

1 DEPARTMENT OF ENERGY ENVIRONMENTAL IMPACT STATEMENT
2 PUBLIC SCOPING MEETING

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5 CHAMPLAIN HUDSON POWER EXPRESS, INC.

6 TRANSMISSION LINE PROPOSAL

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9 Taken at the Holiday Inn, 205 Wolf Road,
10 Albany, New York, on July 14, 2010, commencing at
11 7:45 p.m.

12

13 BEFORE: JERRY PELL, PhD, CCM; U.S. Department of
14 Energy, 1000 Independence Avenue, SW., Washington, DC
15 20585

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

2 (7:45 p.m.)

3 DR. PELL: I am now going to open the
4 official taking of comments under the scoping process
5 for the Champlain Hudson Power Express project.

6 I am Jerry Pell, with the U.S. Department of
7 Energy. I am an environmental scientist and also the
8 project manager for the Champlain Hudson project.
9 I've been with DOE for 34 years and I've been doing
10 energy and environmental work for 40 years.

11 The only reason I haven't retired is because
12 I enjoy meetings just like this one too much. I say
13 that very sincerely. I find that it's interesting,
14 it's stimulating, it's provocative, and it's where the
15 rubber -- if you will pardon the trite expression --
16 it's where the rubber does meet the road in terms of
17 public service.

18 It's a lot different from the vantage point
19 you have in DC. So, I actually, believe it or not,
20 find the meetings pleasurable. I don't like the idea
21 of checking in and out of a different hotel every
22 night pleasurable, but the meetings themselves are.

1 If you watch me, I think you'll find that I enjoy it.
2 And I'm glad to be here tonight and I'm glad you're
3 here tonight.

4 My wife and I are both ex-Montrealers and we
5 have traveled the Adirondack Northway many, many, many
6 times over the years. We have been married for --
7 this is our fortieth anniversary, by the way. We
8 traveled the Adirondack Northway a lot of times coming
9 through the Albany area, so, when we speak of the
10 Hudson River and the Adirondack Northway, that's
11 familiar territory for us. So, it's not like we are
12 alien to the territory.

13 The scoping process is one of ensuring that
14 we check with the public on what issues should be
15 included in the Environmental Impact Statement.
16 Basically, that's why we are here, to take your
17 input, to make sure that when we do the study, when we
18 review the potential impacts that the project could
19 cause and look at alternatives, that we have the
20 benefit of hearing your concerns so that we don't miss
21 much.

22 The comment period closes on August the 2nd,

1 and you're welcome to submit written or electronic
2 comments up until that date. It doesn't matter how
3 you submit comments. They are taken at value
4 regardless of whether you speak orally tonight or
5 whether you send them in writing or electronically.
6 All comments are given equal weight and consideration.

7 The process feeds into the Environmental
8 Impact Statement itself. We will produce a scoping
9 report which summarizes the comments that have been
10 received in the seven scoping meetings.

11 That will be public on our website,
12 chpexpresseis.org. If you haven't visited the website
13 I encourage you to do so. You can sign up on it to
14 subscribe to notices, and those notices will come out
15 and be broadcast every time something new is on the
16 website and you might be interested in seeing it. So,
17 you will be kept fully informed of new documentation.

18 The site also includes a link to the
19 application by TDI to the State Public Service
20 Commission. And there are voluminous amounts of
21 material on that State Public Service Commission
22 website. We give you a link to it to save you having

1 to search for it.

2 Also, the project developer site, the TDI
3 site, which is separate from ours, the two sites are
4 linked, so that if you go to one you can easily find
5 the other.

6 And you all know how to reach me through the
7 Federal Register notice process. You can see my name,
8 address, phone number and vital statistics. So, I
9 certainly will be glad to hear from any of you at any
10 time.

11 The process culminates in a Draft
12 Environmental Impact Statement, which will be public.
13 That will bring us back out to more public hearings,
14 just like this one. We will be back. You know that
15 old Arnold Schwarzenegger "we will be back" line. We
16 will be back to hear your comments on the actual
17 Environmental Impact Statement itself.

18 There are four cooperating agencies involved
19 with us in the preparation of the document. There is
20 the U.S. Army Corps of Engineers, there's the U.S.
21 Environmental Protection Agency out of the Region 2
22 office in New York City. There are two State of New

1 York agencies -- the Public Service Commission, as
2 represented by Jim Austin on my right, to whom I will
3 turn in a minute; and also the State Department of
4 Environmental Conservation is with us in the audience
5 tonight.

6 So, you have five separate governmental
7 entities looking at environmental impacts together in
8 a collegial, collaborative fashion.

9 After the EIS draft is reviewed we will
10 prepare a final report, which will also become public.
11 At that point the NEPA process stops, the
12 environmental review process has run its course, it
13 leaves my hands and turns to the management of the
14 department apart from me on whether or not to issue
15 the Presidential permit.

16 I fortunately do not get to make that
17 decision, which is perfectly fine with me. That
18 decision is predicated upon not just the EIS process
19 and the preferred environmental alternative that the
20 EIS concludes, but is also predicated upon an
21 assessment of reliability on the grid, whether or not
22 the project would have any adverse impacts on the

1 existing electrical grid of the United States. It
2 also requires concurrences from the State Department
3 and from the U.S. Department of Defense. And finally,
4 we do look at whether it's in the public interest to
5 grant the Presidential permit.

6 So, you see that, in addition to the
7 environmental aspect, there's a whole other second
8 side to the consideration of whether a permit should
9 be granted. All that the permit does is allow Don, if
10 he chooses to, to cross the border. He still has to
11 go through the regulatory process with state and local
12 governments independent of the Presidential permit
13 process.

14 So, if you remember your mathematics, when
15 you talked about necessary but not adequate, the
16 Presidential permit is necessary but not by itself
17 adequate to build a project by any stretch of the
18 imagination.

19 As I was mentioning, Jim Austin, on my
20 right, is with the State Public Service Commission.
21 He's the Deputy Director of the Office of Energy
22 Efficiency and the Environment. I'm going to turn to

1 Jim who will talk to you specifically about the state
2 process.

3 MR. AUSTIN: Thank you, Dr. Pell.

4 As he said, I am Jim Austin. I'm with the
5 Department of Public Service. Also, there are several
6 other people here from the department with me tonight.
7 Jim DeWaal Malefyt, who is also in the Office of
8 Energy Efficiency and Environment, is our project
9 leader for this project. And Diane Cooper's with our
10 Office of Public Policy. They just created a new
11 office: Office of Consumer Policy. And their job is
12 primarily to ensure that our process is as transparent
13 as possible.

14 Dr. Pell referenced our process. Any
15 electric transmission line that wants to be built in
16 New York State has to apply for a Certificate of
17 Public Convenience and Necessity from the Public
18 Service Commission.

19 They submit an application, actually, to
20 petition to our Secretary, the Secretary to the
21 Commission, and the staff reviews that petition to see
22 if the application is complete.

1 At this point the project has submitted an
2 application and at this point it has not been deemed
3 complete. So, we're still working with the applicant
4 and other parties to get a complete application in
5 front of us.

6 After that, the Public Service Law, Article
7 VII of the Public Service Law, has no deadline for how
8 long we can take to review the process; however, the
9 2005 Energy Policy Act created something called
10 National Electric Interest Transmission Corridors, I
11 may have gotten that backward, but a NIETC corridor,
12 and basically what that did is it said that if an area
13 is deemed congested by the federal government, that we
14 basically have one year from a complete application to
15 review and act on that application.

16 If we don't do so within a year, the
17 applicant can go to the federal government and seek
18 them to take over the process. To my knowledge,
19 that's never happened at this point. We've only had a
20 couple of other NIETC projects in front of us and none
21 of them actually made it to the whole year yet. So,
22 nothing's actually gone back to the federals.

1 So, we do have basically a one year timeline
2 from the submission of an application, complete
3 application, to when the Commission acts. We don't
4 have one yet. I suspect we will get one sometime this
5 summer and then we will have one year from that point.

6 Our process is intended as one stop
7 shopping. Prior to Article VII, you would have to go
8 through local zoning, you would have to get local
9 approvals, you would have to get multiple state agency
10 reviews and approvals, and the legislature thought
11 that it would be in the public interest to have
12 basically one stop shopping for these types of
13 projects. It covers natural gas and electric
14 transmission.

15 So, the state law says that the only permit
16 you have to get is the Article VII certificate from
17 the Department of Public Service, the Commission.
18 There is an exception to that. There's an exception
19 to everything obviously.

20 There are permits that the federal
21 government has delegated to state agencies and only
22 those state agencies can issue those permits. In this

1 case we are probably looking at what's called a
2 stormwater protection permit under the State Pollution
3 Discharge Elimination System, and DEC has to issue
4 that permit. So, there is an extra permit that has to
5 be issued.

6 There is one other state process. It's
7 called the Coastal Zone Consistency Review. It's
8 actually a federal law, but it's delegated to a state
9 agency. In this case the agency is the New York State
10 Department of State. They will have to find that the
11 project is consistent with the Coastal Zone Management
12 Plans that have been filed for the coastal parts of
13 the project.

14 In New York State, the CZM, coastal zone
15 management, requirement covers from New York City
16 harbor up to the Troy dam. So, the Department of
17 State will have to find, on top of our process, on top
18 of DEC's process, DOS will have to find that the
19 project is consistent with coastal zone management
20 practices.

21 Our process, there's basically two ways you
22 can participate. One, you can ask the Secretary to be

1 on a mailing list where any document that's filed to
2 us can be sent to you. Anyone in the public can do
3 that now with the Document and Matters Management
4 System on our website.

5 You can go and plug in the case number and
6 all the documents that have been filed are available
7 to the general public. But a person can ask to be on
8 the mailing list basically.

9 The second level and the higher level is
10 what's called party status. Party status, with
11 additional benefits, also gets you obligations in that
12 an Administrative Law Judge can set schedules that a
13 party has to adhere to.

14 People haven't applied for party status yet.
15 People can still be a party if they wanted to. If
16 people are interested I can give you the address for
17 doing that.

18 Our process -- we talked about the NEPA
19 process before. Our process is, with regard to
20 environmental review, is substantially identical to
21 the State Environmental Quality Review Act. It is not
22 SEQOR, however. It's a separate process.

1 It's conducted primarily by staff from my
2 office, with input from other interested agencies,
3 including and especially the Department of
4 Environmental Conservation, Agriculture and Markets,
5 the State Historic Preservation Office, and others.

6 Granting of a Presidential permit does not
7 in any way guarantee a granting of a Certificate of
8 Public Convenience and Necessity by the Public Service
9 Commission.

10 The five members of the Commission have to
11 find that the project is needed, necessary, and that
12 the benefits outweigh, in particular, the
13 environmental impacts of the project.

14 So, as Dr. Pell said, the Presidential
15 permit is a permit to go across the border. This is
16 the permit for the rest of the way.

17 I don't think I missed anything, but I am
18 looking at the people who know more than I do. I
19 think that pretty well covers it. Thank you very
20 much.

21 DR. PELL: Thank you, Jim.

22 Let me just say, the National Interest

1 Electricity Transmission Corridors, the NIETC, that
2 Jim referred to, did come out of my office and they
3 are on the Department of Energy website.

4 They are required by the Energy Policy Act
5 of 2005 to issue annual reports. The most recent
6 report came out just about a month ago. If you are
7 interested it's on the Department of Energy's website
8 as well.

9 Pretty much everything we do is out there
10 for you if you want to avail yourself of it. In fact,
11 TDI's application for the Presidential permit is on
12 the website as well. If you go to the EIS website,
13 there is a link to the Presidential permit application
14 as well. So, there's no shortage of reading material
15 out there.

16 Let me now introduce Don Jessome from TDI
17 who will tell you about the project.

18 MR. JESSOME: Thank you, Dr. Pell.

19 My name is Don Jessome, I'm President and
20 CEO of Transmission Developers, Inc. I'm going to
21 tell you a little bit about both Transmission
22 Developers, Inc. and the project here before us.

1 Transmission Developers, Inc., was formed
2 back in 2008. So, it's a relatively new company. But
3 the premise of the company was quite simple. We were
4 looking at developing transmission projects.

5 In particular, the criteria that we were
6 looking for is to develop transmission projects that
7 were both looking to try and interconnect
8 environmental new supply into very congested
9 marketplaces. To do it in a very community responsive
10 manner. And also to figure out how to commercialize
11 these projects in what we call the merchant
12 transmission world.

13 So, let me just tell you how we kind of came
14 to those conclusions and what we have done to make
15 that happen. Probably the most important thing we
16 have done is selected the technology. So, the
17 technology we selected is what we call high voltage
18 direct current, or HVDC is the acronym that we use,
19 and the key to HVDC technology is the fact that it's
20 in cable format and can be buried.

21 That's one of the nicest criteria that we
22 have with respect to HVDC technology. Although

1 there's lots and lots and thousands of miles of high
2 voltage AC cable and AC cable all over the world today
3 that's buried, it has a limitation on the distance
4 that it can run efficiently with respect to moving
5 that power. So, that's why we chose HVDC technology.

6 With respect to how it's going to be paid
7 for, these transmission lines, we went to what's
8 called a merchant transmission model. All that really
9 means is we have to go out and seek customers. So, we
10 have to find customers who will take long term service
11 on our transmission line. So, that's the obligation
12 for TDI is finding customers for our projects.

13 So, when we first started looking for
14 projects, no surprise that the New York market was of
15 interest to us because of the fact of what Dr. Pell
16 and Jim had mentioned, that National Interest
17 Electricity Transmission Corridors.

18 We looked at those very carefully. There is
19 just a tremendous amount of information that the
20 Department of Energy has provided to the public. And
21 we saw that there was a need for an additional supply
22 into the New York City marketplace, and we felt that

1 the pathway that we have chosen, being all buried in
2 waterways and up land routes, would fit into the
3 criteria for the project that we look to develop.

4 The original project, called the Champlain
5 Hudson Power Express Project, was actually going to be
6 2,000 megawatts. It was going to be a thousand into
7 New York City and a thousand over in southwest
8 Connecticut.

9 On July 6th, TDI made a public announcement
10 that we were no longer going to be participating in
11 southwest Connecticut. It was very clear to us, when
12 we went out to try and commercialize both legs of this
13 transmission project, the marketplace was very clear
14 that they very much wanted to proceed with the New
15 York component, but they were less interested in the
16 Connecticut component.

17 And when the market speaks, we listen. So,
18 we are no longer proceeding with the thousand
19 megawatts on southwest Connecticut. So, the project
20 is now a thousand megawatt project, two cables that
21 come down the Richelieu River in Lake Champlain into
22 the Hudson, come out in Glens Falls, which is just

1 north of the PCB dredging area around the Capital
2 District.

3 The cables will go on railroad rights of
4 way, CP and CSX, back into the Hudson River system at
5 Coeymans, down to Yonkers where we are looking at
6 building a converter station. The converter station
7 takes the DC power and converts it back to AC and then
8 down into the Con Ed system to interconnect to the
9 marketplace.

10 It's a pleasure to be here tonight and I'm
11 looking forward to your questions.

12 DR. PELL: We will now turn to the taking of
13 comments from the public. I have so far, from the
14 registration desk, I have received only two requests
15 to speak. So, we will listen to both of those and
16 after that I will ask if there's anybody in the
17 audience that would like to speak. And we will be
18 taking your comments free style.

19 We will start with Mr. Scott Lorey who is
20 with the Adirondack Council.

21 MR. LOREY: Good evening and thank you. I
22 will make my comments very brief.

1 The Adirondack Council is a 501(c)(3) not-
2 for-profit organization dedicated to ensure the
3 ecological integrity and character of the Adirondack
4 Park. We will be submitting written comments so I
5 will just quickly touch upon four points I have here.

6 One is, we believe that the alternative
7 should look at additional terrestrial undergrounding.
8 We believe that if the company can underground power
9 lines in terrestrial along the railroad right of ways
10 for 70 or 90 miles they can do it for a further
11 distance, which we believe may alleviate some of the
12 aquatic concerns we do have. So, we believe that
13 should be an additional alternative to consider.

14 Secondly, we believe that there should be a
15 great deal of study and examination of data on
16 electromagnetic fields and their effect on aquatic
17 wildlife. We would like to see that included in the
18 EIS as well.

19 On the same vein, we believe that the
20 possibility of increased turbidity and re-suspension
21 of silt and sediment should be studied, looked at the
22 possible effect on aquatic wildlife and reproduction

1 and other processes for that aquatic wildlife.

2 And finally, the EIS mentions a few federal
3 species, but we would like the list greatly included
4 to include state endangered threatened species as
5 well, including lake sturgeon, moon eye, eastern sand
6 darter, round white fish for aquatic species; and
7 terrestrial species including bald eagles, peregrines,
8 falcons, short-eared owls, Indiana bats and timber
9 rattlesnakes.

10 Thank you.

11 DR. PELL: Thank you very much, Scott.
12 Appreciate that, and we will look forward to your
13 written comments.

14 On the subject of electromagnetic fields,
15 just by way of a mini tutorial for some of you who may
16 not be familiar with the terminology. Your car
17 battery is a DC device. Batteries in general are DC
18 devices, like your flashlight battery, your watch
19 battery, your cell phone battery. Those are all
20 direct current or DC devices. Of course, what you get
21 out of the wall is alternating current.

22 Back in the day when I was growing up and

1 fancying new cars, the generator in the car was called
2 a generator, not an alternator. And they were two
3 separate parts. There was a generator and voltage
4 regulator. Now they are all combined into an
5 alternator.

6 The reason I am mentioning that is the
7 generation portion of your car alternator actually
8 generates alternating current, and it does so with
9 magnetic windings. I won't go into the details of
10 that.

11 The electronics within your car alternator
12 rectify the current into DC, which the automobile
13 uses, just like the DC battery does. So, therein lies
14 the distinction between DC and AC.

15 Alternating current does generate electric
16 and magnetic fields, or EMF as it's combined -- as
17 it's known, combined electromagnetic fields.

18 Direct current generates an electric field.
19 All electrons moving through a material generate an
20 electric field, but in a DC situation you do not get
21 magnetic fields. That's unique to alternating
22 current.

1 So, for what it's worth, I just thought I
2 would share that with you. I used to teach. I miss
3 it.

4 Our next speaker is Tom Ellis, who is with
5 the Citizens Environmental Coalition.

6 MR. ELLIS: Good evening, everybody. My
7 name is Tom Ellis. I live in the City of Albany.

8 I stand opposed to the Transmission
9 Developers, Inc.'s, proposal to construct a power line
10 between Québec and New York City. I believe the
11 project, if approved, would have a devastating impact
12 on the environment in Canada and the Canadian First
13 Nations.

14 I represent the Citizens Environmental
15 Coalition and the Solidarity Committee of the Capital
16 District. Both groups were formed in 1983. Both of
17 the groups successfully opposed efforts 20 years ago
18 by the New York Power Authority to import Québec
19 hydropower.

20 As a result, Hydro Québec cancelled its
21 proposal to dam to shore the Great Whale River and
22 other nearby rivers that flow into James and Hudson

1 Bays one thousand miles north of here.

2 We worked in support of Cree Indians in
3 Québec, whose way of life has been ruined by
4 hydroelectric development since the 1970s, the
5 formerly free flowing rivers.

6 The Citizens Environmental Coalition and the
7 Solidarity Committee call upon the Federal Department
8 of Energy to, as part of the environmental review,
9 carefully examine the health and environmental impacts
10 of existing and proposed large scale hydroelectric
11 development in Québec and Labrador. There is a vast
12 amount of literature available that can be reviewed.

13 Some might argue that it is inappropriate to
14 consider health and environmental impacts of electric
15 generating stations when considering a power line
16 proposal. I disagree. Approval of this project will
17 stimulate construction of additional generating
18 stations in Canada of a type that, in the past and
19 present, has proven to be very harmful.

20 Some might argue that it is inappropriate
21 for the United States to review environmental and
22 health impacts in a foreign nation; however, such

1 reviews are common. In fact, at this time the
2 President and Congress are reviewing a proposed
3 pipeline that would bring Canadian tar sands oil from
4 Alberta into the United States.

5 The New York Times reported July 7th that 50
6 members of Congress sent a letter to the Secretary of
7 State Hillary Clinton expressing concerns about the
8 pipeline and the source of the oil. Representative
9 Henry Waxman recently wrote that the proposed pipeline
10 would "expand our reliance on the dirtiest source of
11 transportation fuel currently available".

12 Some might wonder why an environmental group
13 would oppose hydroelectric development and they are
14 entitled to an answer. When Hydro Québec builds in
15 the James Bay region it's not conventional hydropower
16 where power plants are constructed alongside of a
17 waterfall.

18 Instead, Hydro Québec builds dams and many
19 miles of dikes around the long river valleys,
20 impounding vast amounts of water, flooding entire
21 river valleys, and then generates electricity at the
22 dam sites.

1 Huge areas are impacted. Already existing
2 Hydro Québec hydro projects in the James region, James
3 Bay region, impact the region larger than New York
4 State.

5 During the last three years, Hydro Québec
6 destroyed the Rupert River that had flowed into the
7 southern tip of James Bay. More than 100 square miles
8 of land was flooded to create a hydro reservoir.

9 As was and is the case with the earlier Le
10 Grande river projects, environmental and health
11 impacts from the Rupert River project will include
12 elevated levels of methyl mercury in the water and
13 fish in the reservoirs; and an increase in mercury
14 poisoning in animals at the top of the food chain; and
15 people, especially those with the diet high in fish
16 consumption.

17 Other impacts are a loss of habitat and
18 resulting loss of wildlife necessary to the Native
19 Indian diet, methane gas releases from decaying
20 vegetation in flooded regions and considerable social
21 impacts on Native peoples as they try to adjust to
22 their damaged homelands.

1 The flooding of highly productive low lands
2 and wetlands along the river strikes caribou nesting
3 grounds, spawning habitat for fish, and nesting sites
4 for birds. Many organizations can provide information
5 as part of the environmental review, including the
6 International Rivers Network, Friends of the Earth
7 United States, The Indigenous Environmental Network,
8 Project Laundry List, Protect, and the Institute for
9 Social Ecology in Vermont.

10 Other information is available. For
11 example, the Northeast Indian Quarterly Akwe:kon
12 Journal devoted its winter 1991 issue to James Bay
13 hydroelectric issues.

14 For a good discussion of the impacts on the
15 Crees, the first 20 years of Hydro Québec
16 hydroelectric development in that region, consult the
17 1991 book, "Strangers Devour Their Land" by Boyce
18 Richardson, or you can read "James Bay Memoirs: A
19 Cree Woman's Ode to Her Homeland," by Margaret Sam-
20 Cromarty, and you will begin to understand the
21 profound loss Crees experienced as Hydro Québec
22 invaded and wrecked much of their homeland.

1 In addition to these concerns, the
2 Solidarity Committee of the Capital District has
3 others. The report in the February 24th Albany Times
4 Union indicated that the power line would generate
5 about 50 jobs.

6 Solidarity Committee's members would rather
7 invest \$1.9 million here in New York on weatherization
8 and conservation projects, improving energy
9 efficiencies and putting residents of New York to
10 work. Investing almost \$2 billion in such a manner
11 would put thousands of New York electricians,
12 plumbers, sheet metal workers, carpenters, glazers,
13 and other building tradespeople to work.

14 The unemployment and underemployment rate in
15 New York is very high. Young people, and especially
16 young men, have been hard hit by the ongoing
17 recession. Many young people have never had a good
18 job. Many African-Americans or minority people have
19 never had a good job in their lives either.

20 We should use our energy policy to put
21 Americans to work, rather than exporting the wealth of
22 our state or our country out of the country. If the

1 power line is constructed, many tens of millions of
2 dollars in wealth will flow out of New York each year.
3 It would be much better to implement ways, develop and
4 implement ways of keeping the wealth of New York
5 circulating in New York, rather than watch it
6 disappear.

7 With smart leadership, New York can probably
8 create incentives to attract the manufacturers of
9 energy efficient motors and appliances to build
10 factories within New York State. More than 20 years
11 ago, the American Council for an Energy Efficient
12 Economy reported that New York had vastly reduced its
13 overall use of electricity and summer and winter peak
14 demands by installing highly efficient lighting,
15 appliances and motors.

16 Some improvements have been made since then
17 but much more can be done. Since the first energy
18 crisis of 1973, 1975, the demand for electricity in
19 New York has continued to increase at least 10 times
20 faster than human population growth in the state.
21 Does anyone think that we can continue to do this
22 indefinitely?

1 Electricity provides many benefits that we
2 all appreciate, but it has huge and often
3 underappreciated environmental and health impacts.
4 The question before us tonight is whether additional
5 rivers and watersheds in Québec, and maybe Labrador,
6 should be literally destroyed so people living in the
7 northeastern part of the United States can continue to
8 increase their already high electricity use.

9 I say no. The river should not be
10 destroyed. Thank you very much.

11 DR. PELL: Thank you, Tom. Did you say that
12 the coalition was going to be submitting anything in
13 writing?

14 MR. ELLIS: I doubt it.

15 DR. PELL: By the way, just by way of
16 information, the pipeline Tom is referring to is
17 rather interesting. If you want to build an electric
18 power line across the border then you come to the
19 Department of Energy for the Presidential permit that
20 we are talking about tonight.

21 If you want to build a pipeline, oil or gas,
22 across the border, interestingly enough, the way the

1 law is structured, you go to the Department of State
2 and you get a Presidential permit from them. So, it's
3 a parallel process but run out of the State Department
4 for pipelines as opposed to out of the Energy
5 Department for electric power lines. Just thought I
6 would mention that by way of information. That
7 completes the list that I had and now it's up to
8 anybody who would like to speak. Just raise your
9 hand. No afterthoughts?

10 Yes, please. Tell us your name when you
11 come up, please, and affiliation.

12 MR. MILLER: My name is Ron Miller. I
13 really have three affiliations. I was formerly with
14 EnCon for 23 years as an economist there in the policy
15 office. I am now an elected village trustee in the
16 Village of Menands, which happens to border the Hudson
17 River right north of the City of Albany.

18 Although this project will not necessarily
19 go near the village if it's coming over land, and on
20 the railroad lines, I don't know which railroad line
21 it's coming through. We do happen to have a CS line
22 through the village.

1 Also, I'm a consulting environmental and
2 recreational economist. I have a couple of issues I
3 think are germane, I know they are germane to what I
4 know best, SEQR and Article X, which is defunct, the
5 Article X. I think it's germane to Article VII and
6 NEPA.

7 The one thing that wasn't mentioned here, an
8 interested state agency, OGS, owns underwater state
9 land. So, I would assume that if the developer of the
10 project is approved and it's going to build it, it
11 would be either paying leasing rights to OGS and/or on
12 land there is property tax. The utilities pay
13 property tax and the State Office of Real Property
14 Services does the valuation of what the property taxes
15 should be.

16 I think that should be part of the benefit
17 analysis, because what these Article X, Article VII
18 and NEPA are is trade offs between benefits and
19 adverse impacts.

20 The other issue is more germane to I think
21 core issues of the Hudson River. That's the
22 recreational -- potential recreational impacts on the

1 Hudson. It's a great water recreation body, boating,
2 and I think it's important that when this -- if this
3 line is constructed, that there is a minimization of
4 any adverse effects on recreation, boating and other
5 things.

6 I think that's an issue that the Article VII
7 and the NEPA has to look at. And the issue of
8 benefits to local governments of any property tax
9 revenue should be identified, you know, if not
10 measured quantitatively.

11 And the whole issue of the state, the
12 benefit to the state, of OGS getting revenue from
13 leasing rights, I think is a legitimate issue. Given
14 the state of the state's fiscal picture and this
15 project, I think that should be addressed.

16 Those are my remarks. Thank you.

17 DR. PELL: Don't go away. What is OGS?

18 MR. MILLER: Office of General Services.

19 That's the state agency that owns underwater state
20 land and does other things, but the context is their
21 management of underwater state land.

22 MR. AUSTIN: You are absolutely correct. The

1 applicant would have to seek and receive a lease
2 agreement from the Office of General Services for the
3 underwater lands that are used. Absolutely correct.

4 MR. MILLER: Thank you.

5 DR. PELL: Thank you, both.

6 Anybody else? I see a hand in the back.
7 Please tell us your name and affiliation.

8 MR. OLIVIER: My name Alain Olivier. I'm
9 with the Quebec Government Office in New York City.

10 So, I welcome the opportunity to make
11 comments before the committee tonight. I won't be
12 making any comments on the project per se, but I would
13 like to bring a few elements of information that may
14 be interesting for the record on Québec's record with
15 the Native peoples.

16 It was alluded to that the Great Whale
17 project 20 years ago had been cancelled because of
18 environmental and Native rights issues. I would like
19 to say that, since that period, Québec has moved
20 forward in partnership with the Native peoples in a
21 very important way.

22 In 2002, the government concluded what was

1 known as the Peace of the Grave agreement with the
2 Cree people, which provided for sharing of resources
3 of \$2 billion over a 50 year period for the
4 development of the east bank of Rupert River.

5 Eleven percent of the hires on the project
6 are Cree natives. And it should be noted the Native
7 peoples on other hydro projects that were launched
8 recently, notably the Romaine project, which
9 construction began in 2009.

10 The four Native bands, Inuit people, who
11 were directly affected by the project were consulted
12 by referendum, and the call for bands were voted in
13 favor of the project because they saw serious economic
14 development possibilities for their communities.

15 Regarding the environmental impact of Québec
16 hydro project, I would like to point out that on the
17 Romaine River there is a 20 year program to protect
18 Atlantic salmon in the watershed.

19 And I would like to quote from Hydro
20 Québec's 2009 Sustainability Report on the issue of
21 mercury. The report says, "A number of studies are
22 conducted to ensure that the temporary increase in

1 fish mercury levels, a consequence of reservoir
2 impoundment, does not have any impact on water quality
3 or aquatic organisms." And also, "The follow-up on
4 fish mercury levels in the western part of the Le
5 Grande complex confirmed that for nonpiscivorous fish
6 of standard length, mercury levels returned to the
7 natural average about 20 years after impoundment."

8 So, the point I would like to make, I think
9 a lot of valid comments are made on the environmental
10 Native rights issues, which are extremely important,
11 and we want to -- as a representative of the Québec
12 government I wanted it to be made clear that hydro
13 projects in the current day are done not against
14 Native peoples, but in partnership with them, creating
15 economic development opportunities for both parties.

16 Thank you very much.

17 DR. PELL: Thank you very much. It's a
18 pleasure to have the Gouvernement du Québec with us
19 this evening. I thank you for troubling to join us
20 and for sharing your thoughts with us.

21 Any other comments that people would like to
22 make? Anybody else like to speak? You are all

1 satisfied that you have nothing further to add for the
2 record?

3 MR. AUSTIN: May I add one thing.

4 DR. PELL: You may add at least one thing.

5 MR. AUSTIN: I apologize. There is one
6 thing I forgot to mention before about our process
7 because it's recently created. The state legislature
8 has enacted laws that require the applicant of
9 projects similar to this one to provide for what's
10 called intervener funding.

11 Intervener funding is available for
12 organizations, local governments, to hire experts and
13 the law actually says legal representation to
14 represent, to help with scientific, engineering and
15 other purposes that the local governments and
16 organizations might not have.

17 So, there is information about the
18 intervener funding on our website. And this project
19 would be required to put up intervener funding. That
20 would be available.

21 And perhaps Jim can correct me if I am
22 wrong, but I believe the way it happens is that it's

1 put into a fund and an Administrative Law Judge
2 determines how much should go to whom, and to what
3 parties, and for what purpose. So, I just wanted to
4 mention that because it is a new development.

5 Thank you, sir.

6 DR. PELL: Thank you, Jim.

7 Anybody else?

8 MR. ELLIS: Can I provide a copy of the
9 latest newsletter for the two groups I represent?

10 DR. PELL: Certainly. Why don't you just
11 give it to my contractor, the gentleman in the white
12 shirt at the back of the room. They are handling the
13 administrative record for me so they will enter it.
14 We will scan it and include it as an attachment to
15 your remarks on the EIS website.

16 Thank you. Anybody else? No further
17 comments? If that's the case, I want to thank you all
18 very much for joining me here tonight, and for joining
19 Jim and Don. I think we've learned a great deal from
20 you. I hope that you found it as useful as we have.
21 And look forward to seeing you again when we have the
22 draft EIS available for your review.

1 And beyond that, let me just say have a good
2 night. Thank you.

3 (Proceedings concluded at 8:45 p.m.)

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