

ALASKA POWER AUTHORITY
SUSITNA HYDROELECTRIC PROJECT
SETTLEMENT PROCESS

POSITION PAPER DISCUSSION MEETING #1

February 22, 1985

Northern Lights Inn
598 W. Northern Lights Blvd.
Anchorage, Alaska

Discussion of Position Papers: W-5, W-10, W-11, R-5, S-1, S-6

A T T E N D E E S

Tom Arminski
Bruce Bedard
Pamela Bergmann
James Dischinger
Chuck Elliott
Randy Fairbanks
James Fall
Richard Fleming
Larry Gilbertson
Alice Gordon
Michael Granata
Gary Harrison
Deborah Heebner
Jack Heesch
Hank Hosking

Ken Johnson
William Larson
Leroy Latta
Bob Lindsay
Jeff Lowenfels
Jean Marx
Dallas Owens
Jack Robinson
Dan Rosenberg
Rick Suttle
Paul Theodore
Jim Thrall
Sharon Vaissiere
William Walsh
Jim Wolfe

ALASKA DEPT. OF
FISH & GAME

MAR 18 1985

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March 18, 1985
Susitna File No. 1.8.1/6.18.8.1/1.17.4.2

Mr. Dan Rosenberg
Alaska Department of Fish & Game
333 Raspberry Road
Anchorage, Alaska 99502

Subject: Susitna Hydroelectric Project
Document Transmittal

Dear Mr. Rosenberg:

Per your request, please find enclosed for your use one copy of the
First Position Paper Discussion Meeting Transcript.

Sincerely,

Richard S. Fleming, acting
James B. Dischinger
Project Manager
Susitna Hydroelectric Project

sdw

cc: T. Arminski, Power Authority
J. Drennan, PMS (DC)
J. Lowenfels, BHBP&A
W. Larson, HE

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HARZA-EBASCO

Settlement Process Meeting

* * * * *

February 22, 1985
8:30 a.m.
Anchorage, Alaska

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P R O C E E D I N G S

1
2 MR. ARMINSKI: This is our first settlement
3 meeting to discuss our position papers. There's a few people that
4 aren't here yet but I think in the interest of getting done early
5 we're going to get started. We've got an agenda and I'd ask you
6 to put your name tags in the table in front of you. There are a
7 few people here who don't know each other so if you'd do that we'd
8 appreciate it. To start things off I'd like to introduce Jim
9 Dischenger, who is our new project manager. He wants to make a
10 few introductory remarks and then we'll get started. Jim.

11 MR. DISCHENGER: Good morning. I'd like to
12 welcome all of you to our first discussion of the position papers.
13 I hope everybody will come right on up to the table, put their
14 names down and get involved in the discussion. I think that's
15 really what our object is today is to lay it right out on the
16 table and get everybody to say what they thing. Don't be afraid
17 to speak up. I want to thank you in advance for your cooperation
18 along that line. Tom will now go into the agenda and what we hope
19 to accomplish today. Thank you.

20 MR. ARMINSKI: We wanted this to be an infor-
21 mal meeting as possible to kind of foster discussion but we do
22 have some things that we think we need to accomplish. On the
23 second page of your agenda there's a list of goals for this
24 meeting. Basically what we're going to do, if at all possible, is
25 to resolve issues. If there's no questions or comments, if

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1 everyone things that the paper is fine and they agree with our
2 position we'd like to see them say that. But if not what we'd
3 like to do is identify any data gaps that people think are -- need
4 to be resolved before we can address this issue. We'd like to
5 resolve or review the analytical methods that were used to reach
6 these positions. We'd like to have a discussion in the proposed
7 mitigation, tell us if you think our proposed mitigation is
8 appropriate or if you've got any other suggestions. One thing
9 we'd like to try and do is agree on a type of a settlement instru-
10 ment, we've talked about this in the past. Is the settlement
11 instrument going to be a big setttment document in the end or is
12 it going to be a simple letter from the concerned parties that say,
13 yeah, we're not concerned with this thing any more. One thing
14 that's real important is we'd like to leave this meeting with an
15 agreed upon plan of action to resolve this issue. Say for example,
16 some of the participants feel that there's more data needed we'd
17 like to try and reach an agreement on what kind of data is required
18 and how we're going to get that data and try to put forth a
19 schedule to resolve these things. With that I'll turn it over to
20 Jeff who is going to discuss our settlement plan. This is a docu-
21 ment that we were asked to do by a number of participants, what
22 the strategy is for the settlement process. He'll also go through
23 this matrix that we've developed. There's a copy in the back of
24 the room that you can look at during the coffee break and there's
25 some smaller copys on the table. Jeff?

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1 MR. LOWENFELS: Well we've probably been
2 through this enough times either through correspondence or meetings
3 so that I can probably do this in about 30 seconds and then what
4 I need is to get some reaction from the agency people and from the
5 intervenor people. What we thought we would do, as reflected in
6 your package, is issue position papers in groups, schedule meetings
7 where we can discuss them on a technical level, go over these kinds
8 of aspects on each paper, then have a follow up meeting, if
9 necessary, to continue to discuss any of these particular issues,
10 end up having a -- basically a meeting where we would present
11 follow up positions if we need to, discuss endorsement of a miti-
12 gation plan, discuss an instrument of settlement if we need to
13 and then those would be followed up by meetings with what I would
14 call command level people, decision making people or authorized
15 decision makers to essentially initial off on a particular issue.
16 It's something that we've talked about for a long time, the issue
17 papers -- or the position papers have been developed as a result
18 of the comments that we have received from all of the agencies,
19 from all of the intervenors. They bid in in evolution you've seen
20 parts of them through the process of the workshops, those comments
21 at the workshops have gone into the thinking of the people who
22 have put together these papers. So we think it's a pretty simple,
23 clear cut way to handle things. Ed Rosenthal is not here he
24 basically suggested the plan at the meeting with the commissioners
25 and I think that's what we're using. I'm have a little bit of

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1 trouble concentrating with the noise from next door here. Are
2 there any comments with regard to the way we would like to settle,
3 let's for get a second, Jack, the schedule. Is the system, does
4 it make sense, is it clear and do you feel like you're going to be
5 having enough input and we're going to have enough time to work
6 on these things or what? I'd like to get a little bit of dis-
7 cussion if we could. I don't know if this is the appropriate
8 time, but . . .

9 MR. ARMINSKI: No, that's fine.

10 MR. LOWENFELS: Well now they always tell the
11 attorney never to ask the question the last -- the last question
12 where you might get the wrong answer. Okay, no comment must mean
13 that the system seems to make a great deal of sense.

14 MR. ROSENBERG: Well I came in late so I
15 don't know this -- I'm sure you probably discussed a little bit
16 about the relationship between the issue papers, the mitigation
17 plan with everyone here?

18 MR. LOWENFELS: No, we haven't.

19 MR. ARMINSKI: No, we haven't discussed it.

20 MR. ROSENBERG: Maybe that should be dis-
21 cussed and clarify that for everybody how these issue papers fit
22 into the context of the broader mitigation.

23 MR. ARMINSKI: I think that in the license
24 application we propose certain mitigation measure and those were
25 based on what we do at that time and we've had the ongoing studies,

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1 we've got more data, we've learned more about the impacts and I
2 think our impact assessments are more precise now. So as a
3 result of those I think we've done two things; we've continued
4 to develop specific mitigation plans and we've also, in these
5 papers, relayed what our past mitigation plans were and what our
6 current thinking is. The position papers we saw basically as a
7 means to try to, in some sort of short concise package, put to-
8 gether the sum of the knowledge that we had at the time so that
9 it could be conveyed to a great number of people. So the mitiga-
10 tion in the papers should reflect our thoughts on the mitigation
11 development process. We've got certain positions and everyone
12 knows that the work is ongoing and things are going to get refined.
13 We think that basically, you know, our mitigation options have
14 been outlined and that they're valid and what we're going through
15 now is a refinement process. That's part of this whole negotia-
16 tion business where we'll, you know, agree on basic concepts and
17 then continue to refine those through the licensing process. Then
18 when the project is built we will initiate those mitigation
19 measures. We expect that everyone is real hesitant to get locked
20 into any particular mitigation measure because you really won't
21 know if the impacts you've projected will every come to be. I
22 mean, they maybe worse, they maybe less, they maybe completely
23 different. So I think that one of the license stipulations or one
24 of the articles in any agreement that we make between ourselves
25 is that there's going to be periodic reassessments of mitigation

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1 to see if they're efficient and make the provisions to change
2 things based on what we find in the field in the monitoring and
3 the continued studies. So I think basically the relationship be-
4 tween the papers and the ongoing mitigation is that the papers
5 reflect our thoughts but as we go through this process our thinking
6 is going to be somewhat modified.

7 MR. ROSENBERG: Yes, I guess another concern
8 of ours is that all of these papers reflect individual impact
9 mechanisms and once we get the whole package the cumulative re-
10 sults of certain events will be much clearer. Whereas viewed out
11 of context here as individual events they're not quite -- don't
12 quite -- they may not have much of an impact but when you view
13 that cumulatively they may. That's just something we want to keep
14 in mind.

15 MR. ARMINSKI: I think we all think that
16 way but just the logistics of getting together with people and
17 talking about them dictates that we've got to, you know, go through
18 these things one by one and not necessarily in any sequence or
19 groups of sequence. We don't have the liberty of time to do that.

20 MR. LOWENFELS: Which is a perfect lead into
21 the second thing that we are doing here that you need to take a
22 look at and think about in and that is the matrix, which maybe
23 Hank, maybe you could just pick that thing up back there and kind
24 of show it to everybody. We really need some feedback on this be-
25 cause we're not sure whether this is going to be something that's

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1 going to be effective but we need to have some way as a group to
2 keep some kind of score card as to what's going on here. We know
3 that there's a reluctance among the agencies to put a commissioner's
4 signature on a particular item or what not. So what we put to-
5 gether was a matrix of the settlement papers and you really need
6 bifocals and magnifying glasses to read this thing but they're
7 divided into the issue papers on the left and we've got your --
8 your own agency column up here. This is like going a book reading
9 thing with my kids, you know, you put a little star next to the
10 ones you like, whatever, pass or fail. What we need to have --
11 this is our score card, our report card, we need to tell you
12 whether we pass or fail or whether we need to spend any time on a
13 particular subject as we go through this process of explaining
14 what our position is but perhaps putting your initials next to
15 these issues as we go through them at this meeting or if in fact
16 you've taken a look at the issue list and have seen issues that
17 are not going to be issues that your particular agency cares
18 about, if we could get you maybe to put a little comment up on
19 your agency's block next to this -- next to your particular issue
20 and your agency that would be helpful. What we're asking for are
21 a simple, yes we think we've got a -- we endorse your thinking
22 with that regard or a no we don't endorse your thinking within that
23 regard or a NJ, meaning no jurisdiction, we don't care, it's not
24 our problem, if that's what you want to put. Or anything else you
25 might want to put in there. We need to know how we're doing. We

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1 know you're going to write us letters and then we're going to have
2 a formalized process, but we need something a little quicker than
3 that and we need to know -- we'll need to know today whether we're
4 going to have to have another technical meeting very soon or
5 whether we can just sort of plan on maybe putting this batch
6 of issues into the packet that goes to the next level of decision
7 makers or into the instrument making phase or whatever we're going
8 to be talking about with the particular issues. So without trying
9 to put any pressure on anybody, it would be extremely helpful to
10 us if we could get you to put a comment down here with regard to
11 your agency's thoughts. This will not be regarded as an official
12 position document, this will not be taken to FERC and shown to an
13 administrative law judge, see we've got their signature. This is
14 for our use and we really would appreciate it if you would check
15 off on these things. If you don't want to do it in public if you
16 could just sort of squint down here and maybe circle and issue and
17 put a little comment or something next to it so we can get it.
18 But we would really appreciate getting your comment on this stuff.
19 I think it will be kind of fun to see how it all works out. Yes?

20 MR. THRALL I think you might also make the
21 point, Jeff, that you can come back and erase your comment at any
22 time.

23 MR. DISCHENGER: Put it in pencil.

24 MR. LOWENFELS: I should have remembered that.
25 Is there any problem with that? I guess we ought to ask. Okay.

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1 MR. ARMINSKI: What we thought we'd do now
2 is just begin the discussion of each of the papers. The way we
3 saw of doing that is just have the authors come up here and identify
4 the issue and kind of talk through how they developed their paper
5 and it's just open for discussion at that point. So Chuck, are
6 you going to take care of W-5?

7 MR. ELLIOTT: Bob is.

8 MR. LINDSAY: What do you want me to do, just
9 read the position or just tell --

10 MR. ARMINSKI: Why don't you just identify
11 what the concern is and our position.

12 MR. LINDSAY: Okay. In field studies in 1980
13 it is recognized --

14 MR. HOSKINS: Which paper is this?

15 MR. ARMINSKI: W-5.

16 MR. LINDSAY: It was recognized during sur-
17 veys of Dall sheep in the middle Susitna Basin that there were
18 some concentrations of sheep occurring along Jay Creek. Sub-
19 sequently in 1982 during aerial surveys they flew over several
20 times and found that during early summer the sheep were there
21 and starting to concentrate there. So in 1983 field season a de-
22 tailed survey was set up, an observer was sent out to observe
23 where the sheep were occurring along Jay Creek, what areas they
24 were using, what they were doing there, what activities, and the
25 most important things were what elevations they were using.

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1 MS. VOISSIERE: Excuse me, Bob, could you
2 speak up please.

3 MR. LINDSAY: I'm trying, I've got a cold,
4 I'm sorry. Those reports, big game reports of 1982 and 1983,
5 really are the major things this paper is based on plus a brief
6 review of the open literature, a field visit by one of the Harza-
7 Ebasco geologists to the site to check out what the materials
8 were at the lick sites and some personal communications with the
9 author. The Power Authority's position on this is that at present
10 we don't think there will be a significant impact upon the sheep
11 due to the impoundment levels. However, we will monitor the lick
12 area and determine if mitigation needs to be performed. That's
13 basically -- have I covered it.

14 MR. ARMINSKI: Bob, do you want to use the
15 podium, it's got a microphone in it?

16 MR. LINDSAY: That's all right, I'll struggle
17 through.

18 MR. LOWENFELS: Is he right or is he wrong?

19 MR. ROSENBERG: What's the population level
20 of that. Like Page 13 here and also in the summary it says, "Dall
21 sheep use of the Jay Creek will be monitored to determine if a
22 population level effect occurs as a result of partially inundating
23 the lick." Could you explain that please?

24 MR. FLEMING: Let's speak a little louder
25 here.

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1 MR. FAIRBANKS: Details on -- regarding the
2 specifics of the monitoring program haven't worked out so that the
3 criteria that we would use to define what a population level
4 effect would be is not yet defined. But there would be criteria
5 defined in the monitoring program, when it's actually worked out,
6 to define what we -- what we hope to observe as a population
7 level effect.

8 MR. ROSENBERG: When -- is the -- when will
9 the monitoring program, will that be something we'll see in
10 the mitigation plan?

11 MR. FAIRBANKS: Right, that will be included
12 as part of the mitigation plan that's being prepared right now.
13 The details of the Dall sheep mitigation plan would include the
14 specifics regarding monitoring.

15 MR. ROSENBERG: So today you'd be asking us
16 to agree to just in periods of population level effect and then
17 we'll decide what that effect is going to be at a later date?
18 What, you know, what concept with Dall sheep are we trying to
19 agree to today?

20 MR. ARMINSKI: Well I think what we're trying
21 to -- I hope you would agree with us that we think the impact
22 on the lick is going to be minimal due to the level of the inunda-
23 tion in that if in fact the monitoring indicates that there is
24 some sort of an increase that we would institute these mitigation
25 measures to expose more soils to licking.

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1 MR. ROSENBERG: How are we going to know if
2 there's a population level increase, what the cause is? How are
3 we going to be sure, at that point, in time just what the mechanism
4 is that's caused that population level decline and also when you
5 do determine that that has occurred then we're trying to restore
6 the population at that point in time by trying to maintain it at
7 a certain level. That's one of my concerns.

8 MR. FAIRBANKS: I think the point is that
9 our analysis indicates that there won't be a population level
10 effect, we don't expect there to be a population level effect or a
11 significant change in the population size as a result of inundation.
12 And all we can do is use state of the art methods to monitor pop-
13 ulation size and attempt to determine whether a change that may
14 occur is related to the lick and if it should occur then try to
15 do something about it. The only method that we know of to try and
16 do something about it would be then to attempt to try to expose
17 more soil in the vicinity of the lick, if in fact that appears to
18 be a problem. We don't expect -- inundation certainly isn't going
19 to be the problem in terms of losing the lick sites and we don't
20 expect erosion to be a problem in terms of losing significant
21 amount of the lick sites.

22 MR. ARMINSKI: I guess I would ask you, Dan,
23 how -- do you have any suggestions how we might discriminate
24 between other natural events that might cause population declines
25 as opposed to this event?

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1 MR. ROSENBERG: No, I just think that if
2 there is loss when that loss occurs to lick areas or lick sites
3 that we should mitigate for those losses as they occur now not
4 waiting for the population to do whatever it's going to do.

5 MR. ARMINSKI: So, for example, if we inun-
6 date a small portion of the site that portion should be immediately
7 replaced by exposing other mineral soils?

8 MR. ROSENBERG: I guess yes or something
9 should be done because for one it is experimental to see how well
10 it will work so I suppose the sooner it is done the better.

11 MR. ARMINSKI: Is there -- you think there's
12 something else that can be done?

13 MR. ROSENBERG: No, at this point I don't
14 know what else could be done other than exposing more -- possibly
15 exposing more mineral soils in the area. There's also a concern
16 with access to crossing Jay Creek to those licks on the other side.
17 I think the paper here addresses ice shelving as a possible pro-
18 blem as far as crossing to the other side of Jay Creek to those
19 other licks. But then there's also other factors that could
20 possibly be a problem, like debris left over from clearing impound-
21 ments, muddy slopes, I'm not sure . . . Those possibilities just
22 should be addressed in here, I think.

23 MR. FAIRBANKS: I think they are.

24 MR. ROSENBERG: Are they?

25 MR. FAIRBANKS: I think the problems related

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1 to crossing the resevoir are.

2 MR. ROSENBERG: I know the ice thing was I
3 guess I don't remember the debris.

4 MR. FAIRBANKS: Okay, I'm not sure that that
5 was.

6 MR. ARMINSKI: I guess you wouldn't -- maybe
7 I'm wrong but I wouldn't expect that you'd have any debris higher
8 than ice because basically you'd clear the resevoir to the limits
9 and any debris that's going to go up is going to be waterborn. So
10 I think the extent of the deposition would be the same extent as
11 the ice.

12 MR. ROSENBERG: That I'm not sure of.

13 MR. ARMINSKI: I mean, if you're talking
14 about logs or whatever.

15 MR. THRALL: Randy, debris -- or Bob, debris
16 was not addressed then as something we need to look at?

17 MR. LINDSAY: No, you're talking about
18 floating -- you're concerned about animals getting out in the im-
19 poundment, swimming and being tracked by debris rafts, like logs
20 and things like that?

21 MR. ROSENBERG: Well I'm not really sure.
22 That is a concern and also -- I'm not sure exactly what parts
23 they're going to be crossing exactly at and once the debris situa-
24 tion is going to be once they clear the impoundment. I don't
25 really -- I can't visualize exactly what it's going to look like

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1 but it just seems like that's a problem that's -- something that's
2 going to have to be addressed as a factor that may or may not --
3 that may cause problems later on and just something that has to
4 be included in any kind of impact analysis, potential causes.

5 MR. GRANATA: If you find that you have to
6 mitigate if some of the licks have been inundated, did you do any
7 kind of studies to find out that if you excavate near the present
8 high use areas that you do indeed have mineral deposits that you
9 can expose?

10 MR. FAIRBANKS: Other than -- yes, there were
11 series of soil samples collected to identify the concentrations
12 of various elements that were thought to be important to sheep
13 use and most of the literature and the samples that were collected
14 indicate that it's just simply sodium that's probably the element
15 they're going after. There appears to be plenty of sodium around.
16 We had a geologist investigate the licks and it's his opinion that
17 much of the area is very similar that it just -- there's a layer
18 of material that's just being expose by the creek and so as you
19 erode further back into the hill you just simply expose more of it.
20 It appears, based on the soil sampling, that there's plenty of
21 sodium around in essentially all the soils in the area.

22 MR. GRANATA: So you're pretty much assured
23 that if you do expose new sites that that would be used, that's
24 almost a given?

25 MR. FAIRBANKS: Well we expect so. It's hard

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1 to predict exactly what the sheep will do.

2 MR. GRANATA: Are there any case studies?

3 MR. FLEMING: Oh, for heavens sake, we've
4 been studying these sheep for three years, it is possible to pre-
5 dict what the sheep will do. We know when they go to the licks,
6 what time of the year, we know what the resevoir elevations are at
7 the time of year when they do go to those licks. As I remember,
8 they're going to the licks then the resevoir would be basically
9 fairly low. Our observations are that for all practical purposes
10 the parts of the licks which they're going to will remain as
11 accessible in the future as they are right now and we think after
12 three years we don't have to conjecture what possible kinds of
13 impacts there might be, our assessment is there are probably no
14 significant impacts on the Dall sheep. If you can't deal with
15 such a simple question as this. . . That's why we chose this, we
16 thought it was one of the most simple issues. Heaven help us
17 on the next 56 issues.

18 MR. GRANATA: The three sites that you men-
19 tioned on the first page, were they historically low use areas?
20 Or are they just low use now?

21 MR. FAIRBANKS: Three sites?

22 MR. GRANATA: At the bottom of the first page,
23 second to last sentence.

24 MR. FAIRBANKS: Page 1?

25 MR. GRANATA: Page 1.

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1 MR. FAIRBANKS: Page 1. The lick was just
2 discovered in 1982 so beyond that I don't know. These are indi-
3 vidual lick sites within the whole Jay Creek complex that we're
4 talking about here. The Jay Creek lick consists of a number of
5 sites scattered up and down the creek, some of them are well up-
6 stream of the impoundment zone and others occur along the edge
7 of the impoundment zone but above the 2200 foot elevations. But I
8 think as it indicates here, one low use licking area will be com-
9 pletely inundated and two others would be partially inundated.
10 But the --

11 MR. GRANATA: -- Two other low use areas.

12 MR. FAIRBANKS: -- Yeah, I think the -- based
13 on the 1983 studies, I don't remember what the percentage was, it
14 was like 90 percent or something, of the licking activity was
15 above 2200 feet.

16 MR. ROSENBERG: Well one thing here that you
17 did talk about on Page 12, sheep going out of their way -- Heimer
18 in 1973 found that Dall sheep will travel 12 miles out of their
19 way to visit a lick. I don't know if you used that to extrapolate
20 to the fact that on Page -- the executive summary here, the second
21 page and I'm sure it's somewhere else, it says, "It's reasonable
22 to assume -- that might be a little bit more substantiated, but
23 anyway it says, "It is reasonable to assume that sheep will make
24 a strong effort to continue using lick sites on the east side of
25 Jay Creek even if they have to cross ice or walk approximately one

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1 mile upstream to avoid the impoundment. I'm not sure, are you
2 basing that on the statement that Heimer found that Dall sheep
3 will travel 12 miles out of their way to visit a lick or is that
4 just based on other information in here or what? Because in
5 Heimer's study in 1973 that was not a reaction to a barrier, that
6 was just an established movement pattern as I understand it.

7 MR. FAIRBANKS: Right, I think the assumption
8 is based on the fact that just general observations of sheep
9 movement. If these sheep come five miles or so as it is to get to
10 Jay Creek we don't think that an additional mile of walking around
11 the resevoir, if they find that to be a problem, will cause them
12 to abandon the lick sites or the resevoir -- I think we calcu-
13 lated the resevoir is about 200 feet wide at that -- at the time
14 that the sheep are there in that vicinity and in addition when the
15 concentration of sheep are there the resevoir will be ice free so
16 that even if -- the bulk of the time the sheep are there the rese-
17 voir is ice free and there's going to be a 200 foot wide calm,
18 pool of water to swim across as opposed to right now they obviously
19 have to cross the creek, which is not exactly a, you know, it
20 obviously subjects them to accidents as well. So we don't really
21 expect it to significantly increase the potential for mortalities
22 or decrease the amount of lick use on that side of the creek. You
23 also have to recognize that there's -- I think most of the lick
24 use was on the west side of the creek, or the northwest side so
25 that even if they chose not to, you know, cross the creek there's

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1 still -- the dominant use was on that side. But we don't expect
2 it to be a problem.

3 MR. FLEMING: Would you expect it to be a
4 problem?

5 MR. ROSENBERG: No, actually I -- I don't
6 really know, to tell you the truth. I suppose it could be a minor
7 problem. I don't see how it -- I'm sure it could be a problem.
8 I can understand there are a lot of unknowns here. The biggest
9 concern, I think, is with what I brought up initially, trying
10 to prevent the population from declining in the first place.
11 If it's feasible, and I don't know why it wouldn't be, to possibly
12 expose some other sites. That's what we're concerned about,
13 that's what we're trying to prevent. If those sites were exposed
14 and those sites were working and if sheep were using those sites
15 that were exposed then there was a population decline afterwards
16 then I think we could eliminate that as the likely cause of it.

17 MR. THRALL: Dan, would you then recommend
18 an experimental program up front to start to expose additional
19 lick sites in the monitoring of that -- success of that as some-
20 thing to start very early?

21 MR. ROSENBERG: Yes, I think so.

22 MR. ARMINSKI: I would think that one alter-
23 native would be to, when you clear the reservoir, whatever clearing
24 plan we adopt, when you've got your activities in that area, be-
25 cause they occur before inundation, is just to go ahead and strip

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1 some of that stuff back to expose some soils. I guess the question
2 would be, how would you -- or what would you recommend be the
3 amount stripped?

4 MR. ROSENBERG: Well the location and the
5 amount. I think there have been some soil tests done up there.

6 MR. ARMINSKI: Would it be direct? I mean
7 if you inundated two acres of a lick site, strip two acres above
8 the pool?

9 MR. ROSENBERG: I don't know. I can't
10 answer that. But I agree that that's the kind of thing that has
11 to be looked at.

12 MR. THRALL: Randy, that would have to be
13 something that goes into this mitigation plan, would it not?
14 Some thought be given to what -- how that would go?

15 MR. FAIRBANKS: Right.

16 MR. THRALL: And then it would become incor-
17 porated as far as the mitigation plan.

18 MR. ARMINSKI: I guess the other thing we've
19 got to look at is what is the probability of debris being caught
20 up in that area.

21 MR. ROSENBERG: Yeah.

22 MR. ARMINSKI: Logs, I presume you mean logs,
23 floating logs, those sorts of things.

24 MR. ROSENBERG: Yeah, all kinds of. I suppose
25 it could be a lot -- 10 million sticks too.

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1 MR. LOWENFELS: Any other Jay Creek? Get
2 your last licks in. Sorry. Do you have anything on that one,
3 Hank?

4 MR. HOSKINS: No.

5 MR. LOWENFELS: Yes, no, maybe.

6 MR. ARMINSKI: The next paper is W-10, that's
7 the significance of access roads presence and the effects on
8 caribou movements and behavior. Basically our position is that
9 we believe that the mitigation measures that we've proposed will
10 not impact caribou numbers or movements. Who's going to take that
11 one, Randy?

12 MR. FAIRBANKS: Chuck.

13 MR. ELLIOTT: The information that the paper
14 is based on was derived primarily from two major sources, the data
15 that had been collected -- three years worth of movement data from
16 radio collared caribou collected by Ken Pitcher and reported in
17 his caribou reports and then as extensive as we could make it,
18 an examination of the available literature with regard to caribou
19 responses to linear features, primarily roads and pipelines. We
20 attempted to exhaust the literature with regard to Alaska and
21 northern regions and the impact on caribou. As anybody probably
22 knows there's 1001 one camps and 1001 opinions about roads and
23 caribou but we attempted to look at it from what was available
24 by people who have had experienced and published information and
25 to look at it at a population level -- population level effect.

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1 That's great. Can I go now?

2 MR. GRANATA: Do you expect the snow removal
3 to -- creating snow berms to be a hindrance?

4 MR. ELLIOTT: That was looked at and we talked
5 with some people who have had experience on the North Slope looking
6 at it and then we looked at snow data that was available from
7 snow stations, historic snow stations and then ones that were
8 installed for the study of the project. Snow accumulation pro-
9 bably, based on past data, you know, it can vary, you can get
10 highs and lows, but on an average an accumulation in the area
11 probably will not be that significant to inhibit movements and in
12 the process of clearing the road snow berms were included in there
13 to look at it in terms of perhaps attempting to level off and
14 lower the berm but with the snow accumulation that occurs in the
15 area you probably won't have a problem with it naturally. The
16 caribou there cross back and forth across the Richardson Highway
17 and the Denali Highway to the north. Portions of the Denali
18 Highway are kept open but not all of it and the Richardson Highway
19 is kept open and they've had no problem, in terms of movements,
20 crossing back and forth between winter maintenance on the Richard-
21 son Highway. So snow berms should not be because of the snow
22 accumulation in that area, the wind action in that area and what
23 we know about caribou responses to snow removal on the major
24 highways that they cross.

25 MR. LATTA: First off, we didn't have any

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1 major problems with the mitigation part of the paper here but
2 on the -- my understanding that the caribou are up there for
3 calving and I was wondering if it's going to be that big of a
4 problem? Is there going to be that many caribou there in the
5 winter if it's just a calving area?

6 MR. ELLIOTT: No, there was one season some
7 animals remained to the west of where the road would be now, in
8 the mountainous area, but that was a small, wintering concentra-
9 tion. Generally in the winter there should not be that many
10 caribou crossing the area. The sub herd that's up there really
11 don't have a well defined calving area, they're just sort of dis-
12 persed. But it should not impact calving or winter movement be-
13 cause there just aren't that many animals up there in the winter.

14 MR. LOTTA: That's what I thought.

15 MR. FAIRBANKS: The calving that does occur
16 in the areas is pretty well dispersed and the calving area of the
17 main Nelchina herd, of course, is south of the river.

18 MR. HOSKINS: Chuck?

19 MR. ELLIOT: Sir?

20 MR. HOSKINS: What's the relationship of
21 this item number seven on Page 13, "Reduction of traffic volume
22 through an air/bus transportaion scenario." Is this a situation
23 where the caribou will monitored and then if they are apparently
24 disrupted then an air/bus situation will be used or what are the
25 parameters that would require you to implement an air/bus situation?

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1 MR. ROSENBERG: I was under the impression
2 that that was going to be in the mitigation plan, there was just
3 going to be an air/bus system, is that not true?

4 MR. ARMINSKI: One of the things that we've
5 recognized for a long time is that many of these impacts would
6 occur not only wildlife related but socio-economic impacts would
7 occur from having workers transport themselves to the job site.
8 The license application is based on a worst case scenario where
9 everybody drives themselves to the site. I can't remember exactly
10 how many vehicle trips there are.

11 MR. ELLIOTT: Between 875 and 700.

12 MR. ARMINSKI: So in looking for a way to
13 reduce some of those impacts we've considered various transporta-
14 tion alternative. One that's mentioned in here is an air/bus
15 where you'd establish an air strip and you take and fly workers
16 from the major communities, like Anchorage and Fairbanks, right
17 to the site and then they would, you know, stay there for whatever
18 their rotation was, six weeks, five weeks, whatever and then you'd
19 fly them out again. For the communities that are closer, for
20 example, Cantwell, Trapper Creek, you could establish a bus to
21 take workers from their community into the job site. The thing
22 that we're investigating right now is what the cost trade off is
23 between flying and busing workers in as opposed to letting them
24 drive themselves in and the cost of primarily socio-economic
25 mitigation that would be offset by initiating this worker

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1 transportation plan. We've just finished the analysis at this
2 time. It looks as if there are some trade offs to be made and we
3 haven't officially adopted a air/bus transportation plan at this
4 time but it's a serious consideration.

5 MR. ROSENBERG: Are there any other scenarios
6 such as workers getting to -- from Anchorage getting up to Cantwell
7 by some other means and then -- I mean, if they're going to drive
8 in the first place I would assume they would drive from Anchorage
9 right to the site. Is that where they drive part way and then get
10 on the bus the rest of the way?

11 MR. ARMINSKI: Is that one of the scenarios
12 we examined that they would be driving to a park and what did we
13 call it?

14 MS. BERGMANN: Park and ride. At Cantwell
15 or . . .

16 MR. THRALL: There's essentially an infinite number of
17 ways that you can put this together and the analysis that was done
18 looked at a whole array of those. I think the important thing,
19 for our purposes, is whether or not there is some sort of controlled
20 access, whether it's by air or by bus, the effect would be to
21 cut down this traffic.

22 MR. ROSENBERG: Nobody is willing to initial
23 the air/bus system yet on that?

24 MR. ARMINSKI: Well the analysis has just
25 been completed.

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1 MR. HOSKINS: Tom, in your analysis here, in
2 the context of this paper, did you consider impacts to migrating
3 caribou?

4 MR. ARMINSKI: I think Chuck can speak to
5 that.

6 MR. ELLIOTT: Basically what -- the license
7 application contained a transportation table that's addressed in
8 the table here and basically it was called a worst case, it was
9 like anybody can drive it and we felt it was at one extreme and
10 then at the other extreme, so to speak, would be that no one would
11 be allowed to drive a private vehicle in so they'd either have
12 to come in on a plane or a bus. So we just approached it from
13 looking at the two extremes and figuring there would be gradations
14 inbetween as to the effect on caribou if workers were allowed to
15 drive their vehicles in or, you know, there were no private
16 vehicles allowed in and only airplanes and buses were used. Both
17 of those -- those two conditions were looked at with regard to
18 the effect of the road on the caribou. They were including in the
19 looking at the effect of traffic on the movements.

20 MR. HOSKINS: Now just keeping going, what
21 did you -- what was find out about that.

22 MR. ARMINSKI: Why don't you talk about the
23 migratory patterns of the caribou.

24 MR. HOSKINS: Is there a magic number of
25 vehicular traffic on this road that's going to disrupt the caribou?

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1 MR. ELLIOTT: We weren't able to find any
2 magic number that anybody has come up with, but there are two
3 things. There was a study performed up on the North Slope that
4 looked at vehicle traffic but it was vehicle traffic rates on an
5 access road in conjunction with the pipeline and then they looked
6 at -- this was a study done for Arco and I read the report, and
7 they weren't sure how to factor out, because they had noted when
8 they just looked at caribou and pipeline that they would get some
9 responses to the pipeline, when there were just caribou and roads
10 with very little traffic the caribou crossed the road with very
11 little problem. When there was a vehicle present it would deflect
12 them, when the traffic was over they would eventually cross the
13 road. So it was difficult to factor out whether it was the traffic
14 or the pipeline. What they had there was approximately one vehicle
15 every four minutes as a traffic flow that they felt they started
16 to see some sort a response from the caribou. But again, they
17 couldn't, and they said in their report, they couldn't be sure
18 if it was the vehicles or the presence of the pipeline or the road
19 and the pipeline in conjunction. So if we wanted to look at that,
20 that's the only information available, but we don't have a
21 pipeline. So it's kind of a little biased to look at that as
22 being a traffic flow that will start, you know, when you have one
23 vehicle every four minutes you may start to see some response in
24 your caribou. The other thing about it that we had considered
25 and the reason that it wasn't going to be -- the road and the

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1 traffic wouldn't be that serious of a problem was that under
2 either situation, either workers allowed to drive in or an air/bus
3 situation, there will be a window, so to speak, of traffic when
4 shifts are changing. During the remainder of the time the traffic
5 will be, well, not nil but tremendously reduced. So there would
6 be just periodic points in the course of a day when there would
7 be large traffic volumes or large traffic flow, be it a few buses
8 bringing in or workers changing shift and driving back and forth.
9 So it will not be a steady traffic flow to where the caribou would
10 be faced with literally a Palmer to Anchorage morning traffic
11 flow, something like that.

12 MR. HOSKINS: So you're looking at just a
13 temporary delay rather than a complete blocking.

14 MR. ELLIOTT: Right, it's a temporary delay
15 and from the information we could find in the literature caribou
16 will, you know, a truck's coming, okay they get a little bit
17 deflected, the truck goes by, they're there for awhile and then
18 they cross the road.

19 MR. HOSKINS: I think that's somewhat similar
20 with the Alyeska report?

21 MR. ELLIOTT: Right, exactly. Yes, that's
22 what I'm thinking about. Yes, the information was from there.
23 Same thing is going to happen with the buses, there will be a
24 period, it won't be a steady traffic flow but just a period. So
25 in those two instances we felt that there probably won't be a

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1 detrimental effect. You may get some deflections of movements for
2 a period of time but it's not going to be a, you know, a barrier.
3 And the -- I don't know, it just went right out my head, it was
4 good too. I forgot what I was going to say. Did you have a
5 second part to your question?

6 MR. HOSKINS: Well the information I was
7 seeking has been provided on that.

8 MR. GRANATA: You're talking about commuting
9 workers as mitigating that. What's the traffic flow for heavy
10 equipment and -- yes, what's the traffic flow for heavy equipment?

11 MR. ELLIOTT: For heavy equipment, you mean
12 like trucks bringing in supplies

13 MR. GRANATA: On an average how -- what's the
14 spatial differences between the trucks. Like you used -- you
15 cited that North Slope study, every four minutes I think you
16 said.

17 MR. ELLIOTT: That was vehicles, not necessarily
18 heavy equipment, pickup trucks, any vehicle coming back and
19 forth, maintenance vehicles for the pipeline.

20 MR. GRANATA: Let's talk about the equipment
21 that's going in. What kind of flows are we talking about?

22 MR. ARMINSKI: If you'll look on Page Six,
23 Mike, of the paper there's a table that breaks down the vehicle
24 trips and the types of trips.

25 MR. GRANATA: So basically this is -- it's a

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1 fairly insignificant amount of flow for the migration?

2 MR. ELLIOTT: Yes, considering what has been
3 noted, like I said, in conjunction with the road and the pipeline.
4 And the fact to consider with equipment is there will be a speed
5 limit and restriction and there will be water trucks working the
6 areas so there won't be dust clouds to create an additional effect.
7 But, yes I think, considering what we've read and what we've seen
8 and talked to people about, yeah this is a pretty insignificant
9 flow.

10 MR. FAIRBANKS: The other thing to keep in
11 mind is that these traffic volume estimates are basically worst
12 case, at the peak of construction. So we're talking about a two
13 year period when traffic volumes would be this high and then only
14 during the peak season, which would basically be summer.

15 MR. ELLIOTT: After the initial two to three
16 year peak season of construction there will be a decline in the
17 traffic. And then in the winter period throughout there will be a
18 much reduced traffic because of a decrease in the operation.

19 MR. LOWENFELS: Any data gaps? Any problems?

20 MR. ROSENBERG: Overall I think we found it,
21 you know, it's pretty acceptable. There weren't any real pro-
22 blems. The only point I wanted to bring out was just because --
23 I thought the paper implied that -- the management objectives of
24 Fish and Game are to keep the herd at no more than half of what it
25 has been, it's historical high. Perhaps that would -- there

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1 wouldn't be the sporadic movement that caribou herds sometimes
2 undergo that's sort of associated in the paper with high popu-
3 lation levels, that's just not necessarily the case. The herd is
4 subject to erratic movements even at lower levels so that it may
5 just -- keeping the herd at a lower population may not, you know,
6 it may still be a concern that the herd may all take off and go
7 up into the upper Susitna, Nenana area or whatever. Do you
8 understand what I'm getting at?

9 MR. ELLIOTT: I can see what you're driving
10 at. We kind of thought about it and it was like when the herd
11 was at its very high numbers that's when you got large numbers of
12 animals making these movements. But at its present population
13 level and say Fish and Game changes -- objects this change and
14 they want a larger herd or something like that I still believe
15 that they would have to approach, again, near those high numbers
16 in order for large numbers of animals to make the historic migra-
17 tion. You may get sections of the herd, like you say, making
18 these sporadic movements. But from the information we have avail-
19 able that's all we've got to be able to work on, it doesn't really
20 look likely that you're going to get these large scale movements
21 of a large number of animals.

22 MR. FLEMING: Would it be anticipated that
23 the scale of movements across the road be on the order of that
24 which crosses the Richardson Highway?

25 MR. ROSENBERG: We were more concerned with

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1 the crossing of the impoundment also.

2 MR. ELLIOTT: Well this one we're just dealing
3 with the road, That's a good point. The Richardson Highway would
4 be your max case.

5 MR. ROSENBERG: But I suppose -- I think that
6 would be worse than -- I think the impoundment could be a bigger
7 problem than the highway but that -- you're right, that's another
8 -- regards to a road.

9 MR. LOWENFELS: Another issue. We'll
10 definitely get into that one.

11 MR. ROSENBERG: So, I don't know if it would
12 be worse than the -- the Richardson Highway I guess is a concern.
13 I think the situation there is that it's all treed, which may --

14 MR. ELLIOTT: Well see the thing there is
15 that we're actually in a better situation, if you want to think
16 of it that way, because in the process of crossing the highway
17 they do go through timbered area for the Richardson. Basically
18 the proposed access road is through territory that would provide
19 them with plenty of view and it's not like they're going to wander
20 out there and be started, surprised, calves separated from their
21 mothers or things like that. The openness of the terrain would
22 actually be a benefit, if you will, in a way because they can
23 see, you know, any oncoming vehicle and the traffic flow being,
24 you know, at its low rate, will give you a better situation than
25 the Richardson. But they do continue to cross the Richardson in

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1 large numbers.

2 MR. FLEMING: Was there any indication that
3 the Richardson had had a population level effect on the caribou
4 herd?

5 MR. ELLIOTT: Not from what we found. His-
6 toric data indicate that the herd has been -- continued to increase.

7 MR. FLEMING: And that was during the pipe-
8 line construction too?

9 MR. ELLIOTT: Yeah, during the pipeline con-
10 struction period.

11 MR. FAIRBANKS: Yeah, the crossings of the
12 Richardson of course include crossings of the pipeline as well.
13 And a large segment of the herd -- or -- I can't remember whether
14 it's the whole herd or a large -- I think it's a large segment of
15 the herd anyway has crossed the Glenn Highway twice a year and
16 wintered, you know, on the slopes of the Wrangell Mountains.

17 MR. ROSENBERG: I guess my thoughts of the
18 impoundment just bring you back to the idea of cumulative types
19 of impacts. I have a hard time associating these events.

20 MR. LOWENFELS: That's why we're only asking
21 for initials.

22 MR. BEDARD: Where's this park and drive
23 facility proposed?

24 MR. LOWENFELS: Pardon?

25 MR. BEDARD: Where's the park and drive

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1 facility? Where would that be? That would be at Cantwell?

2 MS. BERGMANN: Um-hm.

3 MR. BEDARD: What are you proposing to cur-
4 tail traffic from Cantwell on out? The reason why I'm asking is
5 presenting during the caribou season about 300 vehicles a day go
6 in that area, the hunters. Then in the summer months you get a
7 lot of use by ATV's and four-wheel drives that go as far south
8 as Butte Lake on the flats and I don't know how you're going to
9 stop that traffic.

10 MR. ARMINSKI: We have no intention of
11 stopping that. Our transportation plan pertains only to our
12 workers.

13 MR. BEDARD: In addition you've got the fact
14 that Ahtna Corporation has, what, a quarter million acres of
15 land and CIRI has a quarter million acres of land and with or
16 without this project they're going to be using this land. That's
17 got to be addressed, their access, they're real concerned about
18 that. If you control access, if the easement that is identified
19 by BLM is in that same corridor and you close it I find it pretty
20 difficult to close it to the natives.

21 MR. LOWENFELS: I don't think it's -- it is
22 our intention to isolate the workers from the community and from
23 -- or isolate their cars from hitting caribou and we can't go any
24 further than that.

25 MR. BEDARD: Well one of the mitigations here

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1 is to control public access and --

2 MR. LOWENFELS: -- That would be during the
3 construction period.

4 MR. BEDARD: But we still have a concern with
5 that and the reason why is that that's a long construction period
6 and Natives are in a pretty tight position economically and all
7 lands are taxable and if we cant get to them because of closed
8 access we're going to have problems.

9 MR. ARMINSKI: There might be some special
10 provisions made. Like on the Haul Road north of the Yukon, if
11 you had a reason to be up there.

12 MR. BEDARD: Well this is what we would like
13 to see, in our case, addressed as a mitigating issue. I did want
14 to bring up the fact that places like Brushkana Creek and Butte
15 Lake and Monahan Flats (ph) are all presenting used now by various
16 means of transportation and you're going to continually have that.

17 MR. ARMINSKI: Well do we need any -- have
18 any more discussion on this paper? Any data gaps that we need
19 to address?

20 MR. ROSENBERG: As of now, for purposes of
21 comment on this paper, can I -- can we assume that what's here in
22 the proposed mitigations measures adopted by -- mitigation measures
23 endorsed by the Power Authority, one was the bus -- the air/bus
24 system, so can we assume, for purposes of comment on this paper,
25 these are the ones that are going to go in?

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1 MR. ARMINSKI: Well, as you said, the air/bus
2 is still under consideration.

3 MR. LOWENFELS: I think --

4 MR. ROSENBERG: -- I wouldn't have known that
5 at all. It says here it's endorsed by the Power Authority.

6 MR. FLEMING: Let's not confuse the issue.
7 I think it is the Power Authority's policy that we are going to
8 regulate the casual use of vehicles by the workers to get on the
9 job site. What is at discussion in the Power Authority is whether
10 that would be a bus scenario, an air scenario or a mixed air/bus
11 scenario. So there's no doubt that our policy is to impose con-
12 trol of workers using their cars. What we were trying to define
13 internally right now is just which option in that area we're going
14 to select.

15 MR. ARMINSKI: What we thought we'd do is
16 move upstairs.

17 MR. ROBINSON: May I --

18 MR. ARMINSKI: -- Go ahead, Jack.

19 MR. ROBINSON: I'd like to heartily invite
20 you all to rest for about 15 minutes, help yourself to coffee and
21 tea, grab your coffee and tea cups and your name signs, if you
22 would, and your coats and if we could all reconvene upstairs on
23 the second floor in the Denali Room. It's reached by taking the
24 elevator up, stepping out of the elevator, going to the corridor,
25 taking a right going down to the east.

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1 (OFF THE RECORD)

2 (ON THE RECORD)

3 MR. ARMINSKI: Okay, the next one is W-11,
4 significance of increased accidental big game deaths from vehicle
5 collisions due to increased access. Our position is that the im-
6 pacts on big game population, due to increased access, will not
7 be significant.

8 MR. LOTTA: Which number is this now?

9 MR. ARMINSKI: W-11.

10 MR. ELLIOTT: The information used to con-
11 struct this paper basically came from two sources, the Alaska
12 Department of Transportation Traffic Data and Collision reports
13 mainly for -- well specifically for the Richardson Highway because
14 we felt that the Richardson Highway was the closest all weather
15 highway, which, you know, had moose and caribou that records were
16 kept for. There were some records available for the Denali
17 Highway but it's not open all the way, the roads entire length,
18 for the winter and the winter was determined from collision
19 frequencies of the Department of Transportation data, winter was
20 the significant time period of the year. For railroad calcula-
21 tions we looked at -- spoke with railroad officials, Alaska
22 Department of Fish and Game records and biologists and then infor-
23 mation that was available in the literature, information that was
24 written, Fish and Game reports and also information available from
25 other sources in Canada. The calculation came out to be

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1 approximately -- again you will see that we sort of looked at it
2 from the two extremes, unlimited worker access and then restricted
3 worker access to try to establish a range of potential collisions.
4 From the Department of Transportation data, moose are the primary
5 species that gets involved in vehicle collisions so the calcu-
6 lations -- when they report the information on their accident
7 reports there is a category for -- it says, Number three is moose
8 and Number four is animal, you know, so it's kind of like -- we
9 tried to sort out the animal and find out what they were. The
10 major species is moose and the calculations are reported with the
11 idea of so many moose will be encountered. Three to five were the
12 calculations we arrived at, three to five per year on the access
13 road.

14 MR. HOSKINS: On that point, do you have data
15 that would indicate that the moose densities are similar from
16 along the Richardson Highway from Delta to Valdez as they will
17 be along the access road that we're talking about here?

18 MR. ELLIOTT: The density in numbers?

19 MR. HOSKINS: The numbers of moose.

20 MR. ELLIOTT: The numbers of moose?

21 MR. HOSKINS: Right.

22 MR. ELLIOTT: I'm trying to remember, I
23 looked at that information.

24 MR. HOSKINS: I didn't find it within the
25 context right here and it looks like you've got a piece of ground

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1 here and a piece of ground here, you're taking everything,
2 extrapolating to this piece and I don't know if the densities of
3 moose are similar or not.

4 MR. ELLIOTT: That's a good point, we'll
5 have to incorporate it. As I remember right, they aren't because
6 areas along the Richardson Highway again, forested, winter habitat,
7 if I remember right, I think the moose densities are higher than
8 they would be along the access road area.

9 MR. HOSKINS: I think it would be appropriate
10 in here to just make a comment in here about the relative den-
11 sities.

12 MR. ELLIOTT: That's a good point. I read
13 that but I never put it in.

14 MR. ROSENBERG: I guess that's also some-
15 thing -- something we're going to have to consider too for starting
16 enhancement programs in these areas that moose are crossing
17 railroad tracks and roads and something like that we kind of want
18 to get a good handle on this before we go ahead and do something
19 that's going to compound the problem. I think population size is
20 important there.

21 MR. ELLIOTT: I don't remember the specific
22 numbers but they are -- the densities are higher along the Richard-
23 son Highway because the winter habitat is better there.

24 MR. THRALL: So that would make our cal-
25 culations of mortality -- our calculations of mortality may be a

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1 little too high because it's based on extrapolation from an area
2 where there are more moose present.

3 MR. ELLIOTT: Yes, we're going to -- yeah,
4 the numbers that you're looking at are probably, if you will, at
5 the upper limit.

6 MR. FAIRBANKS: We rounded off high when
7 there was a choice of picking three or four we picked four. So
8 our estimates are on the conservative side. I think the -- the
9 number of animals killed by vehicles worked out to be 1.4 was the
10 estimate. So even if we increased moose populations by 50 percent
11 or something it will be at 2.1 or something.

12 MR. ELLIOTT: And our calculations
13 of collisions on the Richardson Highway was actually, using the
14 method and the Department of Transportation data, came to 3.7 for
15 our calculation for potential collisions on the access road, we
16 assumed five. So we actually calculated what the rate was and
17 then increased it to make it a worst case situation.

18 MR. FAIRBANKS: We did use the -- yes, talking
19 about using conservative assumptions we did use the worst case
20 traffic scenario or the highest volume scenario for these esti-
21 mates of collision mortality.

22 MR. ELLIOTT: And compare it with the air/bus.

23 MR. HOSKINS: Would you explain to me please,
24 like on Page i and then again on Page Four the general statement
25 you have, "Impacts on big game population from vehicle collisions,

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1 due to increased access, will not be significant." What's signi-
2 ficant to a moose population?

3 MR. ELLIOTT: What we were following with
4 and in the mitigation plan the definition of significance was, I
5 can't remember it verbatim, but it was an effect that would be
6 interpreted -- a population effect, a basin wide population effect.

7 MR. FAIRBANKS: A change in population that
8 would be observable and measureable. What we're saying is that
9 the amount of mortality would be within normal variation or we
10 wouldn't be able to measure the difference.

11 MR. ROSENBERG: And that's just the kind of
12 thing that will be more substantiated in the mitigation?

13 MR. FAIRBANKS: Right, that definition is
14 in there.

15 MR. ELLIOTT: Right.

16 MR. ROSENBERG: Yeah.

17 MR. LOWENFELS: Any other comments with re-
18 gard to this issue?

19 MR. BEDARD: On your mitigation measures,
20 Number Three, where you want to enlarge the road right-of-way
21 turns in potential collision areas. Will you also be placing some
22 kind of signs identifying that this is a potential area and a re-
23 duced speed limit?

24 MR. ARMINSKI: Yes, we can do that.

25 MR. BEDARD: That's it.

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1 MR. ARMINSKI: Any discussion on caribou?

2 MR. HOSKINS: Getting back to moose, one other point. I
3 was a little bit surprised to read that rail traffic along the
4 main line, from Gold Creek to Anchorage and Fairbanks is not
5 expected to increase. And thinking that rail would be your main
6 method of transportation for material and that sort of thing I
7 expected - I thought probably it would increase.

8 MR. ELLIOTT: Did you check with.

9 MR. FLEMING: Don, did you check with -- who
10 was out last week? Meyer (ph). My recollection, which was several
11 years -- a year or so ago was that there was about a 10 to 15 per-
12 cent increase in rail traffic to Cantwell and we should correct.
13 for that.

14 MR. HOSKINS: And I think accordingly then, if
15 that's the case, it's going to increase the numbers of moose
16 collisions and so forth that you do have documented here.

17 MR. ROSENBERG: On the mitigation measures
18 there, Number Five, I think what should be added to that is you
19 also need to add data on traffic volume and weather conditions,
20 such as winter severity and moose population size so you can
21 interpret this collision mortality. You need something to base
22 it on to better interpret that.

23 MR. ELLIOTT: There are measures that,
24 you know, apply specifically to moose that talks about that.
25 But they could be included too.

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1 MR. FLEMING: Dan are they seeing any in-
2 creased mortalities along the railway here associated with the
3 coal hauls from Usibelli.

4 MR. ROSENBERG: That I don't know. I did
5 have something though where some discrepancies between the num-
6 bers reported by the railroad and the numbers other people have
7 reported for mortality along the railroad line. I'd have to
8 find out that. I could try to find that out for you. But that's
9 a good question. I don't really know the answer to that. I
10 don't know if anybody's checked into it or what.

11 MR. ELLIOTT: The mortality we used for the
12 rail we went to the railroad to get. I also talked to Nick Steen
13 out in Palmer.

14 MR. ROSENBERG: I have some information from
15 Ron Modaferi on -- I think it was a survey that he flew or some-
16 one flew on the lower river -- the lower -- between Talkeetna and
17 Anchorage I believe. I thought I had it with me but apparently
18 I don't. I'll go ahead and put it in my comments. It was just
19 on alot more moose, I think is what it was, than were reported by
20 the railroad.

21 MR. LOWENFELS: In either case, are you
22 suggesting that the monitoring program which we would institute
23 would not serve as a proper resolution to this issue?

24 MR. ROSENBERG: No, I don't think it would
25 go that far at all. But anyway, I can't find it right now.

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1 MR. LOWENFELS: Is this silence a resounding
2 endorsement of the Alaska Power Authority's W-11 position?

3 MR. HOSKINS: Where do I sign.

4 MR. LOTTA: NJ, NJ.

5 MR. ARMINSKI: Do you have anything else to
6 say, Dan?

7 MR. ROSENBERG: No, I really don't think I
8 do. I have some little things but I'll just write those in
9 the comments. I don't think they're going to change -- at this
10 point in time I don't think they're going to change anything sub-
11 stantially.

12 MR. LOWENFELS: I guess one thing that we
13 need to resolve too as we go through these things is whether or
14 not there needs to be any additional technical meetings on these
15 things. You know, for example, we've had some suggestions that we
16 include things as mitigation measures, for example, the sign or
17 exposed mineral soils, you know, during clearing. I think we all
18 recognize that we've got a pretty ambitious meeting schedule so
19 if people think that nothing else is required on these papers I'd
20 like to hear it so we don't have to schedule meetings for the --
21 and take up people's time.

22 MR. HOSKINS: Tom, are you requesting that
23 we provide written comments on these papers back to the APA?

24 MR. ARMINSKI: We're not requesting them. We
25 thought basically we could handle those sorts of things here

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1 orally and in follow up meetings. We don't -- we're not dis-
2 couraging written comments by any means. If you want to write a
3 -- for example, if you want to write a letter that says we agree
4 with your position and the mitigation measures are adequate and
5 appropriate we'll accept that.

6 MR. LOWENFELS: All we ask is that your
7 letters be non ambiguous. Hit them hard and if you've got some
8 suggestions, corrections that you need -- that you want made, make
9 them. What we had hoped is that through your own individual
10 processes you'd use the written process to whatever extent you
11 need to. Now I don't know whether an oral discussion satisfies
12 your particular statutory requirements to consider X,Y or Z,
13 whether you need to have a paper trail, as it were, but that's
14 what we would hope you'd use the written process for.

15 MR. ARMINSKI: Ultimately we're going to
16 have to have some sort of a record established that, for example,
17 Fish and Wildlife Service agrees with the position and that can
18 come now if you want to initiate that or it can come later when we
19 enter into whatever type of agreement.

20 MR. FLEMING: This should not all the time
21 sound like they have to agree with us. On some occasions we may
22 have to agree with Fish and Wildlife Service, but that there be a
23 common agreement.

24 MR. THRALL: It would seem logical that if
25 we get a position paper where the -- your thoughts on it are yes

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1 we agree provisionally. For instance, in Dan's case he would like
2 to see something on mitigation for the sheep take place before any
3 impacts are measured. I'm sort of reading that as he has a pro-
4 visional agreement. In that case a written communication might
5 be the way to go. In other words, Dan might want to go back and
6 send back written comments to that effect. In the meantime,
7 we want to go do something to our position paper to incorporate
8 it. But if it's simply a yes and you walk away today feeling that
9 you have no problem with this or that position paper I don't know
10 if we really need any exchange of paper on that or not. I think,
11 from our perspective, we don't feel we need it, do we?

12 MR. LOWENFELS: No, you know, obviously it
13 makes it cleaner and simpler for one of us to fly down to Washing-
14 ton D.C. and hand it to an administrative law judge if we have a
15 matrix box such as that or some written concurrence on each issue
16 so that whoever has to sit there and say well is there really
17 concurrence and we'll say oh, yeah there is. You know, it's
18 always dangerous to set up silence as acceptance and that's the
19 only thing I worry about. This is a -- these issues we put to-
20 gether two years ago and a lot of them probably aren't even worthy
21 of too much discussion. So we have to treat each one individually
22 I think.

23 MR. ROSENBERG: Back to the old subject what
24 I was referring to these reports on moose kills now my two figures
25 that I'm going to give you are both Fish and Game so it's sort of

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1 an internal problem. But Nick Steen, you've got Nick Steen quoted
2 on Table Three of that report. You're using data from him on the
3 number of moose kills from Houston to Talkeetna on the railroad.
4 He's got nine and I've got a thing that -- Modaferi flew a survey
5 from Houston to Chulitna and he counted 30 dead moose. So there's
6 a discrepancy there. Other places you're using figures from the
7 railroad. I assume that, you know, it's just wherever you can get
8 them from, whoever's got the data, but it seems like there could
9 be -- that's a fairly wide margin of error between nine and 30.

10 MR. ELLIOTT: Yeah, what went with --

11 MR. ROSENBERG: -- I'm not blaming it on you.

12 MR. ELLIOTT: The railroad estimate there
13 where it says two per week or 45 to 50 a year in that -- Mr.
14 Cogdale (ph) we talked with him about that and then we got to
15 looking at it and it was like, well does it seem to fit in with
16 what people have reported and a lot of the information was extreme
17 winters when there was a helluva a lot of dead moose out there
18 and then we tried to look at what would be, you know, an average
19 and then we went back and talked to the railroad again and asked
20 them about their 45 to 50 and they said, yeah, they felt that
21 was still a reasonable assumption for a year. Then we just used
22 that number to calculate for the spur.

23 MR. ROSENBERG: I guess the other thing that
24 sort of should be discussed a little bit is, are all of these
25 coming from one population or sub-population, are they, you know,

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1 two from here and two from there so it's no big deal to any group
2 of population of moose. But --

3 MR. LOWENFELS: -- In other words, the dis-
4 tribution of the kill.

5 MR. ROSENBERG: Yeah.

6 MR. ELLIOTT: You mean on the access road,
7 the proposed access road?

8 MR. ROSENBERG: Well both. You're taking the
9 data from one and extrapolating to the next so -- well how will
10 it be -- the question really is, how will it be on the proposed
11 access road and rail line, that's the real question. Is it going
12 to be randomly distributed and is that just going to be one
13 population that it's going to be effecting or is it several or
14 what.

15 MR. LOWENFELS: I suppose that's all a part
16 of the monitoring that would go. I'm not sure whether the infor-
17 mation is necessary up front or whether the monitoring program
18 should be designed to -- Chuck, the question is, are you killing
19 all the moose at one curve or is it over a 12 mile area therefore
20 effecting a broad herd rather than a sub herd or a small group or
21 something of that sort.

22 MR. ELLIOTT: Oh, you mean on the rail
23 access?

24 MR. ROSENBERG: Yeah, any access, wherever
25 we're talking about collisions occurring.

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1 MR. THRALL: Are there data on the spatial
2 distribution, the spatial distribution of kills? Is it concen-
3 trated? Did you -- do those data exist or do they just have a
4 number per section?

5 MR. FAIRBANKS: Not on the access road.

6 MR. THRALL: So based on that it would be
7 very hard to tell you whether it was coming from single population.

8 MR. FAIRBANKS: There is, for the access road,
9 an assessment. I think Table Two indicates collision potential
10 along each segment of the route.

11 MR. ELLIOTT: That's based on habitat
12 characteristics.

13 MR. FAIRBANKS: It's based on our assessment
14 of what --

15 MR. ELLIOTT: -- To try to give an idea of
16 where there might be problem areas.

17 MR. FAIRBANKS: Where concentration of moose
18 are and where the habitat might make them more susceptible to
19 collision.

20 MR. LOWENFELS: Is the monitoring plan going
21 to take into consideration following up basically on this table?
22 Seeing whether there is particular problem in one area?

23 MR. FAIRBANKS: Sure, that's the idea of
24 recording where the --

25 MR. ELLIOTT: -- Widening -- yeah, widening

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1 the road.

2 MR. FAIRBANKS: And recording where accidents
3 occur, agency and location and I think Dan's suggestion on all the
4 environmental conditions surrounding and accident . . .

5 MR. ASMINSKI: The next paper is W-5. This
6 is impacts on nonconsumptive activities, camping --

7 MR. LOWENFELS: R-5.

8 MR. ARMINSKI: R-5, sorry. R-5. And our
9 position is that the project will not substantially impact --
10 adversely impact the nonconsumptive uses and in fact will in-
11 crease the activity for nonconsumptive recreation in the project
12 area. Rick?

13 MR. SUTTLE: The major source for developing
14 this paper was the Chapter Seven of the license application,
15 the recreation chapter. The data that was -- that used figures
16 and estimate that were developed for that was primarily based on
17 the recreation planning documents such as the State Conference
18 of Outdoor Recreation Plan, an Alaska statewide survey. Other
19 than that it was filled in with other supplemental reports such
20 as the 1975 survey done on the Denali Highway for the BLM and
21 that was further -- the paper was further supplemented with dis-
22 cussions with personnel from DNR Parks, BLM and National Park
23 Service. Basically I think the findings, as Tom sort of alluded
24 to, I think the position is that we felt that very little exiting
25 nonconsumptive activity is going to be effected by the project.

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1 Really as we see it it's more the project's effect is basically
2 positive on these nonconsumptive activities because of the increase
3 in opportunities that can come in with respect to the project.
4 The mitigation measures that relate to this are primarily the
5 recreation plan that's been developed.

6 MR. LOTTA: I sent a copy of this over to
7 the Parks and they did not respond. I'm a little hesitant, as
8 Jeff said, but I'll take silence as their concurrence with the
9 plan.

10 MR. HEESCH: There's a whole bunch of re-
11 legislation right now that's floating around for Susitna Basin
12 recreation stuff now.

13 MR. LOTTA: I'm a little, you know, shakey
14 there.

15 MR. BEDARD: I had some comments, quite a few.
16 On the recreation plan it is one of the major developments by the
17 village corporations to develop recreation in that area whether
18 the project goes or not. On Page Two regard existing use and
19 facilities, you only identify Devil Canyon as unusual or out-
20 standing. If the project doesn't go it may -- the natives may
21 possibly close Devil Canyon to white water rafting because of
22 liability. The stretch of land from Devil Canyon to -- well
23 Portage Creek to Devil Creek has been conveyed to the Native cor-
24 poration and includes the river and that stretch of land has
25 killed people in the past trying to raft that particular stretch

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1 of water. We're looking at the liability we may have to incur
2 if we allow people to white water down through that stretch. So
3 we may close it to white water rafting. But we also look at
4 the fact that if the Devil Canyon Dam is built you'll be down-
5 grading the area from a Class VI to a Class, approximately a Class
6 III, which would make it more attractive than it is at present and
7 then we might have more rafting. Because right now anyone would
8 have to be a complete nut to try to go down through there. But
9 the other areas that we've identified as being outstanding and
10 unusual is the Stephan Lake area and the Fog Lake areas which is,
11 again, entirely on Native owned land. We would like to see
12 those two areas included in this recreation plan at a higher
13 priority than what it's been shown in the past. I believe that's
14 the DNR has also stated the same position. Our plans are to
15 develop those two areas with out without the project. And the
16 easements that BLM has also identified and made a requirement of
17 the conveyance document are in those two areas. So if you're
18 going to have easements there anyhow and you're going to have
19 access there anyhow it's best to develop those areas rather than
20 open up areas you don't have to.

21 MR. ROSENBERG: Develop them as how?

22 MR. BEDARD: As recreation. Our plans are
23 at one of the Fog Lakes close to the Watana Dam, about two miles
24 from it, there's one lake there that's about a mile and a half
25 long and it could be used year round. It could serve as a runway

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1 in the wintertime. Our plans were to build a helipad, a small
2 airstrip, a lodge with some cabins on one lake only with primitive
3 trails to the other lakes and also provide for canoes and stuff
4 like this to get to the other lakes because they're all inter-
5 connecting. There's five major lakes and there's a lot of small
6 lakes surrounding it as well. On Stephan Lake our plans were to
7 develop a 40 acres site. I believe Mr. Swanicky (ph) suggested
8 one acre but we're looking somewhere between 40 to 60 acre site
9 on the north end of the lake abutting the easement that was iden-
10 tified by BLM and building a lodge there along with other camp
11 facilities. They would accommodate overnigheters as well as people
12 that want to put up their own tents, et cetera. Also it was
13 identified as a major overpass for rafters and canoers coming down
14 the Susitna River, that was the reason why it was established
15 to begin with. We had some other plans that we wanted to incor-
16 porate in that but Stephan Lake is an oustanding area. I don't
17 know if anyone has ever been there but it is beautiful. When you
18 fly in it's like a valley and you come into a huge lake. That
19 lake is about three and a half miles long and it does have trophy
20 fish in it, it has trophy brown bear down on the south side,
21 which I hope that there's some way we can set up some sort of a
22 control in that area for hunting those brown bear. Our plans were
23 to possibly, depending on whether we can get funding from the
24 State or the Feds, to set up a McNeil River type concept on the
25 Prairie Creek drainage where we'd set aside maybe four sections

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1 as the brown bear preservation area and try to incorporate that
2 into the recreation plan by building a bear viewing site somewhere
3 in that vicinity and allow no hunting in that four square mile
4 area. that's one of our plans to hopefully incorporate that into
5 the Stephan Lake plan. On Page Eight you got a list of things
6 here and there's a statement about the "Native landowners appear
7 interested in the tourist related opportunities (e.g., possible
8 development, management, finance arrangement with tour companies)."
9 We have not talked to tour companies, I don't know where that came
10 from. We have talked with the State about seeing if there was
11 any relationship where the State could assist us in that type of
12 development. But we have not talked to any tour companies. So
13 I didn't want that to mislead people that we were doing that.
14 Also on that same page, "The recreation plan proposed in the FERC
15 License Application (Chapter 7) is considered to be appropriate
16 mitigation with respect to the nonconsumptive use issue." We kind
17 of don't agree with that and we'll probably go in more detail
18 with APA later on our -- some of our feelings on this. We still
19 we've got three villages that have land in that area and it's
20 difficult for all of us, even ourselves, to agree on different
21 things. So we are going through this. There is a lot of noncon-
22 sumptive use presently but mostly on the north side. As far as
23 we know there is no nonconsumptive use on the south side, at least
24 none that we can identify, other than a lodge, the existing lodge
25 at Stephan Lake that brings in European clientele. That's the

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1 only use that we've been able to identify, plus about 10 other
2 private inn holders in that particular area. But they're pri-
3 marily hunters and bringing in people for fishing and hunting and
4 this kind of stuff. Also on Page Nine, the last statement, "The
5 proposed recreation plan will be developed to focus the develop-
6 ment oriented use group adjacent to the dams and road." and
7 opening up more areas to the back country. Well we don't agree
8 with that too. We have some concerns about overuse by back country
9 users, people who just think they can go wherever they want. We
10 are looking at some tight controls on that, we want to restrict
11 ATV use, especially on the south side where we will own all the
12 land in the Devil Canyon stretch on the south side and a major
13 portion of the land on the south side of the Watana Dam site.
14 We're concerned with rock hounders and ATV users and abuse by
15 backpackers who just go where they please. A good example,
16 recently a moose -- a bow hunter has been using the Fog Lake area
17 and cutting trees up there to build little shacks of some kind
18 in the trees to kill bear. I don't know if you saw that in the
19 Outdoor article, but we're informing him that he is actually in
20 trespass and he's also cutting trees he has no right to cut. But
21 it's that kind of abuse we're concerned with. Other than that,
22 that's about all we're concerned with on this document.

23 MR. ARMINSKI: Rick, wouldn't our plan, at
24 least the way I read it, kind of discourage the use of the back
25 country because you wouldn't develop facilities. It wouldn't

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1 encourage it?

2 MR. SUTTLE: No.

3 MR. ARMINSKI: As if you were going to develop
4 more facilities to get further into the back.

5 MR. SUTTLE: Yeah, we're not developing
6 the back country that's -- I think the focus of the plan is to
7 restrict developed activities to the road corridors and around the
8 active sites, like the dam sites and the village sites. Those
9 areas will provide more convenient access to other areas of the
10 back country. And I think, Bruce, the part of the cooperative
11 land agreement that we're working on for the rest of this fiscal
12 year that's the part that we'll sit down and discuss with you
13 guys how this plan coordinate with your needs on your land.

14 MR. BEDARD: Well the only thing was that
15 the statement itself kind of made it -- led to believe that the
16 back country -- it was just saying it would be more attractive if
17 it wasn't disturbed, which is true, but it also gives the indi-
18 cation that you're encouraging increasing of that. So you might
19 want to reword that.

20 MR. ARMINSKI: Anything else.

21 MR. LOWENFELS: Bruce, I'd encourage you to
22 close that river right away on that white water rafting.

23 MR. SUTTLE: That's another issue.

24 MR. BEDARD: We're in the development stage
25 of that right now.

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1 MR. LOWENFELS: You also get triple damages
2 if you cut down that tree illegally in the State of Alaska.

3 MR. HARRISON: Well how many have you guys
4 been cutting down illegally?

5 MR. LOWENFELS: Hopefully we haven't been
6 cutting down any, but you get that guy, that bow hunter.

7 MR. ARMINSKI: Okay, our next paper is S-1,
8 this is -- relates to changes in subsistence opportunities relating
9 to fish and wildlife resources in the Sutsitna River watershed.
10 Our position is that the project would not cause a significant
11 reduction in subsistence opportunities.

12 DALLAS: The way we approached this paper
13 was to assume that there was two ways that the project has any
14 potential to affect subsistence use and one of those ways would be
15 to -- by affecting the resource, the wildlife and fishery resource,
16 that is consumed by subsistence users. The second way that there
17 is some potential is by affecting the opportunities of users, that
18 is the access to the resources that they might use. The way we
19 determined or came up with our position was by first reviewing the
20 literature that examines existing use and most of that literature
21 is from the Subsistence Division of ADF&G and then we examined the
22 access changes that are being provided by the project and assessed
23 whether or not those changes would have any affect.

24 MR. HOSKINS: One question. On Page Four in
25 the second paragraph, last sentence the statement is made, "The

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1 project would not reduce caribou populations and would therefore
2 not affect subsistence hunting of the Nelchina herd (See Position
3 Paper W-10)?" I sort of misread it perhaps because it seemed to
4 be W-10 states that road construction mitigations will not cause
5 a reduction in caribou numbers not that the project would result
6 in lower numbers. So it seems to me you're grabbing at one thing
7 and applying it as a blanket statement to your statement here in
8 the socio-economic issue.

9 DALLAS: I think the assumption behind that
10 was that the primary potential affects on the herd would be the
11 road. There are other considerations and you do handle total
12 affects on caribou herd -- other affects -- potential affects too.

13 MR. HOSKINS: But the reference to W-10 is
14 not -- I don't think is accurate in this particular case. I would
15 like to see that changed a little bit there please.

16 MR. BEDARD: I have some comments too on sub-
17 sistence. On Page ii, midway of the page, "The ADF&G and Power
18 Authority literature supports a conclusion that the Susitna Pro-
19 ject will not reduce subsistence opportunity either by reduction
20 of fishery and wildlife resources or impeding access to those re-
21 sources. The project access road may provide some increased
22 opportunity for Cantwell residents to hunt and fish for species
23 that are not regulated by special permits." I would like to have
24 that wording, the project access roads from may to will. And also
25 down on the "Mitigation Measures," on that same page, "Endorsed by

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1 the Alaska Power Authority" we feel that mitigation should be
2 addressed towards increased subsistence use to do due to access
3 changes and the impacts it will have on current documented use and
4 impacts the land and wildlife population. Cantwell Natives may
5 be restricted to State, Federal and Ahtna owned land as no agree-
6 ments exist with Cantwell and the CIRI villages at this time or
7 increase subsistence uses on CIRI Village land. Whether you're
8 aware of it or not, even for another village to use another cor-
9 porations land they still need permission from each other and at
10 this time no permission has been established. On Page One under
11 issues, sub-issue one it says, "The fish and wildlife resources
12 in the Susitna River watershed currently significant for subsistence
13 activity?" I'm not really sure what that means. If you're
14 talking about other amounts of significant fish and wildlife there,
15 the question is yes, but if you're talking about use, present use,
16 the question would be no. There is virtually, as far as we know,
17 no subsistence use between Portage Creek and Watana Creek. There
18 are trappers from the Cantwell area that go just a little south
19 of the Butte Lake area and into that particular area there. There
20 was some people from Talkeetna that might go up to Stephan Lake
21 or at least at the headwaters of it. But beyond that I don't --
22 we don't know of any subsistence uses, at least by our people, at
23 least present use. But if a road was there I'm sure the subsistence
24 is going to expand.

25

DALLAS: In response to that, that's the

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1 entire watershed so most of that use that has been identified is
2 in the southern river.

3 MR. BEDARD: Now under Two, "Will the project
4 change subsistence opportunity within the watershed?" There's no
5 question that it would. Easier access will undoubtedly open the
6 doors to greater subsistence opportunity. Under Position on the
7 same page, we would like to add to that, but will provide for the
8 opportunity to increase subsistence opportunities, and there's
9 no question that it would.

10 MR. ARMINSKI: Do you think -- do you think
11 -- it would provide the opportunity but do you think people would
12 take advantage of the opportunity? I think that Dallas' --

13 MR. BEDARD: -- If access was easier there's
14 no question about it.

15 MR. ARMINSKI: I think Dallas, correct me if
16 I'm wrong, got the impression that people don't travel a long ways
17 out of their way for subsistence use.

18 MR. BEDARD: If you're talking about the
19 white man, yeah, that's true.

20 DALLAS: Looking at -- granted, we don't
21 have a lot of data on the distribution of subsistence use around
22 Cantwell, but if you look at the two -- two other works around
23 other villages there's a pattern. As you go out very far there's
24 less and less use and perhaps a 30 mile range or so seems to be
25 where use becomes less and less frequent.

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1 MR. HARRISON: Well once you put in all these
2 roads and powerlines it's going to make access even more easy
3 that even the fish and wildlife aren't going to be able to keep
4 all these people out of the lands that that want to go back in
5 there, whether they have permission from the people that own the
6 land or not. Just look at APA. They have never had our per-
7 mission to go in there on our land. I'm sure they have whether
8 they say oh, we try and stay off there. Yeah, they try but that
9 doesn't mean they always do. They say there's no mitigation
10 here, in other words, they don't have to deal with us. Well
11 we've had this problem before, Tom, and you guys never have wanted
12 to deal with us on our terms and you still have the problem.
13 And writing it down that you don't have the problem will not re-
14 solve it because you have that problem.

15 MR. ARMINSKI: Granted, we've never reached
16 an agreement with you to reach your lands --

17 MR. HARRISON: -- That's right and the way
18 you go about it you probably never will.

19 MR. ARMINSKI: I can't -- I can't say any-
20 thing about that.

21 MR. HARRISON: When you just try to steam-
22 roller over people that gets their back up to where they don't
23 want to do anything that you want to do, not a thing, whether it's
24 good, bad or indifferent. When you try and force people into sub-
25 mission they don't like it, I don't like it, my people don't like

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1 MR. BEDARD: What we feel the bottom --

2 MR. LOWENFELS: Bruce, there's a gentleman
3 in the back.

4 MR. BEDARD: Oh.

5 MR. WALSH: My name is William James Walsh.
6 I am a military security advisor to my government. We are a
7 federally recognized government the governmental relationship with
8 the United States and under the Federal Power Act and the War
9 Powers and the National Security Act, the Helium Act we have FERC'd
10 all critical, strategic minerals and ultralow and low head hydro
11 development in this area of the Region 10, the Federal 10th Region,
12 for purposes of national security and to eliminate the seditious
13 intervention of the state limited liability structure in the
14 American hemispheric defense. We have taken our inherent know-
15 ledge of this land, of the perennial flows of water, the aquifers
16 that have geothermal sources and coal sources that run year round
17 in the mountains. We're developing this as a contract to the
18 Defense Department. Our manner which we look at these places is
19 rather than big is good, we look at lots of small equals big,
20 which is better. When we look at the mountains you see your
21 valleys, before the valleys -- the water reaches the lowest part
22 of the valley you should be able to use that water at least five
23 times, four for energy production and one time for food production
24 and then you can use it for mineral development and sewage dis-
25 posal. The Federal Energy Regulatory Commission issued a

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1 statement last year that the Susitna Project is not feasible
2 because it sits on a active earthquake zone on a fault. Now we
3 have a United States Geological Survey report that there will be
4 an 8.2 to 9.0 earthquake at the Valdez terminal. We know from the
5 geological presences of these tectonic plates and saucers, we know
6 that Valdez and Anchorage sit on a saucer. The Valdez terminal
7 is going down and the Anchorage side is raising. We expect it
8 to raise about 500 feet. That can be today or next year. What we
9 have to do, in our estimation, for military security and for
10 internal civilian security is to decentralize our power projects
11 in the same manner that China has done so that we will be im-
12 pervious to nukes and devastating earthquakes. The project here
13 that you people are proposing is nothing more than some fools huge
14 pipe dream. You can't have big things in Alaska because the re-
15 structuring, regenerating of the land is such a long process that
16 you can not sustain it. You have to think small. Like I said, a
17 large amount of small equals big. We're in the process of
18 drawing up our paper at the -- perhaps at the end of month we will
19 have a totally plotted out plan of all of these small places that
20 we know of, that have been used for centuries, to be enhanced both
21 agriculturally, aquaculturally and energetically. When that goes
22 into FERC and the Pentagon this project here will probably be
23 order to cease and desist because we're talking about limited
24 liability, seditious involvement of other countries and inter-
25 national monetary funding such and such we are not allowed to let

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1 the United States properties or Indian properties out of our hands.
2 Under the Federal Power Act, all of the Federal lands and titally
3 owned lands are a reservation. We have --

4 MR. FLEMING: -- Will you address your
5 comments to the paper, S-1.

6 MR. WALSH: Just a moment, please. We have
7 taken the time to look at the places that we know of and in this
8 area the first place we're developing is Chickaloon River. We
9 have 166 acres in Haines which we are going to use for a steel
10 mill. There's a sealight structure right on top of the hill there,
11 it's sitting on the bay, we have plans to develop the anti-site
12 at Chickaloon to use in this steel mill operation and we will also
13 transfer electricity by super helium conductor and storage systems.
14 We can do some things with the helium conductors and storage sys-
15 tems in this area that will freeze together some of these tec-
16 tonic plates and will reduce the amount of damage that will be
17 caused by earthquakes. At the same time, when you use these small
18 generators in the springtime, and I said you could use them to
19 capture the energy four or five times before it gets to the lower
20 valley, with the helium storage capacity during the springtime you
21 can store enough energy to run everything that you need, and I
22 mean everything that you need, for the rest of the year. At
23 Susitna being in an active earthquake zone is a detriment. It
24 would be throwing your money down the river. So the thing to do
25 is to look at these small places that we know are feasible and

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1 cost a whole lot less. We feel that this is -- this is just a
2 waste of time and you talk about going on Native people's land
3 and subsistence and this and that, you add four or five years of
4 crop failures in the United States and if you don't do some en-
5 hancement of your food now by the seventh year of the cycle you're
6 going to starve to death. Rather than put your money into this
7 big project why don't you start putting it into food production
8 and we'll take care of the energy. You see, as long as we do it
9 on Indian land it's tax exempt and as long as we do it as a con-
10 tract to the Feds it's tax exempt and as long as it's tax exempt
11 you know that the oil companies are going to put their money in
12 our account because we're not going to be paying 50 percent taxes.
13 We can pay most of our money back to our debt service and it's
14 guaranteed by the Feds. You people have taken this view that
15 Natives don't know nothing, you know. We know more about this
16 place than you do and if you would be kind enough for awhile to
17 sit down and listen we will show you. Because we are not here to
18 displace you or to murder you. It's our duty to see that you sur-
19 vive with us and if you want to survive you have to learn what
20 we know about this place. We can do it a lot cheaper than you
21 want to do it. Now what I suggest is that you take someone here
22 from this panel and you put them to work full time with us so that
23 you can understand what we're going. We'll let you have all of
24 our information and then you can come back and make some other
25 decisions here, something that's a little more worth your time and

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1 effort and money and realistic.

2 MR. ARMINSKI: What is your organization?

3 MR. WALSH: Arctic Testing Company. It's
4 100 percent Indian owned, chartered by the general membership of
5 my village.

6 MR. ARMINSKI: Which is what village?

7 MR. WALSH: Native Village of Tanana. It's
8 a non Federal public entity that was called for under the Man-
9 power Power Project marketing structure. So we have the entire
10 Manpower Power Project, all of the geothermals in the United
11 States Territory of the Arctic, all of the Federal markets and
12 the rights of ways, including the pipeline, we're big time and we
13 mean business. If you want to be in, fine. If you don't . . .
14 If the United States Supreme Court says that in the Federal power
15 field states are in a preemptive position. Between the Feds and
16 us we don't need you. If you would like to participate and
17 cooperate on a realistic basis then you will be invited in at this
18 time.

19 MR. HARRISON: The other thing is if you
20 guys want to continue this throwing your money away, which you've
21 guys have thrown millions of dollars away and our Native corpor-
22 ation for one hasn't gotten any of it, you must look at long range
23 power plan. You guys have no -- nothing in there that says you
24 ain't going to raise the power rates, no long term benefits of
25 this. And to me when you look at hydro you don't have to pay for

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1 power so why do the rates always have to go up when you aren't
2 paying for this fossil fuel to generate your power. And if you
3 guys just want to give Chickaloon off your back give us some
4 money, we'll go do our own dam. Bye.

5 MR. WALSH: About the rates, we have a pro-
6 ject that's installed at 28 megawatts capacity on the upper
7 Tozitna Canyon Creek that's going to feed the pipeline, we expect
8 to spend \$40,000,000 on the project, the pipeline has to pay us
9 \$30,000,000 a year because that's their true avoid cost that they
10 have been placing on their books. We feel that to the other
11 clients that we're going to be dealing with, we feel that a target
12 per kilowatt hour price is about 25 cents. Tanana Power Company
13 just had to go from 39 cents a kilowatt to 46 cents. They're
14 getting a rate increase. Stevens Village pays 65 cents a kilowatt,
15 Fairbanks pays roughly, what, 28 to 39 cents and they're trying
16 to shut down their coal fired plant. The Federal Energy Regu-
17 latory Commission says that the small low head hydro is preferred
18 to the point where the exempt licenses. We feel that the rate
19 structure that the Alaska Power Authority is placing on all these
20 projects is unrealistic and if you go about it in the right manner
21 like we're saying, do some small things right away you'll be
22 generating electricity not only for the development of the little
23 bit larger stuff but you'll also be making your money to pay your
24 debts off. By the way, we can install -- we can install seven
25 megawatts in about three months because we know where we're going,

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1 we know what were going to do there, we know what the land is made
2 of already, we know what we have to do to prepare the place and
3 what kind of animals and plants we can put there to enhance our
4 environment to provide us with sustenance. The things you guys
5 are doing is you're going out there and you're trying to discover
6 things and you couldn't discover enough knowledge about it to be
7 coherent in 500 years because it took us 100,000,000 years. The
8 things that you want to do, we can help you do them. We know how
9 to phase -- interphase technology and the land here. Rather than
10 just genocide us you should use our knowledge, that's what we're
11 here for. We feel, like I said, that your rate structures are
12 unrealistic. Why should anybody have to pay more for energy. You
13 don't even have to pay 140,000 a year to maintain your generator.
14 Tanana Power Company pays over \$300,000 for energy, we're going to
15 given them 500 kilowatts and it's going to power more than they
16 need in Tanana. We'll reduce the residential rates to 8 to 10
17 cents a kilowatt. Where else can you do that? All of these other
18 places where you can't even get a power contract among the muni-
19 cipal governments, you want too much. You're not being realistic.
20 25 cents a kilowatt should be enough forever. Why should we have
21 to keep paying higher rates. This guy was talking about some
22 stuff that they -- you want to talk about a subsistence impact
23 and he got all his stuff from somebody else's writings. Sitting
24 down at a table talking about subsistence and caribou herds and
25 things, you know, really now.

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1 MR. HARRISON: So there's your no mitigation.
2 You have mitigation.

3 MR. WALSH: We have mitigated your circum-
4 stances under the Federal Power Act and the War Powers designated
5 thereunder. Thank you.

6 MR. ELLIOTT: Can we take a break.

7 MR. ARMINSKI: Yes, why don't we.

8 (OFF THE RECORD)

9 (ON THE RECORD)

10 MR. LOWENFELS: Go ahead.

11 MR. FALL: Well first of all, on this sub-
12 issue identification that was included in the issue paper, I would
13 see the first sub-issues as not really addressing the significance
14 of the activities that are occurring in the project are or the
15 uses that are occurring on those fish and wildlife populations
16 but more broadly an identification of what kinds of uses are --
17 are presently occurring on the populations of fish and wildlife
18 that are within the project area. So I'm just suggesting a re-
19 wording of that. I also have a few other editorial type comments
20 that I think would improve the accuracy and the precision of
21 some of the discussions of the regulatory system that subsistence
22 occurs under, which I can -- I think would be best to transmit in
23 a written form. Another thing that the issue paper does very
24 accurately, I think, is identify some data gaps that exist about
25 our knowledge of the uses that occur in this area. I think what

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1 ..e could do is clarify a little bit when we're talking about sub-
2 sistence in this context I think what we're talking about are
3 uses of the fish and wildlife resources by local, rural communities
4 that border on the area or that use fish and wildlife populations
5 that are dependent upon the habitat in that area and in the issue
6 paper it identifies that there is a gap in our knowledge about
7 some of the communities uses of the project area. So one point
8 of clarification I would like is how -- oh, but what's also been
9 done is a study has been designed to rectify, I think, that data
10 gap. So one question that I would raise is how the information
11 that we are going to collecting -- or that is going to be collected
12 in this new study is goign to be incorporated into the issue
13 paper. I think that would be important before this issue paper is
14 finalized, to get the results of that study. So that's one point
15 that I want to make. Secondly I -- well not secondly, it's about
16 fourthly now, I think that the issue paper has taken several good
17 steps towards identifying what kinds of impacts we should be a
18 asking about when addressing this issue, the issue of habitat
19 change and population change in general on fish and wildlife
20 species and secondly the question of access. I think there are a
21 couple of others that could be addressed, including the issue
22 of increased competition for fish and wildlife species. The
23 Division of Subsistence has developed a procedure for dealing with
24 this kind of issue and it's been developed in relationship to the
25 requirements of Section A10 of Anilka, which I won't get into right

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1 here, but just very briefly. The Alaska Land Use Council has
2 appointed a working group which has been developing these procedures
3 and it identifies what kind of data should be collected and
4 presented in any discussion of impacts on subsistence uses and
5 then also lists what kinds of impacts we should be looking at.
6 Some of them have already been addressed in this issue paper,
7 there are a couple of others. Another recommendation that I would
8 make is that this procedure, which I've given copys of to Dallas,
9 be reviewed and any additional questions that the procedures raises
10 that haven't been addressed in the issue paper be addressed. I
11 think that except for our information about these communities
12 along the rail belt that the information exists to answer a lot
13 of these questions.

14 MS. BERGMANN: Can I ask you Jim, do you
15 think given that that we can address that can of thing in the paper?
16 Do you think the outcome is going to change, based on your know-
17 ledge?

18 MR. FALL: I really can't answer that given
19 the lack of information we have about some of those communities.
20 One other observation that I have is the time line that this par-
21 ticular issue paper is being developed under, it's a very -- it's
22 one of the first ones which has been written, which is fine, yet
23 it's also supposed to be, according to our -- according to your
24 schedule, one of the first ones that is to be agreed upon. I
25 wonder whether that's premature in that the issues surrounding

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1 subsistence, as is pointed out in the issue paper, are tied in
2 with some of the other issues that have been raised, the issue of
3 loose populations and affects on caribou and fish and so forth.
4 I don't think we can really put this one to rest until those other
5 issues have been addressed adequately. And finally, as far as
6 mitigation goes, I -- although there might not be any -- I don't
7 know but we might not identify anything specific to subsistence, I
8 again think that this issue paper should reference mitigation that
9 is being recommended for fish and wildlife and access in general.
10 Because this issue is so wrapped up in a lot of the others. So
11 rather than saying no mitigation is -- is recommended I think
12 that's writing it off too quickly. There's a lot of mitigation
13 that's indirectly appropriate to deal with subsistence uses and
14 that's what I have to say.

15 MR. ARMINSKI: Thank you.

16 MR. LOWENFELS: Bruce, did you finish?

17 MR. BEDARD: Oh, I did want to make one state-
18 ment until I got usurped. I don't know who that gentleman was,
19 by the way. I do know that Chickaloon has joint ventured with
20 this particular firm that he mentioned. I've never heard of the
21 firm before myself until recently. I do know that they know have
22 a slight conflict of interest because they are looking at small
23 hydro development and if Susitna was to be built the need of small
24 hydros would be very minimal and that would affect their goal. I
25 don't know if that's where that gentleman was coming from. I

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1 didn't understand what he was talking about, to be truthful. The
2 only thing I wanted to be sure of is that the position that
3 you're taking here that there would be no significant reduction,
4 which is true, but I would like to state also that it should
5 state somewhere on a line that once the road is opened it would
6 be a significant increase.

7 MR. LOWENFELS: I think your comment was
8 -- was deflected in a sense when you suggested that really the
9 distance doesn't make any difference. Then you made a comment
10 that I thought was significant and that was that that for a
11 Native population the increased ability to be -- to get that
12 access would be significant.

13 MR. BEDARD: That's right.

14 MR. LOWENFELS: Is that something that -- I
15 mean, did you differentiate between someone living in a village
16 going out or someone living in Anchorage that's deciding, well
17 I'm going to go out.

18 MR. BEDARD: Well I have the president of
19 Knik here and his people are more close to that area than the
20 other villages. Do you have any comment you'd like to make?

21 MR. THEODORE: I'm Paul Theodore from Knik.
22 I came into listen to some of the comments that are going on here
23 today. I'm not too familiar with it. This getting into the --
24 where you guys are coming from. I haven't had the opportunity,
25 I've been working on some other things, to review your packet of

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1 information. And in that area if it does get a road in there
2 I think it should be restricted and some type of enhancement of
3 fish and game in the area would be nice. Looking at it from other
4 views if any programs of enhancing fish and wildlife in the area,
5 if a program could be jointly looked at together that would be one
6 of the opportunities for both learning of the area and working
7 together in the area and getting the information out too. Other
8 than that I have to read the rest of your information and catch up
9 with you guys.

10 MS. BERGMANN: Dallas may be able to speak
11 to Jeff's question or Jim about the other studies that you were
12 using that indicated that people tended to travel maybe no more
13 than 30 or 40 miles to do subsistence activities. Were those
14 -- any of those Native communities?

15 DALLAS: Yes, there's a problem with --
16 within the -- well it's not a problem, it's a definition. It's
17 the complexity of the definition of subsistence use, the legal
18 definition, which Jim might want to speak to it he certainly knows
19 more about it than I do, and I have to qualify when I talk about
20 distances, they do vary by transportation corridor. The better
21 the corridor the further out, it appears, that use will be.

22 MR. LOWENFELS: I think that was implicit in
23 Bruce's statement.

24 MR. BEDARD: Yes.

25 MR. LOWENFELS: But the other aspect of

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1 of Bruce's statement was that a Native population would be more
2 likely to get on that road and go out and subsistence and maybe
3 if that wasn't taken into consideration in your study that that's
4 something that should be.

5 DALLAS: Okay.

6 MR. BEDARD: I'll give you an example of a
7 family of seven that travels all the way right from Anchorage
8 that goes up there, they get their ATV, get off the Denali Road
9 and they go about 30 miles off that road into the Big Lake area.
10 Primarily they go their berrypicking, they'll go there during the
11 caribou run, they'll go in there when the moose are in abundance
12 and then they also go in there to get some fish off those lakes.
13 There's pretty good size fish in there.

14 DALLAS: We can look at that. I'm not sure --
15 well we'll just have to look at --

16 MR. HEESCH: -- Is the suggestion that in-
17 creased access is going to cause increased yield or harvest?

18 MR. BEDARD: Well we realize that the access
19 is going to cause some problems and what Paul is talking about, as
20 far as restricted use, is that we want some kind of control on
21 ATV's being able to go wherever they want to go, trespass, people
22 eventually try and build cabins just about any place. The duck
23 shack across the inlet over here is a good example. So we are
24 concerned with those issues. Recreational mining, there are the
25 amateur miners that go out and pan in creeks and streams and CIRI

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1 has a concern there because it's their minerals. These are con-
2 cerns that we will either want to mitigate with APA or have some
3 kind of enforcement establishment, regulations established so
4 that that is minimized, realizing they can't control it all. I
5 believe the next paper, S-6, gets into more of that kind of stuff.

6 MR. ARMINSKI: Jean, did you have a comment?

7 MS. MARX: It was just a thought. I was
8 wondering in their study if they correlated between the subsistence
9 us -- that would be increased of what's going on versus an Indian
10 village which could go maybe 180 or 360 degrees out versus these
11 organizations which are pretty organized. They'll go farther
12 from the city because they really don't have the surrounding land.
13 Their lands they've chosen is away from the homestead. I was just
14 going to throw that out. I don't know. It was probably addressed
15 but there is a difference in correlation.

16 DALLAS: In a way it's not addressed and
17 with the way subsistence is defined with a community designation,
18 a subsistence community. Anchorage and Fairbanks doesn't stand
19 much of a chance of being, correct me if I'm wrong, Jim, as being
20 defined as a subsistence communities. So in the --

21 MS. MARX: But the Native might be. I am
22 not that familiar. If you correlate with a village where they
23 just can go anywhere out for their game and go farther and farther
24 for the lack of game there will be no community that does this
25 type of thing. What you have here is you have urban people who

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1 have their land elsewhere and they will go use it for subsistence
2 the road certainly will open it up for them.

3 MR. ARMINSKI: Let's take a little break.

4 (OFF THE RECORD)

5 (ON THE RECORD)

6 MR. ARMINSKI: The last paper we're going to
7 discuss is S-6 and this is the significance of secondary develop-
8 ment impacts on Native corporation undeveloped lands. Our posi-
9 tion is that we would not -- or the project would not restrict
10 development of these lands and forther more, our plans would
11 strive to be consistent with the Native corporations development
12 plans.

13 DALLAS: In this paper we've mainly tried
14 to look at the literature that we had or could put together on
15 land ownership and use, both the present ownership and the poten-
16 tial for future as lands become conveyed and change hands. Then
17 we used our socio-economic model to look at the potential for
18 secondary development based on where the people would be placed
19 by the model, either the construction workers and operation
20 workers or those people out in communities. And then we examined
21 the, as much as we had access to, the CIRI plans and discussed
22 -- talked with CIRI a couple of times and simply tried to see how
23 compatible the project, as it's now defined, is with CIRI plans.

24 MR. BEDARD: I have a lot of comments on this
25 particular one. I thought I'd try to keep it in a time frame.

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1 On Page i, this will be sort of a broad statement, CIRI may under-
2 take some mineral exploration and if economic discoveries are made
3 mineral development may take place by CIRI. Villagers may under-
4 take come timber cruising, this may be long range for potential
5 development by the CIRI villages. Also the villages are looking
6 very strongly into recreational development. Those are the only
7 things that we have discussed in a general view at this time.
8 On Page ii where it says, "Mitigation Measures" we do identify
9 that there will be some mitigation measures. We are looking at
10 trespass may be an issue, may require some mitigation measures
11 on construction crews of setting some rules for them that they
12 would have to follow that they don't trespass on private lands.
13 Those issues would be more or less around fishing, hunting,
14 trapping and recreational mining. We're really concerned about
15 recreational mining, espeically CIRI's end of it. On Page 1 on
16 present knowledge of sub-issues 1, it would be different for each
17 corporation, depending on their land ownership in the project area
18 and what lands have foregone in land acquisition, recreation
19 services are high on their list. So Knik may have a different
20 concept, Tyonek has a different concept and you've heard Chika-
21 loon's. So taking all of those into consideration then we have
22 CIRI, who owns the subsurface estate, that also has some con-
23 siderations. Under 2 of that same section the types of develop-
24 ment that we've been addressing and kind of discussing in a
25 general nature is recreation, lodges, guides, mineral exploration

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1 and possible timber land management. Now on Page 4 on Item 1 I
2 just want to make some clarifications here. You've got Native
3 selections unconveyed. The proper wording should be, decision
4 for interim conveyence. It's called a DIC, which was made in 1984.
5 On Number 2 you've got Native selections interim conveyed to CIRI.
6 That should be, Native selections reconveyed to CIRI villages,
7 1984, Tyonek and Knik. These lands have been reconveyed, especially
8 along the river corridor to both Tyonek and Knik. I did have a
9 question in regards to, there are small amounts of private land
10 near the impoundments and my question is, how near? I know of
11 no people living along those stretches other than down in Stephan
12 Lake one of the lodge owners claim that he keeps somebody there
13 year 'round. Other than that, I don't know of anybody in that
14 entire 310 square miles. Again, the greatest concentration of
15 structures is at Stephan Lake; 13 cabins, a lodge, out buildings
16 and an airstrip. Is this a private airstrip that is somewhere on
17 the lake?

18 MS. MARX: It's right at the end of the lake.

19 MR. BEDARD: Okay, that airstrip may be on
20 trespass, I'm going to check into it. Because in order to have
21 an airstrip the size they're talking about to accommodate even a
22 small Cessna they only own ten acres of land and I don't know how
23 they could have built an airstrip on -- entirely on that ten
24 acres when the lodge is already there. They might be on our
25 land, I'm going to check into it. Page 5, the opportunities for

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1 project personnel to purchase products or services that Natives
2 might provide will be limited to the village area. We've identi-
3 fied that there is a possibility of a general store concept that
4 could be established. If you're looking at 175 inhabitants at the
5 permanent village they will need some kind of a general store to
6 accommodate that. Most Native villages in Alaska of less population
7 than that and Native village stores do quite well. The statement
8 is, that there will not be enough demand to make development
9 economically viable. I didn't quite understand that. What kind
10 of development were you referring to? Can anyone answer that.

11 DALLAS: Sure. During that period there won't
12 won't be enough consumers for a lodge operation or several other
13 of the things that you want during that period of time. Because
14 of lack of access they're providing the entire market for develop-
15 ment.

16 MR. BEDARD: Well the way I'm looking at it
17 103 workers and their spousees, I assume they'll have they children
18 with them, it will possibly be a population of 650 total, using
19 a factor of 2.5 children per family. I maybe wrong but that's
20 what I came up with. That's about the Unakleet and they've got
21 quite an economic development there. So I was looking on that
22 scale that there could be some viable economic development take
23 place, if that is the scale. The other thing I wanted to add is
24 that it says, "If visitis to the area follow current recreational
25 patterns recreation development is likely to be seasonable." That

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1 might change. I see one of the changes as being cross country
2 skiing, it could be very desireable in that area if there's an
3 access road to it. So that's something that you might want to
4 just look at. Also in the next paragraph down it says, "The pro-
5 ject will have no negative impact in Native plans to develop
6 recreation potential to the land since it would not provide com-
7 petition for development." I didn't quite understand provide
8 competition for development, that it would not.

9 DALLAS: I think we were meaning that the
10 project will not build a lodge and compete with the lodge that
11 you would --

MR. BEDARD: -- Okay, I'd -- I'll --
12 I buy that. "The project however can enhance the Native corpor-
13 ations ability to develop their lands by provioding new access."
14 I want to take out the words, both to the Natives -- remove the
15 words both and just say to the Natives and remove the words, and
16 to and add, which could benefit the public in general. The next
17 paragraph down, "The facilities and services that could be developed
18 on Native lands include recreation, lodging, food, shopping and
19 guide services." These are the things that we kind addressed so
20 I agree with that. "This access could be provided if access across
21 the dams is permitted." Now I understood two and a half years
22 ago the APA Board then did approve an access road across the dam
23 as a mitigating measure to the Native villages for not getting a
24 road on the south side, which we supported. That was approved
25 by the APA Board. Now is that statement changing that?

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1 MR. ARMINSKI: I don't --

2 MR. FLEMING: I don't think anything's
3 changed it, Bruce.

4 MR. BEDARD: Okay, I just wanted to make sure
5 of that. Okay, then on Page 6 it says, "That the effects will
6 not be significant." I'd like the wording to state that the
7 secondary effects will not be significant. Also on mitigation
8 measures, we would like the State to explain that our original
9 comments to APA and FERC did recommend some mitigation, which
10 you've got a copy of, the APA, to help us accomplish some of the
11 above that would benefit the project and the general public i.e.
12 State funding for recreational trails, roads, waysides, campgrounds,
13 et cetera. It would not be possible for us to meet some of these
14 developments without State guarantees for technical, financial
15 and land management assistance. This is some of the things we
16 wanted to get out across. We feel that those two areas that we
17 mentioned earlier, Stephan Lake, Fog Lake, are probably the prime
18 areas of the entire area for that type of development, recreation.
19 But we are realistic enough that our villages do not have the re-
20 sources like the region to do this to the fullest extent. We
21 would need some possible assistance from the State, either in
22 low interest loans or no interest loans or a grant to assist, us
23 in accomplishing that.

24 MR. ARMINSKI: Do you see that being related
25 to this project?

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1 MR. BEDARD: Yes.

2 MR. ARMINSKI: Why would that -- I'm curious.

3 MR. BEDARD: Pardon?

4 MR. ARMINSKI: I'm curious why it would re-
5 late to this project?

6 MR. BEDARD: The -- Fog Lake area, for example,
7 is within two miles of the Watana Dam. If that was developed into
8 a major recreational use area, which was open to the public --

9 MR. ARMINSKI: -- As part of the recreation?

10 MR. BEDARD: As part of the recreation plan.
11 The trails and et cetera to build all that, to do all that is a
12 very expensive process, the clearing and et cetera. We're wanting
13 some guideline or assistance from the State that would help us
14 technically, financially and also with the management, the land
15 management assistance. Because you're looking at quite a large
16 project that could be developed, could be well used, not only
17 by hunters, fisherman and people out there taking pictures of
18 the birds and the bees and the flowers and the trees, but as --
19 this particular area, knowing the fishing that's in there and the
20 hunting it would be much more attractive than the Nancy Lake area.
21 Right now if you look at the use of Nancy Lake it's quite high,
22 it's overused. And the trophy fish that are in those lakes right
23 now are going to attract people, especially in the early years of
24 it. It may peter down after awhile but in the interim there's
25 going to be a lot of people that are going to go out there if

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1 access is there.

2 MR. ARMINSKI: This would be recreational
3 development in excess of what's proposed in the recreational part?

4 MR. BEDARD: Yes. This is where in your
5 mitigation to FERC you had stated that Fog Lakes and Stephan Lakes
6 are in your plans but in the long, long range and may not occur
7 at all if other plans are developed at a higher priority. This is
8 where we came in and said we want that priority changed to a
9 higher priority, recognizing Fog Lakes, Stephan Lakes, as our
10 areas that we would like to open up, that BLM has already identi-
11 fied easements on and it would be senseless to open up new areas
12 when these areas are already planned to be opened by BLM by
13 virtue of easements. Otherwise -- we can't stop people from using
14 those easements, they've been established. We want to develop
15 those areas where the easements are in existence, which makes sense.
16 But we also realize we do not have the funds ourselves to open
17 those trails and this kind of this. We would need some kind of
18 assistance and we look at that as a mitigation. That's it.

19 MR. ROSENBERG: I have a question. Are
20 secondary developments, really this is a socio-economic issues,
21 are these secondary developments going to be talked about in some
22 of the -- to wildlife because of the increased access to the south
23 side? Are you going to be talking -- there's no specific issue,
24 wildlife issue, that addresses that. But that was a concern that
25 we stated in the comments on the DEIS, to look at those secondary

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1 impacts from access to the south side. I just wanted to know if
2 some of the other -- there's room for that to be discussed in some
3 of the wildlife issues.

4 MR. ARMINSKI: In our mitigation planning we
5 are looking at that and we've been having discussions with the
6 CIRI villages on mitigation on their land. So we're in the pro-
7 cess of developing that right now. But as far as it being
8 addressed in this specific paper, I'm not aware that we would, at
9 this time, do that.

10 MR. ROSENBERG: Not in this specific paper
11 but it would be addressed?

12 MR. ARMINSKI: Yes.

13 MR. ROSENBERG: In other -- bear paper and so
14 on and so forth?

15 MR. ARMINSKI: Um-hm.

16 MR. ROSENBERG: Okay. So this isn't the end
17 of it? That's just what I'm wondering.

18 MR. ARMINSKI: No, no.

19 MR. LOTTA: Just for your little chart, I
20 think you could say that we agree with your position paper.

21 MR. LOWENFELS: Go sign that thing.

22 MR. ARMINSKI: Got one.

23 MR. LOTTA: And that it -- several things
24 Bruce brought up were in our comments and I don't need to reiterate
25 them. But basically it's a non jurisdictional kind of topic for

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1 us. So I don't know how much our concurrence helps you.

2 MR. LOWENFELS: Well to the extent, of course,
3 what some of the things Bruce was talking about on the lakes im-
4 pact the Department of Natural Resources in parks and what not
5 that's . . .

6 MR. LOTTA: Well I didn't agree with every-
7 thing he said, but a lot of our comments were included in his so
8 I didn't think we should reiterate.

9 MR. ARMINSKI: Okay, if there is no more
10 comments on the paper I guess we have three agenda items. I
11 don't know if we really need to go into detail. I think we all
12 -- I think we all recognize that we've got some items that we've
13 got to pursue to get these papers updated or where we can get some
14 agreement on them. Are there any general suggestions or anything
15 at this point? Any questions?

16 MR. ROSENBERG: No, we'll send written
17 comments on -- especially on the wildlife -- more pertinent to
18 the wildlife issues.

19 MR. LOWENFELS: To the extent possible,
20 again, if you could at the end of your written comments indicate
21 we support, we don't support, we can't support, you know, some
22 kind of statement there so that we know exactly what's going on.
23 That would be helpful. Is there a feeling that we need to have
24 other technical meetings on these issues?

25 MR. LOTTA: On the ones we've already

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1 discussed?

2 MR. LOWENFELS: Yes.

3 MR. LOTTA: Not from our perspective.

4 MR. LOWENFELS: I guess the question now be-
5 comes, how does the APA -- what is the easiest way for the APA
6 to let you people know that we've taken your comments into con-
7 sideration, that we're changing or not taking your comments into
8 consideration, depending on what the case may be. Is coming out
9 with another issue -- another -- a more mature position paper, an
10 enhanced position paper? What's the best mechanism so that you
11 feel comfortable that we're taking your comments into consideration
12 or not taking them into consideration so that you can react to
13 them?

14 MR. ROSENBERG: Can you revise these. I
15 mean, that would be the easiest approach, I would think.

16 MR. LOWENFELS: Let me ask Jack a question
17 or maybe even Alice. If people want to provide written comments
18 so we can keep on schedule, how quickly do we need to get them
19 and --

20 MR. THEODORE: -- I'd like to get a copy of
21 these a little bit more expeditedly before these meetings. I
22 didn't get these until the last minute and I didn't have time to
23 review them.

24 MR. LOWENFELS: Do we have -- we must have
25 your address. It's our intention to get these out at least two

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1 weeks before the meetings so that you've got at least two weeks
2 to look at them.

3 MR. THEODORE: I'm saying they didn't get to
4 me in time.

5 MS. GORDON: I'll take care of that.

6 MR. THEODORE: A day before the meeting . . .

7 MR. LOWENFELS: That's no good.

8 MS. GORDON: Yes, I'm the one that has to
9 push them through our mailing people and I'll see that that's
10 taken care of for you. We can have -- if we want to set up another
11 meeting we have it scheduled for three weeks, is that right?

12 MR. ROBINSON: We're flexible on -- if follow
13 up meetings are felt to be necessary then we are flexible and
14 can schedule them. If you want to get together and say some more
15 about what we've -- the papers we've talked about today or if you
16 want to take a look at a revision of a paper or whatever there are
17 a number of officers. In a word, it depends on what the partici-
18 pants can agree on would be the best approach. We can schedule
19 that.

20 MR. LOWENFELS: Let me try this out, I don't
21 see that there's tremendous amounts of controversy on any of these
22 issues listed on the agenda and from my perspective it would seem
23 that sending a revised position paper to you would pretty well
24 let you know what our positions are, we'll take into consideration
25 -- I didn't really hear any suggestions today that I thought were

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1 outrageous, with one major exception, and -- no, I think that
2 would take care of it. If we sent that to you and you felt we
3 needed to have an extra technical meeting maybe we need to put a
4 -- maybe we need to have a slot somewhere on our vast schedule,
5 you know, for overflow technical meetings three months from now
6 or something of that sort.

7 MR. ROBINSON: Well what we thought we could
8 try is that we have, as you've seen on our original schedule that
9 was mailed out, the idea was to after -- three weeks after the
10 position papers are mailed out, three weeks after that date, there
11 would be a meeting like this one to hold the initial discussion on
12 those particular papers, this one being an example. Now if there
13 were -- what we have done is to take steps to make meeting dates
14 available for follow up meetings, for example, for the papers that
15 have been discussed today, on Mondays. We have some Monday dates
16 available so that if we do need to get together for any reason
17 further on papers, the issues discussed here today, we can do so.
18 So as I said before, and I'll reiterate, I think the participant's
19 view should be considered.

20 MR. LOTTA: Well I was just going to suggest
21 that we're pretty well tied into every other Friday and at one
22 point every Friday and we've got a -- I'm trying to keep my
23 meetings down to a minimum if I can. So I would suggest something
24 along the lines of to go through our new business or old business
25 whichever first and we can, if there's a problem, I mean it's going

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1 to be the same folks basically at all the meetings, bring it up
2 and if it seems to be too major a problem we would make it a notice
3 for the next agenda or else we could solve it right there. There's
4 some comments made, if the gentleman comes back, Mr. Walsh, may
5 make some major points but hopefully nobody else will have that
6 major a concern.

7 MR. FLEMING: Well I would suggest then that
8 since these are reoccurring and they're basically the same sort
9 of people that we do it on an essentially old business, new busi-
10 ness procedure. I guess in the last week or so I've tried to
11 follow the paper trail of various decisions that were made on the
12 Susitna project by the board of directors and it was very easy,
13 since Mr. Crawford came on board and has formalized the board
14 packets and procedures a lot more than they were before, and if
15 you go back past that it really gets difficult. I would suggest
16 that we might get ourselves into the same program if we do things
17 too casually. So I would suggest like on these papers here there
18 don't seem to be any overriding concerns, there are some house-
19 keeping that I think we have to do, things we have to address
20 and at the next meeting we can say, here are the new papers,
21 we've changed these things, it shouldn't take very long, we don't
22 have to have any major discussion. I don't think, Jack, you can
23 probably clean up these papers and get them out with the papers
24 that are for the next workshop?

25 MR. ROBINSON: No, I think that would be

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1 asking too much.

2 MR. FLEMING: Well we could have them at the
3 next workshop.

4 MS. GORSON: The next workshop is the 8th?

5 MR. ROBINSON: The next day is the 11th of
6 March.

7 MR. FLEMING: That's probably not enough then.

8 MR. ROBINSON: I wouldn't think so, Richard.

9 MR. LOWENFELS: It would obviously expedite
10 things if instead of redoing the whole paper we simply took a
11 supplement to this position.

12 MR. FLEMING: Well with word processors.

13 MR. LOWENFELS: Well what I'm wondering about
14 is then we have to spend time at the meetings for people to go
15 through the whole thing and try to figure out if we did put it in
16 or not whereas a supplement, you know, one, two sheets, whatever,
17 would take --

18 MR. THRALL: -- I think in a number of cases
19 that would be the best way to go and I think that -- let's go back
20 to the first one, I think that the authors can probably, over the
21 next couple of weeks, work on making these changes and I think
22 they can kind of keep track of what they're doing with Dan over
23 there. Because I think you basically have the most concern.

24 MR. ROSENBERG: Yeah, that's probably true.

25 MR. THRALL: And then when we got to this --

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1 to our next meeting as our old business we would try to have, if
2 possible, a supplement to it and something that's already really
3 been discussed with Dan as we developed it hopefully that would
4 allow us to get through that very, very quickly, but still
5 maintain a good record of what's occurred.

6 MR. GORDON: Sticking to the Friday meetings.

7 MR. THRALL: In terms of, you know, in terms
8 of saying right today what we can do of all of these and say --
9 agreeing that we're going to have it all ready next meeting, I
10 don't think there's a need to do that. I think we'll try to get
11 as many as we can and an old business item can be carried from
12 meeting to meeting. So we may report to you that on S-6, for
13 example, we haven't got that one completed so it bumps over into
14 -- as old business into the next meeting.

15 MR. LOTTA: Just one thing on the way we do
16 the agendas. If there's a way to, you know, like W-5 I know it's
17 a wildlife issue but if we could add a word or two after W-5,
18 something to just . . .

19 MR. LOWENFELS: Sure.

20 MS. GORDON: No problem.

21 MR. ROBINSON: No problem there.

22 MR. THRALL: Tom?

23 MR. ARMINSKI: Yes.

24 MR. THRALL: Have you finished?

25 MR. ARMINSKI: Yes, I don't think we're . . .

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1 MR. THRALL: Could I just throw in one last
2 thing on this matrix?

3 MR. ARMINSKI: Sure.

4 MR. THRALL: Hank Hoskins has put some ini-
5 tials up on his and Leroy has indicated he may be. I would just
6 ask that even if you're not willing to do it then what you do is
7 go up and put your initials in the no column.

8 MR. ROBINSON: Well they have to say yes, no.
9 You have to put the word up there.

10 MR. THRALL: But what I'm saying is, if
11 there is somebody that just doesn't -- thinks the whole concept
12 is wrong that at the minimum they put their initials in the no
13 column. I'm emphasizing this as a score keeping -- or Jeff -- as
14 Jeff has said, this is a score keeping thing.

15 MR. LOWENFELS: In pencil.

16 MR. THRALL: In pencil. At least we'd have
17 some record, for our own purposes, that tells us something about
18 where everybody stands on these. Is that a problem?

19 MR. LOTTA: Why don't we wait until the next
20 meeting to give us a chance to go back and look at all the topics
21 again. I mean, rather than sit there and hold the topic list
22 in one hand and . . .

23 MR. THRALL: Well I'm just talking about the
24 ones we've discussed today, not the whole thing. I don't want
25 anybody to go up and fill out the whole thing. But at least

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1 your status -- what your thought is at the end of today. And if
2 your thought is that you're really not comfortable with putting
3 your initials up, put your initials up in the no column. It seems
4 to me that that's a fail-safe that everybody could live with.

5 MR. ROSENBERG: What -- If I send you that
6 information in writing within the next, you know, within eight
7 to ten days, will there be any advantage to you to have that up
8 there now?

9 MS. BERGMANN: Instant gratification.

10 MR. ROBINSON: Well there's -- Dan, there's --
11 for each -- for Fish and Game -- under the Fish and Game column,
12 for example, there's a block for each issue and you can write in
13 there, if you wanted to, provisional approval pending incorporation
14 information, something like that. Some bullet phrase that shows
15 what you feel about --

16 MR. THRALL: -- The advantage is that we're
17 trying to -- as we get into this it's going to to become more and
18 more complex and believe me from our point of view of trying to
19 produce this, send them to the Power Authority for review, send
20 them out to various subcontractors, Fish and Game, Su Hydro, keep
21 track of where they all are in that review process, present them
22 at a meeting, go back -- it's just become a tremendous pile of
23 paper and documentation to keep track of and to us this is --
24 it's nothing more than a tickler but it's a simple one that we can
25 look at and get an idea of where we area. Things tend to fall

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1 through the cracks rather easily and we think this is something
2 that will help us. So that's, from my perspective, the main
3 advantage of having this, you know, at the end of a meeting. It's
4 just one more piece of record that we can rely on. I foresee
5 a real nightmare, even more than we're in now, in terms of just
6 keeping track of all the pieces of paper. I think it will even-
7 tually help you as well to maybe go back and be able to look at it.

8 MR. ROSENBERG: Well I guess the whole reality
9 of the thing is I can sign anything you want, but where that
10 will get any of us I don't know.

11 MR. THRALL: It doesn't get us anywhere other
12 than it keeps track of where we are. I think it indicates what
13 people are thinking.

14 MR. HOSKINS: Well look at it with the idea
15 if we have another meeting and some of these concerns that are
16 brought up today aren't addressed and the plan is sort of written
17 off I can go and erase my name up there.

18 MR. SUTTLE: Plus having your name up early
19 I think it will help some of us who revising these to, if ther are
20 a number of no's on positions, that we can do our best to give Dan
21 a call and talk to him.

22 MR. HOSKINS: But I don't want you to look
23 at that and say, hey we don't have any concerns and then just for-
24 get it.

25 MR. THRALL: No, the intent and in fact, you

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1 may find that there's a position paper coming out later that says
2 something that makes you want to go back and change your opinion
3 on an earlier position paper that you have up there. But it gives
4 us an instant look at where we are.

5 MR. HOSKINS: Just remember, I'm keeping my
6 own record here too.

7 MR. THRALL: We could get little seals for
8 everybody, maybe that would be the . . .

9 MR. ARMINSKI: Thank you all for coming.
10 We'll see you in a couple of weeks I guess.

11 (OFF THE RECORD)

12 END OF PROCEEDINGS

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I, Barbara Brown, Notary Public in and for the State of Alaska, residing at Anchorage, Alaska, and Electronic Reporter for Gemini Reporting Services, do hereby certify:

That this transcript, as heretogore annexed, is a true and correct transcription of the proceedings, taken by me electronically and thereafter transcribed by me;

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my seal this 25th day of February, 1985.

SEAL

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