

CASCADE COUNTY PLANNING BOARD

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IN RE:
The rezoning of Parcels 5364100, 5364200,
5364300 in Section 24 and Parcel 565200
in Section 25.

TRANSCRIPT OF PROCEEDINGS

Great Falls, Montana
Tuesday, December 4th, 2007
9:05-12:03; 1:02-5:35 P.M.

APPEARANCES:

BOARD MEMBERS:

Lonnie Cox
Jan Popa
Bill Weber
Tim Wilkinson
Leonard Lundby
Mick Kessel
Bob Nicholson
Alan Gagne
Bill Austin

APPLICANT:

Duane Urquhart
Mary Urquhart
Scott Urquhart
Linda Urquhart
Neil Ugrin, Counsel
Mary Jaraczeski, Counsel
Michael McCarter, Counsel

STAFF:

Brian Hopkins, Counsel
Brian Clifton
Susan Conell
Alan McCormick, Counsel
Rina Moore, Clerk and Recorder
Marie Sickels, Chief Deputy Clerk

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1 CHAIRMAN COX: Would everyone please take your
2 seats. This meeting of the Cascade County Planning Board
3 for December 4th, 2007 -- this is the meeting for the
4 Cascade County Planning Board to December 4th, 2007.
5 Brian, will you please do a roll call.

6 MR. CLIFTON: Yes, Mr. Chairman. Tim Wilkinson.

7 MR. WILKINSON: Here.

8 MR. CLIFTON: Jim Dawson. Lonnie Cox.

9 CHAIRMAN COX: Here.

10 MR. CLIFTON: Alan Gagne.

11 MR. GAGNE: Here.

12 MR. CLIFTON: Leonard Lundby.

13 MR. LUNDBY: Here.

14 MR. CLIFTON: Mick Kessel.

15 MR. KESSEL: Here.

16 MR. CLIFTON: Jan Popa.

17 MS. POPA: Here.

18 MR. CLIFTON: William Weber.

19 MR. WEBER: Here.

20 MR. CLIFTON: Bill Austin.

21 MR. AUSTIN: Here.

22 MR. CLIFTON: Bob Nicholson.

23 MR. NICHOLSON: Here.

24 MR. CLIFTON: Mr. Chairman, we have a quorum.

25 CHAIRMAN COX: Thank you. We do have a sign-in

1 list there at the back. I assume everybody signed in.
2 Brian will go over a few things here, after I do a little
3 reading here.

4 We'll now consider any new business before the
5 board. Since we're conducting a public hearing today, I
6 will explain the process by which we'll conduct the public
7 hearing. I will first call upon Brian Clifton, the county
8 planning director, to present the staff report for each
9 item of business. Following the staff report, the planning
10 board will have the opportunity to ask questions of Brian,
11 following which the public may direct questions through
12 either the planning board or Brian.

13 I then will ask for proponents to make comments
14 regarding the issue at hand. Please stand, state your name
15 and address, and direct your comments to the planning
16 board. This is not a debate, and we will not allow
17 argument between persons making statements and other
18 members of the audience.

19 I understand there are strong opinions on both
20 sides of the issue, so please maintain order. If there are
21 disturbances, we will use the gavel and ask for order. If
22 I have to ask for order more than twice, on the third
23 interruption, I will request a motion to continue at a
24 later date. And that will be a later time today. I will
25 then ask for opponents to speak. And finally I'll ask for

1 any other comments.

2 First schedule on hand, Brian.

3 MR. CLIFTON: Mr. Chairman, Members of Board,
4 thank you.

5 For the people who have maybe not been to one of
6 our planning board meetings before, my name is Brian
7 Clifton. I am the planning director for Cascade County.
8 Along with staff here, we have Susan Conell as a planner in
9 our office. Brian Hopkins who is with the county
10 attorney's office. And Alan McCormick who is an attorney
11 with Garlington, Lohn & Robinson, and represents the
12 Cascade County.

13 Just some housekeeping items to begin with.
14 There's copies of the agenda on the back table, on the
15 little table at the back. Everyone needs to sign in on one
16 of the two clipboards at the back of the room. And at this
17 point in time, I would ask everyone to turn off all your
18 cell phones, pagers, PDAs, or any other acronym that I
19 haven't accurately described that will make a noise during
20 this meeting.

21 Staff reports are available at the back of the
22 room for those who do not already have a copy. If there
23 are none left, they are still available on line at the
24 Cascade County website, which is www.co.cascade.mt.us.
25 I've also placed on the back table copies of the Urquhart

1 hearing protocol. I will go through that right now.

2 When we get to the public hearing portion of this
3 meeting, the chairman will ask for proponents, and then he
4 will ask for opponents. Before making your comments,
5 please state your name and address for the record. If you
6 are not heard or do not give your name, we have to stop,
7 because they have to make sure they have an adequate record
8 of the name of the person who has spoken, as well as your
9 address.

10 The Cascade County Planning Board allows five
11 minutes for each speaker. That is not something new. That
12 has been in effect for quite some time. There is a timer
13 which will count down the minutes for you and will indicate
14 when your time is up. Marie is sitting here with the
15 timer. And, again, this is standard procedure. She has a
16 flip card sheet. She will go through five minutes left,
17 four minutes left, all the way through to one minute,
18 15 seconds, and your time is up. When your time is up, you
19 will be asked to stop talking, take your seat until after
20 the next proponent or opponent to speak.

21 One thing that is important here. This is not a
22 public debate. If you come up here and give your public
23 testimony and then ask questions of the staff, the staff
24 will not respond. It's not a public debate. It's a
25 question and answer period. Speakers need to address the

1 board. These are the decision makers for this process
2 today. You address the board. If the board has received a
3 comment or a question that they intend to ask staff, they
4 will write that down and ask staff at the appropriate time,
5 which is after the public hearing closes.

6 If you are a videographer with either the media
7 or wish to videotape it on your own, there is a videotaping
8 area there that we ask you to locate yourself within. That
9 way we keep the aisles open. We want to make sure that we
10 have everyone safe and that we're not disturbing or
11 interrupting the rest of the people.

12 We understand that the rezoning application has
13 generated strong feelings on both sides of the issue.
14 Based on previous public participation at many hearings, we
15 know that our participants have a history of exercising
16 civility and respect. And we expect that to continue
17 today. There is no room here for personal comments,
18 heckling, or shouting. Anyone who does not participate
19 with civility or respect, whether while speaking or while
20 in the audience, will be asked to leave. We are committed
21 to ensuring that everyone has a fair and equitable
22 opportunity to participate in today's hearing, and we ask
23 for your assistance in making that happen.

24 One request we've had from some of the speakers
25 is that there are apparently people here from quite a ways

1 out of town. There is no order in which you speak, other
2 than proponents speak first and then opponents. So if you
3 are from out of town and need to get back on the road after
4 you want to give your testimony, we highly recommend that
5 you be one of the first, either of the proponents or the
6 opponents, to speak.

7 Mr. Chairman, at this time I have received one
8 letter this morning from one of our board members, Bill
9 Weber, which I will read to ensure that we have full
10 disclosure on matters that come before the board. This is
11 addressed to Lonnie Cox, Chairman of the Cascade County
12 Planning Board from Bill Weber:

13 "Dear Chairman Cox: My purpose in writing to you
14 is one of full disclosure in the public interest. As you
15 know, I currently serve as the local president of First
16 Interstate Bank of Great Falls. I am also a member of the
17 Cascade County Planning Board, which serves as an advisory
18 board to the Cascade County Commissioners. The Cascade
19 County Commissioners will make the final decision on the
20 pending application for rezoning regarding the Highwood
21 Generating Plant, regardless of the planning board's
22 recommendation.

23 "First Interstate Bank of Great Falls has a
24 depository relationship with Southern Montana Electric
25 Cooperative. The bank has no financial interest in the

1 final decision of the county commissioners since First
2 Interstate Bank is not now providing any operating or
3 construction funds to SME, nor, to my knowledge, is any
4 planned in the future.

5 "I do not consider SME's depository relationship
6 with First Interstate Bank of Great Falls to represent a
7 conflict for me in considering how I will vote as a member
8 of the Cascade County Planning Board on its non-binding
9 advisory recommendation to the Cascade County Commissioners
10 on the rezoning issue.

11 "Again, in an effort to forestall any misplaced
12 potential future criticism or conflict of interest or lack
13 of full disclosure, I want to be sure that everyone is
14 aware of my position on the Cascade County Planning Board,
15 my position with First Interstate Bank of Great Falls, and
16 the bank's depository relationship with SME.

17 "If you have any questions, please contact me.
18 Sincerely, Bill Weber."

19 Mr. Chairman, Board Members, at this time we'll
20 start the process.

21 Cascade County Planning Department has received
22 an application from Duane and Mary Urquhart and Scott and
23 Linda Urquhart with the subject of the zoning amendment
24 application to rezone parcels Number 5364100, Number
25 5364200, and Number 5364300 in Section 24, and to rezone

1 parcel Number 5362500 in Section 25 all in Township 21
2 North Range 5 East. Subject tracts of land are legally
3 described as Parcels 5364100, 5364200 and 5364300 in
4 Section 24, Parcel Number 5365200 in Section 25, again all
5 within Township 21 North Range 5 East Cascade County,
6 Montana.

7 The request is to zone from A-2 agricultural to
8 I-2 heavy industrial. The existing zoning of the parcel is
9 A-2 agricultural. The requested action is to rezone the
10 parcels from A-2 agricultural to I-2 heavy industrial.

11 The Basis of Decision. State Statute 76-2-203 of
12 the Montana Code Annotated and the Cascade County Zoning
13 Regulations Chapter 1, Section 1 require that all zoning
14 regulations be reviewed in accordance with 12 criteria.
15 Such evaluation should be based on information presented in
16 the application material, any agency comments, staff
17 reports, comments from the applicant and members of the
18 public, and all other relevant information that has been
19 made part of the public record.

20 Using the 12 criteria to determine the
21 appropriateness of the zone change request, the planning
22 board may: One, recommend to the county commissioners that
23 the zone change request be approved; two, recommend to the
24 county commissioners that the zone change request be
25 denied; or, three, allow the applicants to withdraw their

1 application at their request.

2 For procedural history and legal notices, on
3 October 24th of 2007, the planning department conducted a
4 pre-application meeting with the applicant's
5 representatives. On October 30th, the applicants presented
6 their application to the planning department. On
7 November 5th, the planning department determined the
8 application was complete.

9 Legal notices for the planning board hearing were
10 sent to the Great Falls Tribune on November 7th, 2007 and
11 ran in the Great Falls Tribune on Sunday, November 18th,
12 2007; Sunday, November 25th, 2007; and Sunday, December
13 2nd, 2007.

14 Legal notices for the planning board hearing were
15 sent to the property owners applying for the amendment and
16 to adjoining parcel owners via certified mail on
17 November 5th, 2007. A return receipt from adjoining
18 landowner, Louisiana Land & Livestock, was received
19 November 8, 2007, with signature of receipt. A return
20 receipt from applicant Scott and Linda Urquhart was
21 received November 9th, 2007, with signature of receipt.
22 And a return receipt from applicant Duane and Mary Urquhart
23 was received November 14th, 2007, with signature of
24 receipt.

25 The application material was made available to

1 the public and posted on the Cascade County website on
2 November 1st, 2007. The application material was mailed to
3 the members of the Cascade County Planning Board on
4 November 13th, and delivered to the Cascade County
5 Commissioners on November 2nd. The staff report was
6 available on November 19th, 2007. Copies of all material
7 was available at the Cascade County Clerk and Recorder's
8 office as required, as well as the Cascade County Planning
9 Department.

10 To date, staff has received a total of 124
11 comment letters: 119 in opposition, and 5 in favor. For
12 the planning board, we have received, on two different
13 mailings, copies of those, as well as the additional
14 information that is supplied for you today. In the front
15 of those books are the most current comment letters,
16 e-mails by date summaries of all of the comments, as well
17 as the people who have submitted their letters and e-mails.
18 Those have all been categorized for you and summarized.

19 Today we are conducting a public hearing. And
20 the way this process works, for those of you who don't
21 know, after the planning board has made a recommendation to
22 the Cascade County Commissioners, we run the process pretty
23 much the exact same process, including the public hearing,
24 in front of the Cascade County Commissioners. And we
25 anticipate that will occur sometime in January.

1 Duane and Mary Urquhart and Scott and Linda
2 Urquhart, owners of the real property, are requesting a
3 change in zoning from A-2 agricultural to I-2 heavy
4 industrial to allow for the construction and operation of a
5 215 to 250-megawatt electrical generating facility known as
6 the Highwood Generating Station. If rezoned, the
7 Urquhart's plan to sell the property to Southern Montana
8 Electric Generation and Transmission Cooperative
9 Incorporated, which will construct and operate the HGS. In
10 addition to the coal facility, SME also proposes to install
11 four wind turbines which would generate six megawatts of
12 electricity.

13 The property to be rezoned is vacant and consists
14 of four contiguous parcels of real property approximately
15 eight miles east of Great Falls along Salem Road north of
16 Highwood Road. Salem Road is a gravel, county maintained
17 road with low traffic volume. Highwood Road is a paved
18 two-lane Montana secondary highway.

19 Adjacent to the property north and west is owned
20 by the applicants, which they farm and maintain a
21 residence. The Urquharts have indicated that they intend
22 to continue living on the adjacent property after the
23 rezoning. Adjacent property to the east and south is owned
24 by Louisiana Land & Livestock, LLC, and is used for
25 agricultural purposes but no residences. Beyond the

1 immediately adjacent properties, land use consists of
2 agricultural operations with associated residences and
3 agricultural facilities.

4 The subject property supports agricultural uses;
5 but the soils, which are Pendroy clay soils, are not
6 considered to have any prime or statewide importance. A
7 Land Evaluation and Site Assessment analysis included in
8 the application indicates a site rating of 46 out of 100,
9 which generally means that the site is of marginal quality
10 for agricultural uses.

11 On May 11th, 2007, the Rural Utility Services and
12 the Montana DEQ issued a joint record of decision, which
13 identified the subject property as a preferred location,
14 and noted that the construction and operation of HGS would
15 have no significant environmental impacts to air quality,
16 water resources, human health and safety, transportation or
17 biological resources. The record of decision did find that
18 HGS would have significant affects on the Lewis and Clark
19 portage, national historic landmark, primarily due to
20 visual impacts and noise.

21 The construction and operation of HGS is allowed
22 in the existing A-2 zoning district upon the issuance of a
23 special use permit. Rezoning the property from A-2 to I-2
24 would allow the HGS as an authorized land use, but does not
25 supersede any other required permits. Further, the actual

1 construction of any structures or any other development of
2 the property would require a zoning location conformance
3 permit in accordance with Section 11 of the Cascade County
4 zoning regulations.

5 The review criteria used pursuant to the M.C.A.
6 76-2-203 and Chapter 1, Section 1 of the Cascade County
7 Zoning Regulations, all zoning amendment requests are to be
8 considered in light of the following 12 criteria:

9 The first one is whether the zoning regulations
10 are in accordance with the Cascade County growth policy.
11 M.C.A. 76-1-605 Use of Adopted Growth Policy, under (2)(a)
12 state a growth policy is not a regulatory document and does
13 not confer any authority to regulate what is not otherwise
14 specifically authorized by law or regulations adopted
15 pursuant to the law. A governing body may not withhold,
16 deny, or impose conditions on any land use approval or
17 other authority to act based solely on compliance with the
18 growth policy adopted pursuant to this chapter.

19 The 2006 Cascade County Growth policy contains
20 five goals, which the policy defines as a broad,
21 generalized expression of commonly held community values
22 regarding growth, development patterns, and quality of
23 life. They are intended to express the primary theme or
24 general intent and direction of the growth policy. Each
25 goal also includes a subset of objectives, which a growth

1 policy defines as a more narrowly defined and concrete
2 expression of community intent. And in my staff report I
3 have listed the five goals.

4 Staff analysis, Goal 1, to sustain the strength
5 and the economic well-being of Cascade County's citizens.
6 With respect to Goal 1, staff finds the proposed zoning
7 amendment to be in general compliance with the growth
8 policy goals to sustain and strengthen the economic
9 well-being of Cascade County citizens. Rezoning will aid
10 in the development of new industry by allowing for
11 construction of the HGS, which is Objective A. The
12 rezoning will have a minor beneficial effect on working
13 toward greater economic diversity by permitting the
14 construction of a long-term industry, which is Objective B.
15 The rezoning would support economic development through
16 central Montana and further the economic self-sufficiency
17 of Cascade County citizens by offering employment
18 opportunities and an additional source of electricity for
19 commercial and industrial land uses, which are Objectives D
20 and E.

21 The rezoning is not likely to promote the
22 development of cultural resources and tourism to broaden
23 Cascade County's economic base, which is Objective C. The
24 rezoning does not have such a purpose and the record of
25 decision notes that the construction and operation of the

1 HGS is likely to have significant impacts on the Lewis and
2 Clark Portage National Historic Landmark. In response, SME
3 has revised its proposal to include mitigation for impacts
4 to the national historic landmark, although it is unlikely
5 that all such impacts can be avoided. SME proposes to move
6 HGS facility outside the boundaries of the national
7 historic landmark, leaving only the wind generators within
8 the landmark's boundaries. SME also proposes to make
9 monetary contributions to the Lewis and Clark Interpretive
10 Center for land acquisition and library improvements, as
11 well as to use landscaping and architectural design to
12 return areas to native vegetation, reduce visual impacts,
13 and reduce lighting glare.

14 As noted in the record of decision, some impacts
15 to the agricultural industry can be expected in part
16 because some existing farmland would be taken out of
17 production. However, staff agrees with the conclusion of
18 the appraisal report, included in the application of
19 material, that agricultural and industrial operations can
20 coexist in close proximity. The staff also agrees with the
21 finding in the record of decision that the rezoning will
22 have minor to moderately beneficial impacts to the area's
23 economy.

24 With Goal 2, to protect and maintain Cascade
25 County's rural character and the community's historic

1 relationship with natural resource development, compliance
2 with this goal is difficult to determine because evaluating
3 the nature of rural character is a subjective
4 determination. Generally speaking the HGS is incongruous
5 with rural character and could encourage the conversion of
6 adjacent farmland to other industrial uses. Examining the
7 four objectives derived from this goal reveals that the
8 proposed rezoning is generally not in compliance with this
9 goal.

10 The first objective seeks to foster the
11 continuance of agriculture and forestry in recognition of
12 their economic contribution and the intrinsic natural
13 beauty of grazing areas, farmlands, and forests. The
14 proposed rezoning will not affect forestry, as the property
15 is not forested, nor is it adjacent to forested lands. It
16 is also not used as a grazing area, although likely could
17 be. The proposed rezoning will negatively affect the
18 continuance of agriculture of this site by converting
19 agricultural lands to industrial land uses. The impact of
20 such a conversion is minimal, however, because property
21 does not contain soil of any prime or statewide importance,
22 and the LESA evaluation reveals that the property has only
23 marginal value for mariculture. The conversion of the
24 property to industrial use will increase the economic
25 contribution from this particular site in excess of the

1 economic contribution from its current agricultural use.

2 In addition to the LESA, staff did run the
3 agricultural analysis that we use through the USDA as well,
4 that the planning board is very familiar with on all of
5 your subdivision. And it did not come out as prime
6 farmland or land of statewide performance, which is the two
7 processes that we continuously use in our other methods.

8 The second objective of this goal is to preserve
9 Cascade County's scenic beauty and conserve its forests,
10 rangelands, and streams with their abundant wildlife and
11 good fisheries. The rezoning would not have any
12 significant effect on forests or streams as neither are
13 located on or near the site. The soils on the property are
14 suitable for rangeland, but are not considered to have any
15 prime statewide importance, and are a small fraction of the
16 total agricultural lands in the county. Thus no
17 significant effects on rangelands are expected. Property
18 has been used for wheat production and does not contain any
19 significant wildlife habitat.

20 Record of decision finds that the HGS will have a
21 significant effect on visual resources due to the proximity
22 of the national historic landmark. SME proposes to
23 mitigate impacts to the scenic resources using landscaping,
24 earth-tone paints, and agricultural design, native
25 vegetation, and shielded lighting. Nevertheless, impacts

1 to the county scenic beauty can be expected and a proposal
2 will not comply with this objective.

3 The third objective seeks to preserve Cascade
4 County's open setting by encouraging new development to
5 locate near existing towns and rural settlements and by
6 discouraging poorly designed land subdivisions and
7 commercial development. The proposed rezoning is neither a
8 land subdivision or a commercial development as defined in
9 Cascade County Zoning Regulations. It is a heavy
10 industrial use. However, the development of an HGS is
11 located in a rural setting, and it is not located adjacent
12 to any existing town or rural settlement.

13 The record of decision evaluated two potential
14 sites for the HGS1: One at the county's existing
15 industrial park within the urban area of Great Falls and
16 the propose site on Salem Road. The record of decision
17 preferred the Salem Road site, largely due to fewer traffic
18 impacts and fewer impacts to low income residents. There
19 are some land uses which are better suited to be located
20 away from the population centers, and the HGS would appear
21 to be one of them. Though this objective was written to
22 guide decisions on new residential and commercial
23 subdivisions, to the extent it applies to the proposed
24 rezoning, the proposal does not serve to protect the
25 county's open space setting by encouraging new development

1 to be located near existing towns and rural settlements.

2 The fourth objective is the assure clean air,
3 clean water, a healthful environment, and good community
4 appearance. According to the record of decision, the HGS
5 will have minor impacts to water quality, long-term minor
6 to moderate impacts to air quality, minor impacts to
7 biological resources, and minor long-term impacts to human
8 health and safety.

9 Numerous permits are necessary to allow the
10 construction and operation of HGS. SME has obtained a air
11 quality permit from the Montana DEQ demonstrating the
12 facility's compliance with state air quality requirements.
13 SME has also obtained a solid waste permit. SME has also
14 obtained a favorable record of decision following the final
15 environmental impact statement review process. Therefore,
16 having satisfied state and federal permitting requirements,
17 the rezoning for the purpose of HGS would assure clean air,
18 water, and a healthful environment as measured by those
19 permitting processes.

20 Whether the proposed rezoning assures a good
21 community appearance is a matter of subjective analysis.
22 It is certainly understood that many in the community will
23 find the conversion of an agricultural parcel to an
24 industrial use to have a negative impact on good community
25 appearance. However, it must be noted that the

1 construction of HGS is permitted within the existing A-2
2 zoning district with approval of a special use permit, and
3 a conversion to I-2 is not necessarily incongruous with the
4 allowable land uses in A-2.

5 Goal 3, maintain agricultural economy. Staff
6 finds that the proposed rezoning will not have a
7 significant effect either positively or negatively on the
8 goal to maintain the county's agricultural economy. The
9 proposal permanently removes approximately 670 acres of
10 land use for agricultural purposes from agricultural uses
11 as does nearly any rezoning from agricultural to some other
12 land use. However, the proposal does not have a
13 significant effect on the four objectives derived from this
14 goal.

15 First, the soils on the property are not
16 considered to be prime soils or have any state-wide
17 importance, and a LESA evaluation found the site to have
18 marginal value for agricultural uses. Thus the rezoning
19 does not contravene the objective to protect the most
20 productive soil types. Second, the rezoning will continue
21 to protect soils against erosion by requiring the site to
22 be maintained to prevent erosion through the zoning
23 location-conformance permit and in accordance with Montana
24 DEQ requirements for controlling storm water runoff. Third
25 the proposed rezoning will not contravene the objective to

1 protect the floodplain from non-agricultural development,
2 as the site is not located within the floodplain. Finally,
3 while the proposed rezoning does not foster any value added
4 industry, neither will it negatively affect the county's
5 ability to continue to encourage such as objective.

6 Goal 4, to retain the presence of the U.S.
7 military in Cascade County. Staff finds the rezoning
8 proposal can be considered to have a positive effect on
9 Goal 4, to retain the presence of the U.S. military in
10 Cascade County. Policy derived from this goal demonstrate
11 that it does not directly apply to a rezoning application
12 such as this. As objectives, the goal encourages the
13 county to utilize the federal congressional delegation to
14 retain the current military status at a minimum, and
15 encourages a reactivation on the runway at Malmstrom for a
16 fixed-wing operation.

17 The application suggests that the rezoning will
18 have a positive effect on the county's ability to retain
19 the presence of the U.S. military. Over the last 20 years,
20 the Department of Defense has been required to employ eight
21 criteria to guide it in its base closure and realignment
22 recommendations to the present. Two of the criteria focus
23 on the ability of the base and its infrastructure to
24 accommodate personnel and mission requirements. The
25 availability of significant amounts of electrical energy

1 would likely improve Malmstrom Air Force Base's competitive
2 posture and its ability to preserve current missions and
3 gain additional missions.

4 Further, in response to recent announcement that
5 Malmstrom Air Force Base is considering building a coal to
6 liquid fuel manufacturing facility, which would require
7 significant amounts of electrical energy, the applicants
8 note that the HGS would be able to provide stable, reliable
9 source of electrical energy. While staff acknowledges that
10 stable and reliable source of energy would be a positive
11 factor in locating such a facility at Malmstrom, there is
12 no certainty that the great availability of energy will
13 result in the retention or addition of military missions or
14 a decision to build a coal to liquid facility at Malmstrom.

15 Goal 5, preserve and enhance the rural, friendly,
16 and independent lifestyle currently enjoyed by Cascade
17 County citizens. The subjective nature of this goal makes
18 it difficult to analyze in the context of the HGS, and the
19 staff finds that the goal's objectives generally do not
20 apply in this instance. For example, Objective A seeks to
21 maintain the county's citizens' independent lifestyle,
22 while minimizing governmental intervention to the extent
23 possible, consistent with the requirements for continually
24 evolving economy and constantly changing population. This
25 objective appears geared more as a directive to limit

1 governmental regulation rather than a tool to evaluate
2 individual projects. Similarly, Objective C is directed at
3 improving fire prevention measures through the subdivision
4 review process, which does not apply to this rezoning.
5 Objective D is aimed at continued efforts to support the
6 county's strong educational and health services sectors,
7 which would not be affected either positively or negatively
8 by the proposed rezoning.

9 The proposed rezoning does not fully comply with
10 Objective B to preserve and promote Cascade County's rich
11 cultural heritage, rooted in natural resource development
12 and reflected in its numerous historic sites and
13 archaeological areas. According to the application there
14 are no archaeological areas on the property, and their
15 rezoning would not affect such resources. The rezoning
16 does not promote the county's cultural heritage, but it is
17 difficult to identify a rezoning project that would.
18 However, according to the record of decision, HGS will have
19 a significant effect on the national historic landmark,
20 particularly due to its visual impacts. As noted herein,
21 SME has proposed a number of techniques to mitigate the
22 impact, and the record of decision found the proposed site
23 to be preferable and acceptable, despite the potential
24 impacts to the national historic landmark.

25 So for the overall compliance, it is clear from

1 the application materials, FEIS, and the record of decision
2 that there are very limited, suitable locations for a
3 facility such as the HGS, and this factor has been taken
4 into consideration in determining the overall compliance
5 with the growth policy. With these principles in mind,
6 staff finds the proposed rezoning generally complies with
7 the 2006 Cascade County growth policy, and the level of
8 compliance is acceptable. When the county adopted the
9 county-wide zoning, the county determined that electrical
10 generation facilities are appropriate land uses within the
11 agricultural zoning district, upon satisfying the special
12 use permit process.

13 Converting the subject property to I-2, so long
14 as it is limited to an HGS facility, would not be
15 significantly different than allowing such a facility in
16 the existing A-2 district with a special use permit. The
17 proposal meets the growth policy's goal to sustain and
18 strengthen the economic well-being of the county's
19 citizens. The proposal does not have a significant effect,
20 either positively or negatively, on the county's goal to
21 maintain the agricultural economy. The growth policy's
22 goal to retain the presence of the U.S. military does not
23 directly apply, but nor does the rezoning have any
24 significant effect, either positively or negatively, on
25 this goal.

1 Goal 2, protecting the county's rural character
2 and the community's historic relationship with natural
3 resource development, is not met; but this goal is the one
4 most at odds with Goal 1, the desire to strengthen the
5 county's economic well-being. Many of the objectives of
6 Goal 5 do not apply to the proposal, but the one that does,
7 preserving the cultural heritage, is not met due to the
8 impacts on the national historic landmark.

9 So then we look at the rest of the criteria. The
10 second one is whether the zoning regulations have been
11 designed to lessen congestion in the streets. Primary
12 roads to the proposed site are US Highway 87/89 east of
13 Great Falls. This is a four-lane, paved undivided highway.
14 Montana Highway 228, which is Highwood Road, is a two-lane,
15 paved highway. And Salem Road, a graded, gravel surfaced,
16 two-lane county maintained road.

17 Nearly all rezoning requests lead to land uses,
18 which cause additional traffic generation, and a proposed
19 rezoning does not feel this consideration simply because
20 traffic increases. Rather the question is more
21 consideration of whether traffic impacts can be reasonably
22 accommodated or mitigated to avoid or minimize congestion
23 caused by increased development. The FEIS noted that only
24 short-term, moderate impacts from construction traffic can
25 be expected.

1 SME proposes a number of traffic mitigation
2 steps, including the preparation of traffic mitigation
3 studies in cooperation with the Montana Department of
4 Transportation. Through the zoning conformance permit, the
5 applicant will also be required to work with Cascade County
6 to develop a traffic mitigation plan for Salem Road. All
7 necessary permits and mitigation plans will be completed
8 and approved prior to issuance of a location conformance
9 permit for any construction. Staff believes that proposed
10 use for the zoning amendment will be implemented by both
11 MDT and Cascade County to lessen congestion in the streets.

12 Given the significant additional traffic
13 increases on Salem Road, particularly during construction,
14 Salem Road should be improved to county standards with an
15 asphalt surface. The cost of which should be borne by SME.
16 In addition to protecting the road surface, paving will
17 minimize health and safety problems with associated --
18 associated with dust from gravel roads.

19 With respect to Number 3, whether the zoning
20 regulations have been designed to secure safety from fire
21 panic and other dangers, subject property is located in the
22 Sand Coulee fire district. This is a voluntary fire
23 department whose station is located approximately 15 miles
24 from the proposed location of this site. Applicant
25 proposes that the Highwood Generating Station would be

1 equipped with the state-of-the-art internal emergency fire
2 suppression system. The applicant has indicated that the
3 Great Falls Fire Department would also be available to
4 respond in an emergency.

5 The applicant has also indicated that the
6 roadways to the site will be paved and will allow adequate
7 ingress and egress for emergency response and/or
8 evacuation. Prior to the issuance of location conformance
9 permit, Cascade County would require that the construction
10 and paving of Salem Road be completed to at least the
11 Cascade County Subdivision Road Paving Standards and
12 certified to that effect by a licensed professional
13 engineer. Prior to issuing a location conformance permit,
14 Cascade County would require all mutual aid agreements to
15 be in writing and signed by the respective agencies
16 authorizing mutual aid.

17 The location conformance permit would also
18 require that the State of Montana Department of Labor and
19 Industry Building Codes Bureau issue all electrical,
20 building, mechanical, plumbing, boiler, elevator, and fire
21 certificates or permits be reviewed and approved prior to
22 or as a condition of its issuance. Staff believes that
23 with the outlined conditions, the proposed use for the
24 zoning amendment will be implemented to secure safety from
25 fire panic, other dangers.

1 Number 4, whether the zoning regulations have
2 been designed to promote public health and general welfare,
3 staff acknowledges that there's much debate and
4 disagreement in the community about the public health
5 implications of the HGS. To date, SME has been issued an
6 air quality permit and a solid waste license demonstrating
7 compliance with state environmental requirements.

8 The FEIS and record of decision concluded that
9 none of the environmental impacts of the plant would be
10 significant and that emissions will be well within the
11 National Ambient Air Quality Standards. Wastewater from
12 the plant will be processed at the Great Falls Municipal
13 Water Treatment Facility under an industrial pretreatment
14 program permit. And raw water will be taken from the
15 Missouri River.

16 Construction techniques and storm water runoff
17 requirements must meet the standards of the Montana
18 Department of Environmental Quality. As with any
19 industrial development, prior to the issuance of location
20 conformance permit, conditions will be placed on the
21 applicant requiring all federal, state, and local laws,
22 rules, and regulations to be met.

23 According to the FEIS and the record of decision,
24 impacts to the Lewis and Clark National Historic Landmark
25 will be significant and adverse due to visual and noise

1 issues. Proposed mitigation methods include on-site
2 landscaping and use of earth-tone colors for the plant
3 facility and appropriate lighting.

4 Prior to the issuance of a location conformance
5 permit, Cascade County will require the applicant to submit
6 landscaping and lighting design proposals for review and
7 approval prior to any construction. Staff believes that
8 with the outlining conditions imposed by state, federal,
9 and local permitting requirement, the proposal will be
10 designed to promote public health and general welfare.

11 Number 5, whether the zoning regulations have
12 been designed to provide adequate light and air, again,
13 staff acknowledges that there's much debate and
14 disagreement among public comments about the public health
15 implications of the HGS. However, SME has been issued an
16 Air Quality Permit, demonstrating compliance with state
17 environmental requirements. The FEIS and record of
18 decision concluded that the proposed facility will have
19 non-significant impacts to air quality on site and nearby
20 and will not have a significant impact of light or haze to
21 any Class I or Class II areas.

22 Staff believes the potential for an impact of
23 nighttime glare does exist from the lighting of the
24 facility. Prior to issuance of a location-conformance
25 permit, the applicant will be required to demonstrate a

1 mitigation plan, which will reduce the amount, location,
2 and direction of glare from this facility. Staff believes
3 that with these conditions set forth, the proposal will be
4 designed to provide adequate light and air.

5 Number 6, whether the zoning regulations have
6 been designed to prevent the overcrowding of land,
7 according to the application, the rezoning is requested
8 solely to facilitate the construction of the HGS facility
9 and no other industrial uses are proposed. Given the rural
10 location of the facility and the applicant's limitation to
11 a single use, the rezoning will not contribute to an
12 overcrowding of land. The application has indicated -- has
13 also indicated there will be no residential structures
14 associated with the proposed site.

15 Current housing market and development of
16 subdivision and housing in this area indicates that
17 adequate housing should be obtainable by any workers moving
18 into the area. School district comments received during
19 subdivision proposals have indicated the ability of local
20 school districts to accommodate additional students. Staff
21 believes that this proposal has been designed to prevent
22 overcrowding of land.

23 Number 7, whether the zoning regulations have
24 been designed to avoid undue concentration of population.
25 The rezoning is requested solely to facilitate the

1 construction of HGS facility and no other industrial uses
2 are proposed. Given the rural location of the facility and
3 applicant's limitation to a single use, the rezoning will
4 not contribute to an undue concentration of population.
5 There is not residential development proposed as part of
6 this rezoning, and the most significant concentration of
7 people will occur as a result from the temporary employment
8 of the construction workers. This temporary influx of
9 construction workers will not cause an undue concentration
10 of population. The staff believes that this proposal has
11 been designed to avoid undue concentration of population.

12 Number 8, whether the rezoning regulations have
13 been designed to facilitate the adequate provision of
14 transportation, water, sewer, schools, parks, and other
15 public requirements, due to the single, industrial use
16 proposed for the rezoned parcel, staff does not expect the
17 proposal to have any long-term effects on schools, parks,
18 or other public requirements. Once operational, the HGS
19 facility is anticipated to create 75 permanent jobs, which
20 will not have a noticeable effect on school or park
21 capacities or similar public requirements.

22 SME has indicated, via the application and the
23 FEIS, that it will work with the Montana Department of
24 Transportation in performing a traffic impact study and
25 analysis and mitigating any of the transportation impacts

1 determined in these studies. Currently proposed mitigation
2 of traffic impacts includes the construction of turn lanes
3 on Highwood Road and an overpass to route train traffic
4 over the road. The FEIS and record of decision conclude
5 that the HGS will not have any long-term transportation
6 related impacts. Further, they note that the Salem Road
7 site is much preferred to the industrial park site, because
8 it does not require train and truck traffic to pass through
9 Great Falls.

10 In accordance with the Cascade County zoning
11 regulations, SME would be required to prepare a traffic
12 impact study and proposed mitigation for Salem Road prior
13 to the issuance of a location-conformance permit.

14 Improving Salem Road to county standards with a paved
15 surface would be required to protect the road surface and
16 eliminate dust problems. Staff believes that with the
17 various conditions set forth, the application has been
18 designed to facilitate the adequate provision of
19 transportation, water, sewage, schools, parks, and other
20 public requirements.

21 Number 9, whether the zoning regulations have
22 been made with reasonable consideration to the character of
23 the district, staff acknowledges that the construction and
24 operation of the HGS is out of character with the existing
25 agricultural land uses in the vicinity of the proposed

1 rezoning. Nevertheless, construction and operation of the
2 HGS in not necessarily out of character with the land uses
3 allowed under the existing A-2 zoning district. A-2 zoning
4 district allows a wide variety of land uses in addition to
5 traditional agricultural operations.

6 Uses permitted by right include campgrounds, R.V.
7 parks, daycare centers, nursing homes, golf courses,
8 publicly owned buildings and facilities, schools, churches,
9 and residences. Land uses permitted with a special use
10 permit include telecommunications facilities, quarries
11 hospitals, airports, solid waste disposal sites, feedlots,
12 mobile home parks, motor sport complexes, shopping centers,
13 junkyards, outdoor entertainment facilities, and electrical
14 generation facilities. Thus, the rezoning is not necessary
15 to accommodate the HGS facility, as such a use is
16 permissible with a special use permit.

17 It's clear from the application materials, the
18 FEIS and the record of decision that there are very limited
19 suitable locations for a facility such as the HGS. When
20 the county adopted its county-wide zoning, the county
21 determined that electrical generation facilities are
22 appropriate land uses within the agricultural zoning
23 district upon satisfying the special use permit process.
24 So long as the rezoning is limited to the HGS facility, the
25 rezoning is not significantly out of character with the

1 land uses permitted in the A-2 district with a special use
2 permit.

3 Number 10, whether the rezoning regulations have
4 been made with reasonable consideration to the district's
5 peculiar suitability for particular uses, without question,
6 the HGS is a facility that has unique site requirements.
7 SME's consulting engineers prepared a statewide site
8 selection study and identified the Salem Road sites as the
9 preferred alternative. The site's access to water and
10 wastewater facilities, electrical transmission line, and
11 rail transportation, combined with a relative lack of
12 environmental and other impacts as addressed in the FEIS,
13 demonstrate the site's particular suitability for the HGS.

14 The property's current and past use for wheat
15 production also demonstrates the property's suitability for
16 agricultural uses, despite the fact that the soils are not
17 considered to have prime or statewide importance. In an
18 area of predominantly agricultural land uses, the property
19 and surrounding properties are obviously suitable for
20 continued agricultural use. That said, the existing A-2
21 agricultural zoning classification does allow a wide
22 variety of other land uses, and I've listed those
23 previously.

24 The A-2 district also allows the construction and
25 operation of an electrical generation facility with a

1 special use permit without converting the property to the
2 I-2 zoning classification. Thus, the rezoning, when
3 limited to the proposed HGS facility as proposed in the
4 application, effectively does not change the uses that
5 could occur on the property.

6 Finally, Cascade County does not have enough
7 heavy industrial I-2 zoned areas within the county to
8 accommodate the use proposed in this application.
9 Therefore, staff believes that the site and application has
10 been made with reasonable consideration to the district's
11 peculiar suitability for particular uses.

12 Number 11, whether the zoning regulations have
13 been made with a view to conserve the value of buildings.
14 The proposed rezoning property is vacant, as are adjacent
15 lands to the east and to the south. Adjacent lands to the
16 north and west are owned by the applicants who maintain a
17 residence on that property. According to the FEIS,
18 development of the HGS may reduce market values to nearby
19 rural, agricultural land affecting sales of those lands.
20 The FEIS further states that property values are less
21 likely to be affected, but if they are reduced, then there
22 would be repercussions on land assessments and property
23 taxes.

24 An appraisal report submitted with the
25 application concludes that the HGS would have no diminution

1 of value to any neighboring property. The appraisal report
2 also concludes that agricultural uses and industrial
3 operations can coexist without negative effects. The
4 applicant has indicated that landscaping, lighting,
5 building colors, et cetera, will be done in an effort to
6 minimize the impact of the facility on the site, hopefully
7 helping to conserve the value of neighboring buildings and
8 property. Therefore, the staff believes that the
9 application has been made with a view to conserving the
10 value of buildings.

11 Number 12, whether the zoning regulations have
12 been made with a view to encouraging the most appropriate
13 use of land throughout the jurisdictional area. As noted,
14 the unique requirements of an operation like the HGS
15 significantly limit the suitability locations for such
16 facilities. Additionally, they are better suited to being
17 located away from population centers for a variety of
18 reasons, including train and truck traffic, noise and
19 visual impact.

20 FEIS and record of decision concluded that the
21 proposed site would not have significant environmental
22 impact and was preferred over locating the HGS in the
23 Central Montana Agricultural and Technology Park,
24 industrial park, located just north of the City of Great
25 Falls. FEIS also concluded that the HGS would not have

1 significant impacts on adjacent farmland and the
2 continuation of agricultural land uses.

3 Whether the HGS facility is the most appropriate
4 use of the land is a somewhat subjective determination, but
5 the sufficient support exists to demonstrate that the site
6 is appropriate for such a facility and will not be
7 incompatible with the area's agricultural land uses.

8 Further, electrical generation facilities are
9 allowed with a special use permit in the existing A-2
10 district and limiting the rezoning solely to the HGS as
11 proposed in the application is consistent with the
12 allowable special use. Staff, therefore, feels that this
13 site and application has been made with a view to
14 encouraging the most appropriate use of land throughout the
15 jurisdictional area.

16 With all of that, it is recommended that the
17 planning board recommend to the county commission approval
18 of the request to rezone Parcels Number 5264100, Number
19 5264200, Number 5264300 in Section 24; and Parcel
20 No. 5365200 in Section 25, Township 21 North, Range 5 East,
21 Cascade County, Montana, from agricultural A-2 to I-2 heavy
22 industrial.

23 At this time I will answer board's questions. If
24 the board chooses, it can also wait until after the public
25 hearing and then ask questions of the staff as well.

1 MR. NICHOLSON: What is the status of the
2 litigations that are pending and probably won't be resolved
3 until January? It says on Page 11 there's --

4 MR. CLIFTON: Correct. They are ongoing. There
5 is litigation ongoing as to the air quality permits that
6 have been issued, as well as a solid waste permit. And
7 those will be resolved at some point in the future. The
8 status of those does not prevent an applicant from
9 submitting an application to be heard in front of our
10 board.

11 MR. NICHOLSON: I would like to -- there's a lot
12 of people here that came to voice their opinion, and I know
13 some of them have -- it's going to take longer than five
14 minutes.

15 UNIDENTIFIED SPEAKER: We can't hear those
16 questions.

17 MR. NICHOLSON: I know that there are people here
18 who have come a long ways and taking time off from their
19 jobs, and I don't think a five-minute time limit is enough
20 for what they have -- some of them would have to say. I
21 would like to move that we eliminate that five-minute time
22 limit at least for this meeting.

23 MR. CLIFTON: That would be up to the board. The
24 board passed, in previous meetings quite awhile back,
25 passed a five-minute rule. That would be up to the board,

1 if they wanted to second the motion and make a favorable
2 approval of that.

3 CHAIRMAN COX: Do I have a second? I don't have
4 a second.

5 MR. CLIFTON: So the motion will die with no
6 second.

7 CHAIRMAN COX: Any other questions of the board?

8 MR. CLIFTON: All right. At this time, prior to
9 the chairman calling for proponents, I will just remind
10 everyone of what we talked about before, and that would be
11 of the process. At this time, Mr. Chairman, I will take my
12 seat and turn it over to you.

13 CHAIRMAN COX: Are we going to have a
14 presentation?

15 MR. CLIFTON: I'm sorry. That is correct. The
16 applicants will present first. I'm sorry. Applicants,
17 developers, Mary, did you want to lead, or Tim?

18 MS. JARACZESKI: Good morning, my name is Mary
19 Jaraczski. I'm here today on behalf of the applicants,
20 the Urquharts, and also Southern Montana Electric. I want
21 to start the day by thanking the County Planning Department
22 and the planning board for having us here today and finding
23 a venue large enough to accommodate all of the interested
24 parties.

25 I just wanted to do a brief introduction of the

1 people that will be presenting on behalf of the applicants
2 and Southern Montana today. Our first speaker will be Mary
3 Urquhart. She's one of the landowners. She and her
4 husband Red and Scott and Linda Urquhart are the applicants
5 for the rezoning. Following Mary will be Tim Gregori. Tim
6 Gregori is the general manager for Southern Montana
7 Electric. Accompanying him are Jeff Chaffee, Jeff Chaffee
8 is the lead environmental engineer from Bison Engineering;
9 and also Kevin Cavanaugh, Kevin Cavanaugh is the project
10 principal from Stanley Consultants. Neil Ugrin and I will
11 be discussing the rezoning and the legal issues. We're
12 counsel for the Urquharts and Southern Montana Electric.

13 So I'll turn this program over to Mary Urquhart.

14 MARY URQUHART: Mr. Chairman and members of the
15 planning board, I am Mary Urquhart, one of the landowners
16 of the farmland that we wish to rezone and think rezoning
17 is a good idea. I am also a licensed registered nurse and
18 have been one for 51 years.

19 Southern Montana has always been honest and
20 upfront with us. In fact, they flew the landowners back to
21 Maysville, Kentucky, to show us a coal plant that ours
22 would be patterned after. And in the three days that we
23 were -- we toured the plant and found it to be very clean
24 and quiet. In fact, you could stand anywhere in the plant
25 and carry on a normal conversation and be heard. There

1 were flowers and green grass growing all around the plant
2 and green vegetation as far as the eye could see. Not the
3 brown scourge that is predicted by our opponents.

4 Our family has been threatened, if we go forward
5 with this. This does not scare us, as we feel the
6 community and southern Montana needs this plant to be
7 built. It will provide jobs for young people and others of
8 the local area first. 400 to 650 jobs at the peak of
9 construction and about 75 permanent jobs upon completion.
10 So let's quit quibbling and put these men and women to work
11 building the plant and get it on the tax base and put the
12 projected \$9.1 million in taxes to work.

13 The Urquhart family has worked very hard to
14 preserve the lower portage campsite and have it on the
15 register of historic sites. We own it and not, as some
16 people think, the government owns it. As far as the
17 national historic trail is concerned, our family was never
18 contacted or gave our consent to declare the trail a
19 national historic landmark. And then declared each site of
20 it as hallowed ground, thus encompassing over 2000 acres of
21 our ground and 400 acres of Scott's ground.

22 We intend to keep living on this ground, which is
23 about 7000 acres that is downwind from the proposed plant,
24 and continue to farm this land as we've always done. We
25 feel this is of tremendous importance to the community, and

1 we feel that SME is the one to do it right to be a good
2 neighbor that we want.

3 Thank you for listening to me.

4 TIM GREGORI: Mr. Chairman, members of the
5 planning board, for the record, my name is Tim Gregori, and
6 I'm the general manager of Southern Montana Electric
7 Generation and Transmission Cooperative.

8 Southern Montana is the entity that is proposing
9 the development of the Highwood Generating Station,
10 approximately eight miles east of Great Falls on the
11 property that is currently owned by the Urquharts. And
12 this morning what we would like to do is give a brief
13 overview of the project and the phases we have gone through
14 in developing the project and selecting the site's proposed
15 location of the Highwood Generating Station. Having Jeff
16 Chaffee give you a few comments on where we are with regard
17 to permitting, the environmental impact, the air quality
18 permit, and other related permits necessary to construct
19 this facility. We'll have Kevin Cavanaugh from Stanley
20 Consultants, project principal on engineering, give a brief
21 overview of engineering. And then we've also brought with
22 us a video from the folks in Maysville, Kentucky, where
23 you'll hear from the CEO of the East Kentucky Power plant
24 that built the Maysville facility. You will hear a brief
25 presentation by the mayor of Maysville, Kentucky, and one

1 of the judges in that area, on the impact of those
2 facilities in that area and what you may expect in Great
3 Falls, particularly out near the Urquhart property.

4 The items that I would like to talk about quickly
5 are, first of all, why are doing this, in other words, what
6 are our load requirements; what did we find when we went to
7 the market, we tried to find alternatives to building this
8 facility; how did we evaluate our various alternatives; and
9 why did we select this site; then real quickly what is the
10 latest development with regard to carbon capture and
11 sequestration and how we want to continue being good
12 neighbors, not only in the Great Falls area, Cascade
13 County, State of Montana, and demonstrate the carbon
14 capture and sequestration as possible for a facility like
15 this, if we're given time to develop it appropriately.

16 First of all, with regard to the load. Southern
17 Montana serves five electric distribution co-operatives in
18 the City of Great Falls. Over the course of the past
19 several years, we've experienced considerable load growth.
20 From 2004 to 2005 our load requirements increased 12
21 percent. In 2005 to 2006 our load requirements increased
22 14 percent. For 2006 to 2007 we're on track to have
23 greater than 7 percent load increase. And as this graph
24 shows, you can see the line on the left representing 2006
25 requirement, and the purple line on the right representing

1 2007 requirements for the first nine months, and I have
2 October, just about ready to add this. It takes about two
3 months to get everything up.

4 We have had greater requirements every month but
5 one of all of those months, and some months, particularly
6 in January and out towards the fall months, we can see
7 significant growth of our load requirements, primarily due
8 to air conditioning load and agricultural requirements of
9 members we serve. If you overlay that over our long-term
10 projection for our requirements, you can see, if you look
11 at the chart, at the very left-hand side, for 2007, we're
12 already up against the point where we lose our first
13 contract to the Bonneville Power Administration in July of
14 2008. And you can see when we move into 2009, we have a
15 significant deficit with regard to requiring the power
16 needs of our member citizens.

17 If we were to go to the market, we would be hit
18 with a significant cost that in many of our agricultural
19 communities would be the death nail to a lot of the farms
20 and businesses that we serve. As you can see by this
21 graph, there is a steady trend of increase in power costs.
22 And you are also seeing an increase in some of the
23 nontraditional costs of power. For example, if you look at
24 the line that is kind of a lavender color, the purplish
25 line, you can see that it is, at times, actually above the

1 top blue line. The top blue line is what it costs to buy
2 firm electric energy. In other words, you go out and get a
3 long-term contract with somebody, and that is what you pay
4 for the price. We're actually seeing nonfirm, off-peak
5 power costing more than firm off-peak power, because we are
6 suffering serious decreases in power availability in the
7 region. And there is a need for Highwood Station, not only
8 to meet our members' needs, but also to provide stability
9 in the region.

10 If you take a look at the alternatives and why we
11 decided that building our own facility was the best choice,
12 the first thing I would like to call to your attention, the
13 Pacific northwest is heading towards a load resource
14 imbalance. In other words, traditionally with a utility
15 system such as ours, you have to provide a certain amount
16 of reserve capacity. In other words, if the power plant
17 breaks, you don't get into a situation where you start
18 having brownouts, because you have had an instability in
19 the system because of a lack of backup generation. This
20 graph even shows projected generation be built. Our
21 facility, by the way, is included in that projection. And
22 what it shows is that by 2015, Pacific Northwest is going
23 to go into load deficit. In other words, we will have
24 demand times greater than our resources. And that is not
25 inconsistent with projections on a federal level. U.S.

1 Department of Energy projects between 2005 and 2030 we will
2 have electricity demands increasing 40 percent. That is
3 net of conservation in some of the projects that are
4 already planned.

5 It's taken us approximately ten years -- it will
6 take approximately ten years from beginning to end to bring
7 the Highwood Station on line. We have been at this almost
8 five years already. We have a five-year construction
9 schedule. And if you overlay that with the problems of
10 transmission, in other words, flowing the power onto the
11 grid once the facility is built, you can see that it's very
12 difficult to bring a new facility on line.

13 We've heard a lot of comments, why are you
14 building the plant in Great Falls, why are you not building
15 in southeastern Montana and flow the power up to this
16 region. There's a one-word answer to that, and it's called
17 transmission. Highwood Station can come on line with
18 relatively few improvements to the transmission grid. If
19 you look at the area near Great Falls, we happen to sit in
20 very close proximity to some of the last remaining capacity
21 on the transmission to flow the power.

22 And, furthermore, we hear, well, you're going put
23 the power on the line in Montana, near Great Falls, and
24 flow it to southeastern Montana. Electricity is not like
25 herding cattle. You don't have blue ear tags and green ear

1 tags and yellow ear tags, and when you're sorting them
2 through the chute, you try to cut out the blues and the
3 greens and the yellows. Electricity from Highwood Station
4 will be consumed here. It's only through contractual path
5 that we have the power flowing down to that area. So at
6 any given time, the facility will provide electricity to
7 keep the grid stable in this community. So if you want
8 solid and profitability economic growth in this area, the
9 best way to have it is through affordable and reliable
10 electric energy. And this will help stabilize the electric
11 grid.

12 It also means we will not have to take other
13 pieces of land out of production or adversely affect other
14 areas of historic value by constructing transmission lines,
15 because, with the exceptions of a few modern improvements
16 to the NorthWestern system, there is adequate capacity to
17 include our facility.

18 Lately we've heard a lot of talk about carbon
19 capture and sequestration. You can hardly pick the paper
20 up without talking about global warming. It just so
21 happens, and you'll hear more from the folks from Maysville
22 here in a little bit, one of the attributes of the CFB
23 boiler, circulating fluidized bed, with our integrated
24 emissions control strategy is it is readily available to
25 have add-on equipment that could deal with carbon capture

1 and sequestration. And so what we're going to do is take a
2 good system, and with the help of the United States
3 Department of Energy, and perhaps Alston Power, Southern
4 Montana can put a test facility out there that can
5 demonstrate, not only to the nation, but perhaps even to
6 the world, you can take coal, burn it in a clean facility
7 with carbon capture and sequestration, if you're given the
8 opportunity to demonstrate that.

9 Alston Power and Southern Montana will submit an
10 application to the United States Department of Energy to
11 have Highwood Station be a demonstration project to show
12 that carbon can be captured and sequestered in suitable
13 locations. We just happen to be very lucky. If you look
14 at this map, particularly up toward the Shelby area, around
15 the Kevin dome, we just happen to be in close proximity to
16 one of the sites identified by the United State Department
17 of Energy Carbon Capture and Sequestration Partnership that
18 is operating out of Montana State University, one of the
19 better places in the United States to capture and sequester
20 carbon. There is a whole lot of legal issues there on
21 surface rights, who owns the minerals, who owns the CO2
22 when it goes into the ground. We know that in time that
23 will have to be sorted out if we are going to have a
24 meaningful energy policy that contemplates carbon capture
25 and sequestration.

1 My only reason for bringing this up is that
2 Highwood Station, as you look through our project
3 milestones, has really tried to work closely with the
4 environmental communities, the people in Great Falls, and
5 the opponents of the project, and as much as we possibly
6 can modify or design to accommodate a number of requests.
7 For example, we have our site under acquisition, but we
8 have an air quality permit that demonstrates that there
9 will be no adverse effect from Highwood Station from an air
10 quality standpoint. We have the environmental impact
11 statement, complete with a favorable record of decision, as
12 you heard from your staff, there were no adverse effects on
13 air, land, and water with regard to the construction of
14 Highwood Station.

15 We've also applied for, on a voluntary basis, in
16 keeping with our commitment to Sue Dickinson, we went out
17 and got a voluntary solid waste disposal license to store
18 the solid waste on site for the entire life of the project.
19 And that will be monitored by the state to make sure we
20 have compliance.

21 From the water side, we have raw water, waste
22 water, and potable water agreements in place. And we're
23 going to take our waste water back to one of the
24 state-of-the-art water treatment facilities in the State of
25 Montana, have it treated by the City of Great Falls before

1 it goes back into the river. I think it's important to
2 note that when the water goes back, it will cleaner than it
3 was when it actually came out. And also, we're returning
4 25 percent of our water back to the river to be recycled
5 over and over and over through our facility.

6 We also have our network transmission agreement
7 in place. We have an operating/spending agreement and
8 memorandum agreement in place. We have state land board
9 approval for us to cross the river and cross state land.
10 And last, but certainly not least, we work with local labor
11 officials to put in place a project labor agreement to
12 ensure that the labor that builds this project will come
13 first from the Great Falls area and Cascade County, second
14 from the State of Montana, and third from the region.

15 We've kept our commitment to the union boys, and
16 we want to have a union plant that is built by good,
17 skilled labor that not only gets to build the plant, but
18 operate the plant, and have the plant serve as a training
19 facility for others to be able to come and learn the
20 various crafts, as well as learn how to operate a
21 state-of-the-art facility. This will be a facility that
22 can also provide educational opportunities for the local
23 community for folks who want to have high paying jobs in
24 the operation of electric facilities.

25 You know, we spent a lot of time and a lot of

1 money trying to accommodate the issue of the Lewis and
2 Clark national historic landmark. We're very respectful of
3 the importance of the Lewis and Clark issue and heritage of
4 Lewis and Clark in Great Falls. As you can see by this
5 map, we moved the facility outside the boundaries of the
6 national historic landmark. These cells represent the area
7 where we will store the ash in a facility over the entire
8 life of operation, and state approved and monitored
9 landfill.

10 We have four wind turbines that sit out on the
11 landmark, but you can have four wind -- you can have six
12 wind turbines sitting up here on the hill that are also
13 visible from the landmark as well.

14 You know, we have spent a lot of time trying to
15 work with folks, and we want to continue to be good
16 stewards and good citizens. We think over the life of the
17 project, Highwood Station will be a good opportunity for
18 the City of Great Falls to have affordable, reliable,
19 quality electric energy and related service. And with that
20 I will turn it over to Jeff Chaffee real quick, and he can
21 deal with the environmental issue.

22 JEFF CHAFFEE: Thank you, Tim, and good morning.
23 For the record, my name is Jeff Chaffee. I'm with Bison
24 Engineering out of Helena, Montana office. I've been
25 working for Southern Montana Electric on environmental

1 issues for a number of years now.

2 I just wanted to provide a real brief overview of
3 the environmental permitting for the project. First of
4 all, as you heard Mr. Clifton state, an environmental
5 impact statement has been issued for the project. Just for
6 demonstration purposes, this is the EIS. That took about
7 two to three years to complete. A number of public
8 hearings were held on that EIS. All of the comments from
9 the public were considered in that process, about 1600
10 pages in that EIS document. A record of decision was
11 issued in May of this year on the EIS recommending the
12 project go forward at the Salem site, and has been
13 mentioned that the basic finding of the EIS is there's no
14 adverse impact to the air, land, and water from the
15 emissions from the project.

16 Also, as you've heard, there was an adverse
17 impact noted on the Lewis and Clark landmark.

18 UNIDENTIFIED SPEAKER: A lot of people are hard
19 of hearing. Can you speak up?

20 JEFF CHAFFEE: Sure, how is that? You bet.

21 We have been in a consultation process with the
22 various agencies involved with that landmark over the
23 course of the last couple of years. As Tim mentioned, we
24 have moved the plant site off of the national historic
25 landmark. Of course it still will be visible from a

1 portion of the landmark, not the entire landmark. And we
2 offered other mitigation measures. Mr. Clifton mentioned
3 some of those in his presentation, including support of the
4 Lewis and Clark Center where the public really comes to
5 visit and learn about the Lewis and Clark experience in the
6 Great Falls area.

7 The flagship permit for the project, the air
8 quality permit has been issued. This may, as well,
9 establish best available control technology to control the
10 emissions from the project. It set very stringent
11 emissions limits, some of the lowest in the country, for
12 this power plant. By meeting that permit, it will assure
13 that the local area meets both federal and state and air
14 quality standards.

15 One gentleman asked earlier about legal
16 challenges. There are some challenges to the air quality
17 permit. Those will be heard by the state board of
18 environmental review in January of '08. Those challenges
19 are some fairly narrow issues that the board will
20 ultimately rule on; but the permit stands, and it's placed
21 firmly. And Southern Montana, once things come together,
22 could move forward and construct the plant under the air
23 quality permit.

24 Compliance of the air quality permit is another
25 issue we've heard raised from some members of the public.

1 There has been some information in the news about other
2 power projects in the state having some noncompliance
3 problems. I want to make some points here. Highwood
4 Station is state-of-the-art facility, really can't be
5 compared to some of these other power projects in the
6 state. There will be a brand new boiler with a brand new
7 integrated emissions control system installed and
8 guaranteed by the manufacturers.

9 Furthermore, the air quality permit requires
10 continuous emission monitors on the stack of the plant.
11 And those will monitor some of the pollutants, the major
12 pollutants on a continuous basis. That data goes into the
13 DEQ. They look at that and judge whether you're out of
14 compliance. And both the DEQ and the EPA have enforcement
15 authority under the state and federal clean air acts to
16 follow up on that. And they do, if there are problems. So
17 there are very strict controls in place to make sure that,
18 once you get a permit, that you live up to the conditions
19 in that permit.

20 We've also heard concerns about the water use of
21 the project, and this slide here just tries to put it in
22 perspective. This is an irrigation ditch running through a
23 partial plume. Probably about three feet across. And it
24 is more or less equal to the maximum water use that the
25 plant would have, about 7.1 cubic feet per second. So it's

1 not a real large volume of water. It depends how you put
2 it in terms of units, but this kind of puts it in
3 perspective on the water use of the facility.

4 Water permits are basically in place. As Tim
5 mentioned, the waste water from the plant will go back to
6 the city waste water treatment system. Potable water will
7 also come from the city. The permits for the water intake
8 facility on the Morony pool are largely in place. The 310
9 permit, the Corps of Engineers' permit and so on. Storm
10 water permits will be needed for the construction and the
11 site itself once we're at that phase.

12 Also, as has been mentioned, solid waste
13 management license has been issued by the DEQ. That was
14 really done on a voluntary basis, because Montana Solid
15 Waste Management Act doesn't cover on-site ash handling at
16 coal development facilities. But we thought it was the
17 right thing to do and went through the process and
18 convinced the state that it would be a safe spot to do an
19 onsite landfill for the coal ash. And I think it was
20 mentioned earlier that the license was challenged. That's
21 not correct. The only challenges in place are to the air
22 quality permit and to the EIS itself in federal court.

23 So that's the end of my brief presentation. I
24 will be happy to answer questions later, and I would like
25 to hand things off to Kevin Cavanaugh.

1 CHAIRMAN COX: We're going to take a break here
2 for about ten minutes. The board needs to get up and
3 exercise here. We'll be back here at 25 after 10:00.

4 (Whereupon, a brief recess was taken at 10:16 to
5 10:26 A.M.)

6 KEVIN CAVANAUGH: Members of the board, my name
7 is Kevin Cavanaugh. I'm a project principal with Stanley
8 Consultants. I have been involved in this project for in
9 excess of three years. And I would just like to make a few
10 comments about the design of the project, both from what
11 we've been planning on and what we would expect moving
12 forward.

13 This project will be a replica of an existing
14 power plant in Maysville, Kentucky, for East Kentucky Power
15 Cooperative. That existing facility has been in operation
16 since March of '05. Stanley Consultants was the design
17 engineer for that project as well. It is and continues to
18 be one of the cleanest burning coal-fired plants in the
19 country. It too utilizes a circulating fluidized bed with
20 native re-emissions control strategy for pollutant
21 controls.

22 Just briefly, this is a state-of-the-art when it
23 comes to pollution controls with a circulating fluidized
24 bed boiler. Limestone is mixed with the coal in the bed
25 for primary sulfur control. NOx is controlled by the fire

1 and temperature in the furnace, which is held because it is
2 a circulating fluidized bed. To polish the nitrous oxide
3 control, we use a selective non-catalytic reduction system.
4 Downstream of that system we have activated carbon
5 injection for mercury control. We have hydrated injection
6 for further sulfur control. And a bag house for
7 particulate removal. All of that results in integrated
8 control system that controls particulates -- or controls
9 emissions to the highest standards available today.

10 Just another comment or two about the plant
11 layout. This is a copy of the southeastern corner of the
12 site. This line is the boundary of the Lewis and Clark
13 trail. As you can see, we've moved all of the equipment
14 for the plant down to the far southeast corner, as far as
15 possible away from Salem Road, as far as possible from the
16 trail.

17 This is a picture of the East Kentucky Power
18 Cooperative Gilbert Station. This unit is the Gilbert Unit
19 Number 3, which is the sister unit. As you can see, or you
20 probably can't tell, but these units, all three, are
21 operating at full load right now. This is what you would
22 see from Highwood Generating Station as well. East
23 Kentucky is so pleased with this facility, that they're
24 constructing Unit Number 4 as we speak, and it is more than
25 50 percent complete.

1 With that I would like to show a brief video from
2 Roy Paul, former CEO of East Kentucky Power.

3 (Whereupon, the video was played.)

4 MARY JARACZESKI: Good morning, my name is Mary
5 Jaraczeski. Thank you for having us here today. I'm going
6 to be addressing the zoning issues.

7 And, as you know, we started this process well
8 over a year ago. I've been here before you a number of
9 times on a previous rezoning application and then on
10 amendments to the rezoning regulations. So I've had a lot
11 of the time to think about what I would say here today when
12 I had an opportunity to address you. And I just wanted to
13 start with a general comment, which is this: I live here
14 in Great Falls. Since I've been involved in this project,
15 and actually kind of immersed in it, I've had many people
16 ask me what do you think about this project, what do you
17 think it will do for this community. And I'm guessing that
18 you, as planning board members, have had the same kind of
19 questions or discussions or dialogues with other people.
20 And you, in fact, have probably formed your own opinions
21 about what you think about the Highwood Generating Station.

22 And I just wanted to remind you that your charge
23 here today is really somewhat unique. You are judge and
24 jury in this rezoning application, which means you have to
25 decide not only the facts, but also the law. And it's my

1 view that the law here is fairly straightforward. That's
2 fairly common. But it's the facts that I think have been
3 subject to some interpretation and, in some cases, some
4 misinterpretation. So I would urge you to learn the facts
5 and know the facts. And in that regard, the planning
6 department has spent considerable time in preparing their
7 staff report. That report has accurate facts. Those facts
8 are correct, so I would urge you to defer to those.

9 I wanted to cover a couple of nuts and bolts, the
10 rezoning itself. As you know, the rezoning, there are 12
11 statutory criteria. One of those is whether or not the
12 proposed use, the industrial use, is compatible with the
13 surrounding agricultural use. It may seem like the two
14 would be incompatible; but, in fact, they are very
15 compatible. And under Cascade County zoning regulations,
16 many and varied types of uses are allowed under your
17 agricultural use. So the fact that you have an industrial
18 use surrounded by agricultural use does not present a
19 problem; and, in fact, that's a conclusion that your
20 planning department reached.

21 Another issue under the zoning regulations and
22 the state statute is the growth policy and whether or not
23 the proposed zoning complies with the growth policy. And
24 Brian Clifton spent considerable time this morning talking
25 about all the different goals of the growth policy. One

1 thing that I would urge you to remember is that a growth
2 policy in and of itself cannot dictate a decision in a land
3 use change. So although it's one factor to be considered,
4 it's just one of many.

5 In this case, one of the primary, in fact, the
6 first objective under the growth policy is economic
7 development in the county. And Highwood Generating Station
8 proposes to prevent a very significant economic benefit to
9 this county in terms of tax dollars, nine to ten million
10 tax dollars, and the money that will be generated by virtue
11 of the construction and operation of the plant, which would
12 be in the nature of an additional \$10 million.

13 Another factor to be considered is just the
14 general public benefit by virtue of the plant. In my view,
15 this case, the Highwood Generating Station and the proposed
16 rezoning is very different from a typical development that
17 is strictly motivated by a profit motive. Here you have a
18 locally owned cooperative that, by its very governing
19 documents, is not a for-profit venture. We all need
20 electricity, and that benefit will flow to all of us by
21 virtue of the city's involvement and the general benefits
22 that will result to the area in general.

23 Another factor to be considered in the rezoning
24 is the site selection process in and of itself, and whether
25 or not this site is the appropriate site for this use. And

1 one of the conclusions that the planning department
2 reached, which is correct here, and was also reached by
3 both the state and federal governments in the environmental
4 impact study process, was this site is the preferred
5 location for this use. In fact, it is very difficult to
6 find an appropriate study for a use such as this. And that
7 again distinguishes this case from other cases where you a
8 developer who, for various other reasons, perhaps
9 aesthetics, things like that, may want to do a development
10 that could be in a different place.

11 The last thing I would like to talk today about
12 is spot zoning. Spot zoning is a rule of law that was
13 developed by the courts. It is not per se addressed in the
14 staff report. However, the criteria for spot zoning are in
15 that report. I would like to briefly touch on those.

16 The first one is capability with adjoining land
17 use. I talked about that, the fact that an industrial use
18 adjacent to an agricultural use is allowed in this case,
19 considering the Cascade County zoning regulation isn't
20 capable; the compliance with a growth policy is the second
21 factor; and the third one is the public benefit.

22 A couple of final points. As you know, we were
23 all here over a year ago, and at that time this board made
24 the recommendation to approve the rezoning. I would ask
25 you to consider if anything has changed since that time and

1 the present time. And, in my view, the only thing that has
2 changed is the fact that the final environmental impact
3 statement has become final. At that time it was a draft,
4 and now it's final.

5 The last comment I would like to make is I
6 reviewed all of the written comments that have been
7 submitted to date. There have been some comments on the
8 notion that SME, by proposing this plant, somehow, for some
9 reason, is not a good neighbor in this community, and I
10 take strong exception to that. And I think a good example
11 of why that isn't so, about two weeks ago there was a
12 public meeting over in Fort Benton. SME didn't have to go
13 there, but we decided that we would go there and listen and
14 participate. In fact, there were about 10 or 12 of us that
15 dropped everything that we had to do, travelled from across
16 the state, and participated in that meeting. And SME has
17 always had open ears. They've been very receptive to the
18 communities' concerns. And I think that's important for
19 this board to realize as far as considering whether SME and
20 the good neighbor policy.

21 I'll turn it over to Neil Ugrin. He's the senior
22 partner at our law firm.

23 NEIL UGRIN: Good morning, and thank you for
24 coming here to listen to this important subject.

25 I'm going to, rather than get into minute details

1 about some of the important factors here, I want to give
2 you an older lawyer's kind of overview of the situation,
3 because I think, when you take an overview, it kind of ties
4 all these little, small pieces together and makes a lot of
5 sense.

6 First, we decided a couple of years ago that we
7 were going to present to you facts established by evidence
8 and not political opinion, and I think we've been very
9 successful in doing that. That's why you see our various
10 experts up here. That's why we had you talk with the --
11 listen to the person from East Kentucky. These are people
12 that have been there and done that.

13 So with that in mind, I would like to move to a
14 second point. And as you sit and think about these things
15 when you're in the shower and so forth, you get some of our
16 best ideas. But there are three agencies, really, who have
17 reviewed this: The U.S. Department of Agricultural, Rural
18 Utility Service, the Montana Department of Environmental
19 Quality, and the Cascade County planning staff. What is
20 striking is that all three agree that this is a good
21 project. Now, the United States Department of Agricultural
22 and the Department of Environmental Quality and the
23 planning staff as well, they don't have a dog in the fight.
24 They don't have an ax to grind.

25 If you look, as I know that you have and

1 presented the opportunity, as you look at the work product
2 jointly of the United States and the State of Montana, you
3 can see the tremendous effort that went into doing a good
4 and a thorough job. Hundreds of hours, thousands of
5 dollars, all dedicated to bringing you the most accurate
6 information. Not political opinion, not social opinion,
7 but the most accurate information. And I think that's
8 important, because when you look at it, everybody who has a
9 role in evaluating this came to the same conclusion, and
10 that was that this was a good, viable project.

11 No need to get into the \$10 million a year
12 provided to government and so forth, except to say that a
13 couple of the letters from the opponents tend to trivialize
14 that, say, well, it's only \$10 million a year. Well, I
15 suspect if you were to asked the various city/county school
16 district folks that are involved, that they probably
17 wouldn't put the word only in there.

18 It also occurred to me, as I was out taking a
19 little tour with Red and Mary and Mary, this is private
20 property we're talking about. The Urquharts have been
21 extremely generous in letting the public have the run of
22 this property, to a point where if it's hard for people to
23 get down, they pile them in their Suburban and will take
24 them down themselves. They have been great stewards of the
25 land and of this great place of history. But no good deed

1 goes unpunished very long. And so, of course, now, and
2 they stand sued and somewhat vilified, because that is
3 apparently the strategy our opponents are employing.

4 The United States government has kind of
5 forgotten that too. You see that last letter we got from
6 the government, the Fish Wildlife regarding Section 106,
7 it's as though they own the property. It's like they own
8 the property, not that they're guests there and have always
9 been guests there. They swoop in and they tell us local
10 people what to do, since they apparently think we're not up
11 to the task of dealing with the rezoning issues.

12 Sue, could I get the photos, please, and maybe
13 bring them up here? I'm sort of a-picture-is-worth-
14 a-thousand-words guy. The photos are very accurate. So I
15 can speak without fear that I'm going to make a mistake.
16 This you can probably tell, you probably know, this is sort
17 of the departure point that was picked by the good
18 supporters of the Lewis and Clark Trail. This isn't
19 something we picked. This was picked by the Lewis and
20 Clark Trail supporters, because I believe they thought that
21 they had represented a really good place to take a look at
22 the project and examine it.

23 Now, this gets really kind of important, because
24 Stanley Company has very carefully and meticulously looked
25 at the project, and they have superimposed the electrical

1 plant here. Now, I'm sorry that I move around so slowly,
2 but it's my best. Here we have a scale drawing of what you
3 see from there, the stack. Mary, can you point that out?
4 That's the stack. That's the most visible part of this
5 entire area. Now, I'm sorry, but that does not -- that is
6 not well described by my opponents. You would think it's
7 something entirely different, but that is it. Look at the
8 things that are in the foreground that are most obvious.
9 They are already there: Telephone poles, wires, fences,
10 electrical apparatus. So that's how it is now. And you
11 can see from this point of view, what is the lay of the
12 land. Interestingly, you can see the malt plant from
13 there. I believe you can see the U.S. Air Force system
14 coal plant there, which I can say hasn't received much
15 comment, by the way.

16 Now, this is something that has bothered me for
17 the last six months. I think this is really, really an
18 important point. Now take a look -- I'm sorry, I've got to
19 scoot up here a little bit, so I can turn around, hopefully
20 without upsetting everything. One of my physician friend's
21 commented the other day said you're never going to do any
22 good at this stuff, because you don't have a leg to stand
23 on.

24 Now, this is amazing, but here is where a picture
25 is worth, in this case, 5,000 words. This is the East

1 Kentucky electrical generating plant, the sister plant to
2 ours. It's running full speed. Now, we don't see those
3 plumes of smoke, soot, black filled, all of the things that
4 have been described in the various beratings our opponents
5 have set forward. This is what it looks like on a given
6 day. It's not Appalachia, the ground and the shrubbery
7 looks good, and the sky is clear blue. Heck, you could be
8 in Montana.

9 But what are -- but what is the public presented
10 with? This picture, and we have some of these to pass
11 around to you, so you could get a closer look. That's what
12 we're presented with, smoking or nonsmoking, stop the coal
13 plant, more smoke belching items. Look carefully at the
14 facility. It's designed to be as offensive as it possibly
15 can and to create a horrible misimpression of what this is
16 to be like. When these first appeared on the street, I had
17 some people looking cross-eyed at me saying is this what
18 you guys are going to do? I said no, not even close.
19 That's just what our opponents say we're going to do.

20 Fairly clever, look at the left, dense, dirty
21 smoke. You kind of work your way out a little bit, and you
22 get out to where the wind turbines are, it's looking a
23 little better. The sky is foul. The clouds are dark, the
24 wrong color. The transmission lines and the other
25 appliances look terrible. They're designed to look

1 terrible. This is designed to look as ugly as it possibly
2 could be, even though it's not true and correct. And, you
3 know, with all due respect, in having to present the truth
4 on behalf of my client, that's not an accident. Somebody
5 thought that out, and they were very clear on what they
6 wanted to achieve.

7 When we first made a comment on this a couple of
8 weeks ago, one of the members of the opposition crew
9 reported to the paper, apparently something of a smile,
10 well, this is just an artist's license, a little artistic
11 license here. No, it's not. This is clearly an attempt to
12 mislead people. And why? And the reason I say this is not
13 necessarily to be picking on these folks just for the
14 opportunity to do it, but that's the same kind of approach
15 that they've taken on very many of these issues. And, you
16 know, we can say it's an invasion of due process and all.
17 Getting down to Cascade, Montana, it just ain't fair.

18 Now, Mary, do you have our little map? Mary has
19 done a great job. If you could bring it a little closer,
20 so my old eyes can pick that up.

21 I think we've talked about this before, and this
22 is about 20 seconds worth, but it's a really important
23 20 seconds. We're hearing all this opinion, there's all
24 this opinion, no fact, that by golly if we build that
25 little stack that we can see that is now visible, that this

1 is going to be the death now of Lewis and Clark projects in
2 this area. Well, I don't think so. Not for a lot of
3 reasons. I guess the principal one is look at the monument
4 down to our left down there. That would be the western or
5 southwestern part of this plat. That is full of houses,
6 businesses, refuge sites, old cars. And it seems like the
7 United States was not the least bit interested in this
8 until they apparently became persuaded to be politically
9 involved in it. The real shame of it is, if for some crazy
10 chance this thing is delisted, and, A, it's not going to be
11 delisted, it's because somebody chose to make a big issue
12 out of it. But, again, they told half the story. They're
13 just kind of talking about that, kind of forgetting that
14 the same monument is absolutely latent with all kinds of
15 things that weren't there when Lewis and Clark were there.

16 I've been around here a long time, and I follow
17 public affairs very closely. Love it. My dad was a
18 12-year city/county planning board member, and so I kind of
19 grew up thinking these things. Remember the Tribune often
20 called -- as we were searching around for some anchor
21 industry, something to be the foundation for good, solid
22 economic growth, the Tribune soon started calling this the
23 big one. We're always waiting for the big one. This is
24 the big one. It's not pie in the sky. It's a well thought
25 out, carefully planned, very clean industrial facility.

1 And for all the effort that this area has put into this,
2 and for all of the failures we've suffered and been
3 disappointed, when we thought we were right up to the edge,
4 this represents a very, very good opportunity to do a lot
5 of things on many fronts for our county and for our
6 community.

7 Last point. We've heard recently, it's just
8 hearsay, but it makes a lot of sense, that the good folks
9 who are opponents say, hey, we don't really have to defeat
10 this thing, we just have to stall it long enough. It kind
11 of looks like that's what they're doing. Lots of efforts
12 being made to keep this from going forward. Remember at
13 the first meetings, you know, don't be in a rush, all this
14 kind of stuff. We believe there's some sort of reasoning
15 that goes along with that.

16 A good example is we were presented this morning
17 with a big, thick folder, this morning. I don't know what
18 is in it. I should. I sure have had the opportunity to
19 look at it and be able to talk meaningfully with you folks;
20 but I can't, because somebody designed that so that we
21 couldn't be prepared. If this were in a court of law, a
22 judge would not accept that, and he would chastise the
23 people who tried to take advantage with this kind of a
24 late-in-the-game submittal.

25 Ending with the statement that is not mine, I'm

1 plagiarizing. Richard Auberge, the head of the Department
2 of Environmental Quality, after completing their research,
3 assessment, and conclusions, along with the U.S. Department
4 of Agricultural, had this to say: It's a good summary
5 about where we are now, not four years from now. He said
6 this is as good as it gets. So there's the outfit that is
7 in charge of doing this, that spent all of the time, all
8 the money, and this is as good as it gets. It represents
9 the best, current, reliable technology.

10 I thank you very much. I appreciate your taking
11 the time.

12 CHAIRMAN COX: At this time we're going to go
13 ahead and ask for proponents, and this is the reason that
14 we're here today is to listen to you guys. Please be as
15 quick as you can. We are volunteers. You guys are great
16 to have here today, and we'll just ask that you make this
17 as quick as you can. We will take a break at noon to 1:00.
18 So be prepared for that, at noon we will be stopping and
19 taking a lunch break.

20 BRETT DONEY: Good morning. I'm Brett Doney. I
21 live at 3048 Delmar Drive in Great Falls. And I'm the
22 president of the Great Falls Development Authority, which
23 is the regional economic development group that works with
24 the city and county in the entire seven county Sweetgrass
25 region.

1 I want to give you a couple of things. First
2 off, I want to mention that I'm a nationally certified
3 economic developer. I have been doing it for 24 years.
4 I'm also a member of the American Institute of Certified
5 Planners, and have extensive experience with major land
6 uses and zoning issues.

7 One of the things that we did is we wanted to
8 independently verify the economic impact of the project,
9 and we've contracted with a company called Economic
10 Modeling Services, and have actually bought a year's
11 subscription to their online economic impact model, so
12 we'll be able to do it for this project and many others.
13 And we did verify that if there are 65 full-time jobs at
14 the plant, it will generate a total of 142 jobs in Cascade
15 County, with a payroll of -- an annual payroll of 10.17
16 million. Now, if the jobs are increased to 75, which we
17 would like to see, it will result in a total of 164 jobs
18 and an annual payroll of \$11.7 million, which is
19 significant. And I will hand you copies of that report.

20 Energy is one of our target industries for the
21 region. It's a new target industry for us, but we believe
22 that we are competitively positioned in the entire
23 Sweetgrass region for energy production, transmission,
24 refining, and support services, both for here and to our
25 friends to the north in Alberta. We are also going after

1 some industries that are very heavy electric users, and we
2 believe we are in a cost-competitive position there. One
3 industry, their data centers, which are heavily dependent
4 in their siting and on the cost and reliability of power,
5 as well as the availability of water for cooling.
6 Agri-processing is another one of our target industries
7 that is energy intensive and also uses the water resource.
8 We're working with Archer Daniels Midland on potential
9 expansion of the malt barley plant. One of the things that
10 they've asked us to do is a multi-state and province
11 competitive analysis of operating costs, including the cost
12 of energy. And we have to prove to them that we will be
13 cost effective years into the future, if they're going to
14 make substantial further investments in the region.

15 I want to keep it brief. I just want to think
16 about the precedent that we're setting here, because this
17 is a rezoning request. It's not a question of whether you
18 like the project or not like the project. If we set the
19 bar so high in Cascade County that it's impossible for
20 other proponents to come forward with projects, then we've
21 set a precedent that we're not going to have further
22 economic growth. If you look at the amount of
23 environmental analysis that has been done for this project,
24 we are a nation of laws. And if you meet the state and
25 federal environmental regulations, if we come in and say,

1 well, that's not good enough, we're going to go beyond
2 that, then it's kind of a moving, shifting table. And
3 others who look at investing in the county will say, well,
4 we could never meet their goals, because they're constantly
5 going up and above in the middle of the game.

6 Another has to do with water rights. You will
7 hear later today about water rights. Well, water rights in
8 Montana, thankfully, are owned. You own a water right.
9 And this plant has secured water rights through the City of
10 Great Falls. Well, to say, well, that water doesn't
11 belong, that brings into question all of the water rights
12 for all of our agricultural and industrial uses in the
13 region.

14 A third thing I've heard is about the landmark.
15 Now, we participated in bringing Centene into the area, and
16 that facility for Centene that was built by the city's port
17 authority is in the landmark. Central Catholic High School
18 is built in the landmark. If we are going to take that
19 entire landmark and say, not only can we not build in that
20 landmark, but anything within the view shed of the landmark
21 we can't build in, then that is taking a huge part of Great
22 Falls and Cascade County and putting it off limits for
23 development.

24 Another issue is the coal-to-liquid facility that
25 the Air Force is looking to develop. We are working very

1 closely with the Air Force in the very early stages of that
2 project, and you will be very involved in that project as
3 it moves forward. Now, I'll just offer, and I offered to
4 Brian, if you have any questions about that coal to liquid
5 project, I will be happy to provide you with any
6 information. Thank you and thank you for giving your time.

7 CHAIRMAN COX: Thank you.

8 JOE DIRKSON: Mr. Chairman and planning board
9 members, I'm Joe Dirkson. I live in Winifred, Montana.
10 And I'm the director of Fergus Electric and also a director
11 at Southern Montana.

12 Speaking as a director of Fergus Electric, I want
13 you to know we have consumers in Cascade County who will
14 require energy from Highwood Generating Station, as well as
15 the rest of our consumers in other counties. Highwood
16 Station will be one of the cleanest coal-fired plants in
17 the United States. This project will create 600 jobs
18 during the building process and around 75 permanent job
19 positions. This plant will positively contribute to the
20 tax base of Cascade County. We would appreciate your
21 consideration to rezone Urquhart's property to industrial
22 use. Thank you.

23 CHAIRMAN COX: Thank you.

24 OWEN ROBINSON: Good morning, Mr. Chairman, board
25 members. I want to compliment particularly the --

1 CHAIRMAN COX: We need your name and address.

2 OWEN ROBINSON: Oh, I'm sorry. My name is Owen
3 Robinson, 1029 17th Avenue Southwest. I'm a business man
4 here in town, and also a community volunteer.

5 I want to commend the staff on the fine job that
6 they did in reviewing this. And I guess what I would say
7 is that from my point of view, the reason to approve the
8 rezoning is that it complies with the requirements. It's
9 the law. I think that that's specifically the most
10 important reason.

11 But given that, I want to tell you a little bit
12 about my excitement about the project itself. First what
13 it does for the economy. Everybody knows, and I won't
14 repeat too much, but the economy and what it can help for
15 the economy, can also be a new anchor for further
16 industrial, further economic development.

17 Second reason is a stabilization of electrical
18 prices in the future. Something that is extremely
19 important. We saw it in the graphs.

20 The third is what it will do for our tax base.
21 Wouldn't it nice, if you were a county commissioner, that
22 you could decide should I lower taxes and keep the same
23 services, or can I increase the same service -- increase
24 the services we have now without raising taxes, or
25 something in between. That would be something, wouldn't

1 it? It would be very nice. But it also adds to income
2 taxes to the state and coal severance tax.

3 And then fourth, you may find it interesting, but
4 I don't understand why it's not brought up a lot more, it's
5 the right thing for the environment. When you consider
6 that power cannot not be stored, you're either going to use
7 it or you're not going to use it. Some day we will be able
8 to store power efficiently, but we can't now. They're
9 talking about ways of taking water that has already gone
10 down the dam and pumping it back up to the dam so you can
11 use it again, compression of air, all kinds of ways to
12 store power. But because you can't, if you consider this
13 plant, as clean as it is, for every megawatt of power that
14 is consumed by this plant, there will be one less megawatt
15 of power consumed by an older, dirtier plant. Thank you
16 for your consideration.

17 CHAIRMAN COX: Thank you.

18 GERALD DEVEREUX: Good morning. It's still
19 morning? My name is Gerald Devereux. I'm a pastor of a
20 local church here, and I reside at 2032 32nd Street South
21 in Great Falls. And you've heard a lot of facts and
22 figures, and I guess I just wanted to share a little bit.
23 I try to keep my mouth shut about political issues and
24 other things and open it on more heavenly issues. But I'm
25 a former shop teacher. I've worked in -- for a rural

1 electric cooperative. I've been an electrician. I'm no
2 expert and I don't have a grasp of all of the facts and
3 figures I've heard today, but I think I have some common
4 sense and some knowledge on electrical production and
5 distribution. And maybe a little bit of a thought, too, on
6 what I would like to talk about as a vision and
7 responsibility in how we operate.

8 And everyone here has a vision for this issue, or
9 we wouldn't be here today. And all of us desire clean
10 energy. I think if any one of us could snap our fingers
11 and come up with a way of creating absolutely clean energy,
12 we would want to do that. That's a noble concern. And I'm
13 sure many people here who oppose this have a noble concern
14 for preservation of the environment. And that's a good
15 thing. I think we need that concern. But there's also an
16 issue that a noble concern taken to an extreme becomes
17 extremely repressive.

18 We are told that coal is dirty, we can't do that.
19 Nuclear is too dangerous, we can't build a dam because it
20 will hurt the fish. So wind power is the answer, except
21 that we kill birds and it ruins our view. So where do we
22 go from there? It's, to me, kind of a give me everything I
23 want, when I want it, and without consequence or costs. I
24 think we all here know life does not work that way. And so
25 that speaks to -- somewhat to a vision of preservation.

1 There's also some who I think are a little bit
2 shortsighted in this whole electrical generation thing.
3 The other day in the newspaper, and I don't know who it
4 was, but it was a county official, I believe, a neighboring
5 county, who said something to the effect that this plant
6 has no benefit to my county. I submit to you that this
7 plant has a benefit to every person in this country and
8 likely Canada. Why, because we all share a part of the
9 electrical grid that is part of this country. And in my
10 perspective, we have a responsibility, as citizens, as
11 citizens of Montana, as citizens of a great country, to not
12 just be energy consumers, but to be energy producers.

13 Someone has to make the power. And for me to
14 expect that my power should be made in and dirty-up someone
15 else's backyard, if indeed it is dirty, that brings to my
16 mind a big moral issue. I think we have a responsibility
17 to be good stewards. And it would be wonderful if the
18 future could come to us without cost to the present, but it
19 doesn't work that way. We all know that there is a cost.
20 So I want to leave that thought with you, that good
21 stewardship, inherent in the word stewardship is the word
22 use. I have a hard time believing that the great deposits
23 of coal that we have were put there for no reason. My
24 perspective is that they're put there to use, to use
25 responsibly, which I think we are seeing done in this

1 project.

2 The other thing I would like to leave with you is
3 that technological development is incremental. It would be
4 nice if it would be like Star Wars where we could push a
5 button and everything would happen instantaneously without
6 any cost or without any harm to anyone. It doesn't work
7 that way. But incrementally we can make progress, and I
8 think that's what this plant is. And I would just
9 encourage Cascade County and Montana to move forward in
10 developing this project. Thank you.

11 CHAIRMAN COX: Thank you.

12 JOHN LAWTON: Mr. Chairman, board members, my
13 name is John Lawton. I'm the city manager for the City of
14 Great Falls. My address is 1406 Third West Hill in Great
15 Falls.

16 I would just like to speak very, very briefly to
17 Goal 1 of Cascade County's growth policy, which you heard a
18 little bit about earlier, that was strengthening the
19 economy. And strengthening the local tax base is part of
20 strengthening our economy. Mary Urquhart gave you some
21 numbers a little while ago about how this plant will affect
22 the tax base. What she didn't know is that we updated
23 those numbers yesterday for the current value of the plant
24 and for the current mill levies. So we have a little
25 different number. She was just using an earlier number.

1 For Cascade County the tax benefit, per year,
2 from this plant will be, in round numbers, \$3.5 million.
3 This is annually. Local schools will benefit to the tune
4 of \$4.8 million, and the state school levies will benefit
5 to the tune of \$3.2 million, for a total of approximately
6 \$11.5 million. This is a 25 percent increase in Cascade
7 County's tax base. That's a huge increase all at one time.
8 And as Owen Robinson just mentioned, we will distribute the
9 tax burden much more easily upon the residents of Cascade
10 County. Thank you.

11 CHAIRMAN COX: Thank you.

12 GEORGE GOLIE: Mr. Chairman and members of the
13 city/county planning board, I'm George Golie. I reside at
14 316 20th Avenue South. I've been a resident of this area
15 and this community for the last 54 years. I'm vice-chair
16 of Electric City Power, Incorporated. I'm also the
17 business manager for operating engineers, Local 400.

18 I'm here to talk about water. Water is a big
19 thing for this plant. And there's been a lot of
20 miscommunication and false statements put out there about
21 this water that people upstream aren't going to be able to
22 canoe all year round, or people down below, down river,
23 aren't going to have any water, period. Well, the reason
24 that this water -- we have a water right reservation in the
25 City of Great Falls, and we had it evaluated. And this

1 report dates back to November 15th, 2004. Okay.

2 In 1985, the City of Great Falls was granted a
3 water right reservation to use for their needs. They've
4 already used a portion of that. They've used it up there
5 at the malt plant. Now, just think about it. If the City
6 of Great Falls had not used a portion of that water right,
7 that malt plant probably wouldn't have been built. Now,
8 that malt plant didn't impact everybody just in this
9 community, it impacted a lot of people that are, right now,
10 against this coal plant.

11 Now, just think about it. It all comes down to
12 rights, property rights, water rights. The City of Great
13 Falls has this water right. We're willing to sell it to
14 SME for their operation of this plant, and we're going to
15 do that. And over the 30 years, by this report right here,
16 that asset is worth \$17 million. So as a resident of Great
17 Falls, Montana, Cascade County, I have a stake in that
18 water right. I say use it. It's time for this community
19 to start using the resources that we have. And I'm glad
20 that we have some leadership in this community that is
21 going to do exactly that. I fully support this coal-fired
22 power plant, Mr. Chairman.

23 CHAIRMAN COX: Thank you.

24 BOB PANCICH: Good morning, Mr. Chairman and
25 members of the planning board. My name is Bob Pancich. I

1 reside at 308 Fox Drive here in Great Falls. I also serve
2 as chairman of the Electric City Power Board for the city.

3 We do fully support the zoning change and commend
4 the staff for a very thorough, a very thorough report.
5 There isn't any reason for me to get in and reiterate all
6 of the things you've read, all of things that you've heard
7 about the plant. But we do have an opportunity to be part
8 of cutting-edge technology by partnering up with MSU and
9 the Department of Energy, and being a leader, not only here
10 in Great Falls, but for the State of Montana, a leader in
11 the nation on going after cleaning up carbon and whatever
12 else, so we have cleaner technology out there. So I urge
13 your support.

14 CHAIRMAN COX: Thank you.

15 KEN MAKI: Good morning. It's getting close to
16 not morning, but my name is Ken Maki. I live at 30
17 Anaconda Street in Belt. And I want to thank you for the
18 opportunity to speak to you.

19 Our ranch is located in the foothills of the
20 Highwood Mountains, primarily in Cascade County, but part
21 of it is in Chouteau County, and has been served by Fergus
22 Electric Cooperative since 1948. I lived on the Chouteau
23 County portion for several years and was also served by
24 Fergus Electric. Now, when I was eight years old, a line
25 crew from Fergus Electric connected central station power

1 to our place. For me it was a magical experience. It was
2 a late summer evening when the lineman, who must have been
3 working overtime, because it was almost dusk, they soldered
4 the connections on the transformer and voila, lights came
5 on in our house. They came on in the flood light. They
6 came on in the barn. It looked like a Christmas tree in
7 mid summer.

8 We received our power from the dams below Great
9 Falls at that time, and I wish we still did. But you know
10 that story, so I'm not going to get into it. As a result
11 of the sale of those dams by Montana Power Company, Fergus
12 Electric received a temporary allocation from the
13 Bonneville Power Authority. That allocation begins to
14 phase out next year. And by 2012, we will receive no more
15 power from BPA. The time line is very short for
16 constructing a plant and getting it on line without service
17 interruption.

18 Fergus Electric and four other co-ops are trying
19 to develop a state resource to serve state residents, and I
20 am one of those customers. The State of Montana has issued
21 the air quality permit, and the federal government has
22 completed the EIS. The Urquhart family has asked for their
23 land to be rezoned so construction of the power plant can
24 begin. And I'm here to also speak in favor of that
25 rezoning.

1 I want to emphasize just one paragraph in my
2 testimony. Coal is not as clean and green as hydro power.
3 But this proposed plant is a lot cleaner than the Colstrip
4 plants that export most of their power out of state. Those
5 plants are larger polluters than this one will be. And
6 they are grandfathered into the power grid, and we'll never
7 be able to clean up the world's climate or Montana's
8 atmosphere if we don't begin to replace them with some
9 newer, cleaner burning plant.

10 If the logistics allowed it, that's adequate
11 water and some more rezoning, I would not be afraid to have
12 this plant built on my place. People worry about the air,
13 but I'll tell you my parents and family lived down wind of
14 the ACM Smelter here in Great Falls all of our lives. We
15 smelled that smoke and, at that time, there were some
16 pretty bad things being distributed around the countryside.
17 And although they've been gone for some time, perhaps my
18 parents would have lived longer if they didn't live down
19 wind of that smoke; but my dad was 89, my mother was 92,
20 and they've been gone away for a while. And even though I
21 think heaven is a better place, I'm not in a hurry to
22 leave.

23 I believe my friends who will be close to the
24 proposed plant will still be able to farm, if they choose.
25 I'm hopeful Cascade County will grant them a green belt

1 clause, so that their property taxes won't skyrocket due to
2 the rezoning. That would seem like a reasonable and fair
3 decision.

4 I just feel that agricultural, commerce, and the
5 public must co-exist. I believe the rezoning
6 technicalities should be resolved, and I speak in favor of
7 rezoning and building the Highwood Generating Station.
8 Thank you for your time.

9 CHAIRMAN COX: Thank you.

10 STEVE BALSTER: Good morning, my name is Steve
11 Balster. I live at 3645 U.S. Highway 191 in Lewistown, and
12 I serve as a director with Fergus Electric Cooperative in
13 Lewistown.

14 Fergus Electric is one of six members of Southern
15 Montana GNT. And I support the Highwood Generating
16 Station, because it is by far -- it's by far the very best
17 option to provide power for our members.

18 Fergus Electric serves approximately 6000 meters
19 located in a 12-county area that runs from east of Great
20 Falls to almost Billings. Our members need safe, reliable,
21 and affordable power, just like you do, and construction of
22 the Highwood Generating Station is our best way to provide
23 that.

24 Southern Montana has worked hard to design HGS
25 with the best available technology to build a

1 state-of-the-art generating station. They've also worked
2 hard to be good neighbors, and they'll continue to do so.
3 This project will be good for Great Falls, good for our
4 members, and good for all of Montana. And I urge the
5 planning board to support it. Thank you.

6 LEE EBELING: Good morning. My name is Lee
7 Ebeling. I live at 4700 Huckleberry here in Great Falls.
8 And I'm a professional registered engineer here in the
9 State of Montana, and I'm with Lacy & Ebeling Engineering
10 here in Great Falls.

11 I've been an engineer for over 41 years now, and
12 I'm quite familiar with the production of coal-fired power
13 plants, as I was in the power division of another
14 engineering firm in designing fossil fueled power plants
15 before I moved to Montana. On this one, I have no
16 financial interest in the Highwood Generating Station.
17 Stanley Consultants is providing all of the engineering
18 services for this particular project. All of my
19 professional life I've worked on rebuilding our
20 infrastructure: Bridges; water/wastewater treatment
21 facilities, industrial plants; food grade plants, like the
22 pasta plant here in Great Falls, the malt plant, General
23 Mills; and all kinds of structures for human habitation.
24 I've witnessed the reluctance of the general
25 population to adequately fund and preplan for the future.

1 A good example of this is the recent bridge collapse in
2 Minnesota where a bridge with an insufficient rating was
3 put on the back burner due to a lack of commitment and
4 funding. This particular scenario is not uncommon in the
5 world of engineers.

6 My wife and I are consumers of electricity in our
7 home and our business. We use electricity, like all of
8 you, to power our lights, our computers, stereo, TV,
9 kitchen appliances, and water pumps so that we have water
10 to use, provide pumping fans for distributing heat around
11 our homes. We built a very small energy efficient home and
12 are very frugal with our energy consumption. We also
13 appreciate the opportunity to use electricity as an
14 aesthetic component in our lives, like putting up exterior
15 Christmas lights during this season. These types of
16 activities enrich our lives and make this community a great
17 place to live.

18 I'm also fully aware of the environmental
19 consequences of my personal use of electrical energy. The
20 burning of the coal to produce electricity requires that
21 the byproducts of combustion enter the atmosphere that all
22 of us share throughout the world. I've signed on with SME
23 to purchase power from Highwood Generating Station, both in
24 my home and my business, because of my commitment to
25 minimize our personal influence on the environment to my

1 electrical energy consumption. The Highwood Generating
2 Station will be the cleanest fossil fueled power plant in
3 the U.S. Right now all of us are getting a significant
4 portion of our energy, electrical energy from the Corrette
5 Power Station in Billings. This plant is almost 50 years
6 old and was built using technology during the '50s. It has
7 reached the end of its useful life.

8 I believe strongly that each of us is personally
9 responsible for our own actions. By using Highwood
10 Generation Station power, every kilowatt of electrical
11 energy that I use will produce one-tenth of the NOx and
12 particulate emissions, and one-thirtieth the SOx emissions
13 that would be produced by using power from either Corrette
14 or Colstrip. The amount of the water consumed by HGS is
15 approximately one-tenth of one percent of the average
16 Missouri River flow at the adjacent station at Morony. The
17 net amount of CO2 released will be significantly less than
18 the older, less efficient boilers now in use, because of
19 the greater efficiency of the CFB technology that HGS will
20 utilize.

21 We need a reliable base electrical supply. I am
22 strongly in favor of developing solar and wind power, but
23 I'm aware that these sources cannot be used as a base load
24 because of their inconstancy. Simply putting up more of
25 them is not feasible due to the inability to adequately

1 store electrical energy.

2 In closing, I would urge all of you to be
3 personally responsible for your own energy consumption and
4 the long-term effects of your own actions. Using
5 electrical power from Highwood Generating Station will
6 reduce total emissions into the air we all use.
7 Not-in-my-backyard logic does not apply to airborne
8 emissions. Thank you.

9 RHONDA BANIK: Mr. Chairman and members, thank
10 you for letting me have the opportunity to speak with you
11 today and give you my opinion. My name is Ronda Banik. I
12 reside at 120 Skyline Drive Northwest, Great Falls,
13 Montana. I'm a business owner, a community volunteer, and
14 also a concerned citizen.

15 I wear two hats today: One as a person who was
16 born and raised in Cascade County, and has owned businesses
17 here in Cascade county for over 25 years. I'm going to
18 reiterate and say some of the things that have already been
19 said by some of the members here. But I truly believe
20 this, because I have read the documents, I have studied the
21 facts, and I'm not basing my opinion on any hearsay,
22 rumors, or marketing tactics.

23 By rezoning this land to industry, industrial use
24 for the operations of the Highwood generating plant will
25 increase local tax base and will provide over 600

1 construction jobs, and more importantly 75 permanent,
2 well-paid jobs with good benefits. The Highwood generating
3 plant will provide clean, affordable, and reliable power
4 for many rural residents as well, as municipal and business
5 customers of Great Falls City power. That makes sense to
6 me.

7 The other hat that I wear is my love -- is my
8 love for the Lewis and Clark story hat. I was one of the
9 original 25 people on the Lewis and Clark funding board who
10 raised \$3 million to secure a \$3 million matching grant.
11 At that time, I knew nothing about the Lewis and Clark
12 story. I knew that it would be good for Cascade County,
13 and I knew it would be good for Montana. If it would be
14 possible, I too would want to preserve every square mile
15 that Lewis and Clark might have walked on, but we all know
16 that is not possible. Building the Highwood generating
17 plant will not obstruct or hinder the view shed of the
18 portage camp or the view shed of the Lewis and Clark
19 Interpretive Center. Yes, it will obstruct the view on the
20 national landmark, but as it's been pointed out, this is
21 private land. It will not be built on the monument.

22 As I said, my decision is based on fact. I've
23 read it. I understand it. This isn't a football game,
24 who's going to win, who is not going to win. This is good
25 for Cascade County, and this is good for Montana. I ask

1 you please to rezone this land to industrial use. It is
2 time to move forward to what is best for Cascade County and
3 the residents of Cascade County. Thank you.

4 OLE STIMAC: My name is Ole Stimac, Jr. I reside
5 at 57 Country Lane, Great Falls. I am a business agent for
6 Plumbers and Pipefitters Local 41, and also president of
7 the Central Montana Central Laborer Council.

8 We believe that the zone change request should be
9 granted because it is compatible for the land in question.
10 It takes 800 acres of agricultural land and turns it into
11 800 acres of industrial land that will benefit the county
12 and surrounding areas in the following ways:

13 The building of the power house will not only
14 employ the 550 to 650 people in the construction phase of
15 the project, but also the 65 to 75 permanent jobs for daily
16 operation in numerous seasonal jobs in the early scheduled
17 maintenance shut downs.

18 It will use Montana resources. The coal and
19 limestone will be mined right here in Montana, contributing
20 not only to the jobs, but to the tax base in other parts of
21 the state.

22 It's environmentally sound technology. The plant
23 will be built using fluidized bed technology. The coal
24 used will be low sulfur. The low process temperatures, in
25 combination with the CFB process, will result in low

1 emissions. The people that are against this plant say that
2 all kinds of bad things will happen, but this is just not
3 the truth. If all plants were this clean, it would make
4 our environment ten times cleaner.

5 It's going to be built with Montana union men and
6 women. The majority of the work would be accomplished
7 using the highest trained and most respected work force in
8 the nation. Montana union labor is not only the most
9 skilled, but with the best safety record available.

10 The residual jobs, as we heard, will be 176 jobs
11 created by the 75 jobs. The increase tax base, Cascade
12 County and the City of Great Falls will enjoy new roads,
13 the schools will benefit, the library, museums, and
14 healthcare clinics.

15 \$720 million, when you inject that money into an
16 economy, can do nothing but good. The \$100 million in
17 construction wages will be greatly appreciated.

18 The power will benefit us, our friends and our
19 neighbors; Montana residents, both in Great Falls and
20 central and southern Montana; farmers; ranchers; townsmen;
21 small businesses; and residents. It will also benefit
22 local entities such as Benefis Healthcare, Great Falls
23 School District, Montana Refining Company, the City of
24 Great Falls, and future businesses that want to locate in
25 Great Falls. It's important to remember that a co-op is

1 designed to benefit all of the members and not just a few
2 people. There are no bigwigs sitting in big offices out of
3 state that are going to take the profits of this venture.

4 For these reasons and more, the 420 members of
5 the Plumbers and Pipefitters Local Union No. 41 strongly
6 urge the Cascade County Commission to grant the Urquhart
7 family zone change request. Thank you.

8 KEITH ALLEN: Mr. Chairman, members of the
9 committee, Keith Allen. My mailing address is P.O. Box
10 1695 in East Helena, Montana. I'm a business manager for
11 IBEW Local 233, which is the electricians' union.

12 Our 300 members support this power plant. First
13 of all, we would like to thank you for your service to the
14 county, and also you and our finest deputies to help run a
15 smooth meeting today, which is going to be pretty long.

16 First of all, this plant will be electrical
17 generation that is owned by Montanans. Let's get back to
18 that. Let's not have electrical generation that is owned
19 by -- owned and operated by CEOs in Pennsylvania and South
20 Dakota. That's not how we do it here. These moneys will
21 stay in Montana, and they'll benefit Montanans and not out
22 of -- not out of state. They won't help fill out of state
23 golden parachutes. This development will enhance this
24 local economy more than any big-box store and restaurant
25 chain than sending all your money out of state will.

1 It's time to invest in ourselves and our future,
2 and maybe keeping people living here instead of leaving the
3 urban, rural areas around our state. So please support
4 this. Thank you.

5 JERRY WEISSMAN: My name is Jerry Weissman. I
6 take my mail Box 2286, Great Falls, Montana.

7 I've been a businessman in Great Falls for all of
8 my adult life, and I'm the third generation resident of
9 Cascade County, and my grandchildren will be the fifth. We
10 stay here. We know that this -- because this is a good
11 place to live, and we know that this board is not going to
12 do the wrong thing.

13 Earlier Lee Ebeling talked about the Corrette
14 plant in Billings coming to the end of its useful life. It
15 is coming to the end of its useful life, but it's still
16 generating power. But it's located downtown in Billings,
17 and I do not know of any significant problem with the
18 emissions in Billings that is causing health or visual
19 impact. They follow the law. The plant is some 50 years
20 old.

21 I recognize that in the 1970s, when Colstrip 1
22 and 2 were built, using lignite coal, which is a fairly
23 dirty product, low BTU content, and those plants are still
24 in operation. And they produce about ten times the amount
25 of the power that this plant will produce, that those

1 plants are still in operation, and they do not pollute the
2 atmosphere.

3 Later on today we're going to hear from the
4 opponents to the plant, and some of them, no doubt, are
5 virtual descendants of the opponents of Colstrip 3 and 4.
6 And because of the opponents of those plants, Colstrip 3
7 and 4, when it was built, became a clean producing facility
8 that is producing far more than this plant would ever
9 produce. So the opponents have a very vital part to do in
10 this process, and I thank them for their participation, as
11 long as that participation is useful and not a
12 not-in-my-backyard situation.

13 As a businessman in Great Falls, I've had the
14 opportunity to be part of the development of several
15 plants. And as a businessman in Montana and in the region,
16 I've had the opportunity to be a promoter and owner in
17 other plants. I was one of the founders of the pasta
18 plant, and when it came into Great Falls, part of the
19 consideration and the business plan had to do with, one,
20 the business climate; two, the water that was available;
21 three, the communications, power, and reliability of power;
22 and the general feeling of the population. All of which
23 were positive, and brought that plant to Great Falls.

24 When industrial plants are sited, and this is an
25 industrial plant, they change the landscape and they change

1 the outlook of the community. And the way this one is
2 being constructed and designed will change it for the
3 better and will be a resource to bring other businesses to
4 bear in Great Falls.

5 I believe that you are on the right track, and I
6 commend you for your volunteer efforts to spend your time
7 here today. And thank you very much for your time. Please
8 recommend this plant on a positive basis.

9 BILL RYAN: Mr. Chairman, members of the board,
10 my name is Bill Ryan. I live at Number 8 18th Avenue South
11 here in Great Falls. I sit on the Electric City Power
12 Board.

13 Very much here in support of this plant. I'm a
14 volunteer on that board. When they first started talking
15 about this coal-fired plant out here, I took the position
16 that if you're going to look at projects like this, you
17 have to be there to hold the feet, hold their feet to the
18 fire to make sure it's as clean as possible, that it's done
19 right. You can log irresponsibly and you can log
20 responsibility. You can farm irresponsibly, you can farm
21 responsibly. And as a citizen of this community, I take
22 the approach to get involved and make sure that things are
23 done right. This plant has done everything possible.
24 They've received all of the permits.

25 Private property rights are a huge issue, the

1 Urquhart's land. They own this land. They are the ones
2 that are petitioning you for this zoning change. As long
3 as we've done it as environmentally sound as we can, and
4 we've followed all of the laws and regulations, done it the
5 right way, I think that we have no choice but to okay this
6 and move on.

7 Also, I've spent my whole life in the power
8 industry, utility industry, and there's no way we're going
9 to stop our electric rates from going up. We need more
10 wind generation. We need fuel cells. We need all of this
11 technology just to meet our growing needs. And to back
12 that up, we need firm, stable power source from a clean
13 plant like this plant will be. So I urge you do pass on
14 this recommendation.

15 FRED JOHNSON: Mr. Chairman, board member, my
16 name is Fred Johnson. I live at 1425 23rd Avenue South,
17 and I've lived here my whole life.

18 And I don't know why nobody ever brings up the
19 coal plant that we have at the base out here. Nobody
20 has -- nobody has said anything about it, against it, for
21 it. Nobody got sick. Is there any dead birds down there,
22 dead deer? No.

23 You know, I mean, I'll be blunt here. Great
24 Falls is against progress. Why? Look at Missoula,
25 Billings, Bozeman, they're all outgrowing us, and I just

1 don't understand that.

2 I've been a iron worker my whole life. I'm
3 retired now. And I would like to see my grandson and a few
4 great grandchildren work here, instead of having to run
5 around the country like I did to make a living.

6 And not only that, getting to the historical part
7 about the site down there, the Urquharts could have went
8 down there with their tractor years ago and made a little
9 hay field out of it or anything, but they've never done
10 that. They've protected that site. So all this stuff that
11 you hear about them with this Lewis and Clark business is
12 out of hand. These people probably donated more money to
13 the center than any of us combined in this room. And I'd
14 just about bet my last dollar on that. So, you know, if
15 you people that run this town, you have to have progress.
16 That's what I'm for. Thank you.

17 DICK URQUHART: Chairman of the board, board
18 members, thank you for allowing me to talk. My name is
19 Dick Urquhart. I'm lucky enough to have two address: 3208
20 17th Avenue South, Great Falls, Montana; and 3744 Shepherd
21 Butte Road. The Shepherd Butte Road address is right under
22 the stack. That's where my corporation is located and
23 whatnot.

24 If you take a look at this picture here, that
25 does not portray the whole thing on the Lewis and Clark

1 portage camp -- or portage route. If you turn the camera
2 around and take a picture the other way, you will see the
3 Lewis and Clark lower portage camp, which as Mr. Johnson
4 said, has been preserved and will remain to be preserved
5 the rest of my life and the rest of my son's life, because
6 my father, his whole life, has been a historian buff. My
7 grandfather was too. They've protected it. They've got
8 Indian artifacts out there and everything else. They would
9 not allow anyone to build something there that was not good
10 for the area.

11 Second point being our local economy, our
12 educational system, our work force. I'm a union member for
13 the Carpenters' Union 286. I want my child to be able to
14 stay here and work. I want all of my brothers and sisters,
15 union members to have their children stay here and work.
16 For the longest time -- I graduated high school in 1980.
17 For the longest time, I've watched all of my friends leave
18 the state. We might see each other once every ten years,
19 but they've all had to go elsewhere for jobs, elsewhere for
20 education. The taxes created off of this unit is going to
21 give us the best education possible for our children.

22 We need to move forward in life. Mr. Johnson
23 pointed out the same thing. Everybody else is growing,
24 Great Falls is still here. But with this proposed change,
25 we get 600 jobs for five years. We get 60, 70 jobs year

1 round. But that's also not an accurate figure, because as
2 Tim has stated, every time something comes up, some new
3 technology comes up, we're going to -- they're going to add
4 it to the plant. They're going to do maintenance on the
5 plant. So there's going to be even more than 60 to 70
6 people, after the plant is done, employed out there doing
7 different updates or warranty work or maintenance.

8 We need this. So I urge you, I'm strongly in
9 support of it. I urge you as a working person to approve
10 my parents' application for rezoning. Thank you very much.

11 EARL SALLEY: Hello, my name is Earl Salley, 1104
12 19th Street South. I'm assistant business manager for the
13 Operating Engineers Local 400. I'm also the president of
14 the North Central Montana Building and Construction Trades.
15 And I also am an environmentalist.

16 I would just want to point out that the North
17 Central Montana Construction and Building Trades has
18 recently entered into a project labor agreement with SME.
19 This agreement stipulates that the construction of the
20 plant will be done with union Montana labor. These workers
21 will receive wages and benefits equal to or above the
22 current prevailed wage.

23 From the beginning of this process, SME has
24 voiced its desire that this plant be constructed with union
25 Montana labor. And this project labor agreement is proof

1 that they were true to their word. On behalf of the
2 hundreds of workers and their families, I urge the board to
3 recommend approval of this rezoning. Thank you.

4 DAVID WARNER: Good morning. Mr. Chairman,
5 members of the board, my name is David Warner. I reside at
6 321 8th Avenue South. I'm also the business agent for the
7 Carpenters Local 286 in Great Falls.

8 I was involved in the negotiations process that
9 was just referred to where we reached a project labor
10 agreement. I would like to commend Mr. Tim Gregori and SME
11 on their integrity throughout that process. They did hold
12 true to their word, and we do have a project labor
13 agreement. I think that points to the continuing process
14 that we're embarking upon here and the fact that we can
15 trust what it is that they're saying.

16 The other thing that I want to talk about are the
17 members of Local 286, the carpenters that would like to go
18 to work on this project. I think that it's very crucial
19 that we approve this zoning change. Thank you very much.

20 RANDY BOYSUN: Members of the Cascade County
21 Planning Board, thank you for the opportunity to comment on
22 the rezoning issue before you. My name is Randy Boysun. I
23 reside at 1009 35th Avenue Northeast in Great Falls.

24 I'm a certified public accountant and practice
25 public accounting here in Great Falls since 1980. In

1 addition I am an outside accountant for SME providing
2 accounting services as a part of the Highwood Station
3 project team. I'm here today in support of the rezoning,
4 not only as a consultant for SME, but as a citizen of this
5 community.

6 SME and Highwood Station are good neighbors of
7 our community, because the development of Highwood Station
8 is being undertaken by people from Montana who understand
9 the concept of being good neighbors. SME has listened to
10 concerns of other citizens and has developed Highwood
11 Station with the spirit of being a good neighbor.

12 For example, the Highwood Station will use the
13 best available technology to control emissions. Highwood
14 Station was moved off the national historic landmark. And
15 it has also been actively involved in plans to sequester
16 and capture carbon, if it is found to be technically and
17 economically feasible. And, finally, they have also
18 negotiated, as you heard from others, a project labor
19 agreement with local unions.

20 I believe these are accurate signs of how SME
21 will operate Highwood Station in the future. SME has
22 demonstrated its willingness to modify, design, and address
23 concerns, and there is no evidence to support nor expect
24 that this would change once the plant becomes operational.
25 SME has designed HGS to be the most environmentally safe

1 plant in the country, and I'm convinced of this after
2 witnessing this process that SME went through to get both
3 federal and state permits. This is also very flexible in
4 keeping new ideas for continuing to keep our environment
5 clean.

6 Over the past three years in my involvement with
7 SME, SME has been very open in the planning for the
8 Highwood Station. And those responsible for the
9 development are responsible members of this state and are
10 committed to provide clean, dependable, and affordable
11 electricity to Montanans in central and southeastern
12 Montana.

13 I thank you for your time and your volunteering
14 and would encourage you to approve this rezoning request.
15 Thank you again.

16 JOHN FORKAN: Hello. For the record, my name is
17 John Forkan. I'm the president of the Montana State
18 Building and Construction Trades Council, and my address is
19 2623 Nettie, in Butte, Montana. And I appreciate the
20 opportunity to be able to address you. I'm not a citizen
21 of your county or your city, but just would like to offer a
22 couple of thoughts for your consideration.

23 The opponents to this planned plant provide a
24 very important part of the process, because if it wasn't
25 for them bringing out some of the potential hazards, a lot

1 of things might get overlooked. What you're dealing with
2 and you have to consider is possible potential problems.
3 Well, I can tell you, as a person who was born and raised
4 in Anaconda, Montana, I spent 40 years of my life there,
5 and the last 16 years I've spent in Butte, I understand the
6 results of improper industrial uses. I live in the middle
7 of the largest Superfund site in the United States. And I
8 can see what happens if companies do not approach these
9 projects in economically sound ways and methods.

10 We're experiencing the cleanup. We're cleaning
11 up the Berkley Pit. We're cleaning up the Clark Fork. We
12 are tearing apart Milltown Dam. We understand what the
13 repercussions are for unsound and unsafe industrial
14 projects. But rather than just being known as the
15 generation that had to clean up the messes and the mistakes
16 that industry made for decades in the State of Montana, I
17 would like you to consider the window of opportunity that
18 is available right now to also be known as the generation
19 that took a vision and a dream and went forward to develop
20 a safe, economical project.

21 You're not only doing something for the citizens
22 of Cascade County in Great Falls, you're doing something
23 for the rest of the State of Montana. And I would just
24 urge you to look at all of the information and data that
25 has been supplied and approve this recommendation. Thank

1 you for your time.

2 JOHN PEJKO: Hello, my name is John Pejko, and my
3 address is 708 Fields Road, Sand Coulee, Montana. And I'm
4 a past laborer here in town and a member of Local 139,
5 which we are now Local 41.

6 Most issues have been covered, I think, really
7 well. But I think one of the issues we have is Great Falls
8 has a large pool of really skilled employees and employers
9 here. And that over the times of our years we've built
10 projects in Missoula, Billings, Havre, Bozeman, but I think
11 now is the time for us to build Great Falls. So I hope
12 that you approve this change.

13 MIKE STANLEY: Members of the board, my name is
14 Mike Stanley. I live at 238 Southwest Cedar, Lewistown. I
15 work for Fergus Electric. I have worked for the co-ops for
16 35 years. I'm a native Montana and only a fifth
17 generation.

18 In working for the people that own Fergus
19 Electric, that also would own Southern Montana Electric, we
20 are looking at the most cost effective affordable power.
21 The economic impact on the rural community, if we do not
22 find this economical power, will further be a degradation
23 of the rural community.

24 My job there is to look into all these new
25 sources. And this is a good plant. We have spent a

1 tremendous amount of the time looking at it. It's not a
2 fly-by-night. It will be owned, operated, and controlled
3 by the farmers and ranchers that sit on the boards of both
4 the co-ops and Southern Montana Electric.

5 I wish you the best of luck in your decision, and
6 hope you vote for this rezoning. Thank you.

7 TONY LASPINA: Members, I'm Tony Laspina of 601
8 53rd Street South, Great Falls. 700 miles, that's how far
9 I have to travel to see my children, because of work.
10 There is no work in this state to speak of for everybody
11 that graduates out of high school, graduates out of
12 college. My kids graduated out of high school here,
13 Bozeman. We need this plant to generate more work. Other
14 opportunities will command this plant that's -- it's just.
15 So I urge you to go forward with this rezoning for our
16 kids. Thank you.

17 CHAIRMAN COX: At this time we're going to take a
18 break until 1:00. And we'll be starting right at 1:00, and
19 we'll come back and keep moving on with comments. Thank
20 you.

21 (Whereupon, a recess was taken at 12:03 p.m. to
22 1:02 p.m.)

23 CHAIRMAN COX: We're going to get again with the
24 public hearing. We are on proponents. So please come in
25 and take a chair, and we'll get started with more

1 proponents. Any proponents? Any proponents? Proponents,
2 for. Okay. At this time we'll close the proponents and
3 ask for opponents.

4 AART DOLMAN: Mr. Chairman, the board members, I
5 want to thank you for having this public hearing. It is
6 the few opportunities that we have in this community to
7 discuss the issues. And I would like to discuss the issue
8 that I'm very interested in, as a historic preservationist
9 for many, many years. I worked in a community in the
10 Golden Triangle, as well as here in Great Falls.

11 CHAIRMAN COX: Sir, we need your name and
12 address.

13 AART DOLMAN: My name is Aart Dolman, and I live
14 at 3016 Central Avenue, Great Falls.

15 CHAIRMAN COX: Thank you.

16 AART DOLMAN: The question is what is at risk
17 with the Highwood Generation Station. There are some --
18 here are some of the answers. During the 2000 year,
19 tourists spent some \$148 million in Cascade County. They
20 came here to see our county for a specific reason: Our
21 Lewis and Clark historical sites, because the county is
22 well-known for that, we have more historical sites than
23 anyone else in the nation; to see the beautiful space and
24 abundant wildlife. As you see here on this slide, some
25 30 percent of these visitors in the county visited the

1 Lewis and Clark Interpretive Center. That ranges on jobs,
2 since everybody seems to be talking about jobs these days,
3 right across the board, from gas station, restaurants,
4 groceries, fees and licenses, services, and, yes, even
5 gambling, to a total of 147 million.

6 The potential loss of dollars you have to take
7 into consideration, you have to analyze that, because in
8 the growth policy, you have to weigh the information. It's
9 not only the tourists that spend dollars, but these sites
10 also attract histories, the funding from private sources,
11 as well as from other sources. You also see, of course, is
12 that the lodging tax alone had \$1 million. And this is
13 according to the International Tourist Research and
14 Recreation of the University of Montana. On the list it
15 shows you here that how, when you look on the left, how the
16 visitors have increased. This is a growing industry. In
17 Russell Country alone, that is the area that we live in in
18 the Golden Triangle, that brought in more than \$1.5
19 million. And then, of course, you see the expenditures on
20 the slides that I gave you.

21 The ITR & R, when they ask visitors what are you
22 looking for, well, there's mountains, forests, open space,
23 and you can go right down the list. That's what people
24 come here to see. Surely in Cascade County, on this next
25 slide, you see 12 percent from Alberta, Washington, North

1 Dakota, California, they come here from both directions.
2 They come by car. And what are they looking for? For open
3 space.

4 This is the view of the Highwoods from the Lewis
5 and Clark site. That's why people come here, and that's
6 why they spend all of that money. They don't come to see
7 this. All right. And this is a slide that is projected in
8 the winter, because we see all of these wonderful slides by
9 SME, but this is the site what people see, and they are
10 hesitant to come here. And the reason that they're
11 hesitant, because that is exactly what they see on the
12 Internet and on television.

13 Thousands of dollars, if not millions, are spent
14 advertising what is Montana. And when I travel around the
15 world, that's what people talk about, our beautiful
16 mountains, and they don't want to see any industry, any
17 coal plant developed. Because so far the history in our
18 county has been that we've sought for a balance. And
19 agriculture has created very little impact on it, but this
20 is going to impact our tourist industry, and it's just for
21 one industry.

22 Thank you very much.

23 CHAIRMAN COX: Thank you.

24 JACKIE SLOVAK: My name is Jackie Slovak. I live
25 at 4315 Island View Drive here in Great Falls. I'm a

1 native Montanan. I grew up in the Tongue River Electric
2 Cooperative territory. I moved to Great Falls a couple of
3 years ago. I'm a member of the Northern Plains Resource
4 Council, and I'm here to read a statement by the chair of
5 our board.

6 Northern Plains Resource Council is submitting
7 the following comments on the rezoning proposal tied to the
8 Highwood Generating Station. Northern Plains is a Montana
9 grassroots conservation and family agricultural
10 organization that organizes Montana citizens to protect our
11 water quality, family farms and ranches, and unique quality
12 of life. We formed 36 years ago in response to proposals
13 to industrialize southeastern Montana by strip mining coal
14 and building coal-fired generation plants.

15 We have a number of members in Cascade County.
16 Because the rezoning proposal before you involves changing
17 agricultural land to a zoning category for heavy industrial
18 use to accommodate a coal-fired generating plan, we believe
19 that we have experience and substantive comments to
20 present.

21 One of our main concerns is the loss of the
22 productive agricultural land to industrialization. Not
23 only will this zoning change impact the specific land where
24 the coal generation plant is proposed, but it will also
25 devalue and degrade neighboring farms and ranches, forcing

1 these agriculturalists to sell out to developers.
2 Agricultural lands around all of the major population
3 centers in Montana are succumbing to urban sprawl. This in
4 not an insignificant problem. Subdivision of agricultural
5 land significantly affects counties, which must provide
6 services to these new population centers. Groundwater
7 wells proliferate, as do septic systems, both of which
8 impact our dwindling aquifers. Also the spread of noxious
9 weeds when small acreage subdivisions proliferate is a
10 major program in Montana.

11 The power plant will emit millions of tons of
12 pollutants, including fine particles that will not be
13 monitored under the permit the state has approved. These
14 fine particles are a public health risk, and the county
15 should consider this, even if the state did not. Even
16 though the state has set limits on some of the pollutants,
17 the experience of our members in the vicinity of Colstrip
18 has been that the pollution abatement equipment, while
19 possibility state of the art when installed, will become
20 outdated in time. Without constant vigilance by the
21 citizenry, air pollutants will be emitted. The new
22 coal-fired power plant in Hardin, with state of the art
23 pollution equipment, has already been fined hundreds of
24 thousands of dollars by the Department of Environmental
25 Quality. Fines do not reduce the health and environmental

1 impacts that are the result of these pollution events.

2 Additionally, the carbon emissions from this
3 plant will add to the growing global warming problem we now
4 recognize. If the true environmental costs of this plant
5 were disclosed, the direct emissions, as well as the
6 emissions from strip mining and hauling the coal from
7 southeastern Montana, then we would not be considering this
8 outdated technology for producing energy.

9 As we understand the proposal, settling ponds
10 will not be used for the coal slag waste. While this may
11 be a wise decision, as there are major problems with the
12 settling ponds at Colstrip, the dry disposal of the slag
13 waste is problematic. Huge numbers of acres of
14 once-productive agricultural land will be consumed for this
15 disposal, and public health will deteriorate over time by
16 the ash being dumped onto the ground, blowing in the air,
17 and eventually getting into waterways and aquifers.

18 The Highwood Generating Station will consume
19 staggering amounts of water. As global warming continues
20 to impact the water cycle in Montana and drought continues,
21 how will senior water rights of irrigators be upheld?
22 Based on our experience with trying to address impacts from
23 coal bed methane development, we find it increasingly
24 impossible to believe any government promise that
25 industrial projects, including power plants, will shut down

1 to protect irrigators' senior water rights in a time of
2 water shortage.

3 Electrical rates will not go down with
4 construction of this plant, but will rise significantly
5 because of all of the hidden costs. Northern Plains has
6 many members who are members of the rural electric co-ops
7 still involved in this proposal, and many members
8 understand that their electrical rates will rise. They are
9 working through their co-op boards to reverse the support
10 these boards have given this project.

11 If the true costs of this project included the
12 indirect costs to the land and aquifers for the project
13 itself, as well as the costs to the land and aquifers for
14 strip mining coal in southeastern Montana and the cost to
15 the land and aquifers of storing/disposing of the slag
16 waste, then the rural electrical co-ops still participating
17 in this project should have second thoughts. Cascade
18 County should too.

19 We urge the Cascade County Planning Board to not
20 approve this zoning change. We believe that with careful
21 reconsideration this coal-fired generation plant will never
22 be built. We request that this letter be included in the
23 permanent planning board regarding this issue.

24 This is by Beth Kaeding, chair of the Northern
25 Plains Resource Council. Thank you.

1 VICKI FREYHOLTZ: Hi, I'm Vicki Freyholtz from
2 Gilford, Montana. I'm a down-wind person, down-wind from
3 the proposed power plant. Can you see what I'm holding?
4 Can anyone see what I'm holding? This is a strand of hair.
5 This is about the size of some of the particulate matter
6 that will come out of the stack. That's why, when they
7 were showing the picture back here and saying that someone
8 had pictured it all smoking and everything, they had to do
9 something, because how do you show something this fine?
10 But this is the stuff that goes into your lungs. This is
11 the stuff that would give coal miners black lung. This is
12 the kind of stuff that will increase asthma in our children
13 and make asthma cases worse, causing more hospitalization.

14 One thing that you've heard said is to be a good
15 neighbor and to respect private property. Well, sometimes
16 there's a fine line there, because if you have private
17 property, and what you're doing is harming the next persons
18 near you or farther away, you're going to have to have some
19 kind of restrictions on you. So, yes, we respect your
20 private property; but we also respect the rights of the
21 others that are being affected.

22 Also, if you want to be a good neighbor, you have
23 to be aware that a high percentage of coal-fired generators
24 has been the result of a lot of global warming, and global
25 warming is becoming a major issue. There is right now just

1 a small window where there are coal-fired power plants and
2 proposed plants; but in the future there's going to be
3 heavier restrictions, carbon taxes, and much more. So
4 we're just kind of in a transition stage, and there have
5 been many, many coal-fired plants proposed. I have seen a
6 map of the United States, where there is just a solid mass
7 of proposed plants. So anything that you have heard that
8 will be emitted by this plant, you have to multiply for the
9 many, many plants that are already in existence or those
10 that are planned. So this is a cumulative effect.

11 And you have scientists, local doctors, people
12 that are really in the know, they know much more than the
13 average person like I do, and they're saying this is bad,
14 this is bad for everyone. So let's keep that in mind. And
15 let's respect farmers who are nearby that will be affected
16 by taxes and the fallout from this plant, and also people
17 that are trying to keep their organic rating. So there are
18 many people that are being affected, and we have to
19 consider our neighbors when we say, well, we're going to do
20 something.

21 So I ask you to please reconsider your plans and
22 say no to this type of generating plant. Thank you.

23 TAMMIE SMITH: Good afternoon. My name is Tammie
24 Lynne Smith. My husband, Buddy, and I reside at 397
25 Highwood Road. Our home is approximately six road miles

1 and three overland miles from the Urquhart parcels
2 identified in the zoning amendment application.

3 I am a retired CPA and public works general
4 contractor. In October of 2006 I sought out and organized
5 the Salem Road and Area Landowners to petition against the
6 approval of the first Urquhart rezoning application. I
7 continue to serve the landowners in my local community as
8 their interpreter, coordinator, and liaison for legal
9 counsel.

10 We are opposed to the rezoning of the Urquhart
11 parcels to facilitate the construction of the coal-fired
12 plant known as the Highwood Generating Station, commonly
13 referred to as HGS.

14 This map is an enlarged copy of the map provided
15 with the zoning amendment application. The Urquhart
16 rezoned parcels are identified in black. The Salem Road
17 and Area Landowners opposed to the zoning amendment are
18 identified in blue. The map prepared by applicants is
19 selective and identifies only landowners impacted by the
20 plant, the railroad spurs, water, waste, and transmission
21 lines. There are many more area landowners beyond this
22 map's limited scope that oppose the rezoning of the
23 amendment.

24 All of the landowners that border the Urquhart
25 parcels, including Jerome Broussard, Louisiana Land &

1 Cattle Company, are opposed to this zoning amendment. Your
2 board packets include letters from area landowners and many
3 of them will address you here today.

4 We too have carefully studied the zoning
5 amendment application and the planning staff report. We
6 are familiar with the FEIS and the record of decision. We
7 have diligently examined the Cascade County Growth Policy
8 and the county's recently revised zoning regulations.

9 In addition, we have an extensive report titled
10 Analysis of Urquhart Rezoning, prepared by Kathleen
11 McMahan, an independent land expert in the Plains Grains,
12 Limited, et al, v. Board of County Commissioners Cascade
13 County 2006.

14 We, the landowners, are conservationists and
15 environmentalists. We are not extremists nor
16 obstructionists. Our land will be taken for the railroad
17 spur, the water, waste, and transmission lines. As you can
18 see, all of those other items will cross our lands, and
19 everybody is opposed. We are concerned that the
20 information contained within the zoning amendment
21 application and planning staff report presented to you for
22 review and action, the application relies exclusively on
23 information contained in FEIS. FEIS was prepared for SME
24 for the express purpose of obtaining an air quality permit.
25 The information and data contained in FEIS satisfied the

1 standards for an air quality permit, although the
2 information and data were biased to this result. Although
3 RUS and DEQ issued the air quality permit to the prescribed
4 standards, both the federal and state agencies clearly
5 stated in their final decision that the local government
6 must give the final approval before this project can be
7 completed. We urge you not to be swayed by arguments that
8 the FEIS is the final and only authoritative information
9 pertaining to this land rezone and the proposed coal-fired
10 plant.

11 The data presented by applicants and SME is often
12 incorrect and frequently misleading. The discussion
13 concerning the Pendroy Clays would lead you to believe that
14 the soil in our area and on the Urquhart parcels is
15 irrelevant to farming and is useless for anything other
16 than what they want it to be used for. In fact, the
17 Pendroy soils report obtained by Kate McMahon stated that
18 the soil type is rated very limited and is limited for
19 shallow excavation, commercial building, roads, landfill,
20 fence posts, and septic systems. Very limited indicates
21 that the soil has one or more features that are unfavorable
22 for this type of use. Members of the planning board, this
23 is just one example of the many interpretations,
24 misrepresentations, and misleading facts presented in the
25 context of the Urquhart zoning amendment application.

1 Please take the necessary time to study and fully
2 research the impacts and implications of this application.
3 We firmly believe that the proposed rezone of pristine
4 agricultural land to heavy industrial use would forever
5 change the footprint in our community. Thank you.

6 KENT HOLTZ: Mr. Chairman and the board, my name
7 is Kent Holtz, and my wife and I reside at 150 Bickford
8 Road, four miles west of the proposed plant. Excuse me.

9 Eight years ago, I was forced to retire from
10 farming because of asthma condition. And with this in
11 mind, I was curious as to what the connection between
12 asthma and the coal plant would be. So I went on the
13 Internet, and I put in asthma plus coal plant. And I urge
14 you, each of you to do the same thing. I came up with
15 600,000 references that links asthma to coal plants.

16 Reading these different sites, there are many
17 other health issues connected with the coal plant. So I
18 put in health problems plus the coal plant. I got a
19 1,800,000 references to it.

20 One of the ones that I found most interesting
21 came out of Minnesota. Its research -- the title was
22 Particulates From Coal-Fired Power Plants Increase the Risk
23 of Asthma in Children. "Particulates and sulfur dioxide
24 emitted from coal plants are known to be triggers for
25 asthma. Preliminary studies done in our neighboring state,

1 North Dakota, demonstrate the high rates of asthma near
2 coal-fired plants." The study was simple. Surveys were
3 given to all of the school children in Grades 2 through 12
4 in Mercer and Oliver counties, the region of North Dakota
5 where many coal plants are located. There was a 97 percent
6 response to this survey. 1821 children were counted.

7 They noted in the -- they noted that the
8 prevalence of asthma in the United States as a whole was
9 approximately four percent in 1995. Today, the prevalence
10 of asthma for the citizens of this nation is at six
11 percent. It's doubled in 15 years.

12 The significant higher proportion of Mercer and
13 Oliver County children who sought medical care for asthma
14 or breathing problems, the average was 29 percent, and in
15 some schools the percentage rose as high as 35 percent.
16 Using an indicator of greater severity of the problem, the
17 number of children currently using medication for asthma
18 averaged 14 percent.

19 In this school-age population, the percentage of
20 children who are hospitalized for asthma was ten percent.
21 And when you -- one of the other sites stated that a
22 hospitalization for asthma would cost 5 to \$10,000. And I
23 don't think there's many people that can stand that kind of
24 a cost.

25 Nationwide, the statistics for asthma, they were

1 26,000 emergency room visits for asthma alone. Asthma is
2 the number one cause of kids ending up in an emergency
3 room. 25 percent of this number require hospitalization.
4 Asthma caused 14 million school days missed. Coal burning
5 power plants caused 554,000 asthmatic attacks; 16,200
6 attacks of chronic bronchitis; 38,200 heart attacks; and
7 23,600 deaths per year; lost workdays, 3,186,000.

8 This is a statement from another site. The man
9 says, "I have emphasized that preventing chronic disease
10 and its complications is the key to reducing our healthcare
11 costs." 80 percent of our healthcare dollars is spend on
12 the complications of chronic diseases. 90 percent of
13 Medicare dollars are spent on the complication of chronic
14 disease. The emissions from coal plants cause chronic
15 disease and the complications of chronic disease. These
16 diseases can be prevented by decreasing admissions with new
17 technology.

18 Excuse me. Yesterday I went to the school
19 district, and I asked them if asthma was the leading reason
20 why kids missed school. And it is not. I hope that you
21 will keep it that way by not approving this change. Same
22 for Benefis emergency room, asthma is not the leading
23 reason for children going to the emergency room. Thank
24 you.

25 ROBERT LASSILA: Good afternoon, I'm Bob Lassila,

1 149 Bickford Road. My family has been in agricultural east
2 of Great Falls for about 100 years now. I'm a
3 third-generation farmer, and that goes to show my son is
4 probably the fourth.

5 We grow organic crops next to the Urquhart
6 property, which some of you may know is a quite intensive,
7 slow, and painful process lasting many years just to become
8 certified, get your land cleaned up, and ready to go like
9 that. I would take issue with the way our land was
10 classified this morning as borderline useless. Everyone in
11 the state, all the farmers I talked to anyway, wish they
12 had a farm next to Great Falls. It's kind of the apple of
13 their eye.

14 But I'm here to urge you to disallow the zone
15 change on the Urquhart property, because it does not
16 conform to the criteria specified for this purpose. The
17 zone change under these conditions would seem illogical,
18 illegal, and certainly immoral.

19 My grandparents, who homesteaded out east, knew
20 only a few words of English, but they knew right from
21 wrong. And if they were here at this time, I'm sure they
22 would be asking, in whatever language they could muster,
23 who are these people from Tongue River, Beartooth, and
24 Yellowstone, and why do they want to do Cascade County harm
25 to better themselves. What school is it that taught them

1 that transporting coal hundreds of miles, and then taking
2 somebody else's water to make steam is a sound business
3 plan? It wouldn't take my grandparents long to figure out
4 that no one in Southern Montana wants to deal with the
5 emissions and other liabilities of this project down in
6 their neighborhood.

7 I know individual members of these co-ops have
8 serious doubts concerning SME and the project in general.
9 Just ask Dot Gallagher or Dave Grimland or Kent Harris of
10 Beartooth Electric. They certainly can tell you what is
11 really going on inside of this project.

12 As for the main body of these co-ops, they should
13 be ashamed of themselves for raiding their counterparts in
14 this county. What is next? Do they want our women and
15 children, or just our horses? Project blueprints show
16 rails laid through my neighbors' yards. What do we have
17 here but an act of aggression? Tumbling land values around
18 the area would be a result of the zone change, along with
19 degraded landowner rights, as well as shattered personal
20 rights, such as the right to clean air and water.

21 As time goes on, be assured that our family will
22 not abuse the county growth policy by granting easements or
23 right of ways for pipelines, transmission lines, or
24 railroads. Our rights are being threatened here, and we
25 will hang on to these rights until the eminent domain

1 process strips these rights from us. Thank you.

2 CLARA ROEHM: My name is Clara Roehm. My address
3 is 531 Prairie Nest Road.

4 If this coal-fired plant goes in, I will live
5 two-and-a-half miles directly, directly south. I am a
6 landowner. We own land next to Urquharts. We have been
7 friends with the Urquharts, both Scott and Red and Mary. I
8 own land between the two of them. I would like to keep
9 that a working relationship.

10 I respect the rights of Red and Mary to sell
11 their land. That is their private property rights. No
12 problem with that. I would like that same respect on my
13 private property rights.

14 I'm -- I've got to be -- when we were first made
15 aware of this, Mr. Gregori came and sat at my table with my
16 husband and son and didn't ask if we would be in favor of
17 this coal-fire plant. He had a map in his possession, and
18 he said this is what we are going to do. Now, the reason
19 he said this is what we are going to do, he needs our land.
20 He needs our land for the railroad. He needs our land for
21 the return water that will hook into the Malmstrom Air
22 Force Base.

23 When Mr. Gregori sat at my table, he said what we
24 will need your land for the railroad and the water that we
25 expect to go through Malmstrom, and we will just use the

1 Milwaukee right-of-way. What Milwaukee right-of-way? We
2 own the Milwaukee right-of-way.

3 We will have, oh, let's see -- we own, also, part
4 of the Lewis and Clark Interpretive -- the Lewis and Clark
5 Trail. And I am also a volunteer out at the volunteer
6 interpretive center. I'm also a member of the Portage
7 Route Chapter. I'm also on their board. They need our
8 land. They need our land for their railroad.

9 I live on a lake, and if you will look at a
10 Cascade County map, you will see a body of water. That's
11 where I live. I've lived there for 34 years. When I moved
12 out there, those lands had been built in 1950. The lakes
13 were full in the years that we had rain and water. The
14 only way that those lakes fill up is from runoff. It has
15 become a wildlife refuge. My children grew up on that
16 lake. They fished, they swam, they water-skied, we had
17 picnics. What is the coal-fired plant going to do for me?
18 The prevailing wind is from the north, not southwest. And
19 I can -- my lake has dried up over the years, because we
20 have not had the water.

21 But if a Highwood generating plant is built, what
22 benefit will I receive living south of the plant, when the
23 wind blows out of the north, directly south of this plant?
24 What is this going to do to the property values? What is
25 it going to do to our farmland? We have to -- we have to

1 prove our yields every year. The yields out here east of
2 Great Falls are tremendous, and they don't need to be
3 irrigated.

4 If you decide to pass this rezoning, you have
5 just sentenced me and my life and family for the next
6 30 years of a life of pollution to my land, my property, my
7 lake, and my life. Thank you.

8 PAT SULLIVAN: Hi, my name is Pat Sullivan. I
9 live at 2004 Third Avenue North in Great Falls.

10 I brought with me a number of essays written by
11 students of the Stone Child College on the Rocky Boy Indian
12 Reservation. These were originally submitted last year for
13 review during the EIS process, but their opinions have not
14 changed. These are not written by experts. They're not
15 full of facts. These are just the way that young people in
16 this area of Montana see it. These are young people that
17 apparently are part are a Diaspora spread out throughout
18 the United States and the world in search of a working coal
19 plant. The same people who will come back, we are told, to
20 work at the HGS. And it's simply not true. The reasons
21 given in these essays range from environment to health
22 reasons to the respect for the land that these people have
23 throughout the state. And they should be taken into
24 consideration as real reasons for not building this plant,
25 as opposed to the seemingly overwhelming reason to build

1 the plant, which is an economic shot in the arm that will
2 not occur for many years and may only last for a few.

3 That's why I urge you not to rezone this for
4 industrial use concerning the coal plant. Thank you.

5 JOSEPH KANTOLA: Hi, Chairman and board members,
6 I'm Joe Kantola. I live at 270 Salem Road. I'm within a
7 mile or mile-and-a-half of this proposed plant. And I'm up
8 here to reiterate some of the same things the other
9 landowners have talked about.

10 The earlier statements about prime farmland,
11 well, there's darn little prime farmland, and it's mostly
12 irrigated. I worked for a soil conservation service for 30
13 years. And to claim that that's useless farmland is kind
14 of silly, if you were to really truly investigate it. Like
15 Bob Lassila said there are a lot of farmers in this state
16 that would love to have a farm east of Great Falls, so.

17 And then the landowner rights, like Clara Roehm
18 indicated, and Tim hasn't talked to me once about --
19 railroad lines go through my property, and also the waste
20 disposal lines. And I have rights too, I guess. I'm
21 just -- and I also believe land values and my home values
22 will go down. I live right next to it, if it's built, so.
23 And, anyway, that's all I've got to say. Thank you.

24 CHAIRMAN COX: Thank you.

25 HELEN COLEMAN: Hello. My name is Helen Coleman,

1 and I live at Number 11 Homestake Lane.

2 I want to urge you to reconsider the rezoning of
3 the Urquhart property for the proposed coal-fired plant.
4 My husband and I have lived in Great Falls for 32 years;
5 and last year we moved to Homestake Lane, only to discover,
6 after we moved there, that there were plans to build a
7 coal-fired plant within four to six miles from our new
8 home. This construction of the plant will cause
9 considerable problems, both with the value of our home and
10 also the pollution of the environment, especially to this
11 immediate area.

12 One of the 12 steps for rezoning is that the
13 rezoning will promote public health and general welfare.
14 It has been generally recognized that the combustion of
15 coal will result in the generation of 225 tons of ash per
16 day or 77,000 tons per year. According to the DEIS, each
17 year the power plant will potentially emit into the air 2.3
18 million tons of carbon dioxide, 409 tons of particulate,
19 443 tons of sulfur dioxide, 847 million tons of carbon
20 dioxide, 409 tons of particulate, 443 tons of sulfur
21 dioxide, 847 tons of nitrogen oxide, and 1,160 tons of
22 carbon monoxide.

23 You know, this morning the proponents were
24 talking, I almost thought we were talking about a clean
25 plant; you know, but I was brought up in Pennsylvania, and

1 I do know what coal means and that it's not always clean.
2 The plant will also admit mercury, arsenic, beryllium,
3 cadmium, manganese, lead, and acid gases. If all of these
4 chemicals and particulates constitutes a promotion of
5 general public health, then I have worked my entire career
6 of 34 years in public health in nursing, with a total
7 misunderstanding of good public health practices.
8 Promotion of general public health is the exact opposite of
9 pollution of the environment. What general public health
10 does constitute is the avoidance of contaminants in food,
11 maintenance of clean water and air, proper management of
12 waste, avoidance of communicable diseases, and prevention
13 of morbidity.

14 This prevention of morbidity is the focus of my
15 concern. As has been said, coal emissions contribute to
16 small particles in the air that are made up of many
17 components from different sources. Epidemiology has linked
18 airborne fine particles to many public health effects. In
19 1996 the Natural Resources Defense Council estimated that
20 fine particles may cause as many as 54,000 deaths per year
21 from heart and lung disease. Researchers at Johns Hopkins
22 University found that soot and dust in the air caused
23 between 20 and 200 premature deaths each day in America,
24 and that pollution from dirty power plants kills more
25 people every year than drunk drivers.

1 It has been said that asthma is increased. We
2 know that the incidents of cardiac problems has increased.
3 And both DEQ and SME failed to specifically analyze the
4 emissions of effects of fine particulates, and the air
5 pollution permit does not require Highwood to monitor for
6 these pollutants. Proponents of the coal plant cannot
7 argue that the air pollution permit will promote public
8 health, when it did not even consider air pollutants that
9 are widely accepted to cause significant public health
10 impacts.

11 During construction, increased dust and
12 particulate matter from vehicle traffic on gravel roads and
13 from high winds that will blow dust from dirt and ash, as
14 well as from exposed soil, also will affect the residents.

15 One area I wanted to talk about is that
16 interestingly enough -- I lost my place -- that there is an
17 increase in radiation from coal-fired plant, and no one has
18 discussed that. It's known that Americans that live --
19 who -- anyway, the radiation of the Americans living near
20 coal-fired plants, they're exposed to higher radiation
21 doses than those living near nuclear plants that meet
22 government regulations. Adverse health effects may seem
23 unlikely for the near term. Long-term accumulation of
24 radioactive materials from continued worldwide combustion
25 of coal could pose health hazards and should be discussed

1 in these planning stages.

2 Montanans need to join Kansas, Florida, Texas,
3 Oklahoma, Minnesota, and California, to name a few states,
4 where coal plants were rejected for a cleaner energy form,
5 one that carries less consequences to general public health
6 and general welfare. Thank you.

7 DARYL LASSILA: Hello, I'm Daryl Lassila, 151
8 Bickford Road, right next to the proposed coal plant.
9 Today I'm going to speak for the people that can't: The
10 union members that fear to speak out, the neighbors that
11 don't want to get in the middle, and the guy that just
12 wants to maybe not lose a possible job. These groups and
13 others are afraid or just can't speak out. So I'm speaking
14 for tomorrow's children also.

15 I don't want my county, country neighborhood
16 remodeled with roads, railroads, power lines, and a pile of
17 coal. The result of a zone change will reduce the quality
18 of life that I presently have and will make the future of
19 being a certified organic grain producer impossible. Thank
20 you.

21 RICHARD DOHRMAN: Mr. Clifton and board members,
22 thank you for this opportunity. There are a few phrases --

23 THE COURT REPORTER: Sir, can I get your name
24 quick?

25 RICHARD DOHRMAN: Excuse me. Richard Dohrman, I

1 live at Number 9 Homestake Lane, along with my family.

2 Mr. Clifton and board members, there are a few
3 phrases that are particularly fitting at this time: The
4 Big Sky, A River Runs Through It, The Last Best Place.
5 These are titles that are not describing places like
6 Detroit; West Orange, New Jersey; or other industrial
7 centers. No, the titles describe Montana. And we here
8 today are about in the middle of that place we call home.
9 People from industrial centers pay money and good sums of
10 it to come here. Do we want Montana, or more specifically
11 Great Falls, to look like what these tourists are paying to
12 get away from, namely pollution of one more form or
13 another?

14 Please hear my question. Is it worth what we
15 residents are being asked to accept to compromise our
16 quality of life, indeed our health, for the gain hoped for?
17 I don't think so, nor do a lot of other people. Our senses
18 of sight, hearing, taste, not to mention probable medical
19 problems would be affected negatively by a coal-fired power
20 plant next door to my residence, Homestake Ranch.

21 I speak more specifically concerning my family
22 and 16 other families who call Homestake Ranch subdivision
23 home. It is my little piece of paradise. This group of
24 homes has been here for over 31 years. This area is an
25 agricultural area. These families would not have chosen to

1 move here with a coal-fired plant less than two miles away.
2 With the ensuing pollution of the air created by several
3 years of noisy, on-site construction, and heavy truck
4 traffic, why would any family want to move in? I know I
5 wouldn't.

6 The main reason my family has chosen Homestake to
7 call home is peace and quiet; a closeness to nature; and,
8 if you will, our creator. I dreamed for years of finding
9 such a place. I am asking for your understanding from my
10 family's perspective. I moved to Great Falls, and
11 subsequently Homestake, 12 years ago. I was born and
12 raised in Great Falls. I wanted to raise my children and
13 live the rest of my life in a pleasant and safe atmosphere,
14 devoid of the problems that I had seen in my profession of
15 law enforcement for over 21 years. So my choice so far has
16 been correct.

17 In closing, allow me to repeat those three
18 phrases: The Big Sky, A River Runs Through It, The Last
19 Best Place still. Thank you.

20 J.C. KANTOROWICZ: Hi. I'm J.C. Kantorowicz, 166
21 Swift Road, east of Great Falls. I think this graphic
22 developed is too important not to be up here so that you
23 can see it all the time. I'm not sure what the definition
24 of a district is, but as I understand this whole process,
25 40 percent of the people living within the district

1 complain about the proposed rezone, the rezone cannot go
2 ahead. I think you can see by the graphic that we have
3 developed here, had anybody been in that district, other
4 than the Urquharts, we wouldn't be at this point today. It
5 is clearly that it's nearly 100 percent opposition to this
6 proposed rezoning and this proposed power plant from all of
7 the area landowners.

8 25 years ago, when Montana Power proposed the
9 same thing, they called it the Salem Site. The first thing
10 they did was they came to the area landowners, and they
11 laid out maps, and they said this is what we have in mind,
12 and this is where the railroad will go and the power lines
13 and so forth, what do you think, can you give us any input
14 here, what are your concerns. Well, of course, that plant
15 was never built. But then we've never been approached this
16 time either to ask what our are concerns are, asked for our
17 input.

18 There's a lot at stake here, because there's an
19 awful lot of money involved, millions and millions of
20 dollars. The proponents trodded up all of the labor
21 unions. And I, from being a Teamsters, I know that -- I'm
22 pretty sure that the unions never polled their membership
23 to see what their membership actually feels about this
24 proposed plant. But you can bet that there's going to be
25 an awful lot of money from dues on the salaries paid that

1 will go into the coffers of the unions.

2 It's been our history in Montana that we have a
3 terrible, lousy time with power generation and power
4 transmission. Montana Power pulled out and left us high
5 and dry and left us stuck with out-of-state companies,
6 transient companies. Is it beyond belief that once this
7 power plant is up and running, all of the glitches are
8 cured, that SME will not pull out; and instead of you
9 approving a rezone change for our neighbors in southeastern
10 Montana, you're actually approving a rezone change from
11 some investor in New York City? That's not beyond the
12 realm of consideration.

13 Finally, all of the proponents are in this for
14 the quick dollar, the money upfront. Those of us that are
15 in the blue, the people that live around there, are not.
16 We're in this for the 20, 30, 50 years in the future. I
17 sincerely hope that my grandson can take over the place
18 that I've worked so hard to put together, and I hope that
19 it is a viable farm and productive as it is today. Thank
20 you.

21 CHERE JIUSTO: Good afternoon. My name is Chere
22 Jiusto. I'm the executive director of the Montana
23 Preservation Alliance. I live in Helena at 4529 Union
24 Road. And I'm here to reflect the views of the Montana
25 Preservation Alliance and also to share with you comments

1 from the National Trust for Historic Preservation. I have
2 a letter here, which I will leave with you, from Amy Cole,
3 the regional attorney.

4 Both the National Trust and the Montana
5 Preservation Alliance are consulting parties under the
6 Section 106 process that is considering the appropriateness
7 and the impacts to the national historic landmark, the
8 Great Falls Portage site, with regard to the federal loan
9 that is being requested, federal undertaking. Amy conveys
10 the comments, as to the regulatory elements, that rezoning
11 must meet.

12 The National Trust is opposed, first of all, to
13 the proposed rezoning, and disagrees that the proposed
14 rezoning complies with the county's growth policy. For
15 example, the applicant contends that the rezoning "complies
16 with the objective of preserving Cascade County's scenic
17 beauty," and that is in quotes, because HGS will blend this
18 facility into its surroundings as much as possible. The
19 applicant also contends that the vast adverse impacts to
20 the national historic landmark are not counter to the
21 growth policy's directive to, quote, "preserve and promote
22 Cascade County's rich cultural heritage," because only one
23 historic site is affected, and mitigation has been
24 proposed.

25 Let's just be clear here, the introduction of a

1 massive coal-fired power plant and accompanying
2 infrastructure does not preserve scenic beauty, nor does
3 the destruction of the landscape of the national historic
4 landmark preserve cultural heritage. The mitigation
5 proposal does not change these facts and is certainly not a
6 safeguard to protect cultural resources as the applicant
7 claims. Rezoning -- let's see.

8 In fact, the National Park Service, and that is a
9 federal agency that, in fact, does not agree that this
10 project is a good idea on the national historic landmark,
11 concluded in its secretary of interior's report to the
12 advisory council on historic preservation in an evaluation
13 of the impact of the proposed Highwood Generating Station
14 on the Great Falls portage site, that HGS cannot avoid,
15 minimize, or mitigate adverse impact sufficiently to
16 maintain the integrity of the NHL, which does speak
17 directly to the question of whether or not the landmark
18 will be delisted. And it was the considered opinion of the
19 staff on the national historic landmark program and the
20 national park service that, in fact, it was likely that the
21 integrity would be damaged to the point where delisting
22 would be the likely outcome.

23 I would like to just talk about the vision thing
24 for a minute. You know, we're talking about a project that
25 is proposed, and it's in a very specific location. And

1 we're talking about the need for power generation in Great
2 Falls and in Montana. But we really aren't talking about
3 our future in a big way. And I think that we have the
4 opportunity to do that. And I don't think that Great Falls
5 or Montana has to have an either/or scenario, where we
6 either have electrical power in Great Falls generated for
7 a, you know, certain portion of our state, or we have
8 scenic beauty and heritage. We can have both.

9 And there are many assumptions in this FEIS that
10 has been developed for this project, that if the project
11 doesn't go forward, you know, people face brownouts and an
12 eminent and critical household power shortage, and that
13 alternative energy projects are not feasible. And yet when
14 the Montana/Alberta tie line is completed, northern Montana
15 will be awash in wind power. Many clean and progressive
16 power projects are now on the drawing board in the service
17 area that SME serves. Wind power on the Hi-Line, natural
18 gas in the industrial park here in Great Falls, and
19 geothermal power in eastern Montana. So we could have a
20 different view of what the future could hold. We could
21 have clean and green, and we could have heritage, and all
22 those things together.

23 In other states they've developed projects like
24 commissioning to do sculptures of constant sites in the
25 State of Washington and to celebrate history and draw

1 visitors. And other sites, like Fort Clapsop, where the
2 communities work with congress to appropriate millions of
3 dollars to celebrate and promote the heritage sites there.

4 So I think you, as a board, have the ability to
5 make an advisory decision to the commission, and rather
6 than being pushed in this age of climate change, to pave
7 the way for a coal plant that will be obsolete before it's
8 completed, we respectfully ask you, in the name of
9 preserving heritage and a sound community plan, to reject
10 this proposal and go back to the drawing board. Let's see
11 something better for our future. Thank you.

12 CAROL BRONSON: Good afternoon. My name is Carol
13 Bronson. I am the executive director of the Lewis and
14 Clark Trail Heritage Foundation here in Great Falls. My
15 address is 733 32nd Second Avenue Northeast. I am here to
16 briefly read three letters, not only from the foundation,
17 but from the National Park Service and from the Great Falls
18 Cascade County Historic Preservation Advisory Commission.

19 The Lewis and Clark Trail Heritage Foundation is
20 the national nonprofit that supports the trail throughout
21 the country. We have 36 chapters across the United States
22 and members worldwide. We're having our national annual
23 meeting here in August. The foundation chose to put its
24 headquarter's office in Great Falls in 1998, because, among
25 other things, the community's strong support of Lewis and

1 Clark. First Lady Laura Bush also recently recognized the
2 city's support of Lewis and Clark, when she designated this
3 community a preserve America community.

4 On behalf of the foundation, I urge you to deny
5 the request for zone change for three reasons: The zone
6 change could result in the loss of the landmark
7 designation. The secretary of the interior said that the
8 impact could not be minimized or mitigated by any means.
9 What does that mean? Lewis and Clark is a significant part
10 of the economic base of Cascade County. In the ten years
11 since the interpretive center opened, it has had 783,750
12 visitors. The center is the most visited attraction in
13 Great Falls. By supporting this zone change, you could be
14 threatening the viability of the center and Lewis and Clark
15 tourism in Great Falls. And, third, rezoning for the
16 station is premature, because the federal 106 process has
17 not been completed.

18 Now I turn to a letter from Dan Wiley, chief of
19 Integrated Resources Stewardship for the Department of the
20 Interior, National Park Service, Lewis and Clark National
21 Historic Trail.

22 Dear members of the board, I understand you are
23 again considering a zone change to accommodate the
24 construction of the Highwood Generating Station. It is
25 also my understanding that the majority of this proposal

1 study would be a loan from the U.S. Department of
2 Agriculture Rural Utility Service.

3 The National Parks Service and the Lewis and
4 Clark National Historic Trails oppose the zoning change
5 from agricultural to heavy industry. The secretary of
6 interior Section 213 report to the National Advisory
7 Council on Historic Preservation concluded the
8 interrogatory of the landmark is based mainly on its
9 current condition of large, open, historic and natural
10 landscapes free of intrusions. The proposed facility
11 constitutes a broad and wide scale impact on surrounding
12 landscape. The station cannot avoid, minimize, or mitigate
13 the adverse effects sufficiently to mitigate -- or to
14 maintain the integrity of the landmark.

15 We request careful review of the information and
16 recommendations and ask that you suggest reevaluation of
17 the preferred alternative. When this is done, please
18 advise us of your conclusion, and we will determine how to
19 complete the Section 106 review in this case. The 106
20 consultation has not concluded.

21 Despite the claim, mitigation measures are
22 planned to offset the impacts of this station. It is our
23 belief that this station is not mitigatable at the Salem
24 site. It is our position that they must investigate sites
25 which lay outside the landmark and its view shed. Until

1 the process is definitively identified an acceptable
2 construction site, it is inappropriate for the planning
3 board to rezone land in preparation for the Highwood
4 Generating Station.

5 Third, I'm also a member of the City/County
6 Historic Preservation Advisory Commission, which advises
7 both the city and the county planning boards on matters of
8 historic relevance. Anyway, the Advisory Commission
9 provides broadly based expertise and a local voice to the
10 process.

11 It is their position that the landmark is a
12 significant asset Great Falls has to mark our place in this
13 nation's history. Construction of the plant would have a
14 wide-spread, profound, and adverse effect, will affect the
15 rate -- the rural landscape, and rezoning for the station
16 is premature, since the Section 106 process has not been
17 completed.

18 All three of us urge you to deny this
19 application. Thank you.

20 LARRY REZENTES: Good afternoon, ladies and
21 gentlemen. My name is Larry Rezentes. I live at 2208
22 First Avenue North here in Great Falls. I work for the
23 U.S. Department of Justice, Office of the U.S. Trustees.
24 And in my capacity I review each and every Chapter 7 and
25 Chapter 11 bankruptcy filed and made in the State of

1 Montana. I have several years of experience as a
2 turnaround bankruptcy consultant. I have worked as a CFO
3 public-venture-capital-financed and private-equity-financed
4 businesses for over 20 years. I was active as well in the
5 liquidation of Touch America, a very prominent bankruptcy
6 filing filed here in the State of Montana.

7 There are three issues that should deter you from
8 approving a rezoning of the Urquhart property. I will deal
9 with some issues that perhaps haven't been addressed before
10 here, some that may surprise you.

11 One, the plant is likely to be a money loser. I
12 have written several guest editorials for the Great Falls
13 Tribune addressing this, together with other issues that I
14 will speak to today. R.W. Beck's review of the Highwood
15 Generating Station showed costs were underestimated very
16 dramatically. Costs of construction by 40 percent, 720
17 million, not 515 million as originally estimated by SME.
18 Operating costs are 9.86 per megawatt hour, not the 5.23
19 per megawatt hour, an increase of 88 percent, 88-and-a-half
20 percent over those estimates provided by SME. And cost of
21 coal is \$12 per ton, not 8.50 per ton, 41 percent increase
22 above what was estimated by SME originally.

23 We could ask ourselves a question: How could
24 anyone forecast so badly, raises questions of competence or
25 questions of misrepresentation by developers of the

1 potential plant economic results.

2 At the price per megawatt hour included in SME's
3 financial forecast that served as the basis for the R.W.
4 Beck's review, the plant will lose money and be unable to
5 support its debt service and tax obligations to allow
6 recovery by Cascade County through tax revenues for the
7 cost of any infrastructure and services necessary to
8 support the plant. So instead the county is going to be
9 left with the cost of the removal of the environmental
10 impact of the failed plant on the community. That's issue
11 number one.

12 Two, the impacts of commitments representing
13 scores of millions of dollars have not been included in
14 these costs and the estimates provided by SME. It was
15 committed to by Tim Gregori, the general manager of SME,
16 that carbon sequestration technology would be affected in
17 the construction of the plant, and by Jeff Chaffe -- I
18 don't know if -- I know Mr. Gregori is here. I don't know
19 if Jeff Chaffe is here, consulting engineer for Southern
20 Montana Electric -- that activated carbon injection
21 technologies would also be applied. So these have not been
22 included in these cost estimates. Thus, incomplete
23 estimates cast further doubt on the economic viability of
24 the Highwood Generating Station and of the ability of the
25 county to generate future tax revenues from the plant.

1 Third, I address the more intangible issues here.
2 The experience of the citizens of Great Falls in dealing
3 with Southern Montana Electric in its pursuit of an end run
4 around them and potential customers of the Highwood
5 Generating Station. This began with notification of Great
6 Falls City Ordinance 2861 that required a vote prior to the
7 spending of any money in the establishment of Electric City
8 Power, the city's precursor entity in establishment of the
9 plant. SME then pursued, with Electric City Power, the
10 securing of customers for the plant by under pricing power
11 sales of prices known to not be sustainable and generating
12 losses to the city and a \$1.3 million debt to SME. SME
13 then engaged in a cover-up in the recovery of the moneys
14 owed to it by the city by requiring the city to post a,
15 quote, "deposit" in this amount.

16 I called SME to account for this deception in a
17 guest editorial I wrote for the Great Falls Tribune on
18 September 14th, 2007. In response, they engaged their
19 outside accountant, you see here, I don't know, who
20 misrepresented what I stated, implying that I suggested
21 that SME would use the amount of the deposit posted instead
22 of addressing what I did say: The obvious ability that SME
23 would now have to borrow dollar for dollar the now
24 completely collateralized debt owed to it by the city. The
25 citizens of Great Falls have now paid \$1.3 million to SME

1 in this deceptive attempt to secure customers of the plant.

2 Based on its willingness to promise anything, as
3 in the cases cited for its promise to utilize
4 unbudgeted-for sequestration and activated carbon injection
5 technologies or its use of proposed pricing to potential
6 customers of the plant that is not sustainable, the county
7 should assess very carefully the promises of SME and its
8 ability to run a profit-making enterprise capable of
9 repaying through tax revenues the county's cost of any
10 required investment in infrastructure and services.

11 Albert Einstein once said that the problems are
12 not solved at the same level of awareness that created
13 them. Approval of the rezoning necessary to allow the
14 construction of the Highwood Generation Station will bring
15 a Trojan Horse into our midst with destruction of our air,
16 water, and way of life, and in the process will steal the
17 value, without compensation, of the land owned by
18 surrounding ranchers, farmers, and other landowners who
19 devoted their lives to building the value represented by
20 that land. Instead of containing warriors, you're not
21 going to see Odiosus or Ajax or Achilles in this Trojan
22 Horse. Who you will see is the company executives of SME,
23 together with their advisors, willing to promise anything
24 to achieve their goals.

25 Once the plant is built, the environmental and

1 economic catastrophe they wreak will be a problem not
2 capable of being solved at the level of awareness that
3 created it. In fact, it will be a problem that can no
4 longer be solved at all.

5 Refuse this application for-rezoning. Thank you.

6 JAYBE FLOYD: I am Jaybe Floyd. I live at 12
7 Homestake Lane. And I'm going to cut out most of the
8 stuff, because I'm having trouble with my voice. So it may
9 sound disjointed, but I'm just going to hit some points
10 that my neighbors didn't already bring up.

11 First of all, to me this is a zoning issue. This
12 is a -- you're turning agriculture into heavy industrial.
13 This is not an appropriate place for a heavy industrial
14 park, whether you put a coal plant there are not. And
15 that's what I'm saying. Even if this thing doesn't fly,
16 you pass this, there's going to be a heavy industrial zone
17 out there. And God knows what would be there, if this
18 doesn't go.

19 I really think this is spot zoning, and our
20 lawyers do too. I think you really need to look closely at
21 that. It benefits a few at the expense of many people is
22 just one of the areas of concern.

23 The other thing I wanted -- and you're supposed
24 to consider economic benefits and that kind of thing, and
25 that's supposed to be the big winner in this. I absolutely

1 dispute that this is going to be wholly economics -- of
2 economic benefit to our community.

3 I think, and usually an analysis includes pros
4 and cons. I have not seen an analysis of cons of this,
5 other than Dr. Dolman's, I have not seen an analysis of
6 cons, meaning that what kind of businesses and what kind of
7 professionals are not going to come here if this place is
8 built. I know that my husband and I, if we had to do it
9 over again, if this was there, we would have to think twice
10 about it, because of health issues. What about my son? I
11 would like for him to come back here and work, if he will,
12 but I'm telling you, if something like this plant is built
13 with the pollution and that kind of thing, he will not come
14 back here. So it's not just a matter of having people come
15 back to work in the plant, you are also closing the door to
16 other industries. I firmly believe that, and any real
17 analysis, I think, would show that.

18 Another thing I want to warn you about, not warn
19 you, but just draw your attention, one of the things I'm
20 disturbed about is the use of some subjective terms:
21 Clean, dirty, significant, nonsignificant. We need to
22 check our definitions.

23 Just this morning, Mr. Gregori and someone else,
24 I believe, if you kept the minutes there, the exact quote
25 was, "There are no adverse impacts on the air." Well, if

1 you look at the EIS, as they like to quote, overall, it
2 says, "Overall air quality impacts from the proposed action
3 would be adverse and most likely nonsignificant, but with
4 the potential to become significant. Noise impacts would
5 be minor, localized, and long-term, while they would be
6 nonsignificant, there will be a potential for them to
7 become significant." So just because they say their
8 opinion is that the EIS says everything is hunky-dory, I
9 think if you're going to take that, you need to read it,
10 because -- and then check their definition, because under
11 the air quality degradation, significant definitions, which
12 is in the EIS, the air quality it says it could have minor
13 to moderate impact. Well, a moderate impact, the magnitude
14 moderate impact is a change greater than 50 percent of
15 federal or Montana standards. To me that means that you
16 could have the change in the air quality could be 50 to
17 99 percent of the standard. Now, that's a degradation, it
18 is not an enhancement. I don't care what you say.

19 Then it goes to their definition of duration,
20 long-term duration is an impact longer than five years.
21 Likelihood, probable likelihood, it occurs under typical
22 operating conditions. So you're going to have a
23 degradation of air quality and other things probable under
24 their normal -- and we're not even talking about accidents
25 or anything else.

1 So please, when you skim over those terms, please
2 check and see what they mean, because we throw them about
3 kind of loosely, just like I'm sure that Mr. Gregori would
4 admit he misspoke with that, saying there are no
5 significant adverse, there were no adverse -- excuse me, he
6 said no adverse effects.

7 And the other thing is I'm not really sure about
8 this whole staff report that says that it's okay to do this
9 industrial, because it's allowed in a special permit. This
10 is not a special permit application, as I recall. So I
11 would just like to -- I don't understand why that's
12 applicable. So please -- thank you very much for your
13 attention.

14 BUTCH HANKINS: Hi, Mr. Chairman and board. I'm
15 Butch Hankins from Square Butte, Montana. I live in a
16 little town 60 miles straight east of here. It is three
17 blocks long both ways, where the air is really good, and
18 what water there is is fresh, and that's how we would like
19 to keep it. For these landowners out here that I know want
20 to come up and talk, I apologize to step up and in front,
21 but I've got a dentist appointment I've got to show up at.

22 So, anyway, I would like to tell you folks I'm
23 here to represent Chouteau County, the mayor of Geraldine,
24 the mayor of Denton. I visited with the mayor of Belt. I
25 have talked to many, many people over the last couple of

1 years about what is about to be created here just east of
2 Great Falls. And I could count probably on only one hand
3 or less the number of people that really feel that this is
4 the correct direction for we in Great Falls to go, along
5 with we as a civilization.

6 With all of the things that have come up globally
7 about how we are affecting what is going on in this world,
8 I believe that it would be jumping the gun to dive onto
9 this band wagon. And it's pretty intriguing to listen to
10 how good this could actually be. But even though it is
11 better than most other plants, maybe better than all of the
12 other plants, it's still not good enough. It's not what we
13 need for Great Falls, Montana. It's not what we need for
14 Montana.

15 So I would urge you, the board, to consider all
16 of the options and do not rush into making a plan that is
17 going to be regretted down the road. Thank you very much.

18 CHAIRMAN COX: We're going to take a five-minute
19 break here for a little relaxation, I guess. Be back in
20 five minutes at 25 after.

21 (Whereupon, a recess was taken at 2:19 p.m. to
22 2:29 p.m.)

23 ANNE HEDGES: I'm very loud. Tell me if it's too
24 loud. I'm the eighth of nine children, and I'm very loud.
25 My name is Anne Hedges. I'm with the Montana Environmental

1 Information Center. Thank you for being here today and for
2 having this hearing. We appreciate the opportunity to
3 express our opinions regarding this proposal.

4 Somebody had asked questions regarding litigation
5 earlier. MEIC is engaged in every part of litigation
6 against this plant at the moment. We would be happy to
7 discuss that with any board member at any time. I can
8 assure we are not in this to delay any processes. We are
9 actually in this to defeat the plant. So anybody who
10 indicates that we are just here to try to delay the process
11 or decision-making is incorrect. We actually want to stop
12 this proposal from going into this location.

13 This regional application relies heavily upon the
14 environmental study that was done by the state and the
15 local and the federal government. The application here
16 gives the impression that, because the project was okay
17 with the state and the federal government, that it should
18 also be okay with Cascade County. But in its final
19 decision, the federal and state government clearly said
20 that the local government has to give its approval. It
21 must give its approval prior to this project moving
22 forward. The state and the federal government recognize
23 that the local government has a unique and independent
24 perspective that needs to be considered in this process.
25 To the feds most of the impacts from this project were

1 considered in a larger context, in a national context, and
2 to them those impacts are small. But a small impact on a
3 nationwide basis might be an extremely large impact to a
4 neighboring property owner. That is why this decision was
5 contingent on local approval.

6 Coal plants are dirty. And I'm not just
7 referring to mercury pollution, carbon dioxide pollution,
8 or particulate pollution. Coal plants emit a whole host of
9 air pollutants. They emit a whole host of pollutants into
10 the water tables. This so-called clean plant is no
11 exception. It will emit millions of tons of pollutants
12 each year into the air. Millions of tons each year. It
13 will dispose of 80,000 tons of solid waste onto the ground
14 each year that is laced with heavy metals. And make no
15 mistake, the first air permit that is given to a plant like
16 this is as good as it gets. Coal plants can and do ask the
17 state for changes to their permits. Sometimes they get
18 changes to their air pollution permits prior to even
19 beginning operating the plant.

20 Now, recently permitted plants in Montana, I
21 believe, provide a very good indication of what Great Falls
22 can expect. Thompson River Co-Gen, DEQ issued this company
23 its first air pollution permit in 2001. Since then the
24 company has asked DEQ to weaken its permit four times and
25 amend it two times. DEQ has complied with those requests

1 every time but one. Since it started operating, DEQ has
2 fined the company twice. The first fine was for \$106,000,
3 because the company built a different plant than they were
4 allowed to build under their air pollution permit. Then
5 DEQ later, after amending their permit to allow them to
6 have the plant that they actually built, the DEQ then fined
7 them again \$1.8 million, because they had exceeded their
8 air pollution permit limits. But just this week DEQ
9 knocked down that fine by 90 percent, based on the fact
10 that the company couldn't afford to pay the fine. So what
11 that says is, Mr. Police Officer, I am so sorry I can't
12 afford to pay for my drunk driving penalty. That is not
13 acceptable. It shouldn't be acceptable to you, and it
14 certainly shouldn't have been acceptable to the state. But
15 since they couldn't afford to pay, DEQ knocked down 90
16 percent of their fine.

17 The Hardin Generating station, another recently
18 permitted coal plant. This plant received its air permit
19 in 2002. The permit was modified two times before the
20 plant even started operating in 2006. Within one year of
21 operating, the plant had violated its sulfur dioxide
22 emissions standard 329 times. DEQ fined them \$450,000.
23 These are two of the largest fines DEQ has ever imposed in
24 its history. Both of these permit applications were
25 prepared by the same engineering company that prepared this

1 permit application, Bison Engineering.

2 I really would -- I have a lot more to say. I
3 would like to talk a little bit more, but since I can't, I
4 guess I'll just have to tell it to the county commission.
5 Thank you.

6 LaLONNIE WARD: Good afternoon. My name is
7 LaLonnice Ward. I reside at 70 McKinior Road, Great Falls,
8 Montana. I live on a grain farm that is located
9 approximately three miles southeast of the proposed HGS
10 coal-fired power plant. The property has been in my family
11 for about 60 years, when my grandparents, Ed and Neoma
12 Kinion, were fortunate enough to be offered the opportunity
13 to purchase that property. And I say opportunity because
14 land here is highly sought after and does not often become
15 available. It is some of the best dry land farm ground in
16 the state. As the owner of that land, I feel that it is my
17 duty, not only to protect it -- excuse me. I believe it is
18 not only my duty, but my constitutional right as well to
19 protect it and its agricultural character.

20 In considering this request for rezone, I tried
21 to stay focused on key issues that are relevant, excuse me,
22 to the 12-step criteria as mandated by Montana law. I
23 realize that in the county growth policy one of the goals
24 is economic development. I am a union member, have been
25 for over 19 years. My husband has been in the union for

1 over 30. However, we do realize as well that economic
2 development and jobs is only one portion of the county
3 growth plan.

4 In the county growth plan the location criteria
5 for industrial use stipulates that the industrial
6 development be located in close proximity to existing
7 developments in the city. Locating a coal-fired power
8 plant out in the middle of a wheat field fails to meet that
9 objective. The proposed use is just much too different
10 from the prevailing use in the area. Additionally,
11 locating such a project so far away from any area, urban
12 area, greatly limits access to timely firefighting and
13 emergency services. The closest responders to the site are
14 staffed with volunteers, and not all members of those
15 departments are trained with advanced level skills.

16 Furthermore, the proposed rezone for heavy -- to
17 heavy industrial raises alarm over potential sprawl and
18 conversion of additional agricultural lands between the
19 city and the plant location. Even the DEIS/FEIS states
20 that a main concern is anticipated to be the potential
21 changes in land use surrounding the plant area due to the
22 city's infrastructure extending six miles east of the city.
23 Construction of the plant would likely just be the
24 beginning of a corridor of development between the site and
25 Great Falls.

1 Currently the site and surrounding lands are
2 predominately agriculture and residential in nature and
3 should be preserved as such. I do realize that A-2 zoning
4 does allow for other uses, other than farming and ranching,
5 but I do doubt we would be here today if one of the
6 neighbors was just building a dog boarding facility.

7 The goals of the growth policy also call to
8 foster the continuance of agricultural and forestry. It
9 specifically says in recognition of their economic
10 contribution and intrinsic natural beauty of the grazing
11 areas, farmlands, and forests. Descriptions such as heavy
12 industrial, open pit ash dumps, stack plume, and coal-fired
13 power plant, no matter how prettied up with neutral paint
14 just doesn't meet the image of intrinsic natural beauty.

15 The rezone application lists Salem site as the
16 preferred location for the HGS coal-fired power plant.
17 They reference the exhaustive search made to determine
18 Salem Road as the preferred site. However, the zoning
19 regulation criteria calls to encourage the most appropriate
20 use. And I submit to you today that desirable does not
21 necessarily mean appropriate.

22 The area of the plant was defined as a bench.
23 The growth plans state that this type of landscape covers
24 most of the northern half of the county and comprises the
25 majority of important wheat producing areas of the

1 country -- excuse me, the county. The growth plan
2 continues, "Since the existing land use of the benches and
3 dissected benches landscape is predominately agriculture,
4 special consideration should be given to protect this use.
5 Any development or change in the use of the land should be
6 in a form suited to the natural lay of the land. Rezoning
7 of the Urquhart parcels to heavy industrial will not
8 protect the agricultural composition of the area."

9 Additionally, the rezone application would have
10 us believe that heavy industrial zoning would be acceptable
11 because the farmlands in the area are comprised of Pendroy
12 clay soils and offer only limited use. Much of the farm
13 ground surrounding this site is shown to be farmland of
14 statewide importance on the Cascade County Farmland
15 Classification map.

16 A few more comments. Most of those are in the
17 written submission that I gave to you as well. Thank you
18 so much for your time today.

19 RON MATHSEN: Good afternoon, my name is Ron
20 Mathsen. I live at 122 Treasurer State Drive here in Great
21 Falls. And I appreciate the opportunity I have to address
22 the board on this hearing for recommendation for or against
23 the rezoning. I also am wearing a button here from CCE,
24 which depicts the smoke coming out of the smoke stack. And
25 it is not the visual kind of thing, but what's behind it

1 that is the reason for that. It's hard, very difficult to
2 show on a pin invisible particulate matter and other kinds
3 of things. So we took that liberty and didn't know how
4 else to do it.

5 I should tell you that I am an active volunteer
6 with RSVP here in Great Falls, and I am concerned about the
7 quality of life that we have in the city and in the county.
8 I won't make -- I won't regurgitate the extensive written
9 comments that I submitted earlier, but I do want to mention
10 a couple of things.

11 Spot zoning has been brought up, and I really
12 think that spot zoning is very dangerous. Okay. We know
13 that, according to the county attorney and staff, that
14 growth policy is not necessary to the law of regulation,
15 but it does give some guidance. And spot zoning, I think,
16 changes that guidance and changes the idea of development,
17 so that we have, in spite of a growth policy, development
18 driven by spot zoning. And I think that in itself is very
19 dangerous.

20 There are or there have been both pro and con
21 comments about water use. And I submit that, even though
22 it doesn't look like, in terms of the numbers, the water
23 use is large, it is something to be very concerned about in
24 a time of climate change, when we no longer will be living
25 on a river that will have the same amount of snow pack

1 giving it the melt runoff. So water is something of very
2 much concern.

3 I also am concerned, as some of the landowners
4 were, with the infrastructure that will have to be built
5 and the impact that it has on land and the view shed that
6 is in the area that is being requested for rezoning.
7 Economic concern is well taken, but there is a recent
8 study, the McKinsey study, which shows, and other studies
9 have showed this too, that the economic benefits from
10 alternative energy development far outweigh its cost and
11 far will outweigh the benefits that will accrue to the
12 county, to the city, to the state, and the nation for that
13 matter, from moving in this -- the direction of the
14 coal-fired generation of electricity.

15 So I am a member of Citizens for Clean Energy,
16 because I want to work for an alternative and better vision
17 for the future. It's not business as usual, but business
18 that we're building to a great economic potential for the
19 future. And for that reason I urge you to recommend to the
20 county commissioners that we not rezone this area. Thank
21 you.

22 GUDRUN LINDEN: Good afternoon, chairman and the
23 board. My name is Gudrun Linden. I live at 1019 Fifth
24 Avenue North.

25 I want to thank you for giving the public the

1 opportunity to voice their thoughts on the topic concerning
2 the proposed zoning change from agricultural to heavy
3 industrial in order to accommodate the coal-fired Highwood
4 Generating Station. Excuse me. It is my fervent hope that
5 you will listen to the testimony given this afternoon and
6 then vote with your mind and heart.

7 A few years ago I visited the Phoenix area in
8 Arizona. What I came away with was the knowledge that the
9 desert scape is dramatically changing. Creatures that have
10 adapted over ions of years to this harsh climate are unable
11 to survive and are being replaced by condos and trophy
12 homes with swimming pools. The water holes and oasis that
13 allowed animals and plants to exist are gone, because
14 underground reservoirs are being pumped dry, and every
15 available water source is being taxed to the limit.

16 I am told that the great -- our great rivers,
17 like the Colorado and others, are disappearing by the time
18 they are supposed to reach their destination. We make
19 unrealistic and irresponsible demands on this earth. We
20 are fouling up our own nest to the point where nature in
21 all her patience will not be able to heal herself.

22 There are many concerns regarding this coal
23 plant, but let me just touch only on two issues in this
24 time frame.

25 The water issue. We live in a semi-arid part of

1 the world. We are blessed by having a living, giving water
2 resource, the Missouri, available. Many people in Montana
3 are not so fortunate. Water is and will be the critical
4 issue now and into the future, and you know that. It is
5 our absolute duty to protect and safeguard this resource.
6 To take millions of gallons of water out of this river for
7 a dinosaur of a coal plant is, in my view, totally
8 irresponsible. We have other options available.

9 The job issue. It has been said that there will
10 be new jobs. To my mind this is only a temporary,
11 shortsighted solution. What will happen to the families
12 that have jobs now and are raising families here? We have
13 farmers on this land that grow organic food. Something
14 that is very much asked for in the world market now and in
15 growing -- and is in growing demand. People want to live
16 healthier life styles. We need to support these endeavors
17 first and foremost. Wholesome foods, such as meat,
18 produce, and water will be the commodities the customer is
19 asking for. Organic farmers will not be able to grow their
20 products with the coal plant next door to them, because of
21 the strict requirements asked of them.

22 In conclusion, I'll put to you: Is this a way to
23 shepherd the land environment that we are responsible for
24 to pass on to those who come after us. Gone are the days
25 of extracting freely of our resources with no thoughts

1 given to the consequences of our actions. We simply have
2 to be more mindful before we trade our precious land and
3 its beauty for something that in 40 years will be nothing
4 but an ugly, polluted remnant of an ill-conceived idea.

5 Surely there will be a time when we can make use
6 of our coal reserves. Technology will find a way to
7 extract and convert coal to energy in a less expensive and
8 less harmful way to us and the environment. The whole
9 world is working on this project right now.

10 I urge every member of this board in the
11 strongest possible way to vote against the rezoning to
12 heavy industrial zone. Thank you.

13 CHERYL REICHERT: Mr. Chairman and members of the
14 board, my name is Cheryl Reichert. I'm a native of Great
15 Falls, born and raised here. And I went off to school to
16 earn my MD/PhD degree. When I came back, one of things I
17 volunteered to do was to chair the Montana Medical
18 Association committee on public health and wellbeing. I
19 have concerns about this plant, and I'm not alone in that
20 process. In your packet you will find a copy of a petition
21 signed by more than 150 physicians and healthcare workers
22 in north central Montana who have expressed their concerns
23 about the coal plant.

24 The application states that the proposed zoning
25 will meet or exceed all state, federal, environmental, and

1 air quality regulations. Why does that cause me pause? We
2 are challenging this assertion, this unproven claim, in
3 both federal and state courts.

4 Briefly, in our federal case, the federal
5 government is required to seek out options to protect the
6 environment, air, and water. The Rural Utility Service is
7 not living up to this responsibility. Our lawsuit is
8 against the U.S. Secretary of Agriculture and the Rural
9 Utility Service in federal court for violation of the
10 National Environmental Policy Act, NEPA. The Environmental
11 Impact Statement here, that you've seen, clearly admits
12 that there will be adverse impacts on soils, water, air,
13 farmland, and human health.

14 The Rural Utility Service concludes that these
15 adverse impacts would not be significant. To me that
16 contradicts the definition of the word adverse. So I
17 called the contractor that put this study together, and I
18 said how is this determination of insignificance made. And
19 what he told is that I would not be given the references,
20 so that I could have scientists and physicians
21 independently evaluate the criteria, because this is an art
22 as well as a science, and it isn't based on references.

23 Our case against the Department of Environmental
24 Quality at the state level has a hearing scheduled in
25 January. The current air permit allows SME to release up

1 to one ton of dangerous, respirable particulates each day.
2 We talked about the size of those particles. A human hair
3 has a diameter of about 70 microns. The most dangerous
4 particles measure 2.5 microns and less. These are the size
5 of bacteria and germs. You won't be able to see those
6 particles coming from the stack. But on a winter day, I
7 can assure you you'll see a plume of condensation that is
8 going to obscure our Highwood mountains.

9 Mr. Hal Taylor is one of our professional expert
10 witnesses. He's an engineer involved in the pollution
11 control industry for over 35 years. And he pointed out
12 that SME failed to consider technology that would be
13 effective in controlling these PM 2.5 particles. They
14 chose a fabric filter system, which is very good for
15 removing large particles, but those are less dangerous. It
16 is the small ones we are worried about.

17 Mr. Taylor offered us an analogy. If you take a
18 kitchen strainer and 100 grams of marbles and 100 grams of
19 baby powder, and you pour the marbles and baby powder into
20 the strainer, which is analogous to this same kind of
21 filter, it will be 100 percent effective in collecting the
22 marbles. I'm not worried about the marbles. It's the baby
23 powder that will be on the floor, in our lungs, in our
24 heart and arteries that I'm concerned about it. I am
25 concerned about it because children are more vulnerable to

1 these sort of things. Their lungs are not yet fully
2 developed. They spend more time outdoors.

3 And I'm also concerned, because the more we learn
4 about this type of thing, the more stringent the criteria
5 becomes. A year ago the EPA, because of the hazard of this
6 PM 2.5, revised the 24-hour standards for these 24-hour
7 fine particles, and they reduced it in half. It used to be
8 65 micrograms, you know, just a smidgen of this in a cubic
9 meter in front of you was acceptable. They cut that down
10 to 35 micrograms. There's a number of cities in our state
11 that are teetering on the brink of not being able to
12 satisfy that criteria.

13 In February of 2007 the New England Journal of
14 Medicine reported the effect of this type of air pollution
15 on 2000 women my age. Each ten micrograms per cubic meter
16 increase of PM 2.5 was associated with a 76 percent
17 increase in the risk of death from heart attack. I phoned
18 that contractor, and I asked him, are you going to take
19 into consideration this February study before you make up
20 your mind on the Final Environmental Impact Statement. His
21 answer was, well, the government doesn't work that fast.

22 Now, an experienced local meteorologist, who is
23 now retired, told me that the air modeling studies done for
24 SME failed to take into account the air inversions that
25 frequently accompany our cold weather. During cold

1 weather, we get an atmospheric cap that concentrates
2 deposition of particles ladened with toxic heavy metals on
3 the local populace. Even when the prevailing winds are
4 blowing the pollutant to neighboring counties, there is a
5 baffling effect of the Highwood mountains that blows it
6 back to Great Falls.

7 My mother helped to write Montana's Constitution,
8 and this is not part of her definition of improving and
9 maintaining a clean and healthful environment. Thank you.

10 KEN THORNTON: I'm Ken Thornton, 31 Paradise
11 Lane. Thanks for having this extended form so we can state
12 our views.

13 I grew up here in Great Falls. In 1974, in '73 I
14 graduated from high school. I was lucky enough to obtain a
15 apprenticeship. I went to Colstrip where I worked as a
16 construction boilermaker for four years as an
17 apprenticeship where I worked on Colstrip 1, 2. After that
18 I went back to school. I went to MSU to obtain my
19 engineering degree. Summers I worked on Colstrip 3 and 4.
20 I have worked a total of ten years in the construction
21 trade. And I know what the union members talk about, about
22 having to travel. I think I was ten years, I spent six
23 months in Great Falls building storage tanks out at the
24 Malmstrom Air Base. So my heart is with them. I know what
25 they're talking about.

1 But these coal plants, when you talk about their
2 clean technology now. If I had a couple of props, if I had
3 two cigarettes, if I had an old Camel cigarette without a
4 filter in one hand and like a Salem ultra thin filtered
5 cigarette low tar in the other hand, which one would you
6 want your children to smoke? That's the choice with the
7 clean coal technology they're talking about.

8 We don't need it. We have all kinds of
9 alternatives. Hopefully in a couple of years, with some
10 luck, I'll be before this board asking for a subdivision.
11 I'm building the first house in it right now. It's zero
12 energy. I get all of the energy from the sun and the wind.
13 I started my house in 1990. That was the year I vowed
14 never to step foot in a coal-fired power plant again,
15 because the science was solid at that point. Anyone that
16 read it was scared to death of what is coming with the idea
17 of climate change. I've been living in a house that gets
18 70 percent of its energy from the sun and wind since 1990.
19 This house that I'm building right now will be hundred
20 percent.

21 We are so fortunate in Great Falls because of our
22 raw materials: The sun, the wind, the water in the river.
23 We have the best renewable energy sources in the state.
24 You couldn't do what I'm doing in any other city in this
25 state. We have a gold mine here, and it has nothing to do

1 with coal. The idea that we have to hitch our wagon to
2 coal dream is insane.

3 I think the point that I would like to make for
4 your consideration is the idea that there is this carbon
5 tax or carbon penalty coming on the CO2. Now, they've
6 alluded to the fact that with this plant it will be ready
7 to add on a system for carbon capture sequestration, and
8 they say they'll add it on if it's economical and
9 technically feasible. That's like me telling the banker,
10 well, I'll pay you back the money if I can. That's not the
11 way to answer the question.

12 The point being that the carbon tax will probably
13 add a good \$30 per megawatt to the price of the electricity
14 that comes from this plant. That is a number that is used
15 by the governor's council on climate change, which they
16 predict will probably be the price. It will probably be
17 more than that. I think if you talk to SME, they'll say
18 they're looking at maybe \$10. I think they're dreaming.
19 And if you ask them, they think somehow the federal
20 government will use them as this first opportunity to prove
21 the technology.

22 Well, there's 1100 coal-fired power plants in
23 this country. And the first legislation is already
24 starting to go through in the senate to put some kind of
25 penalty on the carbon that comes out of these plants. So

1 there's going to be 1100 of these plants that are going to
2 be standing in line for any kind of government money to
3 build this carbon capture sequestration technology. So
4 your odds of getting any of that money, especially the
5 whole amount, which will probably be about \$300 million for
6 this plant, is pretty slim.

7 Now, the other point that comes with this carbon
8 future that we have to start looking at, it's coming,
9 whether we believe it or not, it seems to be really taking
10 hold in other parts of this country, so we're going to be
11 affected one way or another. The point is that this old
12 coal technology is inefficient. It's 30 percent efficient.
13 That means 70 percent of that energy is lost. Good plants
14 are going to find some way to use that 70 percent of the
15 energy. You'll have to put all kinds of industrial plants
16 to use that heat out of this plant in order to make it
17 economical. Thank you.

18 SHARON MASHBURN: Good afternoon. My name is
19 Sharon Mashburn. I live at 2910 5B Street Northeast in
20 Great Falls, Montana. And I've lived here since
21 August 26th of this year.

22 To whom it may concern, as printed in the Sunday
23 December 3rd Tribune, Nevada would benefit on many levels
24 from investment in energy efficiency and renewable energy
25 rather than new coal fired plants. And this is a quote

1 from U.S. Senate majority leader Harry Reed, a democrat
2 from Nevada, an opponent of coal-fired plants. Here's
3 another quote from him, it's unbelievable that the people
4 running that company, in parentheses, Sierra Pacific
5 Resources, could be pushing for coal.

6 My husband and I recently moved to Great Falls
7 from southern Nevada specifically to leave the polluted,
8 dangerous, and over-treated scarce water. Polluted area, I
9 might add. I'm sorry, I left that out. Great Falls air
10 and water are magnificently clear and clean and abundant.
11 The Highwood coal-fired plant would pollute the air here to
12 our east and use millions of gallons of Missouri River
13 water.

14 From the MEIC newspaper, this is a quote,
15 Nation -- I might add I'm a member of the MEIC.
16 "Nationwide coal-fired plants are the single largest source
17 of global warming pollution." You certainly can't, in good
18 conscience, vote against the rezoning and the furthering of
19 the coal-fired plant. Thank you.

20 PAAVO HALL: My name is Paavo Hall. I live at
21 2910 5B Street Northeast. My wife just told you why we
22 moved here. I've actually been coming up here for about
23 40 years, because I had a mother and sister living here.
24 So I know the area somewhat, but I have not lived here
25 permanently until now.

1 The decision to build a coal-fired plant in
2 Highwood and the Highwood Mountain area is of crucial
3 importance for at least three reasons. The plant, if
4 built, would have an adverse effect on the environment.
5 Number two, the plant built will have an adverse effect,
6 not only on the residents of Great Falls, but on the
7 adjacent populations. The city of Fort Benton has already
8 made clear that it opposes the plant, apprehending the
9 pollution and loss of water that it will suffer if the
10 plant is built. Most importantly for me, the plant,
11 whether built or not, is a dismal reflection on the nature
12 of how popular government works in Great Falls.

13 As everyone who has followed this issue knows,
14 the plant is well beyond the stage of just being proposed.
15 It has already received funding commitments from the City
16 of Great Falls and long-term commitments to use energy by
17 the Great Falls school district and several large business
18 interests in Great Falls.

19 One might be justified in claiming that the
20 coal-fired plant is not merely a proposal, but a preemptive
21 reality.

22 A supporter of the plant, Mr. Dick Fisher, member
23 of the Great Falls City Planning Board, backed the proposed
24 plant December 2nd in the Great Falls Tribune by saying, "I
25 think it's a good economic boost for the community. It

1 would provide jobs. We all know energy is needed."

2 My question to Mr. Fisher, and other officials
3 who support the proposed plant, is whether their
4 determination to have this plant is solely motivated by
5 considerations on the public welfare. Aren't there other
6 projects that will create jobs and create energy? Why
7 choose to build a coal-fired plant when there are cheaper,
8 cleaner, and more efficient ways to create energy.

9 Until these questions can be answered without
10 equivocation, the perception will remain in the minds of
11 many that the proposed coal-fired plant is a get-rich
12 scheme designed to benefit the few well connected
13 businessmen and politicians who support it.

14 I've recently moved to Great Falls from Nevada,
15 where coal-fired plants have also become an issue.
16 Nevadans have not, by any standard, been world-class
17 environmentalists. So I can only surmise that they found
18 the statement of David Sims, project director for Sierra
19 Pacific Resources' proposed coal-fired plant near Ely,
20 Nevada, somewhat unsatisfactory. According to the
21 December 2nd Great Falls Tribune, Mr. Sims defended the
22 project with these reassuring, if not specifically
23 informative words: We think we're on the right track. The
24 right track from whom? Sierra Pacific or the right track
25 for the people of eastern Nevada and western Utah.

1 Let me conclude by drawing a parallel between
2 Great Falls, Montana, and Ely, Nevada. Ely has been in a
3 steady economic decline since the closing of the copper
4 mines in McGill, 20 miles to its north. The largest
5 penitentiary in the state was built near Ely with the hope
6 for creating jobs for the local economy. It didn't work.

7 As a sign of Ely's continuing decline, one of its
8 three brothels has recently closed. And now they are
9 proposing to build a coal-fired plant. Perhaps the plant
10 will allow for the brothel to reopen.

11 Great Falls is neither as isolated or
12 economically depressed as Ely. However, if Great Falls
13 still feels it irresistibly imperative to create jobs and
14 energy, the proposed land for the Highwood plant could,
15 with the change of law, analogous with the proposed change
16 of zoning, be used for a mega brothel and gaming
17 establishment that would create more revenues for the use
18 of the Great Falls community, subsidize the creation of a
19 cleaner and more efficient energy, and be, in every way, a
20 better investment for the citizens of Great Falls than a
21 coal-fired plant. Thank you.

22 JODIE WRIGHT: Hello, my name is Jodie Wright,
23 and I was born and raised in Great Falls. I live at 124
24 Cove Lane north of Great Falls. We have ten acres of land
25 there. I'm a mother and a small business owner, and I

1 guess I'm here today to express my concerns and to express
2 my opposition of the rezoning of this land.

3 I have friends that farm out near there. We've
4 heard many farmers come up and speak this morning, or this
5 afternoon, I guess, on why they don't want this land
6 rezoned. And I guess I'm not really feeling well, so I
7 have all my reasons written out here. But water, health,
8 all those things, in my opinion, are not worth 75 jobs.
9 There are many other ways we could bring jobs to this city
10 and to Cascade County. The residents of Fort Benton oppose
11 this.

12 I also believe that we weren't allowed to vote on
13 this before our city invested in this, which I have a
14 problem with. And I just really wish that you guys would
15 reconsider this and take your time to read what I have to
16 say here. And I thank you for your time. Thanks.

17 JEFF MONHEIM: Mr. Chairman, board members, my
18 name is Jeff Monheim. I live at 3709 27th Avenue South.
19 I've lived in Great Falls nearly 40 years.

20 I would like to read something from the Billings
21 Gazette dated September 21st, 2007. It's titled Highwood
22 Plant Has Objectors Within Co-op Membership. "As three
23 Montana cities: Missoula, Helena, and Bozeman, turned down
24 a chance to plug into the Highwood Generating Station, some
25 co-op members in south-central Montana wish they could do

1 the same.

2 " 'Since the electric cooperative that owns the
3 poles and wires and infrastructure that delivers power to
4 our homes and ranches, we're not free to choose whether or
5 not we want to participate,' said Dot Gallagher, a resident
6 of Columbus and a member of the Beartooth Electric Co-op.

7 "The Highwood Generating Station is proposed to
8 be built in Great Falls, but the major share of its energy
9 will power the 35,000 meters of the Yellowstone Valley
10 Electric Co-op, the Beartooth Electric Co-op, the Fergus
11 Electric Co-op, the Mid Yellowstone Electric Co-op and the
12 Tongue River Electric Co-op.

13 "Gallagher questions the wisdom of building an
14 estimated \$700 million plant for so few customers.
15 Calculating from rough estimates, she figures the facility
16 alone will cost each household more than \$22,000, not
17 counting the cost of power once the plant comes on line.
18 'We are captive rate payers,' she said.

19 "Dave Grimland, another Beartooth member and
20 resident of Columbus, views Highwood as a financial white
21 elephant. He and his wife, Kathleen Ralph, say the
22 coal-fired could soon be outdated, perhaps even before its
23 completed. They commend the co-op's board of directors for
24 dealing with a projected electricity shortfall early, but
25 they say the energy picture has changed radically since

1 2005, when the Highwood proposal was born.

2 "With global warming now a high -- profile issue,
3 they foresee policy changes that will soon require carbon
4 capture technology. If a plant has to be built, they favor
5 the technology known as integrated coal gasification
6 combined cycle over the proposed coal-fired fluidized bed
7 boiler. They admit that IGCC technology may be several
8 years off, but they think its benefits -- the potential to
9 capture carbon, a higher thermal yield and half as much
10 need for water -- is worth waiting for.

11 "'We're entering a period of enormous change,
12 both technologically and politically,' Grimland said.
13 'This whole carbon issue just blew up. We're in a place
14 now, the directors could not have predicted earlier.'

15 "Kent Harris, an Absarokee resident and member of
16 Beartooth, tried to analyze the financial implications
17 between the two technologies, but ended up mired by elusive
18 variables. 'The likelihood of greenhouse gas legislation
19 and possible grandfather clauses would have significant
20 implications that would be difficult to anticipate,' he
21 said. Co-op officials, however, counter both financial and
22 technological concerns.

23 "Tim Gregori is CEO and manager of Southern
24 Montana Electric, the Billings based co-op that has headed
25 up the Highwood proposal. First he explains that the

1 co-ops of south-central Montana have no choice but to take
2 action. The energy they receive from the Bonneville Power
3 Administration phases out between 2008 and 2011, forcing
4 them to take and find new sources for 80 percent of the
5 their electricity.

6 "Some of Montana's rural electric cooperatives
7 signed on with other energy sources, but the five co-ops
8 that joined forces with SME decided to build their own
9 generating facility. Gregori likens building a power plant
10 to buying a house. Yes, there is a cost of construction,
11 but in the end the co-ops will have their own facility and
12 their own source of power at a relatively constant price.

13 "But even relative is a relative word. A study
14 by R.W. Beck, a firm hired by Great Falls to conduct an
15 independent analysis of the Highwood project, pinpoints a
16 broad range of uncertainty regarding the cost of coal and
17 rail rates. As proposed, the Highwood Generating Station
18 will be located in Great Falls, because of its need for
19 large quantities of water, which will come from the
20 Missouri River, but the plant will burn coal shipped via
21 rail from southeastern Montana.

22 "Regarding technology, SME Vice President John
23 Prinkki said board members are continually reevaluating
24 proposals and assessing cutting-edge technology through
25 their participation and organizations like the Big Sky

1 Carbon Sequestration Partnership.

2 "If you wait for technology, you'd never do
3 anything,' he said. 'But if that carbon capture is
4 something that we need to do, we want to be a demonstration
5 project.'"

6 I can't finish the rest of this, but I would like
7 to leave a copy of this with the secretary over here.
8 Thank you for listening to me.

9 JERRY TOWNSEND: Good afternoon, planning board
10 members. My name is Jerry Townsend, 400 Elk Run Lane,
11 Highwood, Montana.

12 Picture shown earlier this morning was of my
13 ranch, the Highwood Baldy mountain. I'm on the west face
14 of it. I'm a cattle rancher in the Highwoods in Chouteau
15 County. I'm also a long-standing member of the Chouteau
16 County Planning Board. So I'm normally on that side of the
17 table. This is one day I'm happy to be on this side.

18 And I commend you folks and I thank you for your
19 attention. It's a long day. And I haven't seen any of you
20 nodding off, and I'm not sure I could do the same.

21 I really appreciate your roles and responsibility
22 as advisors to the county planning board. I've done so for
23 25 years myself. I don't envy your task on this issue,
24 certainly your obligation to evaluate both the short and
25 the long-term liabilities and benefits of a plant like this

1 that is being proposed.

2 My concern today is with the plant siting, and
3 that's basically what I'll deal with. It's just upstream
4 and just upwind from the Chouteau County line about a mile.
5 I don't know what the plant's actual pollution is going to
6 be. And I'm talking actual pollution, not projected,
7 estimated or supposed. There will be some form of actual
8 pollution. I am quite certain that my county is going to
9 be the recipient of the majority of that; and more than
10 that for possibly 50 years, or whatever the plant life may
11 turn out to be.

12 So I come before you today as a neighbor asking
13 only your careful consideration of this project, and with
14 an eye towards the people and the lands of Chouteau County.

15 In the ranching community there's a developed
16 system of behavior, I guess you could call it, that we know
17 as a code of behavior that we call the good neighbor
18 policy. And most of you know that the ranchers are -- you
19 don't want to generalize on people, but we're generally
20 pretty independent, believers in free enterprise, definite
21 believers in private property rights, pretty determined.
22 Some people may say stubborn. But we have come over the
23 years, over the decades, to recognize that our rights to
24 perform as we wish on our private property has to take into
25 consideration the impact on our neighbors. And why is

1 that? It's because we deal predominately in natural
2 systems: Land, its vegetation, wind, water, wildlife.

3 None of these, none of these respect man-made
4 boundaries. They don't care where my property line is. An
5 example would be noxious weeds. If one rancher has noxious
6 weeds and fails to control them, they spread onto the
7 adjoining property. There's a workload and an economic
8 hardship. Elk is another one. We have a number of elk in
9 the Highwoods. Some would say plenty. If you have a
10 landowner who doesn't, for whatever his personal reasons,
11 believe in hunting, you take away the main harvest tool for
12 the control of the population. The elk are very quick to
13 adapt and find that that place is a sanctuary during the
14 season, and the other 90 percent of the year they're on the
15 neighbor's place.

16 And our policy doesn't always work. I'm not
17 suggesting that, but it has developed over a lot of years.
18 And it certainly has prevented a lot of legal disputes
19 between landowners, not all of them, but a lot of them.
20 And it's because of mutual consideration.

21 I would suggest that these natural systems have
22 no more respect for county lines than they do ranch lines.
23 So I would ask you to please take into consideration the
24 impact on the people of Chouteau County. I understand your
25 economic benefits. We don't have them. There won't be any

1 tax base increase in Chouteau County. So I guess a word of
2 caution, if the plant were proposed in the center of
3 Cascade County, I wouldn't be here, and most of the
4 opposition in Chouteau County would go away.

5 I see I'm running short of time. One other point
6 I would like to make is that, and it's kind of an old gray
7 hair issue, over the years I've noticed that the
8 projections of 15 to 25 years are notoriously erroneous.
9 And this comes from a number of examples. You could use
10 zero population growth of the '60s, forecasting mass
11 starvation by the year 2000. Didn't happen, why? Failed
12 to recognize the ingenuity of mankind and their willingness
13 to solve problems in a competitive free-market system. So
14 if you don't have to rush into this, my caution to you
15 would be to wait a while and see what develops. There's
16 rapid development being had in the energy sector. Thank
17 you very much for your time.

18 JAYME WATSON: Good afternoon. My name is Jayme
19 Watson, and I live at 2912 Second Avenue North here in
20 Great Falls.

21 I grew up here. My grandparents were both raised
22 in north central Montana, as were my parents. I moved away
23 for about seven years and thought I would never return to
24 Great Falls. But after living multiple places in the U.S.,
25 in Europe, traveling to Africa and Asia, this really is the

1 best place on earth. And it depends on what you value.
2 For me I value clean air, clean water, affordable living,
3 and space. Wilderness is important to me as well. And I
4 think when we're talking about economic value of our area,
5 boosting the economy, we need to play to our strengths.
6 And our strengths being clean air, clean water, wilderness.
7 Giving those up, I think is going to backfire.

8 A lot of people earlier were talking about their
9 children not moving here because of lack of jobs. I don't
10 believe that a coal plant is the answer to that problem.
11 In fact, if a coal plant comes here, I will move. I will
12 not stay in an area where -- in a community that supports
13 building a coal plant.

14 The other thing I would like to talk about in
15 regard to high energy costs, that's another idea why we
16 would like to propose this plant. High energy costs kind
17 of go hand-in-hand with supply and demand. And if there's
18 a demand for energy, the cost will certainly go up. But I
19 also believe that conservation has a role to play in this.

20 I bought a home two years ago, and my first
21 winter my highest bill was \$250 for a month of energy.
22 After doing some very basic maintenance, my energy bill was
23 down to 140. So I think when you combine conservation and
24 alternative energy processes, clean energy, as well as
25 looking at what kind of energy we can bring in, you'll come

1 up with a much different solution than building a coal
2 plant.

3 The last point that I would like to make is that
4 we've talked a lot about the air quality, how it will be
5 affected. Water is also a concern of mine. And when I
6 saw -- I tried to figure out how much water would be
7 expended with this plant. And the Tribune had a number
8 that really didn't match the FEIS. But what I've learned
9 is that basically, when you look at it, the plant will
10 consume per day what the City of Great Falls, the entire
11 City of Great Falls, half of that. So every two days, the
12 energy that is consumed by Great Falls equals that of the
13 plant. This to me seems very wasteful and irresponsible
14 for the people in communities downstream, water that seems
15 to me that is already spoken for.

16 I hope that you consider this, consider what it
17 will do to the people that live here, not only the
18 landowners, but the people my age. I'm a 30-something and
19 I would like to stay here for the next 60, 70 years. And
20 it looks like I am going to be the one that is cleaning
21 this up, possibly earlier than that. So I would like you
22 to take my well-being into consideration as well. Thank
23 you.

24 MERT FREYHOLTZ: I'm Mert Freyholtz from
25 Gildford, Montana, Box 211. Zip code is 59525.

1 Everything has pretty much been said. I'm not a
2 public speaker. I think there's a lot of nontruth being
3 talked about when you listen to the other side. One day
4 they say one thing, and the next day they say something
5 else.

6 I was at a meeting in Big Sandy several months
7 ago when SME put on this meeting, and one of the people
8 asked about this pollution. Oh, they said, it will never
9 get as far as Big Sandy, you don't have to worry about
10 that. About ten minutes later somebody asked, well, where
11 is all of this pollution coming from. Oh, it's coming from
12 China. It gets here all the way from China, but it don't
13 get here, not Great Falls.

14 Also clean air quality permit, just because you
15 have a clean air quality permit, that doesn't say it's
16 right. Think of the people in Libby, what are they saying
17 from their clean air quality permit that they had? Now,
18 they're sick up there. The same thing could probably be
19 happening down here from all of the pollution, all of the
20 numbers that people have given, the tons and stuff coming
21 out of the stack, there could be no way that that could not
22 harm agricultural or the water or the air.

23 Also, I don't know where you people live. I'm in
24 Gildford, which is probably 90 miles downwind the way the
25 bird flies. But if I lived right beside that stack in the

1 shadow, I would be furious. I'm furious right now. If I
2 lived beside it, I would be really angry. I can't imagine.

3 One of the guys worked hard four or five years to
4 clean his land up so he could be organic. Now, do you
5 think he's going to be organic once they put that plant up
6 there? No way. And also degrades the agricultural land.
7 It ain't going to be worth what it was before. Why didn't
8 the Urquharts sell their land to the farmer down the road,
9 but there was more money involved.

10 I felt kind of sorry for the Urquhart family,
11 because a lot of people are probably coming down on them.
12 But there's a lot of smooth talkers in the country. I once
13 had somebody come up to me and they sold me something I
14 didn't want. I don't know, you've probably had that
15 experience too. There's some pretty good salesmen, pretty
16 smooth, I call it. And, anyhow, I'm asking you not to sign
17 this land over to heavy industrial. Just let it
18 agricultural. Thank you.

19 MIKE LUCKETT: My name is Mike Lockett, and I
20 live at Number 12 Homestake. I'm a physician here in Great
21 Falls and have lived here for about 20 years.

22 I am against the coal-fired power plant. I can
23 tell you that, if I was a young physician and I came to
24 look at the town of Great Falls and it had a coal-fired
25 power plant, I wouldn't come here. I wouldn't have come

1 here if there had been a coal-fired power plant. I, in
2 fact, had a good job opportunity in Billings, and my wife
3 and I elected to come here, because of the quality of the
4 environment compared to Billings. And it was a very good
5 practice opportunity with the top practice in Billings.

6 With regard to your application for zoning
7 change, I read over the application, and the assessment of
8 the real estate values is not an analysis. It's an
9 opinion. And it was obviously a paid opinion that is
10 totally fraudulent, in my opinion. I can tell you that no
11 one is going to be looking for 3 to \$500,000 house at
12 Homestake Ranch two miles away from a coal-fired power
13 plant.

14 With regard to the economic benefit, which is
15 supposedly the reason that we're building this plant, it
16 appears that the tax revenue to the city and the county may
17 be pie in the sky. The economic benefit of cheap power has
18 already been historically proven wrong in Great Falls. We
19 had the cheapest power probably in the country when we had
20 Montana Power. And, you know, we haven't had development.

21 I think that, you know, there are other reasons
22 for lack of economic development in the State of Montana.
23 One of them certainly isn't the environment, but it may
24 become the environment. I think that probably it has more
25 to do with the tax structure than it does the cheap power.

1 I mean we had it when we had Montana Power, and what
2 happened to economic development in Great Falls.

3 Economic development is happening. We're
4 growing. We're prospering. Why sabotage it with a power
5 plant. I think that the economic benefit, you know, when
6 you talk about a project that probably in reality is going
7 to be over a billion dollars, and you feel construction and
8 developers are probably going to have a ten percent profit,
9 there's a few individuals that are going to be making about
10 a hundred million dollars in this deal, and the rest of us
11 are going to be left holding the bag. So I would suggest
12 that you not approve this zoning. Thank you.

13 ELSIE TUSS: My name is Elsie Tuss. My address
14 is 5000 Lewis Trail, in Floweree, Montana. And our house
15 is in Chouteau County, but we also own land and pay taxes
16 in Cascade. And the other thing is we're just over, our
17 buildings are just over the border from on the county line,
18 and we're just downwind, wind from the power plant. And
19 you know what kind of winds we've been having. They say
20 there's going to be hurricane force winds coming in with a
21 new storm. And I'm really concerned about the ash that is
22 going to be left on the land in some kind of pits.

23 We are organic farmers and ranchers, and there
24 are proven reports of people who became ill and cattle that
25 became ill when cattle grazed on grass and forage that had

1 mercury on it, plus all of the other things that are coming
2 out of that stack.

3 So you have a hard job. You have to be
4 objective. It's been my experience, I've been a teacher
5 and principal for 35 years. And I think you know about
6 spin doctors. Kids are good at it. And so I just say that
7 you can -- anybody can find facts to support their opinion.
8 So I would say what facts are you going to look at and take
9 as your judgment that the health -- are you going to
10 support the constitution that we have the right to a clean
11 and healthful environment. And then there are other rules
12 and regulations that -- Montana has not had good
13 environmental regulations or limits. They haven't needed
14 them or haven't thought they needed them. And they're just
15 starting now thinking, well, let's see what kind of limits
16 should we have on this. So if there are faulty
17 regulations, do we accept that as the law, or do we say the
18 constitution is our law?

19 So I ask you to consider in your wisdom, what are
20 the facts that you are going to take as the basic ones?

21 JAMES BELL: Hello, my name is James P. Bell. I
22 am retiring to Choteau, Montana. I live now in Arkansas.

23 Back in 1975 my wife and I came to Glacier County
24 to practice medicine. We lived there for a couple of
25 years, and we fell in love with Great Falls and Choteau.

1 Great Falls is a wonderful town. And it has been, and it
2 has always been attractive to us. At a time when my
3 colleagues in the Indian Health Service were moving to
4 Livingston or down to Bozeman, we came back year after year
5 to Great Falls and to this part of the country. We love
6 northern Montana. And we set on a beautiful area that has,
7 to this point, has been unsullied.

8 But I'm afraid to tell you that the canary in the
9 coal mine has died. That canary is this past summer. I
10 mean most of you will agree that we had the hottest August
11 that anyone can remember. The forest fires polluted the
12 sky. Down Teton Canyon Road from where our home is, you
13 couldn't see the mountains. You could barely see three
14 miles. Now, that's what it's like in China I'm told by
15 people who visited there recently. Visibility throughout
16 much of the day is gray, even on a clear day. Is this what
17 we want for northern Montana?

18 No, we're not there at this point. And one coal
19 plant may not make that much difference, but it may. And
20 we don't know for sure. One more coal plant is one more
21 chink out of the legacy that we leave our children in
22 northern Montana, that we leave our grandchildren.

23 The science is clear, the earth is warming. And
24 whether you think this is due to natural cycles, you cannot
25 disagree that man has not contributed to this in some way.

1 I can remember in 1975 when the skies were clear, summer,
2 winter, fall, spring. Now, through much of the summer you
3 see a haze on the horizon. And I'm told by my friends this
4 is due to peek fires in Alberta, forest fires in Oregon.
5 Yes, it may be in part, but it is due to the increased
6 number of coal plants that we have put into this country
7 since the Jimmy Carter days in the 1970s.

8 We're suffering the consequences already, and the
9 earth is trying to tell us something with these hotter
10 summers. We need to listen to this. To put in a coal
11 plant in Great Falls is to add one more small burden to
12 this worldwide catastrophe that is ruin. You, as the
13 Cascade planning commission, have the ability now to make a
14 decision that will impact not only Great Falls and Cascade
15 County, but also Chouteau and Teton County, and Fort
16 Benton, and I would say Wyoming and Idaho and Arkansas,
17 because the effluent that this power plant puts out is
18 going to spread across our country. One more source of
19 pollutants to our country. If the pollutants are gone, why
20 do you need a smoke stack?

21 You have a chance now, folks, at this point to
22 make a difference in history. You are at an important
23 place in history to make a difference on how you vote on
24 permitting this rezoning change. You can make a difference
25 for not only Cascade County, but for all of American.

1 Because if this plant goes in, even as clean as they say it
2 is, it still is one more chink into that increasing load
3 that our atmosphere is varied. I would urge you to
4 consider not giving this permit for this power plant.
5 Thank you very much.

6 ED McKNIGHT: Ed McKnight, 906 Third Avenue
7 North, Great Falls, Montana.

8 It's going to be hard to come up with something
9 that hasn't been said already. I've been taking some
10 notes, and I would like to remind you of news article that
11 came out recently about the contamination in Giant Springs,
12 because when I first moved here, I was told that this water
13 was underground for 10,000 years before it came up. And
14 all of a sudden we are finding man-made chemicals and
15 contaminants in Giant Springs, which comes out of the
16 Madison aquifer.

17 Now, it's interesting, because I'm going to try
18 to focus on something that no one else has mentioned, and
19 that is the environmental modelling as it pertains to the
20 land around the Urquhart property. Most people are
21 concerned about what comes out of the stack, where it goes
22 and that. But I'm going to talk about what's called
23 fugitives of emissions: Stuff that comes off of the ground
24 and affects things on the ground and in the groundwater.
25 Now, I can swear I heard a proponent talk about how these

1 things have been addressed, but they have not, because I'm
2 in possession of all of the electronic data submitted to
3 the Montana Department of Environmental Quality. Nothing
4 in that modelling addresses anything to do with what
5 happens in the ground or what happens in the groundwater.

6 Now, that is interesting, because we're going to
7 be taking mercury out of the smoke stack, and then we're
8 going to dumping 90 percent of the mercury into the dump
9 area they have called an ash pit. And according to the
10 environmental modelling, the highest wind speed used to
11 calculate what is going to come off of that ash pit and
12 deposit itself in an alluvial band on to all the
13 surrounding property is 12 miles per hour. Now, that was
14 used in a calculation to show what is going to come off of
15 there, but not how it was going to be dispersed. The
16 dispersal, the actual wind speed was used in the dispersal.
17 So the 12 miles per hour is used.

18 The other thing about this modelling program is a
19 very primitive program designed to run on an IBM 286
20 computer. If you owned a computer more than 20 years ago,
21 you know what I'm talking about, so you might be able to
22 imagine the sophistication of this program.

23 And why that is significant is because it doesn't
24 really model reality at all. No amount of consideration
25 has ever been taken into account what the true effects are

1 on the ground of the effected property surrounding this
2 property. Is it permitted to take that into consideration
3 in your zoning?

4 There's two ways to stop that ash from blowing,
5 not only stop from blowing around, blowing off that pile,
6 is to water it down. So we could continually leach the
7 chemicals down into the Madison aquifer and poison the
8 groundwater and have it come up in places like Giant
9 Springs or in our wells or other things like that. Or we
10 can just allow that contaminant laden ash with mercury,
11 cadmium and lead, you know, all the whole zoo of
12 particulars in carbon, why don't we just allow that to blow
13 directly into the wheat and why don't we just consume it
14 directly and not wait for it to contaminate the
15 groundwater? Or maybe we should do half and half, half in
16 the food and half in the groundwater. This is just a
17 suggestion.

18 The other thing is this modelling program does
19 not treat pollutants as pollutants, it treats them as air.
20 So what is going to blow off this ash pile in the modelling
21 program used, this model has hot air disappearing into
22 infinity. I don't think that we should take this into
23 consideration when assessing what is going to happen to all
24 of the land area around the plant.

25 Another thing I would like to address, there was

1 an article in Forbes magazine addressing how wind power
2 projects have been cancelled in Montana, because there is
3 not enough transmission capacity to handle these projects.
4 So when you consume that transmission availability with
5 this project, you are, in effect, cancelling more of these
6 projects. So you are giving up clean energy jobs for dirty
7 energy jobs. There is no gain.

8 The second thing is Great Falls has the
9 opportunity to become the environmental alternative energy
10 capital of the United States. It's already been pointed
11 out here, we have the abundance of wind, water, and sun.
12 And not only would we be an energy center of the United
13 States, that would also add to the tourism. So you're
14 going to be giving up tourism as well.

15 So in terms of the zoning, I hope you consider
16 not so much what was said, but what was withheld by the
17 proponents of this plant. Thank you.

18 KATHLEEN GESSAMAN: Good afternoon, Kathleen
19 Gessaman. 1006 36 Avenue Northeast in Great Falls.

20 Thank you very much members of the board for
21 listening so patiently to all of us here. We do have a lot
22 at stake here. I mean this is my adopted hometown. I've
23 lived here 24 years.

24 I grew up in the San Francisco bay area. And the
25 San Francisco bay area was pretty much, as I grew up, is

1 what it is like here now. And I can see already the
2 changes in the atmosphere. And it's not something that I
3 want to see happen here. When I went home to visit, I went
4 out and went for a nice walk in the morning. And I looked
5 out over the town and went, wow, the morning mist is neat,
6 and the sun streaming through it. I realized it wasn't
7 morning mist. It was smog. And I was shocked, because it
8 had never been that bad, when I was growing up. It was
9 very much like it is here, more like 15 years ago.

10 The air quality has steadily degraded over time
11 with the forest fires and all that we've seen. And we need
12 to really preserve our land, our agricultural land. I mean
13 the beautiful farmland, the orchards in California that are
14 now covered with condos and stuff, it's really
15 heart-breaking is what it is, because it's prime. The land
16 is all we really have to live with. This plant may provide
17 temporary jobs, but the land is what sustains us all.
18 Without the land to produce the wheat, to produce, you
19 know, the cattle, all of the different grains, the
20 different organic farmers.

21 Personally we buy from some of these local
22 organic farmers. It's important that they grow organic, at
23 least for me it's important, because I'm a breast cancer
24 survivor. And it's more and more important that I get
25 clean food, because my immune system is compromised. And

1 all of the other cancer survivors, we have a weakened
2 immune system. We have to be more careful with the water
3 we drink, the foods we eat. And if we pollute our own
4 land, our own organic farmers, where are we going to turn?
5 We can't turn to China. We can see right now that they're
6 polluting their land even worse. So why are we even
7 thinking to go down this path.

8 We can see right now we have the six windmills
9 out of town. They're working quite well. United Materials
10 did a wonderful job there. They're producing energy. And
11 one of the proponents actually said we could be pumping the
12 water from below the dams and pumping it up to the top, we
13 could do that, you know, at night when the power is not as
14 needed, from a windmill. That's a very viable use of our
15 electricity, and we could get an additional use out of that
16 water. So there's lots of things we can do. There's so
17 many neat ideas we've got right now that we are really at a
18 crossroads.

19 And I hope you all take the time to realize that
20 your decision here today is going to be looked at by
21 everyone in the world. We are now in a google economy.
22 The world, when they google coal plants, when they google
23 what is happening, they're going to see what your decision
24 is, what the decision is here in Cascade County. And it
25 does matter. It matters to the whole world. It matters to

1 my daughter. It matters to my nieces, my nephews, my great
2 niece and great nephew. It matters to all of us. And I
3 hope that you will carefully consider, especially what all
4 these landowners have been saying, because they are the
5 most directly impacted. Thank you.

6 WAYNE FORDER: Good afternoon. I'm Wayne Forder,
7 5728 Shepherd Butte Road, Highwood, Montana. As you're
8 about to find out, I'm not a public speaker.

9 My family moved about a mile-and-a-half from that
10 plant in 1918. We've been there since then. When I got up
11 this morning, I looked out my bedroom window, and I could
12 see the monitoring tower on the corner of the Urquhart
13 property.

14 I have a lot of concerns. I appreciate the
15 planning board with this forum. You have an awesome
16 responsibility, as Mr. Townsend mentioned. And my fear is
17 that I have a problem, and I assume other people do, that
18 the mind cannot comprehend what the tail end cannot over
19 endure. And this has been a long session. So I thank you
20 very much for it.

21 As far as some of my concerns, three weeks ago I
22 have a three-year-old grandson that has to go to Great
23 Falls for medical care because of a chronic lung problem.
24 I also have concern about statements that are made about
25 cheap power. What is cheap power? You people are going to

1 have to have the ability to decipher what is the overall
2 picture. And the overall picture is bigger than Cascade
3 County, in my opinion. What happens if the propose --
4 somebody mentioned that the fiscal things don't come about.
5 What happens to cheap power then? Does it go to the person
6 offering the highest power for the price, or does that
7 power stay in Cascade County, Great Falls, the five co-ops?
8 It's a concern that I have, because we've seen it in other
9 areas.

10 The other concern I have is the environment. We
11 have a lot of states around us that have gone green, have
12 done that. They evidently have an issue with the
13 environmental issues. I don't think -- it isn't a question
14 of whether there is going to be environmental issues.
15 There will be environmental issues. To what degree it will
16 be, time will tell us.

17 I would urge the board to take their time on
18 this. The rezone, because of my locality, I have a very
19 personal issue with this. And I am concerned that if you
20 rezone this now before financing, if you rezone it before
21 all of the permitting process, if you rezone it for a
22 number of issues, and those don't come through, I'll be
23 stuck with a rezone program that does what? I don't know
24 that answer, but I hope you people know that answer before
25 you make your vote.

1 I think it is -- I'm also concerned because I've
2 already been told by people that I am the edge of the Belt
3 Creek breaks. It is property that people look at, and we
4 have lots of hunters. They go fishing in Belt Creek. But
5 they're not interested in developing in the area, or if you
6 want to develop it for more homes, if a coal-fired plant is
7 there. Property devaluation is a big issue.

8 The other thing that's printed on the banks of
9 Belt Creek just about a half a mile, maybe three-quarters
10 of a mile from where this is proposed, is an old gravel pit
11 that we used to own. I was told a number of years ago that
12 DNRC would not allow a gravel pit permitted there anymore
13 for a commercial pit because of environmental issues. I
14 would much rather live next to a gravel pit than a
15 coal-fired generating plant.

16 I do not envy your responsibilities, but I trust
17 you. And I too ask you to take your time and consider all
18 of the issues here. Thank you.

19 CHARLES BOCOCK: Good afternoon. My name is
20 Charles Bocock. I live here in Great Falls, Montana.

21 And the privilege to speak before the Cascade
22 County Planning Board, a group of folks who volunteer their
23 time, I feel is extremely important and deserves a special
24 note of thanks, and I thank you personally. I also want to
25 thank you for voting to adopt Roberts Rules of Order by

1 which you conduct your public meetings and your public
2 hearings.

3 You arrived this morning with new information and
4 have not been able to take the time to study the new
5 material. Last year's knowledge is not what you have in
6 front of you. New information needs to be studied with
7 careful due diligence. Educating yourself with this new
8 material will surprise you.

9 The board is now aware of the information
10 regarding the coal plant's air quality permit. The hearing
11 on the air quality permit will be held in just a few short
12 weeks in Helena in January. It is quite likely that SME
13 will lose their air quality permit.

14 Also the board should consider the news from the
15 Electric City Power Board meeting that was held last night.
16 They stated that the RUS funding for the coal plant will be
17 held up for as long as 12 months to 18 months because of
18 the farm bill in front of the senate.

19 Many of us in the audience are aware that if a
20 developer or company or citizen fills out the proper
21 paperwork and forms required by the Cascade County Planning
22 Board staff, that the planning board staff always
23 recommends that you vote yes on the staff recommendations.
24 The planning board was formed to study and review the
25 staff's acquisition of new material and new information to

1 help you, as a board, make a thoughtful decision. As
2 public officials, you should ensure that your actions and
3 positions on issues have been studied, researched and
4 thoroughly thought out. Each of you live here. Your voice
5 and your knowledge is greatly needed and appreciated for
6 this community and this county.

7 The zoning change request is not only a question
8 of laws, but more so a question of integrity. Take a
9 moment and reflect. Your personal individual integrity
10 will tell you it would be wise and prudent to be patient.
11 I recommend a motion to lay the question on the table
12 concerning the zoning application, giving all of the
13 members time to thoroughly study the new information, be
14 patient, wait until the ruling from the Department of
15 Environmental Quality hearing held in January concerning
16 the air quality permit has been handed down. No matter
17 what your true feelings are about the coal plant, you will
18 appear as being very wise and very prudent by being
19 patient. Table this zoning change request. Thank you for
20 your time.

21 CAROL FISHER: Hi, my name is Carol Fisher. I
22 live at 500 53rd Street South.

23 And one of the things that has bugged me all
24 along about this coal plant is the way it has more or less
25 been shoved down our throat, that the only available

1 possibility is to build this coal plant.

2 And in the paper on Sunday was an article about a
3 Florida man is the latest to enter the sweepstake to
4 develop Montana's first so-called clean and green coal
5 powered fuel plant, pitching a new twist to the coal to
6 liquids idea at the capitol. He said he wants to build 160
7 to 170 megawatt plant in Butte that would be the most
8 environmentally friendly coal plant that has ever been
9 built. And they have told us that Highwood uses the best
10 available technology, but that doesn't really mean
11 anything, because there's a lot of things out there that
12 are better. It may be the best technology for the type of
13 plant they want to build, but it is not the best technology
14 for this area.

15 In this proposal it calls the plant will first
16 turn coal into synthetic natural gas. About 92 percent of
17 that gas would be used to power electrical generators. The
18 other eight percent would be used in a thermal chemical
19 process that converts gas into ethenol. It's in the third
20 process that the truest sense of the word green. Bruce
21 said the plant would pump at least 50 percent of the carbon
22 dioxide emitted by the plant into 130 acre algae farm where
23 microscopic organisms would consume the greenhouse gases as
24 they grow.

25 Now, in the proposal for Highwood, they're not

1 talking about any type of cutting edge technology. My
2 point being is there's a lot of cutting edge technology out
3 there that hasn't even been considered as this coal plant
4 is being shoved down our throat.

5 In the article it also says, Bruce said the first
6 major hurdle to building the plant is finding a buyer for
7 the 160 to 170 megawatts of electricity that the plant
8 would produce. Well, to me that kind of seems like there's
9 a foot and there's a shoe, why not just shove them together
10 and forget about Highwood, when there's a plant that needs
11 somebody to use their electricity, and there's a co-op that
12 needs electricity, and this is using cutting edge
13 technology.

14 My other points are that -- I'm sure they've
15 already, most of them have been made. But obviously I'm
16 opposed to the change or the zoning change. And one of my
17 other main reasons is the property rights. I think that
18 the people that live in the area should be able to state
19 whether they want to live next to a coal plant or not.

20 LARRY CRAWL: My name is Larry Crawl. I'm a high
21 school teacher. I teach English, Spanish, and I have a
22 degree in sociology also. And I want to applaud the board
23 on your patience, first of all, and let you know that I
24 appreciate that.

25 It's all pretty much been said. But, you know, I

1 would just like to recap. And I would like to point out a
2 couple of things regarding the testimony. You know, all of
3 the proponents of this thing, if you were paying attention,
4 every one of them was in this thing for a buck. They were
5 economically connected to this coal plant.

6 If you look at the people that are opposed to
7 this plant, they are just made up of average citizens of
8 all walks of life and all different occupations. And I
9 would submit to the planning board that these opponents to
10 the plant are very concerned about economic development
11 too. And I would say that you should not disregard their
12 testimony as being anti-progress, anti-economic
13 development, and those sorts of things.

14 So there's one interesting observation that I
15 noted on this, kind of amazing that we're still having
16 these discussions at this stage of the game. You know,
17 it's been going on ever since Colstrip 1 and 2 were first
18 considered and first developed.

19 And, you know, I remember something, I don't know
20 if you guys have read the book by K. Ross Toole called Rape
21 of the Great Plains. Toole said something in that book,
22 and I would like to repeat it for you. He said, "It
23 remains incredible that in so many instances there appears
24 to be no relationship between the mortality of a bad idea
25 and the mass of the weight of the evidence against it."

1 And I think that you've seen a good example of that today.
2 You have physicians, you have farmers, you have ranchers,
3 over here with this huge mass of evidence against a bad
4 idea, over here a coal plant. So, you know, I think it's
5 fairly evident that this coal plant really is a bad idea
6 for everybody, except for the few connected people
7 involved.

8 A couple of things that really bother me about
9 this whole issue is the fact that all of the coal people,
10 SME, oh, this thing is going to promote the environment and
11 that sort of thing. And, you know, I guess that's a
12 damnable lie. The health effects of this coal plant are
13 not theory, folks, okay. People are going to suffer
14 ill-health effects as a result of the stuff coming out of
15 that stack.

16 And as a way of evidence, I would like to offer
17 in some testimony by a fellow named Dr. Wade Sikorski,
18 Ph.D., who lives over in Baker, Montana, downwind from
19 Colstrip. And what Wade discovered through his
20 investigations is, and this is a direct quote from Wade, I
21 believe that the evidence shows that the health of children
22 has already been harmed by emissions from Colstrip.
23 According to some statistics that I got off the Department
24 of Health and Human Services website for county health
25 profiles in Montana, in Montana there are ten counties with

1 high incidences of birth defects. And all but one of them,
2 Liberty County, which is up by the Canadian border, are
3 clustered each -- are clustered around each other in
4 southeastern Montana. These are counties in southeastern
5 Montana that have elevated birth abnormality rates: Big
6 Horn, 16 percent; Carter, 21 percent; Custer, 34 percent;
7 Dawson, 17 percent; Fallon, 26 percent; Garfield,
8 31 percent; Powder River, 25 percent; Prairie, 34 percent;
9 Rosebud, 20 percent. Except for Liberty County, which had
10 15 percent, all of the other counties in Montana were
11 either 10 percent or lower with most of them coming in
12 around seven percent. The average for all of Montana is
13 eight percent. So counties in the southeastern Montana
14 have about three times as many abnormal births as counties
15 in the other three quadrants of Montana. The difference in
16 birth abnormalities between southeastern Montana and the
17 rest of the state is as dramatic as it is disturbing.

18 Look at the data available. I believe we have
19 another Libby on our hands where a major corporate polluter
20 is denying in considering the harm that it is doing to
21 Montana citizens. We must find the underlying cause to
22 this.

23 Am I out of time, are you just flipping those?
24 How much time do I have? All right.

25 Folks, the last point I want to make is this:

1 With that sociology degree, you also have to do a city
2 planning and so forth. And I'll leave you with this:
3 Economic development has to make economic sense. If you're
4 doing things that do not make economic sense, it's not good
5 development. Okay. And part one of the basic tenets of
6 economics is the more rare a thing is the more available it
7 becomes. What we have here in Great Falls is indeed very
8 valuable, because it's very rare. We have clean water. We
9 have clean air. We have a clean environment. Any
10 degradation of that environment is going to hurt us
11 economically. Thank you very much.

12 DONNA KRAMER: Hello. My name is Donna Kramer.
13 I live at 1604 Second Avenue South, Great Falls, Montana.

14 And I'm just here to say that in the paper Carol
15 Fisher was talking about a proposed plant that would be
16 built in Butte. If you want to see this same plant up and
17 running already, look to Arapahoe Energy. They're either
18 in New Mexico or Arizona. It is the same type of plant.
19 You can go to their official site and see everything that
20 they do. They also are going into biofuels. It's very
21 interesting and it's something that I think we should
22 really look into. Thank you.

23 RON GESSAMAN: My name is Ron Gessaman. I live
24 at 1006 36 Avenue Northeast. And I was born in Fort
25 Benton. My family has agricultural interests in Chouteau

1 County, have had for about a hundred years. So I have a
2 connection to Chouteau County. I went to high school here
3 in Great Falls, and I graduated from Bozeman. So I have a
4 connection to Cascade County and Gallatin County.

5 Once I graduated with a degree in chemical
6 engineering, I went to work for a consulting company in
7 Chicago. And I spent quite a number of years working on
8 large industrial facilities. One of my first jobs was a
9 power plant in Florida. My last job was a grass roots
10 refinery in Saudi Arabia. In between I provided
11 commissioning and operation and trouble shooting support
12 for about 70 other facilities in countries all over the
13 world. This gave me a very broad perspective and
14 appreciation for all of these large industrial facilities.

15 And today we've heard a lot about the proposed
16 Highwood Generating Station, which is the reason for the
17 rezoning. Now, I have opposition to the rezoning, because
18 I do not believe that the Highwood Generating Station can
19 be justified on a technological and economic or on an
20 environmental basis.

21 We have heard the proponents testify that this
22 plant has the latest, the greatest, the most modern
23 technology. Well, in fact, the technology that is being
24 used by this plant, circulating fluidized bed, CFB, is an
25 old technology. There are CFB plants running out there

1 that are 28 years old. The Canadian government has
2 recognized that the CFB plants in Canada are all dinosaurs.
3 They are in favor of shutting them all down.

4 The reason that CFB is considered undesirable is
5 because it has a very high heat rate. This particular
6 plant has a heat rate of 9836 BTUs per kilowatt hour.
7 That's straight out of the SME data provided to the RUS in
8 their FEIS. That number is among the highest heat rates on
9 earth for a power generation plant. You have a letter in
10 your possession showing some charts and graphs as to what
11 other plants have for heat rates. And a modern plant would
12 be somewhere down around 8,000, 8500 BTUs.

13 So on a technical basis this plant is not
14 acceptable. It's efficiency is low. And when you have a
15 low efficiency, then, of course, you don't make any money,
16 because you're using a lot of coal to generate your output
17 electricity.

18 The other thing about this plant is that this
19 plant will be very difficult to control the CO2 on. The
20 reason it is difficult is because you have a very large
21 input stream of air for the combustion, and all of those
22 gases, like the nitrogen, end up in the off gases. And so
23 you've got to scavenge through all that off gas to find
24 your CO2. That means that that stream will be up to a 160
25 times larger than it would be if you cleaned up the carbon

1 before you provided the fuel to the boilers or the process
2 where you have generated the electricity.

3 So then that brings us to another environmental
4 issue, which is the best available control technology.
5 Just because this plant has best available control
6 technology does not mean that's the best emissions control.
7 It just means that's the best technology for a CFB plant.
8 So we need to keep in mind that we are not talking about
9 the state of the art here. We're talking about old
10 technology. Thank you.

11 PAMELA MORRIS: Chairman, members of the board, I
12 am Pamela Morris, 2201 Eighth Avenue North, Great Falls.
13 That's just for the last six years. Previous 30 I was
14 teaching in Billings, Montana. But the previous, I'm not
15 going to say from my birth, I was born in Great Falls right
16 at the Columbus Hospital. In fact, both sides of my family
17 came to north central Montana over a hundred years ago. My
18 grandfather started a business in Great Falls here, which
19 evolved into the largest sporting goods distributorship,
20 many of you may have bought some firearms from him on
21 Central Avenue.

22 I chose to retire back to Great Falls, just as
23 many have, because this is indeed the last best place. I
24 commend you for serving at this time. And ask you to
25 readdress one of the points that your planning department

1 staff did not fully address. Because you need to look at
2 Number 5, the culture of Great Falls. Great Falls is not a
3 culture of smoke stacks and Anaconda Company where you can
4 be happy that your grandfather worked and your father
5 worked at Anaconda Company. What it is now is the place
6 where people, such as I, are happy to come back, where we
7 can breathe the fresh air. We can raise our children, and
8 we know that there's a fine medical facility here that
9 brings doctors to our place because of the wonderful
10 educational system. By the way, the teachers come here
11 rather than other places, the cities, including Billings,
12 which I am glad not to be there now.

13 How about an arts community? How about the
14 tourism? Okay. Who is really Great Falls anymore and what
15 is going to be our future here? Our potential, our
16 economic future is not in the area of regressive energy
17 development. We're going to have an Aero conference coming
18 up Saturday. I invite you to take a look at what the real
19 future is going to be, if we allow it, rather than going
20 backwards. Because we do have wonderful alternative
21 sources of energy.

22 Please do not turn this community back into an
23 Anaconda mining company, again, town. The skies are clear
24 now. You notice I come back here, and I see and I look up,
25 and I see, look at this. I tell you I did not see that in

1 Billings.

2 All right. I want us to continue having this,
3 and you people who are in the labor unions, et cetera, what
4 quality of houses do you want to build, what quality of
5 businesses do you want to have? All right. We don't need
6 to attract people who want to come here and breathe dirty
7 coal air. We want to continue to attract the kind of
8 people that are coming that are allowing us to thrive right
9 now where there are jobs, and I see this to be, continue to
10 be our last best place, even more so.

11 So please revisit your planning department's
12 recommendation where they have half admitted some things,
13 and then look at what has not been said, as other people
14 have said to them, and let's do what is right.

15 CHAIRMAN COX: Do I have any other opponents?

16 I'll just speak for a moment or two here. And I
17 don't speak very often in front of people, so I'm usually
18 scared.

19 THE COURT REPORTER: I need your name before you
20 go too far.

21 JERED KUNO: My name is Jered Kuno. I live at
22 2205 4th Avenue South. I worked previously the last time
23 19-and-a-half years for the waste water treatment plant
24 here for a company called Veolia Water, that was one of the
25 companies that own it, or didn't own it, excuse me, you

1 folks own it. We operated it. We operated it well. My
2 point is that I don't think our facility here is up to
3 handling much more without additional rebuilds on that
4 plant. That plant was built in '77. It was designed for
5 120,000 people in the city. It was built to actually
6 accommodate 60,000, because two part -- or one-half of that
7 plant was never further developed on what they call the
8 wetting. The solid ends is the digester and rebuilt. And
9 there is a methane burner there that was supposed to go on
10 line, I believe, in early spring. I retired six months
11 ago, and it wasn't in operation then. I don't know if it's
12 in operation yet, but that's another point.

13 The other points that I have, I have family that
14 lives very close to China. I've seen the results of the
15 pollution there and the pollution in Koahsiung from
16 coal-fired generators. My three grandchildren were sick
17 all the time. I was sick for six weeks when I was there.
18 The sky is the color of that cedar up there by noon. And
19 this is in a valley like this, huge beautiful mountains.
20 And if you can get away from the pollution, it's kind of
21 nice.

22 But those are my points. I just ask you to
23 consider, if you would like, to further that degradation of
24 our environment, I guess we can go with this antique deal
25 that they're proposing, okay. So that's all I have to say.

1 Thank you. And I appreciate your help. Hope you don't get
2 too tired of listening to all of us people that don't know
3 how to speak, including my cousin, because he's a very good
4 fellow. Thank you.

5 CHAIRMAN COX: Any other opponents? Any other
6 opponents? Last call, any other opponents? At this time
7 we'll close it to opponents.

8 If there's anybody out in the audience that would
9 like to get up and say something not in favor either way,
10 now is your time to do that.

11 MR. CLIFTON: Mr. Chairman, that has not already
12 spoken?

13 CHAIRMAN COX: That has not already spoken.

14 MR. NICHOLSON: Mr. Chairman, may I have the
15 chair? I would like to move to postpone the motion to
16 approve or disapprove the Urquhart zoning change request
17 until the planning staff has had a chance to revise their
18 recommendations to us after consideration of the public
19 comment on this matter and after the decision is rendered
20 by the state of the appeal of the HGS air quality permit
21 and other litigations that are pending?

22 CHAIRMAN COX: Do I have a second? I do not have
23 a second. Motion is denied.

24 At this time, we will go to the board and if
25 there's any discussion or questions for Brian.

1 MR. CLIFTON: If I can have a couple of minutes,
2 Mr. Chairman?

3 CHAIRMAN COX: Sure. By the way, we are closing
4 it to the public hearing as of now.

5 MR. CLIFTON: Turn the timer off. Okay. Just a
6 couple of things. First of all, I want to say a thank you
7 to the citizens. I think you guys conducted yourselves in
8 a courteous and gracious manner throughout the process. I
9 would also like to thank the Cascade County sheriff's
10 officers who have been here and helped throughout this
11 process. They probably learned more than they ever wanted
12 to learn, but thank you guys very much. I would like to
13 thank my staff and attorneys for their hard work in
14 preparing this and all this material and setting up for the
15 meeting. And, of course, I would like to thank the board
16 for putting in this time, as many people have recognized
17 the fact you are volunteers and the amount of time you put
18 in.

19 This is pretty much standard operating procedure.
20 I usually take a couple of minutes to address something, if
21 I think something has come up or a clarification that I
22 need to address, as far as staff. So I've just got a
23 couple of things.

24 One, as far as soils go, with regards to staff
25 comments, because I never speak for an individual, but as

1 far as staff report goes, again the land is not designated
2 prime ag land or land of statewide importance, as done
3 through an analysis that we use through our growth policy
4 and our planning board through the USDA. And staff has
5 never indicated in the staff report or in oral presentation
6 that the land is worthless or not productive as
7 agricultural. In fact, I think my staff report seemed to
8 indicate that they could continue to farm it as it is being
9 farmed currently.

10 Second of all, recommendations, actually
11 recommendations are not always in the affirmative, unless
12 the materials submitted meets, in staff's opinion, their
13 requirements of our regulations. Oftentimes a developer
14 chooses not to go in front of our planning board, if staff
15 has already indicated that it doesn't appear to meet our
16 regulations, but they are always welcome too. And as this
17 board can attest to, regardless of staff recommendations,
18 this board is definitely independent and will make up their
19 minds as they see fit. But as far as staff reports go, the
20 recommendations are not always in the affirmative, unless
21 the material submitted meets, in staff's opinion, the
22 requirements of our regulations.

23 Regarding the Section 106 process, which has been
24 talked about a couple of times, the staff totally agrees
25 with the fact that this process, while not yet completed,

1 is an advisory only. It's not a binding document as a
2 building permit location, air quality permit, et cetera.
3 Therefore, staff does not believe that the Section 106
4 process will affect the zone change application presented
5 to you, and that's why staff forwarded that recommendation
6 in the staff report.

7 And at this time I will entertain any questions
8 that the board may have. Again, just for the people who
9 may not have ever attended one of these meetings,
10 oftentimes the board will ask me technical questions with
11 regard to the application. Myself or my staff will never
12 be able to answer all technical questions regarding
13 application form. And oftentimes we pull the applicant
14 back up to explain something to the planning board. So I
15 don't want you to think it's out of character. It's not.
16 It's very common, because usually these planning board
17 meetings we're hearing anywhere from two to five
18 applications, and there's no way staff can know all of the
19 intricacies of each and every application that comes in
20 front of us.

21 And then for the final, staff has, as I mentioned
22 before, we worked until late last night documenting all --
23 we have to document everything that comes in. And I just
24 want to give to the planning board, we have to summarize
25 for the record the attachments. They're also included in

1 the front page of your booklet, or the binder I gave you
2 guys prior to this meeting. The issues and the concerns
3 that we've received, I will run through those, so that we
4 have those on record as well, and for the public to hear as
5 far as the summation of those.

6 For the opponents, the summation includes:

7 No to the Highwood coal plant.

8 Recommend investing in clean renewable energy and/or
9 conservation alternatives instead.

10 It's hazardous to our health, air pollution, emissions from
11 the plant.

12 We do not need the electricity here and should not build to
13 send the electricity out of state.

14 Waste of water sources/reduction in water supply.

15 Impact of this plant would increase global warming.

16 Changing the zoning is anti-farming.

17 Articles from USA Today regarding mercury toxicity/rise in
18 humidity/coal plants.

19 View into the future of a creation of a new Superfund site.

20 Effect of downwind residents on air quality.

21 Effect of downriver residents on water quality and the
22 effect of the volume of the water.

23 HGS will create a negative impact on the quality of life of
24 Fort Benton.

25 City of Fort Benton will not receive any positive economic

1 impact from the plant.

2 Cascade County tax payers will be stuck with funding this
3 project.

4 RUS and SME must investigate sites for HGS that lie outside
5 of the NHL and its view shed.

6 This will result in overpolluting the planet, there's no
7 clear view of the Highwood Mountains.

8 The impact of the HGS on this letter writer's chronic
9 obstructive pulmonary disease.

10 It will spoil the area's natural beauty and image, keep
11 Montana the last best place.

12 The plant will disrupt the character of Great Falls and is
13 inconsistent with our values.

14 It's spot zoning, it's not an economic interest, it's not
15 an environmental interest, traffic issues, prime land, and
16 noise concerns.

17 Loss of the productive agricultural land to industrial
18 land.

19 The plant will devalue and degrade neighboring farms and
20 ranches and homes.

21 Electric rates will go up.

22 Impacts to property taxes and schools.

23 The plant will have negative impacts to the portage route
24 and tourism.

25 Great Falls will lose its gold star on the national map for

1 the NHL.

2 Rezoning is premature since the Section 106 process is not
3 complete.

4 HGS cannot minimize, mitigate, or avoid impacts to the NHL.

5 There are unanswered questions and costs of meaningful and
6 safe methods involved.

7 Shrinking and questionable electrical market.

8 States are not open to coal-used electrical generation
9 markets.

10 Plants should be built at the coal field.

11 This plant will reduce the view of the Highwood Mountains
12 as seen from around Great Falls.

13 This plant will cause environmental problems now and for
14 future generations.

15 Natural beauty and ag production should be protected and
16 well guarded.

17 Rezoning for housing and industrial facilities on best ag
18 land makes no sense.

19 Rules must be followed and not bent, do not rezone the
20 plant.

21 Application is not in compliance with the county land use
22 plan.

23 Application is not compatible with neighboring farms and
24 ranches.

25 Coal plant is not in the best interest of the county.

1 HGS will use all the available transmission capacity for
2 electricity in the region.

3 HGS facility will lead to the probable delisting of the
4 national historical landmark.

5 Facility will do damage and is not needed in the state.

6 Facility will not be in compliance with promoting public
7 health and general welfare.

8 Facility would increase exposure of dust from road and ash
9 from solid waste piles.

10 People should have been able to vote on this in the county.

11 Plant will not enhance public health, economy, or working
12 toward a cleaner environment.

13 Court cases have mandated rezoning meets the 12-step
14 criteria mandated by law.

15 Listing of the 12-step rezoning criteria and non-compliance
16 of each one.

17 Cast doubt on the economic feasibility of the program.

18 Commitments to capital expenditures have not been included.

19 City of Great Falls has end run around the citizens and
20 voters of Great Falls.

21 Plant construction costs are not accurate.

22 Sponsor of the plant lacks credibility.

23 Site plan contains railroad lines and sewer lines across my
24 property, I have not been notified.

25 FEIS notes impacts with air quality, noise, visual

1 resources and traffic would decrease quality of life.

2 Salem Road is not adequate to support traffic necessary to
3 build the plant.

4 Salem Road is the only reasonable access to the site, so
5 emergency services in the area are inadequate.

6 Who wants to live next to dirty pollution, railroad spurs,
7 transmission lines, and 550 vehicles of traffic.

8 A 400-foot stack will not be attractive.

9 Smoke billowing out of stack will cover the beautiful view
10 of the Highwood Mountains.

11 HGS facility would alter the area and the residents' way of
12 life.

13 My way of life will greatly change, if this is not stopped.

14 Will the proposed HGS insure us a healthy environment?

15 Coal dust will possibly contaminate our drinking water.

16 The Northwest Energy Coalition and the NW Power and
17 Conservation Council say there's no need to built a new
18 coal plant.

19 Coal plants are not wanted.

20 The best use of this land is for farming.

21 Conversion of the land to industrial use would be a
22 travesty.

23 We do not need slag heaps, coal piles, and smoke stacks
24 destroying forever this vista.

25 Planning board has a moral obligation to uphold the Montana

1 Constitution to guarantee a clean and healthful
2 environment.

3 HGS will use up the transmission capacity for local wind
4 energy development.

5 It's too close to their land and house.

6 Stack limited to 400-foot height, variable wind patterns
7 and upper inversion cap impact air quality, lack sufficient
8 dispersion of pollutants.

9 The particulate matter will impact Great Falls/contributes
10 to poor health such as in West Virginia and the east coast.

11 Diversion of large amounts of water as noted in the EIS,
12 could stop other potential industries/needs for crops and
13 recreational uses.

14 Neighboring landowners are opposed; their rights need to be
15 considered.

16 Infrastructure is expensive to construct/maintain, fire and
17 law both would have additional expenses.

18 Consider effects on city and county budgets.

19 Timing of this project prior to likelihood of carbon tax is
20 not a wise investment.

21 Most of the central rural cooperatives that supply our area
22 have mostly refused to participate in this venture.

23 SME has overestimated its power supply needs.

24 Management and solid waste will be a problem, groundwater
25 contamination/overflow with flooding hard to manage.

1 Economic impact for jobs are very limited.
2 General Electric no longer manufactures this type of plant,
3 it's obsolete.
4 We have a need for clean air and clean water.
5 Plan is outdated technology.
6 The amount of mercury that would be put in the countryside
7 and rivers is a concern.
8 This plant is bad on the environment.
9 Treatment of sewage to a plant already stressed by the
10 malting plant is of concern.
11 Impacts from a proposed influx of temporary labor and
12 resulting congestion.
13 The best use of land would be considered agriculture,
14 ranching, outdoor opportunity and a healthy environment.
15 Opening door to other industrial type projects such as
16 munitions disassembly, plutonium reprocessing facility, et
17 cetera.
18 SME blatant deceptions and persistent attempts to shade the
19 truth.
20 The Canadian government considers the CFB technology that
21 operates as dinosaurs.
22 Carbon Capture and Sequestration Plan Summary is uncertain
23 at this time, funding for HGS is still unclear.
24 SME has had no generation facility operating experience or
25 any other industrial plant operating experience.

1 Design of facility for maximum energy efficiency is a major
2 flaw for the proposed at HGS.

3 Plant would encourage sprawl between the site and the city
4 of Great Falls.

5 Potential impacts of the military, the rezone could
6 sandwich the runway, some nearby crash zone properties in
7 this area near base.

8 The existing plants fined for violations, just change the
9 standards they were permitted to run in rather than change
10 their operation.

11 Growth policy encourages special consideration to protect
12 the agriculture of the benches, coal plant would not
13 protect land.

14 Other considerations for location were more expensive, we
15 shouldn't sell out because other areas declined or were
16 more costly.

17 City of Great Falls has agreed to give away 3200 gallons
18 per minute of water from Missouri River to SME for the
19 project without consideration of future use.

20 Still excellent soils that produce many bushels of wheat,
21 et cetera.

22 Feels bias has been introduced to the planning board
23 because of recommendation from planning staff in the
24 affirmative.

25 HGS is a latent killer, gross polluter, environmental

1 disaster, terrible neighbor, and potentially an economic
2 calamity.

3 Release of harmful radioactivity from coal consumption,
4 mining impacts on environment.

5 Current road fees assessed through property tax, burden
6 back to current landowners?

7 Once power is generated and in the power grid, its source
8 isn't known, think price could good up to allow profit.

9 Property values have declined in the area because of
10 potential health hazards, increase in noise, significant
11 traffic issues.

12 Strongly disagree with the statement proposed zoning will
13 promote public health and welfare.

14 This will become a future Superfund site just as Libby
15 asbestos victims, sounds eerily similar to W.R. Grace's
16 claims in Libby.

17 Insists there are cleaner, cheaper and more reliable energy
18 economy available, wind power should be encouraged.

19 This will kill any future residential development in this
20 area.

21 Other areas in the county are replete with stories of
22 rejected coal-fired power plants with updated technology.

23 Cost benefit analysis for the entire community not being
24 considered.

25 Heavy truck traffic, if approved, jeopardizing citizens in

1 the area.

2 Few will gain, majority of people will bear the burden.

3 Particulate matter will impact Great Falls, just as Butte,
4 Missoula, Libby and Hamilton are close to not meeting
5 guidelines.

6 Mercury concerns are real, coal-fired plants are the
7 largest source of man-made mercury pollution in the
8 country.

9 Growth policy goals and objectives are themselves
10 contradictory and cannot be adequately defined or
11 practically applied.

12 The illogical justifications by planning staff that exist
13 in special use permits excuse the fact that HGS is out of
14 character of the area.

15 Irresponsible use and misinterpretation of all concerned in
16 the FEIS assessment on effects of rezoning the HGS project.
17 This will decrease land values.

18 This would not preserve the character of the district and
19 would disrupt our cultural heritage.

20 The Historic Antiquities Act in 1966 requires the SME
21 application for a federal loan guarantee to complete the
22 106 process prior to the RUS awarding the federal loan.

23 The documents are lacking necessary economic information to
24 weigh the current economic benefit to Cascade County.

25 No plans are in place for demolition of HGS when it

1 terminates its 40 year operational lifespan and restoring
2 it back to ag use.

3 The economic impact of the historic preservation should not
4 be minimized

5 Wind farming is a viable tax contributor/2525 renewable
6 energy initiative.

7 New York Times article October 20, 2007 about diverse
8 partnerships against coal plant in Great Falls, Montana.

9 Feels staff report does not give enough information to
10 planning board to make an informed decision.

11 No documentation for Department of Energy or Department of
12 Defense indicating any level of support as claimed.

13 Additional water vapor to the atmosphere is another source
14 of greenhouse gases that trap heat that would be added to
15 climate.

16 Local rights should be considered.

17 They do not want industrial parks surrounded by
18 agricultural land, growth policy is to be a guide to
19 follow.

20 The Cascade County has been in a drought, don't let our
21 water go.

22 Particulate matter will increase if plant approved, when
23 playing sports we will play hard and breathe hard sucking
24 it in.

25 Concern for wildlife dying from mercury and other possible

1 deformities.

2 Local people will not receive any of the electricity for
3 our homes, no real benefit.

4 If approved, SME should own the plant's pollution as well.

5 Feels the logic that ag and heavy industrial uses are
6 compatible because they would be allowed with the special
7 use permit is wrong.

8 Other part of economic development, how many business will
9 not come because the HGS, not just their employees.

10 Others to consider for employment, what about those who
11 already have jobs, organic farmers may lose their
12 livelihood.

13 Growth policy objectives not met to protect ag lands.

14 Feels application is premature, litigation concerns on EIS,
15 air quality permit determined in January of '08, and an AG
16 opinion on secondary industry.

17 National landmark protection should be considered.

18 Driving on the Highwood Road with increased traffic raises
19 concerns of insurance being raised.

20 Coal is not going to work, coal articles attached to letter
21 about many problems with coal.

22 Future is not limited to the coal plant; labor could build
23 a solar cell factory, a wind farm, biodiesel facility, et
24 cetera.

25 And, finally, concerns that the plant is being forced on

1 the public.

2 The proponents, they're very short. Let you know
3 we're almost done. The proponents:
4 Should be allowed if State of Montana and federal
5 government agencies approve their permits/need the
6 power/financially beneficial.
7 Possible that carbon dioxide capture could be
8 installed/state of the art power plant.
9 Cleaner than Colstrip plants that could be replaced if we
10 had newer, cleaner burning plants.
11 The right thing to do for our community.
12 Provide significant benefits to the residents of the tax
13 revenues annually for the school district, city, and
14 county.
15 Feels that the EIS and environmental impacts are met, we
16 need electricity.
17 And it's cutting edge of developing CO2 capture and
18 sequestration technology.

19 And, again, planning board members, you have
20 that. Most of you have seen it in the front of your book
21 that we handed out this morning.

22 MR. NICHOLSON: I would like to go on record that
23 I never had time to read all these letters that came in
24 this morning, a big pile of them. I know these other
25 people haven't either. And I don't think that that's

1 copacetic.

2 MR. CLIFTON: Again, you are the board. This is
3 the board. Staff makes the recommendation on the staff
4 report, and the board makes whatever decision.

5 MR. KESSEL: I would like to make a
6 recommendation that the planning board recommend they
7 approve. That's my motion.

8 MR. WILKINSON: Some of us have questions of the
9 applicant, so. Are we to questions? Okay. All right.
10 I'll get started here then.

11 I've just got a couple of quick questions. First
12 for Mr. Chaffee. Is he here still? Yeah. Brian asked us
13 to write down questions, as you guys were making your
14 proposal application. So I've done that.

15 In one of the slides you had in your
16 presentation, I think you had -- it went fast, so I might
17 have missed it, I think it was 7.1 cubic feet of water a
18 minute that would be used. Is that correct?

19 MR. CHAFFEE: Mr. Chairman, it's 7.1 cubic feet
20 per second --

21 MR. WILKINSON: Per second.

22 MR. CHAFFEE: -- is the maximum water demand.

23 MR. WILKINSON: It's been a while since I've been
24 in school, a I think a cubic foot is what 750 gallons; is
25 that right? That's 100 cubic feet. So what's 7 point --

1 MR. CHAFFEE: About 7.5.

2 MR. WILKINSON: So per minute what is the use of
3 the coal plant? I guess I --

4 MR. CHAFFEE: On a per minute basis, that would
5 be 3200 gallons per minute.

6 MR. WILKINSON: So do you know how much that is a
7 day in 24-hours. Maybe --

8 MR. CHAFFEE: My memory says it's 4.6 million a
9 day, something in that range.

10 MR. GREGORI: 25 percent goes back.

11 MR. CHAFFEE: And 25 percent goes back to the
12 waste water system.

13 MR. WILKINSON: Okay. Thank you. Since I've got
14 the mic, do you mind if I ask a few more questions? I
15 don't know if this is appropriate for Mr. Chaffee or
16 probably Mr. Cavanaugh. I think you're part of the design
17 for the plant.

18 Looking in the application under I think it's Tab
19 16 of what we have, and I'm just trying to confirm the size
20 of this thing. The stack is 400 feet tall.

21 MR. CAVANAUGH: That is correct.

22 MR. WILKINSON: There's no -- what's the diameter
23 at the base?

24 MR. CAVANAUGH: At this time the diameter at the
25 base is 40 feet.

1 MR. WILKINSON: So the diameter at the top would
2 be?

3 MR. CAVANAUGH: 20 feet.

4 MR. WILKINSON: And I noticed that the boiler
5 building is over 20 stories tall, 200 feet tall.

6 MR. CAVANAUGH: That is correct.

7 MR. WILKINSON: And how long is that building, a
8 guess?

9 MR. CAVANAUGH: You know, I don't have those
10 specific numbers, but in general terms, it's roughly a 160
11 by a 160-foot square. It's very rough, so.

12 MR. WILKINSON: By 200, okay. Then I've got a
13 question for, let's see -- well, I guess we could make our
14 comments in a little bit. But, Ms. Jaraczski, if you
15 would come up there, please.

16 In several of the letters that we had in our
17 packets it talked about the neighboring property owners,
18 and as far as the transmission lines for the water, the
19 power lines, I imagine the sewer line, the railway going
20 through their property. Do you anticipate that SME will
21 just condemn the property? Is that what you see, as
22 several of their letters said they had never been
23 approached by selling those rights away?

24 MS. JARACZESKI: I'll respond and then I'll have
25 Mr. Gregori follow up.

1 As far as contact with the landowners, we had a
2 meeting with the landowners prior to starting the first
3 rezoning process. My recollection was that that occurred
4 in October or November of 2006, and it was a really snowy
5 evening. We sent landowners, in fact, I personally sent
6 them to all of the landowners in the area that that's who
7 we thought would be affected by any of the infrastructure.
8 We invited them to attend this meeting. It was at the
9 LaQuinta. Mr. Gregori gave a presentation, as I remember.
10 And we discussed where, at that time, we thought those
11 structures or those things would be. That answers your
12 first question.

13 As far as condemnation, my understanding is that
14 we won't proceed directly to condemnation. We'll try to
15 work with the landowners as far as acquiring those rights
16 through either easements or right-of-way.

17 MR. WILKINSON: But if you don't get it through
18 voluntarily for them selling their rights, is the county
19 then going to condemn that property, because SME is a
20 private entity is my understanding, even though it's made
21 up of various co-ops and the City of Great Falls, but the
22 county would have to condemn the property; correct?

23 MS. JARACZESKI: I don't think that's correct. I
24 think that under state law that SME as a utility has the
25 right to condemn, because they need those easements and

1 right-of-way for a public use. Is that right, Neil? Oh,
2 Mike McCarter, their other legal counsel, can speak to that
3 as well.

4 MR. McCARTER: Yeah, I visited that issue. The
5 co-ops do have the right of condemnation, but you want to
6 use that only as a last resort.

7 MR. WILKINSON: Is SME a co-op then, if it's made
8 up of various co-ops and the City of Great Falls?

9 MR. GREGORI: SME is a 51C12 electric cooperative
10 with incorporation papers filed with the Internal Revenue
11 Service.

12 MS. JARACZESKI: I had reviewed those laws. It
13 was a little while back. But I don't believe it doesn't
14 matter, the corporate structure of the entity doesn't
15 matter. It's the public use that is important to that
16 question.

17 MR. WILKINSON: Okay.

18 MR. GREGORI: With regard to the contact, some of
19 the people that spoke today were actually at the meeting.
20 And I was a little confused when I heard that they haven't
21 been approached, when we had Jeff Chaffee, myself, and a
22 representative of Stanley go through the details of the
23 project. At that time, we outlined three alternatives for
24 rail routes and also alternatives for transmission routes.
25 And it would be our goal to try to work with the landowners

1 and come up with one of those routes that would be
2 acceptable to the majority of the landowners, and hopefully
3 be able to purchase the rights as well.

4 MR. WILKINSON: Can I keep going here, just a
5 couple more? Another question, probably for the engineers,
6 I went out to the spot yesterday, in all of the mud,
7 because I was familiar with the area, but I really hadn't
8 been out there in such a long time. Can either one of
9 the -- or someone speak to the elevation? It's on, I
10 believe, Tab 27 shows the elevation at the plant, but what
11 is -- does anybody know what the elevation at the Lewis and
12 Clark Portage staging area is? To me it looks like it kind
13 of gently raises maybe 60 feet or so?

14 RICHARD URQUHART: It's 128 feet from where the
15 plant sits.

16 THE COURT REPORTER: I know you're an Urquhart,
17 but I can't remember your first name.

18 RICHARD URQUHART: Richard Urquhart.

19 MR. CLIFTON: First of all, the questions and
20 answers for the board, you have to have the board address
21 you to answer it. We do not want a yellfest to start, what
22 about this, what about that. So first of all, you guys
23 have done very good. I know it's been a long day. It's
24 imperative that we run through the process, as Mr. Bocoock
25 had stated, through the proper procedures and stuff. So

1 please wait to be recognized by the chairman. Thank you.

2 MR. CAVANAUGH: We'll get roughly 130 feet in
3 elevation change. Now let me go to your next question.

4 MR. WILKINSON: Okay.

5 MR. CAVANAUGH: Is not a direct line of sight of
6 130 feet. You have a crest of a ridge, and the power plant
7 sits back over that crest. So your line of sight at the
8 plant, which is some 4,000 feet away, is much higher.

9 MR. WILKINSON: Okay.

10 MR. CAVANAUGH: If you understand what I'm
11 saying.

12 MR. WILKINSON: And I agree with you. I did see
13 that little crest. What bothered me, though, is when --
14 the reason I went out there, I was looking at the
15 digitalized photo from the applicant, and you could hardly
16 see the smoke stack. And I'm a long-term Montana resident,
17 been here, born here. And I remember the smoke stack up on
18 the smelter here, and you could see that for miles and
19 miles. And I think that was about 500 feet, 550 something
20 like that tall. I just, my point was I don't think that
21 that photo is accurate when I went out there and looked at
22 it. You're going to see that massive stack and that
23 massive 200-foot-tall boiler. But I did see that little
24 crest in the hill there. And that, you know, that's just a
25 point that I wanted to make, because I think that the photo

1 was not accurate, unless we were using blue skies to --

2 MR. CAVANAUGH: I anticipated your question. We
3 used fairly sophisticated computer modelling to represent
4 that.

5 MR. WILKINSON: I'll hold any other questions
6 until a little later. Let some of you other guys, and then
7 have board questions.

8 MR. LUNDBY: My question is for planning staff.

9 Brian, on Page 14 of the planning staff report,
10 addressing the Criteria Number 3, the zoning regulations
11 have been designed to secure safety for fire panic and
12 other dangers, I noticed when you read through the report,
13 that you left this part out, "The approximately 20 Sand
14 Coulee volunteer firefighters are comprised of volunteers
15 with firefighter one and firefighter two training."

16 The applicant goes even further in their report,
17 and they claim 50 percent of the Sand Coulee Fire
18 Department volunteer firefighters are certified as
19 firefighter one, and the other 50 percent are certified as
20 firefighter two. As you know, I'm a little bit involved
21 with local fire issues.

22 MR. CLIFTON: Correct.

23 MR. LUNDBY: Where did that information come
24 from?

25 MR. CLIFTON: My information for the staff report

1 or the information from the applicant?

2 MR. LUNDBY: Both of them.

3 MR. CLIFTON: My information from the staff
4 report came from two different sources. One was the
5 application, and the second was part of it came from Kate's
6 analysis previously from last year's application, actually
7 from last year's -- I don't have it right here -- last
8 year's analysis of our previous staff report. So I
9 included information in there from those two sources.

10 MR. LUNDBY: Because we rely on this information
11 to ultimately make a decision, I think it's important to
12 point out I contacted the certifying agency in Montana, and
13 they were astounded to learn that 50 percent of the Sand
14 Coulee Fire Department was certified as firefighter one and
15 the other 50 percent was certified as firefighter two.
16 They knew nothing of this.

17 I will also continue on, Vaughn Fire Department
18 also trains to firefighter one standard, we don't certify,
19 but we train to that. Very few of our firefighters are
20 trained to firefighter two. I can tell you that it's
21 extremely difficult to get all of your firefighters trained
22 to firefighter one, if not impossible. Our department by
23 no means is firefighter one trained.

24 I would also submit that, if this was built in
25 the Vaughn Fire Department area, we would have grave

1 reservations about being the fire protection. I get
2 worried about a 20,000 foot tire store in my district, let
3 alone a 200-megawatt power plant. That's not to say that
4 the Sand Coulee Fire Department can't do that, but I think
5 there's erroneous information contained in this report. I
6 just wanted to set that record straight.

7 MR. CLIFTON: In the staff report, the staff
8 report doesn't state that anyone is certified. That part
9 is an the application.

10 MR. LUNDBY: I recognize that.

11 MR. CLIFTON: Correct, okay. So because, just
12 like you're saying, staff could not confirm or deny that
13 some of those were certified. So that's why that part was
14 not put in our staff report.

15 And also, if you continue on, and the reason why,
16 first of all, I had -- I was trying to figure out which --
17 since the staff report is available publically and you guys
18 have had it for quite some time, if standing up here and
19 reading it verbatim would help anyone or not. That's why
20 the majority -- well, all of the goals and everything up
21 through the goals was read verbatim on the staff report.
22 The rest of it I did try to highlight in the interest of
23 time, the fact I knew that you guys had the staff report
24 for quite some time ahead of this meeting.

25 Also I think it is important to go on that, as

1 part of the location conformance permit, I share with you,
2 staff shared with you questions and concerns is the fact
3 that we would want to see, we would require that all mutual
4 aid agreements be in writing, because staff has heard
5 actually two different indications as to, one, there would
6 be a mutual agreement with Great Falls Fire Rescue would
7 respond. And the other one we heard that the Great Falls
8 Fire and Rescue would not respond, if it's not in their
9 fire district. At that point in time, I do not know if the
10 intent is for Great Falls Fire Rescue to incorporate this
11 plant into their district; and, therefore, put the caveat
12 in there as to requiring any mutual aid agreements be
13 signed and demonstrated that those are in place prior to
14 the issuance of a location conformance permit, as we do
15 with similar permits. As well as the fact that state
16 building codes obviously kick in with commercial
17 development, so we know we always have state building codes
18 for fire, plumbing, electrical, and building structural.

19 MR. LUNDBY: A follow-up to that, you would
20 require those written mutual aid agreements to be signed.
21 How do you propose to make those responding agencies sign
22 that mutual aid agreement in the advent that they didn't?
23 How would that play upon this, this rezoning?

24 MR. CLIFTON: Correct. They would not have to
25 sign them. We could not force any agency to sign them.

1 However, the applicant, if a rezoning was successfully
2 completed, the applicant still has to apply for a location
3 performance permit. And in our regulations before issuing
4 a locations performance permit, applicant has to
5 demonstrate that they have satisfied public health and
6 safety issues.

7 Fire, of course, is obviously one of the public
8 health and safety issues that they would have to show that
9 they meet. The same way with the roadway. The application
10 has demonstrated that the applicant will work with MDT.
11 But there's no mention in there that they would work with
12 Cascade County with regard to building Salem Road, paving
13 Salem Road, et cetera. Again, that's a public health and
14 safety issue that would fall under our location performance
15 permit and would be a requirement of that prior to issuing
16 that permit.

17 And, again, that's why at the bottom of that
18 section it says, "Staff believes with the outlying
19 conditions, that a proposed use for the zone amendment
20 would be implicated to secure safety from fire panic and
21 other dangers." And that's kind of the caveat that a lot
22 of people may or may not understand fully is that, if a
23 rezoning application was successful, it doesn't
24 alleviate -- you don't get to still go out and start
25 construction the next day. There's another round of

1 permitting processes that are required prior to any of
2 that. And our local permitting requirement has a caveat of
3 a whole list of additional conditions with all other
4 regulatory agencies that they have to follow.

5 MR. AUSTIN: Brian, for the benefit of the board
6 members that weren't here last fall, what is the difference
7 between this application compared to the one that was
8 approved last year?

9 MR. CLIFTON: First of all, this application is a
10 lot more complete. It's a lot -- I shouldn't say a lot
11 more complete, as if it wasn't complete last time. It
12 was -- it was not as in depth last time. And a lot of that
13 was due to the fact that our previous regulations did not
14 go into as great of depth as our new, approved regulations
15 do. And because of that and the fact that after going
16 through the public hearing process, both through the
17 planning board and the county commissioners, not only did
18 the applicants get an opportunity to hear concerns of the
19 citizens, the staff got to hear all of that as well. As
20 did the planning board and the county commissioners. So I
21 think the difference now is the fact that the applicant, in
22 their application, as well as staff in their staff report,
23 you can definitely see a difference in our staff report
24 this go around is a much more comprehensive look at the
25 whole entire facility over all.

1 MR. WILKINSON: Brian, also I wanted to -- I
2 don't know if we want to continue with board discussion.
3 Any other questions?

4 CHAIRMAN COX: Any questions down here?

5 MR. WILKINSON: I wanted to clarify, I think
6 there was Ms. Floyd, I believe was her last name, bought up
7 some points that I noticed in the staff recommendation.
8 I'm the chairman of the -- also the chairman of the Cascade
9 Zoning Board of Adjustment. Leonard is on that board also.
10 And the staff report, and mainly, I guess, the application
11 from the applicant, relies upon, in several areas, the fact
12 that the zoning regs that we adopted in 2005 allow for an
13 energy transmit, not energy --

14 MR. CLIFTON: Electrical generating.

15 MR. WILKINSON: Electrical generation facility as
16 using that, saying that it would be allowed by a special
17 use permit. A couple of things that I wanted to point out
18 is, under those regs, if that came before our board, we
19 could deny that special use permit. We could also set
20 standards and conditions, and they often get quite lengthy
21 for the ones we do approve. And also I don't think that
22 when that zoning was adopted in 2005, that really that
23 allowing for electrical generation facility by special use
24 permit was ever anticipated or expected that it would be
25 allowed for a coal-fired generation plant, something of

1 that size.

2 The reason that it is in the application is
3 because there's something called spot zoning, and also on
4 the 12 factors that we have to meet. But in spot zoning,
5 even on Page 33 of the applicant's application, that the
6 rezoning area can't be significantly different from the
7 prevailing use in the area. Well, this, in my feeling, and
8 I don't know how we can get by this as a board, unless we
9 just want to jump over it logically, but this is
10 significantly different than the use of the area. The use
11 of the area is agriculture. It's not heavy industrial.
12 And in that case that she quotes there or the applicant
13 quotes, the Little case, says significant use, not what is
14 possibly allowed by a special use permit, but what the
15 actual use is in the area. And logically I don't see how
16 this board can get over that hurdle.

17 And I, personally I've struggled with this for
18 some time. I wasn't on this board a year ago. A year ago
19 I would have voted for this power plant like this
20 (indicating). Every week there's something new that comes
21 up in the paper. And for me I'm a builder and developer.
22 And this would be -- and I live on the other side of Great
23 Falls. So this would not impact me at all. The wind blows
24 the other way, and it would actually help me. But I have
25 been struggling with this for some time, because I have to

1 do what is right, like Ms. Jaraczski said, what is right
2 under the facts that we have before us, and rather than
3 what benefits me or our economy. So I don't know how we
4 get over that spot zoning issue. And then those special
5 use permit issues that are brought up in Steps 4, 9 and 10.

6 And the other issue on spot zoning is that it
7 doesn't harm or hinder neighboring property owners. The
8 applicant has on Tab 16, to support their position, which
9 is a letter from an appraiser from Missoula. And I don't
10 think it takes an appraiser from Missoula or a
11 kindergartner to know that, if you have a 200-foot tall
12 smoke stack -- or a 400 smoke stack and a 200-foot tall
13 boiler building next to you, that it's going to harm the
14 value of your property. This letter from this appraiser
15 says that there is no negative impact to a neighboring
16 property. And to me that is just unbelievable. And that's
17 what started me on really looking at this application,
18 because that's just unbelievable. And he bases it on
19 opinion, but on the second page his only fact that he uses,
20 well, you can still farm it like they did in Colstrip.

21 Well, sure you can still farm that property, but
22 the value of that property to that farmer, who has been
23 there for a hundred years, has significantly dropped. And,
24 therefore, their value is diminished. And it violates the
25 spot zoning in the state law and also in our requirements

1 in our zoning regs. And I don't think this board can get
2 by those two. And if you can, I would like to hear it.
3 And I'm sure the applicant will get up and try to explain
4 it too. And I would appreciate it.

5 The other issue, and then I'll finish -- I'm a
6 private property rights guy. I'm probably more
7 pro-development than anybody else on this board. And
8 that's the reason I come down where I will have to oppose
9 this plant. One issue is the easements that we've talked
10 about. These people have a right to their property, and I
11 guess they're going to have to get their property condemned
12 for the rights of way. They have a right to maintain their
13 property, their value in their property. This isn't a
14 subdivision or housing development or a small commercial
15 development that may have some negative impact that may
16 actually help these property owners. This application
17 should have had a compensation package for the neighboring
18 property owners, and it didn't. And I probably would have
19 gone maybe to the other side with that. But we still have
20 the spot zoning issue.

21 And also we have the water rights issue. What
22 we're doing here, Montana water law gave the cities an
23 extraordinary amount of water. And that water was supposed
24 to be used for municipal purposes. And that was intended
25 for people, drinking water, running the city. It wasn't

1 intended for public entities, like the City of Great Falls,
2 to go out and lease their water rights. And what that does
3 is it hinders farmers who have water rights on the river
4 already. And we know how, at four-and-a-half million
5 gallons, you know, that's not an insignificant amount of
6 water. It's a good chunk of water. What the applicant
7 should have done is gone out and bought those water rights
8 from a farmer, privately and independent, rather than use
9 this unlimited supply that the city gets, which is really
10 intended, always intended for municipal use, not leasing it
11 out to private industry.

12 So I'm open to the applicant answering my little
13 tirade, I guess, and the board trying -- I think you have
14 to logically, we have to get over those issues. Step
15 Number 4 is promoting the public health and welfare. I
16 think that's a stretch that this actually helps the welfare
17 and health, but we have to find that it does. Nine is the
18 zoning issue, and it has to be reasonable with the
19 district. And the district is ag, and it's not reasonable.
20 And Number 10 also that this particular parcel has to be
21 particularly suited for this, and I don't think that it is.
22 It was chosen because it was a Montana Power, I think,
23 Montana Power had put all of the study and had located this
24 site years ago, and so there was some work already done
25 that they could jump on. So that's my little two cents

1 worth, and I'll hand it down.

2 MR. CLIFTON: Mr. Chairman, if the board would
3 like, I can invite Ms. Jaraczkeski up. She put together the
4 spot zoning argument in the application.

5 MS. JARACZESKI: Thank you. I welcome the
6 opportunity to talk about spot zoning. When I first became
7 involved in this project, I studied and, I guess, in a
8 sense became a student of spot zoning. And my approach to
9 researching this issue and learning about it was to look at
10 the Montana case law from the first case where spot zoning
11 was introduced all the way through to the current law. And
12 in studying that chronology of law, it was very interesting
13 to me.

14 One thing that I would like to point out, in the
15 two most recent cases decided by the Montana Supreme Court
16 in spot zoning, is a rule of law that was created by the
17 Montana Supreme Court. It is not a rule of statute.

18 But, in any event, in the most, the two most
19 recent cases where spot zoning was addressed by our court,
20 they did not find spot zoning. And I'll go over this
21 specific criteria, but in a very general sense, I think
22 that's important, because those are both very contentious
23 cases just like this is. There was a lot of feelings on
24 both sides. There were tough issues.

25 Spot zoning has three criteria. Our court has

1 said, however, that the three criteria are really nuances
2 of each other. And I will talk about that later, but first
3 I'll talk about those three criteria. And in doing so, I'm
4 going to be fairly specific and focus on some key language,
5 because I think that's very important here.

6 The first criteria that you consider the
7 adjoining land of use. The standard there is whether or
8 not the surrounding land use is significantly different,
9 and that standard is important here. And I understand why
10 there's been some questions about how can agricultural use
11 and industrial use possibly be compatible, because, I
12 guess, just from a lay perspective, it doesn't seem like
13 that. However, from a zoning perspective and a land use
14 perspective, they're very compatible. And the reason is
15 because agricultural, without any special permitting,
16 involves a whole host and variety of uses. So agricultural
17 and industrial use under our Cascade County zoning
18 regulations can co-exist.

19 The other thing that I think is important in this
20 analysis is that in 2005, when Cascade County enacted their
21 zoning regulations they opted to zone everything that
22 wasn't already zoned agricultural. One of the reasons for
23 that was the broad variety of uses allowed under
24 agricultural, just as a given. In addition to that,
25 agricultural has a whole laundry list in the Cascade County

1 zoning regulations, and I'm talking off the top of my head
2 here, but I believe it's about five or six pages long of
3 permitted uses. You could have an airport, you could have
4 a runway, you could have a golf course, all kinds of
5 permitted uses. So that's why it makes sense and it's
6 correct, and I firmly agree with the report of the
7 department when they say that the two uses are compatible.
8 That's your first test.

9 Your second test is the size of the area.
10 Historically when spot zoning was first introduced in the
11 courts, the size of the area meant just that. It meant you
12 look at the piece of the parcel. In the first case under
13 Montana case law where the size of the area or this
14 criteria was considered, the parcel itself, I think, was
15 half of a city lot. It was infinitesimally small. That
16 factor criteria has changed over the years and has gotten
17 into more consideration as to whether or not you need the
18 growth policy. And I think that's important here. On its
19 face it's spot zoning. And your own regulations talk about
20 it in terms of a parcel. We don't have one parcel. We
21 have four parcels. And, in fact, we have 668 acres of
22 property that we're rezoning.

23 With respect to compliance of the growth policy,
24 I want to remind you again, and your staff report starts
25 out your analysis of the growth policy with this that

1 growth policy is one thing, among many, to be considered in
2 your overall analysis here. And you have five different
3 goals, many different objectives, and it's a balancing
4 test.

5 MR. WILKINSON: Can I follow up with you a little
6 bit here?

7 MS. JARACZESKI: Uh-huh.

8 MR. WILKINSON: But the Little case you cited in
9 there is talking about actual use, not whether it's a
10 permitted use. And even if it's a permitted use under our
11 zoning regulations of Cascade County that doesn't mean it's
12 going to happen. We regularly turn down items because,
13 even though they're on that laundry list that you said,
14 they're incompatible with the area or for some other reason
15 they don't meet what the board feels is required to issue a
16 special use permit. But the Little case talks about the
17 actual use of the property, isn't that correct?

18 MS. JARACZESKI: You know, I don't agree with you
19 on that. I don't think you have to look at the actual use.

20 MR. WILKINSON: Well, I'm looking at your
21 Page 33. I'm just going with what you had said in your
22 application. Whether something is possible, remotely
23 possible in a certain district logically should not have
24 any relevance, but it should be what the actual use is at
25 the time of the zoning application.

1 MS. JARACZESKI: Well, zoning is all about change
2 in land use.

3 MR. WILKINSON: Right.

4 MS. JARACZESKI: So you have to look at that from
5 the perspective of changes from ag to industrial. And if
6 an electrical, if an industrial use, such as an electrical
7 generating station, is allowed by special use permit under
8 Cascade County zoning regulations without changing to
9 industrial, it's allowed as an agricultural use. That, to
10 me, is very convincing that, Number 1, the two are
11 compatible; and, Number 2, the uses aren't significantly
12 different, which you have to go back to your legal
13 standard.

14 MR. WILKINSON: But the case law in our zoning
15 regs, I don't think they talk about compatibility. It's
16 whether they're significantly different. Whether a coal
17 plant is compatible with farming, I guess it technically
18 is, because you can have a coal plant here and farm wheat
19 next door. That's compatible. But I don't think that's
20 the -- it's certainly not what we have in our zoning regs,
21 and it's not what is in the application or that case law
22 that you've cited.

23 The other question, let's go back to that, you
24 make the argument that there's no negative impact on the
25 value of neighboring property. Do you really believe that?

1 I mean I would have felt better if you would said, yes,
2 there's going to be some negative impact, but it's going to
3 be offset by such and such. But do you really believe that
4 the neighbors next door have no negative impact? I mean,
5 to me that's so disingenuous that it makes me question
6 everything that is in your application. It's just so
7 untrue, but I'll let you answer that.

8 MS. JARACZESKI: Yeah, you know, you're coming at
9 that -- and this is my view on it. You're coming at that
10 from the question on whether or not there's a diminution in
11 value. My reading of it, that's not the issue, and that's
12 not the way that we approached it. We had a highest and
13 best use analysis done, and that's very specific. And the
14 issue of that analysis is whether or not the highest and
15 best use, industrial use can continue -- excuse me,
16 agricultural use can continue in light of the industrial
17 use. So we did not do a diminution in value study. I
18 don't think you need to. I think you need to evaluate
19 whether or not the existing use can continue and is
20 diminished.

21 MR. WILKINSON: But in our Cascade County
22 regulations, I believe its value is considered, not whether
23 they can still farm. And so I think it violates it
24 automatically on that basis, but --

25 MS. JARACZESKI: You know, I would like to read

1 to you the definition of spot zoning under the Cascade
2 County zoning regulations, if I could.

3 MR. WILKINSON: Yeah, I've got it and you've got
4 it.

5 MS. JARACZESKI: "Spot zoning is the process of
6 singling out a small parcel of land for a use or
7 classification totally different from that of a surrounding
8 area for the benefit of the owner of the property to the
9 detriment of other owners and/or the public at large."

10 MR. WILKINSON: Is this not to the detriment of
11 the other owners? And isn't it totally different, even
12 though our regs use totally and the Little case uses
13 significantly? I don't know if there's a difference there.
14 But isn't a coal-fired power generation plant totally
15 different than farming? I don't see how, just because it
16 is allowed in the special use process possibly, I can tell
17 you that our board -- maybe I won't be on this much longer
18 after this -- but our board would never, it would never
19 approve it. We would say this is too big of an issue that
20 needs to be sent to the planning board for a rezoning. And
21 I don't know if Leonard would agree with me or not.

22 MR. LUNDBY: I would like to, if I may.

23 CHAIRMAN COX: I'm going to make a comment here
24 and be real quick. Cattle ranching is way different than
25 farming. It's the opposite in a way. It agriculture, yes.

1 MR. WILKINSON: But both are agriculture.

2 MR. LUNDBY: While you're there, Ms. Jaraczkeski,
3 I share the same concerns that Tim did. In fact, to answer
4 your question that you posed earlier in your opening
5 remarks when we started this process, you asked us what's
6 changed since our original vote on this board. And I
7 originally did vote, and I originally voted for it. And to
8 answer your question I'll tell you what's changed for me.

9 I also become a student of spot zoning, in that
10 interim, and have spent the last two weeks pouring over
11 Supreme Court decisions in the State of Montana. And if
12 you think this process is boring, you ought to try that.
13 And first let me couch my remarks in that I am completely
14 ambivalent about this plant. I really share no strong
15 feelings for opponent or proponents. So it comes down, for
16 me, it comes down to can we do this. And the Little test,
17 the Little case, which has essentially been the litmus test
18 for spot zoning since 1981, and when I read that 28 page
19 opinion, ruling, three times carefully, and I apply that to
20 this instance, this parcel of land situated where it sat, I
21 share Tim's question, I don't believe it passes the three
22 prong test.

23 Number one, whether the requested use is
24 significantly different from the prevailing use in the
25 area. It does not speak to compatibility. I won't argue

1 with you that it's possible for a coal plant and farming to
2 be compatible. However, the Little test doesn't ask that
3 question in part one. It asks is it significantly
4 different from the prevailing use in the area. And I
5 challenge anyone here and on this board to say that a coal
6 plant isn't significantly different than a wheat farm.

7 Number two, whether the area in which the
8 requested use to apply is small, although not solely in
9 physical size. An important factor is how many separate
10 landowners will benefit from the zone classification. In
11 this instance, we have four landowners.

12 And number three whether the rezoning is more in
13 the nature of special legislation designed to benefit one
14 or a few landowners at the expense of the surrounding
15 landowners or general public, and this should involve an
16 inquiry as to whether the requested use is in accord with
17 the comprehensive plan or growth policy.

18 I submit to you that we fail on one and two. And
19 we maybe marginally pass on three, whether it's in
20 compliance with our growth policy. I'm with Tim, I can't
21 get past this being spot zoning in this particular place in
22 this particular use.

23 MR. AUSTIN: I'm not -- I don't know what they're
24 reading. The way I read this entire section that you
25 started to read, you didn't read one, two, and three below

1 that, "According to the relevant provisions of the Cascade
2 County zoning regulations, spot zoning is defined as the
3 process of singling out a small parcel of land for use
4 classification totally different from that of the
5 surrounding areas for benefit of the owner of the property
6 and to the detriment of other owners. Number two, a
7 rezoning that extends a preexisting zoning classification
8 to include a larger area is not spot zoning. Number three,
9 under Section 76-2-101 through 76-2-112 the Montana Code
10 Annotated designation of parcels of 40 acres or more as
11 county planning and zoning districts will now be considered
12 spot zoning." So I'm confused.

13 MS. JARACZESKI: The definition of spot zoning
14 that applies here is stated in Subsection 1. We don't have
15 Subsection 2, an extension of a preexisting zoning
16 classification.

17 MR. AUSTIN: Right.

18 MS. JARACZESKI: And we don't have Subsection 3.
19 We don't fall under those particular statutory sections.

20 MR. AUSTIN: So it's not 40 acres or more?

21 MR. WILKINSON: We have to meet Section 1 there.

22 MR. CLIFTON: First of all, staff, the Cascade
23 County, the Cascade County zoning regulations that were
24 rendered in '05 and were adopted did not update that
25 definition with current case law, because, as Mr. Lundby is

1 mentioning, as well as Tim, the fact that we have dissected
2 spot zoning 27 ways indicates that even the Court system
3 has their own issues on each case. They're not consistent
4 with how they come out of it.

5 The 40-acre was based on a court case at Fish,
6 Wildlife & Parks, the -- who? I can't remember. But it
7 was a Fish, Wildlife & Parks case where it was a 40 point.
8 Then following lawsuits after that that occurred in time
9 indicated, as Tim has pointed out and Mary has indicated,
10 the size of the parcel actually went away. The elk
11 Foundation -v- Gallatin County had a 300 plus acre rezone
12 application that went through, and it got turned over for
13 spot zoning. So the fact that it's in the definition of a
14 40-acre, that has subsequently, through court cases, been
15 found that the 40 acres is irrelevant in size. You could
16 probably find a court, under certain circumstances, to find
17 a 12,000 acre parcel of land considered spot zoning in
18 certain circumstances. It all depends on each of the
19 particular instances of the cases.

20 Same way with the Little's test, and trust me,
21 staff has gone over this with different attorneys. And as
22 a lot of us non-attorneys know, there's 12 attorneys and 12
23 opinions as to what that law says. But one of the nuances
24 of the loads was that they didn't have an existing zoning,
25 and that is what the application is indicating here, the

1 fact that this parcel of land already has an existing
2 zoning. So from a staff standpoint that is obviously one
3 different nuance to this. And so the spot zoning is tough.
4 It's a tough analysis.

5 MR. WILKINSON: I agree with you, Brian. But
6 we're still left with number one in our zoning regulations,
7 and I don't --

8 MR. CLIFTON: The process of singling out.

9 MR. WILKINSON: Yes. Everybody turn to Page 33,
10 and look at Number 1 and argue that this isn't spot zoning.
11 Can you argue it, Brian, that it isn't spot zoning?

12 MR. CLIFTON: Well, again-I would defer to the
13 fact that, one, I think 12 different attorneys in a court
14 of law will come up with 12 different opinions on whether
15 or not one is met.

16 MR. WILKINSON: Right. And that's why the board
17 needs to look at the regulations and look at one.

18 MR. CLIFTON: Number 1, the process of singling
19 out a small parcel of land. Okay, so the first part of
20 that is 660 acres a small parcel of land. I live on a
21 one-third acre lot. 660 acres to me is huge. My dad, who
22 is a ranch manager, has 121 sections of land. 660 acres to
23 him is small. So that's the first contraindication of
24 that. Again, I'm not an attorney.

25 Second of all, for use classification totally

1 different from that of the surrounding area for the
2 benefit, so a totally different classification, totally
3 different from that of the surrounding area for the benefit
4 of the owner of the property. One could argue the fact
5 that it's one owner -- well, it's not one owner. It's four
6 owners. What's the benefit to the owners? Well, benefits
7 to the applicants is that they are going to sell their
8 tract of land to a company that is possibly going to use it
9 for a coal-fired generation, electrical generation plant.
10 On the flip side, the benefit is all these people get to
11 use electricity at supposedly a reduced rate. So you have
12 both sides of that argument as well.

13 And to the detriment to other owners. Is it a
14 detriment? Applicant says they're going to fix up
15 everything nice. It's going to be great. The organic
16 farmer says it's going to wreck my ability to continue
17 organic farming. Both sides of it. Now, all of you can
18 see why staff tries to put the staff report together, hand
19 it over and say, here's all of the information, what do you
20 guys think.

21 MR. WILKINSON: Remember spot zoning is only one
22 portion. We have that 12-step test. And three of them I
23 don't know how you can, especially if you get rid of the
24 idea just because there is a possibility of getting a
25 special use permit, that's not even justified in at least

1 three of those criteria, if you get rid of that, I don't
2 know how you can do it.

3 MR. CLIFTON: To me, that's the great part of
4 this whole entire process. Each board member takes a look
5 at the material, decides for themselves, and then votes. I
6 don't think it's met it for me; therefore, I'm not going to
7 vote for it. I think it's met it for me; therefore, I'm
8 going to vote in favor of it. The good thing about the
9 whole entire process is that, as with our entire society,
10 we go from one board, which is a recommending body; we go
11 to the next board, which is the board of county
12 commissioners who gets to make the decision; and then
13 because of our state, federal, and local laws, there's an
14 appeal process should anyone feel that they are aggrieved
15 by the decision throughout the process.

16 And I'll tell you, Mr. Dolman and I were chatting
17 the other day about it. It's a great process. A lot of
18 these people have indicated to me over time that they don't
19 feel that they have been able to come out and partake in
20 the process. This is the process, and I think it's a great
21 process. You ten members, nine today, because one just had
22 surgery, you nine members get to try to delineate what your
23 thoughts are as best as you can. And then we move it down
24 to the next or up to the next level. However, you want to
25 look at it.

1 MR. NICHOLSON: I can't ignore the
2 overwhelming -- I can't ignore the overwhelming opposition
3 to this project that we've had today and then all these
4 letters that we've had. And I agree with all of them.
5 There's some very intelligent people out there who have
6 written these letters, medical people, engineers, teachers.
7 I don't know how we can ignore the overwhelming opposition
8 to that.

9 Another thing I wanted to ask about is a thing
10 that Mr. Dolman brought up in his paper, who is going to
11 clean up the mess when this is all over? Who is going to
12 clean up this plant when it's no longer working? There
13 wasn't anything in the application.

14 MR. KESSEL: Are you done? Anybody else down
15 there?

16 MS. POPA: I have a comment. I thank all of you
17 also for coming and speaking to this issue. It's a very
18 complicated issue. And there's a lot of things to be
19 considered, and there's a lot of steps that have to be
20 taken before this could, if it does, come to fruition.

21 I think what we need to set aside is there's a
22 lot of opinions about issues about the plant and whether it
23 should be built or not built, the city should or should not
24 be involved with it, the voters have not had a choice.
25 There's a lot of issues that are not relative to the

1 specific thing we are addressed with accomplishing today,
2 and that is just dealing with the zoning issue.

3 I am -- I have not decided whether I think it's
4 the right thing to do or not. I have looked through all of
5 the information and looked at the staff report, and I do
6 think that it is the right thing to do. The planning
7 board's job is not to determine whether this is going to be
8 built or not. If they've met the criteria for the zone
9 change, that that's the step that we should be taking
10 today.

11 Are there any other comments? Because I make a
12 motion --

13 MR. KESSEL: Yeah, I just wanted to add my
14 comments. I didn't casually put this motion on the table
15 here. We're all a product of our background. Mine is
16 farming and then 35 years with the forest service where I
17 was sued on herbicides, sued on clear cutting, sued on
18 fisheries, and I know the process we're talking about.

19 To me the site boards are does it meet county
20 regulations and do we want to recommend it to the county
21 commissioners. I think I can answer that yes. Is it done?
22 My experience says you've probably got a legal process that
23 is going to take five to ten years before you could build.
24 I still have a motion on the table.

25 MS. POPA: I will second the motion.

1 MR. CLIFTON: Mr. Chairman, just for a point of
2 order, could you re-read the motion, please, that you put
3 earlier.

4 MR. KESSEL: Let me make this more technical. I
5 recommend the planning board recommend the county
6 commission approval of a request to rezone Parcel Numbers
7 5364100 and 5364200 and 5364300 in Section 24, and Parcel
8 Number 5365200 in Section 25, Township 21 north, Range 5
9 east, P.M.M., Cascade County, Montana, from A-2 agriculture
10 to I-2 heavy industrial.

11 CHAIRMAN COX: Do I have a second?

12 MS. POPA: I second it.

13 CHAIRMAN COX: All in favor, aye.

14 BOARD MEMBERS (Jan Popa, Bill Weber, Lonnie Cox,
15 Mick Kessel, and Bill Austin.) Aye.

16 MR. CLIFTON: Can you please hold your hands up
17 again, so we can get Marie -- one, two, three, four, five
18 in favor.

19 CHAIRMAN COX: Those opposed.

20 BOARD MEMBERS: (Tim Wilkinson, Leonard Lundby,
21 Bob Nicholson and Alan Gagne) Aye.

22 MR. CLIFTON: One, two, three, four opposed. So
23 Tim, Leonard, Bob, and Alan, if you could write that down.
24 So I can for the record Tim, Leonard, Bob, and Alan are in
25 opposition. So the motion carries five to four for

1 recommendation to the Cascade County commissioners approval
2 for the rezoning.

3 CHAIRMAN COX: Thank you very much for coming. I
4 know it's been a long day for everybody. There's still a
5 lot of processes to go through. We have next item is old
6 business.

7 MR. CLIFTON: Mr. Chairman, at this time I have
8 about 12 items of old business I would like to cover.
9 Mr. Chairman, I have no old business at this time.

10 CHAIRMAN COX: Any public comments?

11 MR. KESSEL: I make a motion to adjourn.

12 MR. CLIFTON: I don't believe so, Mr. Chairman.

13 CHAIRMAN COX: Do we have a second on a motion to
14 adjourn.

15 MR. WEBER: Second.

16 CHAIRMAN COX: All in favor.

17 BOARD MEMBERS: Aye.

18 CHAIRMAN COX: Thank you all. Thank you.

19 5:35 p.m.)

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CERTIFICATE OF REPORTER

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STATE OF MONTANA)
) ss.
County of Cascade)

I, Joan P. Agamenoni, Court Reporter and Notary Public for the State of Montana, residing in Great Falls, Montana, do hereby certify:

That I was duly authorized to and did report the public hearing in the above-entitled cause;

That the foregoing pages of this transcript constitute a true and accurate transcription of my stenotype notes of said hearing.

I further certify that I am not an attorney nor counsel of any of the parties, nor a relative or employee of any attorney or counsel connected with the action, nor financially interested in the action.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on this the 14th day of December, 2007.

Joan P. Agamenoni
Court Reporter
Notary Public, State of Montana
Residing in Great Falls, Montana.
My Commission expires: 5/24 2008.