needs to be considered.

1 I have some additional issues that need to be  
2 looked at which I've listed in my paper. The application  
3 for utility corridors must include objective data to show  
4 and prove the need for the system. The need is not to meet  
5 the company's business plan. The need is to provide  
6 hydrogen, electricity, oil, or whatever the commodity is to  
7 meet supply and demand and reliability demands for users,  
8 not to meet a company's financial plan.

9 Supply versus demand needs to be assessed and  
10 evaluated for 50 years in the future. You can do 50-year  
11 projections; it's easy, just try. I've predicted and had  
12 to work on projects that have gone through April 2111, so  
13 it can be done if you think about how to look in the  
14 future, because these lands will be here in the future and  
15 all of these corridors and items in the corridors will last  
16 50 years or more.

17 Reliability, because of the long length of time  
18 that these facilities will be used, needs to be considered  
19 as discussed a few seconds ago. Costs must be considered  
20 in the environmental review, the cost to build, the cost to  
21 wholesalers' use of the corridor, and the cost to  
22 consumers. I know these are not rate cases but you can  
23 take, if it's a \$150 million project and there are 15,000  
24 people that are going to use the project, how much it's  
25 going to cost each one of those people.

1           That's simple and there's no excuse for  
2 utilities not to provide that information in the  
3 development of an Environmental Impact Statement. And  
4 these estimates need to consider the cost impacts to  
5 federal, state, tribal, and decision makers because they  
6 use cost as one of their important criteria.

7           Leasing costs should not be the same, as was  
8 indicated earlier by a previous speaker, the same for  
9 public, it should not be different for public and private  
10 lands, they should be the same. And the recent case, the  
11 GAO study, talked about \$1.76 I believe per acre for  
12 leasing for ranchers compared to \$13 on private land  
13 compared to federal land. That difference should not  
14 exist. In fact, there should be a premium for use of  
15 federal lands because federal lands are preferred for  
16 corridor utility corridors because they're cheap, do not  
17 involve multiple private landowners, and the domain  
18 processes are not required, and the ownership will not  
19 change probably during the use of the corridor, so there  
20 should actually be a premium charge for use of public  
21 lands. The values for this should be determined by an  
22 independent organization, not by the utility and probably  
23 not by the landowner, but somebody who can determine that.

24           Further, the leases should be inflation based  
25 so that the inflation stays the same. Why? The people of

1 this country own the public lands, they should receive as  
2 taxpayers a fair return on their investment.

3 Distribution interfaces. Each interface that  
4 the corridor will have at either end needs to be clearly  
5 defined in objective terms, including the long-term  
6 predicted demands for such an interface. We have, in the  
7 case study I talked about, a power line hanging at the  
8 Mexican border with 345 kilovolts and there's no  
9 345 kilovolts in Sonora, Mexico. That is not a  
10 satisfactory interface for the Arizona Corporation  
11 Commission to grant a certificate for environmental  
12 compatibility. That is not an interface for a hanging line  
13 that has already completed its Environmental Impact  
14 Statement.

15 International environmental impacts need to be  
16 considered. The environment is continuous at the border;  
17 therefore, the environmental review process must be  
18 continuous at international borders. If you're working  
19 with the Mexican or Canadian government, they have  
20 environmental review processes that need to be a part of  
21 the joint review process for the American company. They  
22 should be done together, should be done in step. The  
23 Mexican process in this previous project that's gone on for  
24 over five years has yet to start, so we have a  
25 discontinuity at the border.

1           And the last subject that needs to be looked at  
2 is restoration during construction and restoration upon  
3 decommissioning. Both need to be evaluated when granting  
4 permission to use a corridor.

5           I have some administrative comments but I  
6 believe Dr. Pell discussed most of those and I won't bring  
7 them up. I have two final thoughts. Let us not impose on  
8 multi-use federal land multiple abuses based on an EIS.  
9 Second thought, as Chief Joseph said a long time ago, when  
10 making decisions today, you must consider their impacts  
11 seven generations from now. Thank you very much.

12           DR. PELL: Thank you, Mr. Magruder, you  
13 obviously gave this a great deal of thought, as we will  
14 when we review your comments and your promised statement to  
15 follow. By the way, on the subject of flood plains and  
16 wetlands, the Federal Register Notice that we issued on the  
17 28th of September did note the intent to also issue a  
18 notice that this was also a notice of flood plain and  
19 wetlands involvement, so we are sensitive to the need for  
20 the kind of study.

21           I'd like to move on now to Mr. Robert, I know  
22 I'm not going to pronounce this name correctly, Kondziolka.

23           MR. ROBERT KONDZIOLKA: Very good.

24           DR. PELL: Salt River Project.

25           MR. ROBERT KONDZIOLKA: That's correct.

1 DR. PELL: That's great, and I am not going to  
2 go read this word, I'll spell it out because reading it may  
3 be too provocative, S-W-A-T Subregional Planning Group.

4 Can you please tell us what that is?

AZ04

5 MR. ROBERT KONDZIOLKA: Yes. Good afternoon,  
6 pleased to be here. My name is Robert Kondziolka. That is  
7 spelled K-O-N-D-Z-I-O-L-K-A. I hope that doesn't count  
8 against my five minutes. I'm here representing the Salt  
9 River Project, which is a water and power utility here in  
10 the Phoenix Valley. I'm also representing the Southwest  
11 Area Transmission Group. It is a subregional planning  
12 group for transmission. It covers the states of Arizona,  
13 New Mexico, west Texas, southern Nevada, and Imperial  
14 Valley of California. As the previous speakers, I would  
15 like to limit my comments this afternoon to a few key high  
16 little points and then plan to submit more detailed  
17 comments by the end of the month. And eight points I'd  
18 like to cover in my five minutes.

19 The first is to the issue of planning. In the  
20 regional, which is the western area connection basis and  
21 the subregional area, planning activity is very active. We  
22 have multiple groups focused and identifying the most  
23 viable projects that are out there. An important element  
24 to note is alternatives are studied in this planning  
25 process phase and these are studied before projects are

1 proposed.

2           So we encourage the DOE and BLM to work with  
3 the subregional planning groups and the Western Electricity  
4 Coordinating Council in its effort in identifying projects.  
5 WECC has a planning process, WECC has a regional planning  
6 process that provides notice and invites other parties to  
7 consolidate their needs into a singular or fewer projects.  
8 This is an effort to minimize impact and to maximize the  
9 value of new transmission projects that are proposed. This  
10 process also includes due process.

11           Jointly owned transmission. A significant  
12 amount of transmission in the west is jointly owned. This  
13 is done to reduce the risk of the project and to  
14 consolidate those needs. Most of these projects that have  
15 been announced, these major projects you have heard  
16 recently, will be jointly owned. We believe the DOE and  
17 BLM should provide consideration to those projects that are  
18 jointly sponsored and owned as demonstration of need,  
19 alternative evaluation, and the minimization of impacts.

20           We've heard a little bit about reliability so  
21 far this afternoon. We recommend that DOE evaluate and  
22 consider the balance between the public desire to  
23 consolidate facilities into common corridors against the  
24 risk of placing too many facilities in that same common  
25 corridor. I do plan to submit a report on the evaluation

1 of electric transmission and pipelines fairly detailed to  
2 help evaluate what that separation distance might be to  
3 address reliability and safety issues.

4 When evaluating facilities in a common  
5 corridor, we believe that it is important that we not take  
6 a look at just what has been used in the past as typical  
7 separation distances, but we take a look at what the loss  
8 of multiple facilities in a common corridor might be and  
9 what the impact of that loss and its consequences are.

10 I've already addressed separation of facilities and common  
11 corridors. We will address that in more detail in our  
12 comments.

13 Global need identified by SWAT. SWAT has been  
14 and is evaluating long-term needs in the southwest, and not  
15 just what is needed in the next five to ten years. We  
16 encourage the DOE and BLM to have a long-term perspective  
17 in the evaluation of this process and to consider future  
18 needs. The SWAT studies have identified the need for  
19 additional transmission, I don't think that comes as a  
20 surprise. And our concern is if action is not taken during  
21 this process, the corridors needed to build that future  
22 transmission may not be available when it comes time to  
23 develop it.

24 Existing corridors. I heard some previous  
25 comments here so I won't belabor the point, but we do



1 encourage the DOE and BLM to look at trying to improve as  
2 many of the existing linear features that are on the  
3 federal lands as possible for consideration as energy  
4 corridors.

5           And then lastly, I've got kind of a cumulative  
6 thing here, this says connect action, cumulative impact,  
7 emissions, and EMF. We do request that DOE and BLM address  
8 these as global issues and not to leave them needlessly  
9 studied on each and every project as specific EA and EIS  
10 issues. The western interconnection is one large  
11 electrical grid and every project is tied to it and  
12 coordinates together.

13           We recognize the need for cultural and  
14 biological resources that are likely to be focussed on  
15 individual projects during an application. However, we do  
16 request that class three cultural resource surveys not be  
17 required during the permitting stage of a project. We  
18 recommend that class three cultural resource surveys not be  
19 required until the time period prior to construction for  
20 any type of earth-disturbing activities.

21           I thank you for your time, look forward to  
22 future participation, and this concludes my remarks.

23           DR. PELL: Thank you ever so much, I appreciate  
24 that and hopefully we'll receive something in writing from  
25 you as a follow-up.

1 MR. ROBERT KONDZIOLKA: You will.

2 DR. PELL: I appreciate that. I will once  
3 again invite those of you standing in the back to please  
4 come forward, there are plenty of seats up here. I'd like  
5 to get a better look at you and let you get a better look  
6 at us. So make yourself comfortable if you would. We're  
7 all friends here, so let's not worry about creating a  
8 commotion by coming up front or anything like that.

9 I'd like to move on. Mr. William Kurtz,  
10 representing himself at this point.

AZ05

11 MR. WILLIAM KURTZ: My name is William Kurtz,  
12 K-U-R-T-Z. I'm a resident of Santa Cruz County, Arizona.  
13 What I have witnessed over the last five years is a  
14 concerted systematic effort on the part of the  
15 Administration with the support of Congress to cut down,  
16 eviscerate, negate all of the good environmental progress  
17 of the last 20 to 40 years. The new corridors alternative  
18 in the PEIS before us today seems to me yet another way to  
19 reduce and get around present environmental laws and  
20 regulations.

21 Of the alternatives enumerated in the PEIS, I  
22 think the increased utilization alternative should be  
23 adopted and the new corridor alternative should be  
24 rejected. If additional corridors are ever needed, they  
25 should go through the presently existing procedures. As

1 you have heard, new transmission lines do not happen  
2 overnight but are planned 10, 15, sometimes more, years in  
3 advance, so this gives plenty of time for permitting under  
4 the present system.

5 I think preplanning any corridors as specified  
6 in the PEIS is like building a road to nowhere. As soon as  
7 it is built, it is used and used and used. Therefore, I  
8 say no to the new corridor alternative, yes to the  
9 increased utilization alternative, and treat any proposed  
10 new corridor just like it is now being done. Thank you  
11 very much.

12 DR. PELL: Thank you very much, appreciate your  
13 thoughts, Mr. Kurtz. I'd now like to call on Ms. Ellen  
14 Kurtz, also representing herself I do believe. AZ06

15 MS. ELLEN KURTZ: My name is Ellen Kurtz,  
16 K-U-R-T-Z, and I too am a resident of Santa Cruz County,  
17 and I appreciate the privilege to be able to address you  
18 people and make our concerns known. This will have a major  
19 impact on the west and I'm sure it will in the east. This  
20 PEIS hearing demonstrates how the corporate utility  
21 interests are trying to quote, unquote streamline by  
22 virtually eliminating requirements for constructing utility  
23 corridors.

24 They are presently required to do a 10-year  
25 update or forecast, which allows them ample time to

1 investigate their needs and, if a new corridor should be  
2 required, if they go through the necessary steps and do it  
3 right, it can be accomplished in this time. The proposed  
4 interaction of agencies is a very good recommendation or  
5 proposal and this was sadly lacking in the one case that I  
6 have been involved in in the last five years. The State  
7 did not see fit to get in touch with the federal agencies,  
8 which resulted in some foreseeable problems.

9 The costs incurred are not just those of the  
10 utility but also those of the citizens, and particularly  
11 the residents of the affected areas. We talk about the  
12 costs to the companies that are putting these things in as  
13 if you can put a dollar value on everything. There are  
14 many, many other things of value that are invaluable. The  
15 condemnation of property and the effect on a person's life  
16 and livelihood can be devastating and costly in terms of  
17 money, health, and psychological factors.

18 Users of public lands are also greatly impacted  
19 by the physical, aesthetically damaging, and environment  
20 impacts, both obvious and hidden. Impact on species of all  
21 kinds, plant and animal, including humans, are possibly  
22 irreversible and affect the chain of life. Air quality can  
23 be compromised. And driving up from Santa Cruz County  
24 today, we were under one blanket of smog.

25 With the many innovations in the energy field,

1 these corridors may quickly become dinosaurs on the  
2 landscape. But once they are established, they can be  
3 easily put to some other use, perhaps even more offensive.  
4 I feel that the application system now in place works in  
5 the best interest of the taxpayer, who ultimately pays for  
6 all of this, and I feel, if there were cooperation between  
7 state and federal agencies and the Native American nations,  
8 that this whole process that I have been involved in would  
9 not still be going on today, there would be some  
10 understanding. Thank you so much.

11 DR. PELL: Thank you very much, Ms. Kurtz.  
12 Ms. Kurtz is the last of the people that preregistered.  
13 Before we go on to the people that signed in this afternoon  
14 indicating they would like to speak, I'd like to take a  
15 moment first to pass the mike to my two colleagues to the  
16 right, give them a chance to introduce themselves and add  
17 any thoughts they might have.

18 That was easy. They're letting me take all the  
19 heat here. I will proceed to Mr. Larry Killman, Greystone  
20 Environmental.

AZ07

21 MR. LARRY KILLMAN: My name is Larry Killman,  
22 K-I-L-L-M-A-N, I'm with Greystone Environmental. We do a  
23 number of energy-related projects all over the United  
24 States basically.

25 My primary comment would be that I know a

1 number of the BLM offices are currently redoing their RMPs.  
2 Some haven't been done, redone since 1987, and at that  
3 level as we -- I represent one public utility and the  
4 cooperating agency on one of the current RMPs that are  
5 being updated. When we started the process, there were no  
6 new utility corridors proposed in our area and some were  
7 actually being abandoned because of new information that  
8 had been found over time. So instead of making progress  
9 and looking forward to making a plan and being proactive,  
10 it seems like we were stepping back, and I wanted to bring  
11 that out front.

12 There are a number of other issues that have  
13 come up in the RMP that are associated with other  
14 resources, whether it be biological, cultural, whatever,  
15 and a lot of areas are being set aside for areas of  
16 critical environmental concern and that type of situation,  
17 which quite often conflict with the existing corridors.  
18 That needs to be looked at closely and I would just hope  
19 that BLM consider those types of things specifically and  
20 encourage BLM to participate in many of the regional  
21 planning activities that's going on and be aware of what  
22 the utilities are proposing. Thank you for your time.

23 DR. PELL: Thank you, Mr. Killman, I appreciate  
24 your thoughts. The next gentleman presents another  
25 pronunciation challenge, is it Iain Kinnis, National Grid?

1 MR. IAIN KINNIS: Good afternoon. Iain Kinnis  
2 representing National Grid, that's K-I-N-N-I-S. AZ08

3 DR. PELL: The spelling of the first name is  
4 I-A-I-N.

5 MR. IAIN KINNIS: Correct. National Grid is an  
6 energy delivery company that owns and operates  
7 approximately 9,000 miles of high-voltage AC transmission  
8 in the northeast US and also high-voltage transmission in  
9 England and Wales. National Grid also acts as system  
10 operator for the entire UK electric and gas transmission  
11 systems. In addition, we have significant experience in  
12 constructing independent transmission lines, including  
13 approximately a thousand miles of high voltage HVDC line  
14 between Quebec and New England.

15 As a result, National Grid is possibly in a  
16 unique position to discuss the benefits of and also  
17 potential impediments to energy delivery on a regional  
18 basis. National Grid is a fair advocate of the independent  
19 transmission business model and not being tied to any  
20 particular generation source or even type of generation.  
21 We believe there is clear evidence this model provides the  
22 best chance for new transmission infrastructure to be built  
23 and maintained and gives consumers and market participants  
24 the confidence that robust transmission infrastructure is  
25 accessible and reliable for all interested parties.

1 National Grid further believes that its  
2 experience and perspective may prove of assistance as  
3 infrastructure alternatives are evaluated and implemented.  
4 I would be pleased and request to participate in the  
5 preparation of solutions with agencies of the federal  
6 government and the many other interested parties that are  
7 working hard to meet the success of the Programmatic EIS.

8 Federal leaders have also recognized the  
9 importance of developing domestic energy resources in the  
10 Energy Policy Act of 2005. Regional transmission is a  
11 facilitator of this policy objective. National Grid  
12 commends the federal government in its efforts to ensure  
13 that energy corridors across federal lands in the western  
14 states are identified and protected to ensure adequate,  
15 affordable, and environmentally responsible energy supplies  
16 are available to citizens of the US.

17 Without doubt, part of the solution to the  
18 west's energy challenges will be found locally or  
19 subregionally, but the scale of the challenge is such that  
20 economic and environmentally responsible regional resources  
21 will also need to be considered.

22 There are a number of available fuel sources  
23 and geographic regions for these essential resources may be  
24 developed. The variety of sources to be opened by the  
25 frontier project as recently announced by the governments



1 of Wyoming, Utah, Nevada, and California, are examples that  
2 are readily at hand.

3 In our written commission, we will make  
4 comments on firstly siting criteria and issues with respect  
5 to transmission; two, alternative corridors; three, the  
6 width of corridors, recognizing the WECC constraints and  
7 parallel circuits and other infrastructures uses compatible  
8 with electric transmission; four, potential attempt at  
9 mitigation for transmission line corridors; five,  
10 coordination with other landowners, including state  
11 agencies, and also numerous potential transmission projects  
12 connecting areas rich in generation potential where  
13 developers are currently exploring alternative resources,  
14 technologies, and the ways they may be best served.

15 So to reiterate, we applaud the efforts of the  
16 Federal agencies in preparing a Programmatic EIS and stand  
17 ready to assist in identifying, developing, and  
18 implementing appropriate solutions. We encourage all  
19 stakeholders to think holistically and work to ensure the  
20 resulting Programmatic EIS is a basis on which to build.  
21 National Grid's more detailed comments will be made before  
22 the November 28th deadline. Thank you.

23 DR. PELL: Thank you very much, Mr. Kinnis,  
24 we'll be looking forward to receiving your written  
25 submittals.

1                   This takes us now to Mr. James, is it  
2 Soudriette?

3                   MR. JAMES SOUDRIETTE: Soudriette. May I just  
4 ask a question from here?

5                   DR. PELL: I'd rather do that later, but go  
6 ahead. I'm not promising I will answer it.

7                   MR. JAMES SOUDRIETTE: I'll wait until later,  
8 that's all right.

9                   DR. PELL: Okay, great. That completes the  
10 list of preregistrants both in advance of the meeting and  
11 that registered this afternoon out front. It's now open to  
12 anybody that would like to come up and take the mike and  
13 join in on the discussion. Is there anybody that would  
14 like to speak that hasn't already done so?

15                   This is your chance to become forever enshrined  
16 in a federal document. Are you sure nobody else wants to  
17 speak? Golden opportunity. It won't come again until 5:00  
18 this evening. No, it's 7:00 this evening, sorry.

19                   Okay. That being the case, I want to call on  
20 those people that are in the audience that are federal  
21 government employees and let them be recognized and stand  
22 if they would.

23                   These are the people that are working with us  
24 on this important project from the various agencies and are  
25 here because of their special interest in the success of

1 this program. And I'll give you one last chance and ask  
2 again if there's anybody that would like to speak. If not,  
3 I will adjourn the formal recorded portion of the meeting,  
4 thank our court reporter for being with us this afternoon,  
5 and proceed to an off-the record informal phase.

6 (Adjourned at 3:05 p.m.)

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CERTIFICATE

I, Deborah Moreash, RPR, Certified Court Reporter for the State of Arizona, certify:

That the proceedings had upon the foregoing public meeting are contained in the shorthand record made by me thereof and thereafter reduced to print by computer-aided transcription under my direction; and that the foregoing 43 pages constitute a full, true, and correct transcript of said shorthand record, all done to the best of my skill and ability.

I FURTHER CERTIFY that I am in no way related to nor employed by any of the parties hereto nor am I in any way interested in the outcome hereof.

Dated this 10th day of November, 2005.



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DEBORAH L. MOREASH, RPR  
Certified Court Reporter #50294  
For the State of Arizona