CASCADE COUNTY PLANNING BOARD

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:                APPLICANT:
Lonnie Cox                    Duane Urquhart
Jan Popa                      Mary Urquhart
Bill Weber                    Scott Urquhart
Tim Wilkinson                 Linda Urquhart
Leonard Lundby                Neil Ugrin, Counsel
Mick Kessel                   Mary Jaraczeski, Counsel
Bob Nicholson                 Michael McCarter, Counsel
Alan Gagne
Bill Austin

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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CHAIRMAN COX: Would everyone please take your seats. This meeting of the Cascade County Planning Board for December 4th, 2007 -- this is the meeting for the Cascade County Planning Board to December 4th, 2007.

Brian, will you please do a roll call.

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

MR. WILKINSON: Here.

MR. CLIFTON: Jim Dawson. Lonnie Cox.

CHAIRMAN COX: Here.

MR. CLIFTON: Alan Gagne.

MR. GAGNE: Here.

MR. CLIFTON: Leonard Lundby.

MR. LUNDBY: Here.

MR. CLIFTON: Mick Kessel.

MR. KESSEL: Here.

MR. CLIFTON: Jan Popa.

MS. POPA: Here.


MR. WEBER: Here.

MR. CLIFTON: Bill Austin.

MR. AUSTIN: Here.


MR. NICHOLSON: Here.

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

CHAIRMAN COX: Thank you. We do have a sign-in
list there at the back. I assume everybody signed in.

Brian will go over a few things here, after I do a little reading here.

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

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

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

First schedule on hand, Brian.

MR. CLIFTON: Mr. Chairman, Members of Board,

thank you.

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

Just some housekeeping items to begin with.

There's copies of the agenda on the back table, on the
little table at the back. Everyone needs to sign in on one
of the two clipboards at the back of the room. And at this
point in time, I would ask everyone to turn off all your
cell phones, pagers, PDAs, or any other acronym that I
haven't accurately described that will make a noise during
this meeting.

Staff reports are available at the back of the
room for those who do not already have a copy. If there
are none left, they are still available online at the
Cascade County website, which is www.co.cascade.mt.us.
I've also placed on the back table copies of the Urquhart
hearing protocol. I will go through that right now.

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

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

One thing that is important here. This is not a public debate. If you come up here and give your public testimony and then ask questions of the staff, the staff will not respond. It's not a public debate. It's a question and answer period. Speakers need to address the
board. These are the decision makers for this process today. You address the board. If the board has received a comment or a question that they intend to ask staff, they will write that down and ask staff at the appropriate time, which is after the public hearing closes.

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

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

One request we've had from some of the speakers is that there are apparently people here from quite a ways
out of town. There is no order in which you speak, other
than proponents speak first and then opponents. So if you
are from out of town and need to get back on the road after
you want to give your testimony, we highly recommend that
you be one of the first, either of the proponents or the
opponents, to speak.

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

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

"First Interstate Bank of Great Falls has a
depository relationship with Southern Montana Electric
Cooperative. The bank has no financial interest in the
final decision of the county commissioners since First Interstate Bank is not now providing any operating or construction funds to SME, nor, to my knowledge, is any planned in the future.

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

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

"If you have any questions, please contact me.

Sincerely, Bill Weber."

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

Cascade County Planning Department has received an application from Duane and Mary Urquhart and Scott and Linda Urquhart with the subject of the zoning amendment application to rezone parcels Number 5364100, Number 5364200, and Number 5364300 in Section 24, and to rezone
parcel Number 5362500 in Section 25 all in Township 21 North Range 5 East. Subject tracts of land are legally described as Parcels 5364100, 5364200 and 5364300 in Section 24, Parcel Number 5365200 in Section 25, again all within Township 21 North Range 5 East Cascade County, Montana.

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

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

Using the 12 criteria to determine the appropriateness of the zone change request, the planning board may: One, recommend to the county commissioners that the zone change request be approved; two, recommend to the county commissioners that the zone change request be denied; or, three, allow the applicants to withdraw their
application at their request.

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

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

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

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

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

Today we are conducting a public hearing. And the way this process works, for those of you who don't know, after the planning board has made a recommendation to the Cascade County Commissioners, we run the process pretty much the exact same process, including the public hearing, in front of the Cascade County Commissioners. And we anticipate that will occur sometime in January.
Duane and Mary Urquhart and Scott and Linda Urquhart, owners of the real property, are requesting a change in zoning from A-2 agricultural to I-2 heavy industrial to allow for the construction and operation of a 215 to 250-megawatt electrical generating facility known as the Highwood Generating Station. If rezoned, the Urquhart's plan to sell the property to Southern Montana Electric Generation and Transmission Cooperative Incorporated, which will construct and operate the HGS. In addition to the coal facility, SME also proposes to install four wind turbines which would generate six megawatts of electricity.

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

Adjacent to the property north and west is owned by the applicants, which they farm and maintain a residence. The Urquharts have indicated that they intend to continue living on the adjacent property after the rezoning. Adjacent property to the east and south is owned by Louisiana Land & Livestock, LLC, and is used for agricultural purposes but no residences. Beyond the
immediately adjacent properties, land use consists of agricultural operations with associated residences and agricultural facilities.

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

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

The construction and operation of HGS is allowed in the existing A-2 zoning district upon the issuance of a special use permit. Rezoning the property from A-2 to I-2 would allow the HGS as an authorized land use, but does not supersede any other required permits. Further, the actual
construction of any structures or any other development of the property would require a zoning location conformance permit in accordance with Section 11 of the Cascade County zoning regulations.

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

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

The 2006 Cascade County Growth policy contains five goals, which the policy defines as a broad, generalized expression of commonly held community values regarding growth, development patterns, and quality of life. They are intended to express the primary theme or general intent and direction of the growth policy. Each goal also includes a subset of objectives, which a growth
policy defines as a more narrowly defined and concrete expression of community intent. And in my staff report I have listed the five goals.

Staff analysis, Goal 1, to sustain the strength and the economic well-being of Cascade County's citizens. With respect to Goal 1, staff finds the proposed zoning amendment to be in general compliance with the growth policy goals to sustain and strengthen the economic well-being of Cascade County citizens. Rezoning will aid in the development of new industry by allowing for construction of the HGS, which is Objective A. The rezoning will have a minor beneficial effect on working toward greater economic diversity by permitting the construction of a long-term industry, which is Objective B.

The rezoning would support economic development through central Montana and further the economic self-sufficiency of Cascade County citizens by offering employment opportunities and an additional source of electricity for commercial and industrial land uses, which are Objectives D and E.

The rezoning is not likely to promote the development of cultural resources and tourism to broaden Cascade County's economic base, which is Objective C. The rezoning does not have such a purpose and the record of decision notes that the construction and operation of the
HGS is likely to have significant impacts on the Lewis and Clark Portage National Historic Landmark. In response, SME has revised its proposal to include mitigation for impacts to the national historic landmark, although it is unlikely that all such impacts can be avoided. SME proposes to move HGS facility outside the boundaries of the national historic landmark, leaving only the wind generators within the landmark's boundaries. SME also proposes to make monetary contributions to the Lewis and Clark Interpretive Center for land acquisition and library improvements, as well as to use landscaping and architectural design to return areas to native vegetation, reduce visual impacts, and reduce lighting glare.

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

With Goal 2, to protect and maintain Cascade County's rural character and the community's historic
relationship with natural resource development, compliance
with this goal is difficult to determine because evaluating
the nature of rural character is a subjective
determination. Generally speaking the HGS is incongruous
with rural character and could encourage the conversion of
adjacent farmland to other industrial uses. Examining the
four objectives derived from this goal reveals that the
proposed rezoning is generally not in compliance with this
goal.

The first objective seeks to foster the
continuance of agriculture and forestry in recognition of
their economic contribution and the intrinsic natural
beauty of grazing areas, farmlands, and forests. The
proposed rezoning will not affect forestry, as the property
is not forested, nor is it adjacent to forested lands. It
is also not used as a grazing area, although likely could
be. The proposed rezoning will negatively affect the
continuance of agriculture of this site by converting
agricultural lands to industrial land uses. The impact of
such a conversion is minimal, however, because property
does not contain soil of any prime or statewide importance,
and the LESA evaluation reveals that the property has only
marginal value for mariculture. The conversion of the
property to industrial use will increase the economic
contribution from this particular site in excess of the
economic contribution from its current agricultural use. In addition to the LESA, staff did run the agricultural analysis that we use through the USDA as well, that the planning board is very familiar with on all of your subdivision. And it did not come out as prime farmland or land of statewide performance, which is the two processes that we continuously use in our other methods.

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

Record of decision finds that the HGS will have a significant effect on visual resources due to the proximity of the national historic landmark. SME proposes to mitigate impacts to the scenic resources using landscaping, earth-tone paints, and agricultural design, native vegetation, and shielded lighting. Nevertheless, impacts
to the county scenic beauty can be expected and a proposal will not comply with this objective.

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

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

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

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

Whether the proposed rezoning assures a good community appearance is a matter of subjective analysis. It is certainly understood that many in the community will find the conversion of an agricultural parcel to an industrial use to have a negative impact on good community appearance. However, it must be noted that the
construction of HGS is permitted within the existing A-2 zoning district with approval of a special use permit, and a conversion to I-2 is not necessarily incongruous with the allowable land uses in A-2.

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

First, the soils on the property are not considered to be prime soils or have any state-wide importance, and a LESA evaluation found the site to have marginal value for agricultural uses. Thus the rezoning does not contravene the objective to protect the most productive soil types. Second, the rezoning will continue to protect soils against erosion by requiring the site to be maintained to prevent erosion through the zoning location-conformance permit and in accordance with Montana DEQ requirements for controlling storm water runoff. Third the proposed rezoning will not contravene the objective to
protect the floodplain from non-agricultural development, as the site is not located within the floodplain. Finally, while the proposed rezoning does not foster any value added industry, neither will it negatively affect the county's ability to continue to encourage such as objective.

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

The application suggests that the rezoning will have a positive effect on the county's ability to retain the presence of the U.S. military. Over the last 20 years, the Department of Defense has been required to employ eight criteria to guide it in its base closure and realignment recommendations to the present. Two of the criteria focus on the ability of the base and its infrastructure to accommodate personnel and mission requirements. The availability of significant amounts of electrical energy
would likely improve Malmstrom Air Force Base's competitive posture and its ability to preserve current missions and gain additional missions.

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

Goal 5, preserve and enhance the rural, friendly, and independent lifestyle currently enjoyed by Cascade County citizens. The subjective nature of this goal makes it difficult to analyze in the context of the HGS, and the staff finds that the goal's objectives generally do not apply in this instance. For example, Objective A seeks to maintain the county's citizens' independent lifestyle, while minimizing governmental intervention to the extent possible, consistent with the requirements for continually evolving economy and constantly changing population. This objective appears geared more as a directive to limit
governmental regulation rather than a tool to evaluate individual projects. Similarly, Objective C is directed at improving fire prevention measures through the subdivision review process, which does not apply to this rezoning. Objective D is aimed at continued efforts to support the county's strong educational and health services sectors, which would not be affected either positively or negatively by the proposed rezoning.

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

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

Converting the subject property to I-2, so long as it is limited to an HGS facility, would not be significantly different than allowing such a facility in the existing A-2 district with a special use permit. The proposal meets the growth policy's goal to sustain and strengthen the economic well-being of the county's citizens. The proposal does not have a significant effect, either positively or negatively, on the county's goal to maintain the agricultural economy. The growth policy's goal to retain the presence of the U.S. military does not directly apply, but nor does the rezoning have any significant effect, either positively or negatively, on this goal.
Goal 2, protecting the county's rural character and the community's historic relationship with natural resource development, is not met; but this goal is the one most at odds with Goal 1, the desire to strengthen the county's economic well-being. Many of the objectives of Goal 5 do not apply to the proposal, but the one that does, preserving the cultural heritage, is not met due to the impacts on the national historic landmark.

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

Nearly all rezoning requests lead to land uses, which cause additional traffic generation, and a proposed rezoning does not feel this consideration simply because traffic increases. Rather the question is more consideration of whether traffic impacts can be reasonably accommodated or mitigated to avoid or minimize congestion caused by increased development. The FEIS noted that only short-term, moderate impacts from construction traffic can be expected.
SME proposes a number of traffic mitigation steps, including the preparation of traffic mitigation studies in cooperation with the Montana Department of Transportation. Through the zoning conformance permit, the applicant will also be required to work with Cascade County to develop a traffic mitigation plan for Salem Road. All necessary permits and mitigation plans will be completed and approved prior to issuance of a location conformance permit for any construction. Staff believes that proposed use for the zoning amendment will be implemented by both MDT and Cascade County to lessen congestion in the streets.

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

With respect to Number 3, whether the zoning regulations have been designed to secure safety from fire panic and other dangers, subject property is located in the Sand Coulee fire district. This is a voluntary fire department whose station is located approximately 15 miles from the proposed location of this site. Applicant proposes that the Highwood Generating Station would be
equipped with the state-of-the-art internal emergency fire suppression system. The applicant has indicated that the Great Falls Fire Department would also be available to respond in an emergency.

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

The location conformance permit would also require that the State of Montana Department of Labor and Industry Building Codes Bureau issue all electrical, building, mechanical, plumbing, boiler, elevator, and fire certificates or permits be reviewed and approved prior to or as a condition of its issuance. Staff believes that with the outlined conditions, the proposed use for the zoning amendment will be implemented to secure safety from fire panic, other dangers.
Number 4, whether the zoning regulations have been designed to promote public health and general welfare, staff acknowledges that there's much debate and disagreement in the community about the public health implications of the HGS. To date, SME has been issued an air quality permit and a solid waste license demonstrating compliance with state environmental requirements.

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

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

According to the FEIS and the record of decision, impacts to the Lewis and Clark National Historic Landmark will be significant and adverse due to visual and noise
issues. Proposed mitigation methods include on-site landscaping and use of earth-tone colors for the plant facility and appropriate lighting.

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

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

Staff believes the potential for an impact of nighttime glare does exist from the lighting of the facility. Prior to issuance of a location-conformance permit, the applicant will be required to demonstrate a
mitigation plan, which will reduce the amount, location, and direction of glare from this facility. Staff believes that with these conditions set forth, the proposal will be designed to provide adequate light and air.

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

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

Number 7, whether the zoning regulations have been designed to avoid undue concentration of population. The rezoning is requested solely to facilitate the
construction of HGS facility and no other industrial uses are proposed. Given the rural location of the facility and applicant's limitation to a single use, the rezoning will not contribute to an undue concentration of population. There is not residential development proposed as part of this rezoning, and the most significant concentration of people will occur as a result from the temporary employment of the construction workers. This temporary influx of construction workers will not cause an undue concentration of population. The staff believes that this proposal has been designed to avoid undue concentration of population.

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

SME has indicated, via the application and the FEIS, that it will work with the Montana Department of Transportation in performing a traffic impact study and analysis and mitigating any of the transportation impacts
determined in these studies. Currently proposed mitigation of traffic impacts includes the construction of turn lanes on Highwood Road and an overpass to route train traffic over the road. The FEIS and record of decision conclude that the HGS will not have any long-term transportation related impacts. Further, they note that the Salem Road site is much preferred to the industrial park site, because it does not require train and truck traffic to pass through Great Falls.

In accordance with the Cascade County zoning regulations, SME would be required to prepare a traffic impact study and proposed mitigation for Salem Road prior to the issuance of a location-conformance permit. Improving Salem Road to county standards with a paved surface would be required to protect the road surface and eliminate dust problems. Staff believes that with the various conditions set forth, the application has been designed to facilitate the adequate provision of transportation, water, sewage, schools, parks, and other public requirements.

Number 9, whether the zoning regulations have been made with reasonable consideration to the character of the district, staff acknowledges that the construction and operation of the HGS is out of character with the existing agricultural land uses in the vicinity of the proposed
rezoning. Nevertheless, construction and operation of the HGS in not necessarily out of character with the land uses allowed under the existing A-2 zoning district. A-2 zoning district allows a wide variety of land uses in addition to traditional agricultural operations.

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

It's clear from the application materials, the FEIS and the record of decision that there are very limited suitable locations for a facility such as the HGS. When the county adopted its county-wide zoning, the county determined that electrical generation facilities are appropriate land uses within the agricultural zoning district upon satisfying the special use permit process. So long as the rezoning is limited to the HGS facility, the rezoning is not significantly out of character with the
land uses permitted in the A-2 district with a special use permit.

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

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

The A-2 district also allows the construction and operation of an electrical generation facility with a
special use permit without converting the property to the I-2 zoning classification. Thus, the rezoning, when limited to the proposed HGS facility as proposed in the application, effectively does not change the uses that could occur on the property.

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

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

An appraisal report submitted with the application concludes that the HGS would have no diminution
of value to any neighboring property. The appraisal report also concludes that agricultural uses and industrial operations can coexist without negative effects. The applicant has indicated that landscaping, lighting, building colors, et cetera, will be done in an effort to minimize the impact of the facility on the site, hopefully helping to conserve the value of neighboring buildings and property. Therefore, the staff believes that the application has been made with a view to conserving the value of buildings.

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

FEIS and record of decision concluded that the proposed site would not have significant environmental impact and was preferred over locating the HGS in the Central Montana Agricultural and Technology Park, industrial park, located just north of the City of Great Falls. FEIS also concluded that the HGS would not have
significant impacts on adjacent farmland and the
continuation of agricultural land uses.

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

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

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

At this time I will answer board's questions. If
the board chooses, it can also wait until after the public
hearing and then ask questions of the staff as well.
MR. NICHOLSON: What is the status of the litigations that are pending and probably won't be resolved until January? It says on Page 11 there's --

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

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

UNIDENTIFIED SPEAKER: We can't hear those questions.

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

MR. CLIFTON: That would be up to the board. The board passed, in previous meetings quite awhile back, passed a five-minute rule. That would be up to the board,
if they wanted to second the motion and make a favorable
approval of that.

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

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

CHAIRMAN COX: Any other questions of the board?

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

CHAIRMAN COX: Are we going to have a
presentation?

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

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

I just wanted to do a brief introduction of the
people that will be presenting on behalf of the applicants and Southern Montana today. Our first speaker will be Mary Urquhart. She's one of the landowners. She and her husband Red and Scott and Linda Urquhart are the applicants for the rezoning. Following Mary will be Tim Gregori. Tim Gregori is the general manager for Southern Montana Electric. Accompanying him are Jeff Chaffee, Jeff Chaffee is the lead environmental engineer from Bison Engineering; and also Kevin Cavanaugh, Kevin Cavanaugh is the project principal from Stanley Consultants. Neil Ugrin and I will be discussing the rezoning and the legal issues. We're counsel for the Urquharts and Southern Montana Electric.

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

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

Southern Montana has always been honest and upfront with us. In fact, they flew the landowners back to Maysville, Kentucky, to show us a coal plant that ours would be patterned after. And in the three days that we were -- we toured the plant and found it to be very clean and quiet. In fact, you could stand anywhere in the plant and carry on a normal conversation and be heard. There
were flowers and green grass growing all around the plant and green vegetation as far as the eye could see. Not the brown scourge that is predicted by our opponents.

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

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

We intend to keep living on this ground, which is about 7000 acres that is downwind from the proposed plant, and continue to farm this land as we've always done. We feel this is of tremendous importance to the community, and
we feel that SME is the one to do it right to be a good neighbor that we want.

Thank you for listening to me.

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

Southern Montana is the entity that is proposing the development of the Highwood Generating Station, approximately eight miles east of Great Falls on the property that is currently owned by the Urquharts. And this morning what we would like to do is give a brief overview of the project and the phases we have gone through in developing the project and selecting the site's proposed location of the Highwood Generating Station. Having Jeff Chaffee give you a few comments on where we are with regard to permitting, the environmental impact, the air quality permit, and other related permits necessary to construct this facility. We'll have Kevin Cavanaugh from Stanley Consultants, project principal on engineering, give a brief overview of engineering. And then we've also brought with us a video from the folks in Maysville, Kentucky, where you'll hear from the CEO of the East Kentucky Power plant that built the Maysville facility. You will hear a brief presentation by the mayor of Maysville, Kentucky, and one
of the judges in that area, on the impact of those
facilities in that area and what you may expect in Great
Falls, particularly out near the Urquhart property.

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

First of all, with regard to the load. Southern
Montana serves five electric distribution co-operatives in
the City of Great Falls. Over the course of the past
several years, we've experienced considerable load growth.
From 2004 to 2005 our load requirements increased 12
percent. In 2005 to 2006 our load requirements increased
14 percent. For 2006 to 2007 we're on track to have
greater than 7 percent load increase. And as this graph
shows, you can see the line on the left representing 2006
requirement, and the purple line on the right representing
2007 requirements for the first nine months, and I have
October, just about ready to add this. It takes about two
months to get everything up.

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

If we were to go to the market, we would be hit
with a significant cost that in many of our agricultural
communities would be the death nail to a lot of the farms
and businesses that we serve. As you can see by this
graph, there is a steady trend of increase in power costs.
And you are also seeing an increase in some of the
nontraditional costs of power. For example, if you look at
the line that is kind of a lavender color, the purplish
line, you can see that it is, at times, actually above the
top blue line. The top blue line is what it costs to buy firm electric energy. In other words, you go out and get a long-term contract with somebody, and that is what you pay for the price. We're actually seeing nonfirm, off-peak power costing more than firm off-peak power, because we are suffering serious decreases in power availability in the region. And there is a need for Highwood Station, not only to meet our members' needs, but also to provide stability in the region.

If you take a look at the alternatives and why we decided that building our own facility was the best choice, the first thing I would like to call to your attention, the Pacific northwest is heading towards a load resource imbalance. In other words, traditionally with a utility system such as ours, you have to provide a certain amount of reserve capacity. In other words, if the power plant breaks, you don't get into a situation where you start having brownouts, because you have had an instability in the system because of a lack of backup generation. This graph even shows projected generation be built. Our facility, by the way, is included in that projection. And what it shows is that by 2015, Pacific Northwest is going to go into load deficit. In other words, we will have demand times greater than our resources. And that is not inconsistent with projections on a federal level. U.S.
Department of Energy projects between 2005 and 2030 we will have electricity demands increasing 40 percent. That is net of conservation in some of the projects that are already planned.

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

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

And, furthermore, we hear, well, you're going put the power on the line in Montana, near Great Falls, and flow it to southeastern Montana. Electricity is not like herding cattle. You don't have blue ear tags and green ear
tags and yellow ear tags, and when you're sorting them
through the chute, you try to cut out the blues and the
greens and the yellows. Electricity from Highwood Station
will be consumed here. It's only through contractual path
that we have the power flowing down to that area. So at
any given time, the facility will provide electricity to
keep the grid stable in this community. So if you want
solid and profitability economic growth in this area, the
best way to have it is through affordable and reliable
electric energy. And this will help stabilize the electric
grid.

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

Lately we've heard a lot of talk about carbon
capture and sequestration. You can hardly pick the paper
up without talking about global warming. It just so
happens, and you'll hear more from the folks from Maysville
here in a little bit, one of the attributes of the CFB
boiler, circulating fluidized bed, with our integrated
emissions control strategy is it is readily available to
have add-on equipment that could deal with carbon capture
and sequestration. And so what we're going to do is take a
good system, and with the help of the United States
Department of Energy, and perhaps Alston Power, Southern
Montana can put a test facility out there that can
demonstrate, not only to the nation, but perhaps even to
the world, you can take coal, burn it in a clean facility
with carbon capture and sequestration, if you're given the
opportunity to demonstrate that.

Alston Power and Southern Montana will submit an
application to the United States Department of Energy to
have Highwood Station be a demonstration project to show
that carbon can be captured and sequestered in suitable
locations. We just happen to be very lucky. If you look
at this map, particularly up toward the Shelby area, around
the Kevin dome, we just happen to be in close proximity to
one of the sites identified by the United State Department
of Energy Carbon Capture and Sequestration Partnership that
is operating out of Montana State University, one of the
better places in the United States to capture and sequester
carbon. There is a whole lot of legal issues there on
surface rights, who owns the minerals, who owns the CO2
when it goes into the ground. We know that in time that
will have to be sorted out if we are going to have a
meaningful energy policy that contemplates carbon capture
and sequestration.
My only reason for bringing this up is that Highwood Station, as you look through our project milestones, has really tried to work closely with the environmental communities, the people in Great Falls, and the opponents of the project, and as much as we possibly can modify or design to accommodate a number of requests. For example, we have our site under acquisition, but we have an air quality permit that demonstrates that there will be no adverse effect from Highwood Station from an air quality standpoint. We have the environmental impact statement, complete with a favorable record of decision, as you heard from your staff, there were no adverse effects on air, land, and water with regard to the construction of Highwood Station.

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

From the water side, we have raw water, waste water, and potable water agreements in place. And we're going to take our waste water back to one of the state-of-the-art water treatment facilities in the State of Montana, have it treated by the City of Great Falls before
it goes back into the river. I think it's important to note that when the water goes back, it will cleaner than it was when it actually came out. And also, we're returning 25 percent of our water back to the river to be recycled over and over and over through our facility.

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

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

You know, we spent a lot of time and a lot of
money trying to accommodate the issue of the Lewis and Clark national historic landmark. We're very respective of the importance of the Lewis and Clark issue and heritage of Lewis and Clark in Great Falls. As you can see by this map, we moved the facility outside the boundaries of the national historic landmark. These cells represent the area where we will store the ash in a facility over the entire life of operation, and state approved and monitored landfill.

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

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

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

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

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

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

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

We have been in a consultation process with the various agencies involved with that landmark over the course of the last couple of years. As Tim mentioned, we have moved the plant site off of the national historic landmark. Of course it still will be visible from a
portion of the landmark, not the entire landmark. And we offered other mitigation measures. Mr. Clifton mentioned some of those in his presentation, including support of the Lewis and Clark Center where the public really comes to visit and learn about the Lewis and Clark experience in the Great Falls area.

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

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

Compliance of the air quality permit is another issue we've heard raised from some members of the public.
There has been some information in the news about other power projects in the state having some noncompliance problems. I want to make some points here. Highwood Station is state-of-the-art facility, really can't be compared to some of these other power projects in the state. There will be a brand new boiler with a brand new integrated emissions control system installed and guarantied by the manufacturers.

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

We've also heard concerns about the water use of the project, and this slide here just tries to put it in perspective. This is an irrigation ditch running through a partial plume. Probably about three feet across. And it is more or less equal to the maximum water use that the plant would have, about 7.1 cubic feet per second. So it's
not a real large volume of water. It depends how you put it in terms of units, but this kind of puts it in perspective on the water use of the facility.

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

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

So that's the end of my brief presentation. I will be happy to answer questions later, and I would like to hand things off to Kevin Cavanaugh.
CHAIRMAN COX: We're going to take a break here for about ten minutes. The board needs to get up and exercise here. We'll be back here at 25 after 10:00.

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

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

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

Just briefly, this is a state-of-the-art when it comes to pollution controls with a circulating fluidized bed boiler. Limestone is mixed with the coal in the bed for primary sulfur control. NOx is controlled by the fire
and temperature in the furnace, which is held because it is a circulating fluidized bed. To polish the nitrous oxide control, we use a selective non-catalatic reduction system. Downstream of that system we have activated carbon injection for mercury control. We have hydrated injection for further sulfur control. And a bag house for particulate removal. All of that results in integrated control system that controls particulates -- or controls emissions to the highest standards available today.

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

This is a picture of the East Kentucky Power Cooperative Gilbert Station. This unit is the Gilbert Unit Number 3, which is the sister unit. As you can see, or you probably can't tell, but these units, all three, are operating at full load right now. This is what you would see from Highwood Generating Station as well. East Kentucky is so pleased with this facility, that they're constructing Unit Number 4 as we speak, and it is more than 50 percent complete.
With that I would like to show a brief video from Roy Paul, former CEO of East Kentucky Power. (Whereupon, the video was played.)

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

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

And I just wanted to remind you that your charge here today is really somewhat unique. You are judge and jury in this rezoning application, which means you have to decide not only the facts, but also the law. And it's my
view that the law here is fairly straightforward. That's fairly common. But it's the facts that I think have been subject to some interpretation and, in some cases, some misinterpretation. So I would urge you to learn the facts and know the facts. And in that regard, the planning department has spent considerable time in preparing their staff report. That report has accurate facts. Those facts are correct, so I would urge you to defer to those.

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

Another issue under the zoning regulations and the state statute is the growth policy and whether or not the proposed zoning complies with the growth policy. And Brian Clifton spent considerable time this morning talking about all the different goals of the growth policy. One
thing that I would urge you to remember is that a growth
policy in and of itself cannot dictate a decision in a land
use change. So although it's one factor to be considered,
it's just one of many.

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

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

Another factor to be considered in the rezoning
is the site selection process in and of itself, and whether
or not this site is the appropriate site for this use. And
one of the conclusions that the planning department reached, which is correct here, and was also reached by both the state and federal governments in the environmental impact study process, was this site is the preferred location for this use. In fact, it is very difficult to find an appropriate study for a use such as this. And that again distinguishes this case from other cases where you a developer who, for various other reasons, perhaps aesthetics, things like that, may want to do a development that could be in a different place.

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

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

A couple of final points. As you know, we were all here over a year ago, and at that time this board made the recommendation to approve the rezoning. I would ask you to consider if anything has changed since that time and
the present time. And, in my view, the only thing that has changed is the fact that the final environmental impact statement has become final. At that time it was a draft, and now it's final.

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

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

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

I'm going to, rather than get into minute details
about some of the important factors here, I want to give
you an older lawyer's kind of overview of the situation,
because I think, when you take an overview, it kind of ties
all these little, small pieces together and makes a lot of
sense.

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

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

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

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

It also occurred to me, as I was out taking a
little tour with Red and Mary and Mary, this is private
property we're talking about. The Urquharts have been
extremely generous in letting the public have the run of
this property, to a point where if it's hard for people to
get down, they pile them in their Suburban and will take
them down themselves. They have been great stewards of the
land and of this great place of history. But no good deed
goes unpunished very long. And so, of course, now, and
they stand sued and somewhat vilified, because that is
apparently the strategy our opponents are employing.

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

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

Now, this gets really kind of important, because
Stanley Company has very carefully and meticulously looked
at the project, and they have superimposed the electrical
plant here. Now, I'm sorry that I move around so slowly, but it's my best. Here we have a scale drawing of what you see from there, the stack. Mary, can you point that out? That's the stack. That's the most visible part of this entire area. Now, I'm sorry, but that does not -- that is not well described by my opponents. You would think it's something entirely different, but that is it. Look at the things that are in the foreground that are most obvious. They are already there: Telephone poles, wires, fences, electrical apparatus. So that's how it is now. And you can see from this point of view, what is the lay of the land. Interestingly, you can see the malt plant from there. I believe you can see the U.S. Air Force system coal plant there, which I can say hasn't received much comment, by the way.

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

Now, this is amazing, but here is where a picture is worth, in this case, 5,000 words. This is the East
Kentucky electrical generating plant, the sister plant to ours. It's running full speed. Now, we don't see those plumes of smoke, soot, black filled, all of the things that have been described in the various beratings our opponents have set forward. This is what it looks like on a given day. It's not Appalachia, the ground and the shrubbery looks good, and the sky is clear blue. Heck, you could be in Montana.

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

Fairly clever, look at the left, dense, dirty smoke. You kind of work your way out a little bit, and you get out to where the wind turbines are, it's looking a little better. The sky is foul. The clouds are dark, the wrong color. The transmission lines and the other appliances look terrible. They're designed to look
terrible. This is designed to look as ugly as it possibly could be, even though it's not true and correct. And, you know, with all due respect, in having to present the truth on behalf of my client, that's not an accident. Somebody thought that out, and they were very clear on what they wanted to achieve.

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

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

I think we've talked about this before, and this is about 20 seconds worth, but it's a really important 20 seconds. We're hearing all this opinion, there's all this opinion, no fact, that by golly if we build that little stack that we can see that is now visible, that this
is going to be the death now of Lewis and Clark projects in this area. Well, I don't think so. Not for a lot of reasons. I guess the principal one is look at the monument down to our left down there. That would be the western or southwestern part of this plat. That is full of houses, businesses, refuge sites, old cars. And it seems like the United States was not the least bit interested in this until they apparently became persuaded to be politically involved in it. The real shame of it is, if for some crazy chance this thing is delisted, and, A, it's not going to be delisted, it's because somebody chose to make a big issue out of it. But, again, they told half the story. They're just kind of talking about that, kind of forgetting that the same monument is absolutely latent with all kinds of things that weren't there when Lewis and Clark were there.

I've been around here a long time, and I follow public affairs very closely. Love it. My dad was a 12-year city/county planning board member, and so I kind of grew up thinking these things. Remember the Tribune often called -- as we were searching around for some anchor industry, something to be the foundation for good, solid economic growth, the Tribune soon started calling this the big one. We're always waiting for the big one. This is the big one. It's not pie in the sky. It's a well thought out, carefully planned, very clean industrial facility.
And for all the effort that this area has put into this, and for all of the failures we've suffered and been disappointed, when we thought we were right up to the edge, this represents a very, very good opportunity to do a lot of things on many fronts for our county and for our community.

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

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

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

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

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

BRETT DONEY: Good morning. I'm Brett Doney. I live at 3048 Delmar Drive in Great Falls. And I'm the president of the Great Falls Development Authority, which is the regional economic development group that works with the city and county in the entire seven county Sweetgrass region.
I want to give you a couple of things. First off, I want to mention that I'm a nationally certified economic developer. I have been doing it for 24 years. I'm also a member of the American Institute of Certified Planners, and have extensive experience with major land uses and zoning issues.

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

Energy is one of our target industries for the region. It's a new target industry for us, but we believe that we are competitively positioned in the entire Sweetgrass region for energy production, transmission, refining, and support services, both for here and to our friends to the north in Alberta. We are also going after
some industries that are very heavy electric users, and we
believe we are in a cost-competitive position there. One
industry, their data centers, which are heavily dependent
in their siting and on the cost and reliability of power,
as well as the availability of water for cooling.
Agri-processing is another one of our target industries
that is energy intensive and also uses the water resource.
We're working with Archer Daniels Midland on potential
expansion of the malt barley plant. One of the things that
they've asked us to do is a multi-state and province
competitive analysis of operating costs, including the cost
of energy. And we have to prove to them that we will be
cost effective years into the future, if they're going to
make substantial further investments in the region.

I want to keep it brief. I just want to think
about the precedent that we're setting here, because this
is a rezoning request. It's not a question of whether you
like the project or not like the project. If we set the
bar so high in Cascade County that it's impossible for
other proponents to come forward with projects, then we've
set a precedent that we're not going to have further
economic growth. If you look at the amount of
environmental analysis that has been done for this project,
we are a nation of laws. And if you meet the state and
federal environmental regulations, if we come in and say,
well, that's not good enough, we're going to go beyond
that, then it's kind of a moving, shifting table. And
others who look at investing in the county will say, well,
we could never meet their goals, because they're constantly
going up and above in the middle of the game.

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

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

Another issue is the coal-to-liquid facility that
the Air Force is looking to develop. We are working very
closely with the Air Force in the very early stages of that project, and you will be very involved in that project as it moves forward. Now, I'll just offer, and I offered to Brian, if you have any questions about that coal to liquid project, I will be happy to provide you with any information. Thank you and thank you for giving your time.

CHAIRMAN COX: Thank you.

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

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

CHAIRMAN COX: Thank you.

OWEN ROBINSON: Good morning, Mr. Chairman, board members. I want to compliment particularly the --
CHAIRMAN COX: We need your name and address.

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

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

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

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

The third is what it will do for our tax base. Wouldn't it nice, if you were a county commissioner, that you could decide should I lower taxes and keep the same services, or can I increase the same service -- increase the services we have now without raising taxes, or something in between. That would be something, wouldn't
it? It would be very nice. But it also adds to income
taxes to the state and coal severance tax.

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

CHAIRMAN COX: Thank you.

GERALD DEVEREUX: Good morning. It's still
morning? My name is Gerald Devereux. I'm a pastor of a
local church here, and I reside at 2032 32nd Street South
in Great Falls. And you've heard a lot of facts and
figures, and I guess I just wanted to share a little bit.
I try to keep my mouth shut about political issues and
other things and open it on more heavenly issues. But I'm
a former shop teacher. I've worked in -- for a rural
electric cooperative. I've been an electrician. I'm no expert and I don't have a grasp of all of the facts and figures I've heard today, but I think I have some common sense and some knowledge on electrical production and distribution. And maybe a little bit of a thought, too, on what I would like to talk about as a vision and responsibility in how we operate.

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

We are told that coal is dirty, we can't do that. Nuclear is too dangerous, we can't build a dam because it will hurt the fish. So wind power is the answer, except that we kill birds and it ruins our view. So where do we go from there? It's, to me, kind of a give me everything I want, when I want it, and without consequence or costs. I think we all here know life does not work that way. And so that speaks to -- somewhat to a vision of preservation.
There's also some who I think are a little bit shortsighted in this whole electrical generation thing. The other day in the newspaper, and I don't know who it was, but it was a county official, I believe, a neighboring county, who said something to the effect that this plant has no benefit to my county. I submit to you that this plant has a benefit to every person in this country and likely Canada. Why, because we all share a part of the electrical grid that is part of this country. And in my perspective, we have a responsibility, as citizens, as citizens of Montana, as citizens of a great country, to not just be energy consumers, but to be energy producers.

Someone has to make the power. And for me to expect that my power should be made in and dirty-up someone else's backyard, if indeed it is dirty, that brings to my mind a big moral issue. I think we have a responsibility to be good stewards. And it would be wonderful if the future could come to us without cost to the present, but it doesn't work that way. We all know that there is a cost. So I want to leave that thought with you, that good stewardship, inherent in the word stewardship is the word use. I have a hard time believing that the great deposits of coal that we have were put there for no reason. My perspective is that they're put there to use, to use responsibly, which I think we are seeing done in this
The other thing I would like to leave with you is that technological development is incremental. It would be nice if it would be like Star Wars where we could push a button and everything would happen instantaneously without any cost or without any harm to anyone. It doesn't work that way. But incrementally we can make progress, and I think that's what this plant is. And I would just encourage Cascade County and Montana to move forward in developing this project. Thank you.

CHAIRMAN COX: Thank you.

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

I would just like to speak very, very briefly to Goal 1 of Cascade County's growth policy, which you heard a little bit about earlier, that was strengthening the economy. And strengthening the local tax base is part of strengthening our economy. Mary Urquhart gave you some numbers a little while ago about how this plant will affect the tax base. What she didn't know is that we updated those numbers yesterday for the current value of the plant and for the current mill levies. So we have a little different number. She was just using an earlier number.
For Cascade County the tax benefit, per year, from this plant will be, in round numbers, $3.5 million. This is annually. Local schools will benefit to the tune of $4.8 million, and the state school levies will benefit to the tune of $3.2 million, for a total of approximately $11.5 million. This is a 25 percent increase in Cascade County's tax base. That's a huge increase all at one time. And as Owen Robinson just mentioned, we will distribute the tax burden much more easily upon the residents of Cascade County. Thank you.

CHAIRMAN COX: Thank you.

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

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

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

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

CHAIRMAN COX: Thank you.

BOB PANCICH: Good morning, Mr. Chairman and members of the planning board. My name is Bob Pancich. I
reside at 308 Fox Drive here in Great Falls. I also serve as chairman of the Electric City Power Board for the city. We do fully support the zoning change and commend the staff for a very thorough, a very thorough report. There isn't any reason for me to get in and reiterate all of the things you've read, all of things that you've heard about the plant. But we do have an opportunity to be part of cutting-edge technology by partnering up with MSU and the Department of Energy, and being a leader, not only here in Great Falls, but for the State of Montana, a leader in the nation on going after cleaning up carbon and whatever else, so we have cleaner technology out there. So I urge your support.

CHAIRMAN COX: Thank you.

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

Our ranch is located in the foothills of the Highwood Mountains, primarily in Cascade County, but part of it is in Chouteau County, and has been served by Fergus Electric Cooperative since 1948. I lived on the Chouteau County portion for several years and was also served by Fergus Electric. Now, when I was eight years old, a line crew from Fergus Electric connected central station power
to our place. For me it was a magical experience. It was
a late summer evening when the lineman, who must have been
working overtime, because it was almost dusk, they soldered
the connections on the transformer and voila, lights came
on in our house. They came on in the flood light. They
came on in the barn. It looked like a Christmas tree in
mid summer.

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

Fergus Electric and four other co-ops are trying
to develop a state resource to serve state residents, and I
am one of those customers. The State of Montana has issued
the air quality permit, and the federal government has
completed the EIS. The Urquhart family has asked for their
land to be rezoned so construction of the power plant can
begin. And I'm here to also speak in favor of that
rezoning.
I want to emphasize just one paragraph in my testimony. Coal is not as clean and green as hydro power. But this proposed plant is a lot cleaner than the Colstrip plants that export most of their power out of state. Those plants are larger polluters than this one will be. And they are grandfathered into the power grid, and we'll never be able to clean up the world's climate or Montana's atmosphere if we don't begin to replace them with some newer, cleaner burning plant.

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

I believe my friends who will be close to the proposed plant will still be able to farm, if they choose. I'm hopeful Cascade County will grant them a green belt
clause, so that their property taxes won't skyrocket due to
the rezoning. That would seem like a reasonable and fair
decision.

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

CHAIRMAN COX: Thank you.

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

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

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

Southern Montana has worked hard to design HGS
with the best available technology to build a
state-of-the-art generating station. They've also worked hard to be good neighbors, and they'll continue to do so. This project will be good for Great Falls, good for our members, and good for all of Montana. And I urge the planning board to support it. Thank you.

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

I've been an engineer for over 41 years now, and I'm quite familiar with the production of coal-fired power plants, as I was in the power division of another engineering firm in designing fossil fueled power plants before I moved to Montana. On this one, I have no financial interest in the Highwood Generating Station. Stanley Consultants is providing all of the engineering services for this particular project. All of my professional life I've worked on rebuilding our infrastructure: Bridges; water/wastewater treatment facilities, industrial plants; food grade plants, like the pasta plant here in Great Falls, the malt plant, General Mills; and all kinds of structures for human habitation.

I've witnessed the reluctance of the general population to adequately fund and preplan for the future.
A good example of this is the recent bridge collapse in Minnesota where a bridge with an insufficient rating was put on the back burner due to a lack of commitment and funding. This particular scenario is not uncommon in the world of engineers.

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

I'm also fully aware of the environmental consequences of my personal use of electrical energy. The burning of the coal to produce electricity requires that the byproducts of combustion enter the atmosphere that all of us share throughout the world. I've signed on with SME to purchase power from Highwood Generating Station, both in my home and my business, because of my commitment to minimize our personal influence on the environment to my
electrical energy consumption. The Highwood Generating Station will be the cleanest fossil fueled power plant in the U.S. Right now all of us are getting a significant portion of our energy, electrical energy from the Corrette Power Station in Billings. This plant is almost 50 years old and was built using technology during the '50s. It has reached the end of its useful life.

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

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

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

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

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

By rezoning this land to industry, industrial use for the operations of the Highwood generating plant will increase local tax base and will provide over 600
construction jobs, and more importantly 75 permanent, well-paid jobs with good benefits. The Highwood generating plant will provide clean, affordable, and reliable power for many rural residents as well, as municipal and business customers of Great Falls City power. That makes sense to me.

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

As I said, my decision is based on fact. I've read it. I understand it. This isn't a football game, who's going to win, who is not going to win. This is good for Cascade County, and this is good for Montana. I ask
you please to rezone this land to industrial use. It is
time to move forward to what is best for Cascade County and
the residents of Cascade County. Thank you.
OLE STIMAC: My name is Ole Stimac, Jr. I reside
at 57 Country Lane, Great Falls. I am a business agent for
Plumbers and Pipefitters Local 41, and also president of
the Central Montana Central Laborer Council.

We believe that the zone change request should be
granted because it is compatible for the land in question.
It takes 800 acres of agricultural land and turns it into
800 acres of industrial land that will benefit the county
and surrounding areas in the following ways:
The building of the power house will not only
employ the 550 to 650 people in the construction phase of
the project, but also the 65 to 75 permanent jobs for daily
operation in numerous seasonal jobs in the early scheduled
maintenance shut downs.

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

It's environmentally sound technology. The plant
will be built using fluidized bed technology. The coal
used will be low sulfur. The low process temperatures, in
combination with the CFB process, will result in low
emissions. The people that are against this plant say that all kinds of bad things will happen, but this is just not the truth. If all plants were this clean, it would make our environment ten times cleaner.

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

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

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

The power will benefit us, our friends and our neighbors; Montana residents, both in Great Falls and central and southern Montana; farmers; ranchers; townsmen; small businesses; and residents. It will also benefit local entities such as Benefis Healthcare, Great Falls School District, Montana Refining Company, the City of Great Falls, and future businesses that want to locate in Great Falls. It's important to remember that a co-op is
designed to benefit all of the members and not just a few
people. There are no bigwigs sitting in big offices out of
state that are going to take the profits of this venture.

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

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

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

First of all, this plant will be electrical
generation that is owned by Montanans. Let's get back to
that. Let's not have electrical generation that is owned
by -- owned and operated by CEOs in Pennsylvania and South
Dakota. That's not how we do it here. These moneys will
stay in Montana, and they'll benefit Montanans and not out
of -- not out of state. They won't help fill out of state
golden parachutes. This development will enhance this
local economy more than any big-box store and restaurant
chain than sending all your money out of state will.
It's time to invest in ourselves and our future, and maybe keeping people living here instead of leaving the urban, rural areas around our state. So please support this. Thank you.

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

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

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

I recognize that in the 1970s, when Colstrip 1 and 2 were built, using lignite coal, which is a fairly dirty product, low BTU content, and those plants are still in operation. And they produce about ten times the amount of the power that this plant will produce, that those
plants are still in operation, and they do not pollute the atmosphere.

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

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

When industrial plants are sited, and this is an industrial plant, they change the landscape and they change
the outlook of the community. And the way this one is
being constructed and designed will change it for the
better and will be a resource to bring other businesses to
bear in Great Falls.

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

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

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

Private property rights are a huge issue, the
Urquhart's land. They own this land. They are the ones that are petitioning you for this zoning change. As long as we've done it as environmentally sound as we can, and we've followed all of the laws and regulations, done it the right way, I think that we have no choice but to okay this and move on.

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

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

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

You know, I mean, I'll be blunt here. Great Falls is against progress. Why? Look at Missoula, Billings, Bozeman, they're all outgrowing us, and I just
don't understand that.

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

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

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

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

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

We need to move forward in life. Mr. Johnson
pointed out the same thing. Everybody else is growing,
Great Falls is still here. But with this proposed change,
we get 600 jobs for five years. We get 60, 70 jobs year
round. But that's also not an accurate figure, because as Tim has stated, every time something comes up, some new technology comes up, we're going to -- they're going to add it to the plant. They're going to do maintenance on the plant. So there's going to be even more than 60 to 70 people, after the plant is done, employed out there doing different updates or warranty work or maintenance.

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

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

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

From the beginning of this process, SME has voiced its desire that this plant be constructed with union Montana labor. And this project labor agreement is proof
that they were true to their word. On behalf of the
hundreds of workers and their families, I urge the board to
recommend approval of this rezoning. Thank you.

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

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

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

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

I'm a certified public accountant and practice
public accounting here in Great Falls since 1980. In
addition I am an outside accountant for SME providing accounting services as a part of the Highwood Station project team. I'm here today in support of the rezoning, not only as a consultant for SME, but as a citizen of this community.

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

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

I believe these are accurate signs of how SME will operate Highwood Station in the future. SME has demonstrated its willingness to modify, design, and address concerns, and there is no evidence to support nor expect that this would change once the plant becomes operational. SME has designed HGS to be the most environmentally safe
plant in the country, and I'm convinced of this after
witnessing this process that SME went through to get both
federal and state permits. This is also very flexible in
keeping new ideas for continuing to keep our environment
clean.

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

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

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

The opponents to this planned plant provide a
very important part of the process, because if it wasn't
for them bringing out some of the potential hazards, a lot
of things might get overlooked. What you're dealing with
and you have to consider is possible potential problems.
Well, I can tell you, as a person who was born and raised
in Anaconda, Montana, I spent 40 years of my life there,
and the last 16 years I've spent in Butte, I understand the
results of improper industrial uses. I live in the middle
of the largest Superfund site in the United States. And I
can see what happens if companies do not approach these
projects in economically sound ways and methods.

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

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

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

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

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

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

My job there is to look into all these new sources. And this is a good plant. We have spent a
tremendous amount of the time looking at it. It's not a
fly-by-night. It will be owned, operated, and controlled
by the farmers and ranchers that sit on the boards of both
the co-ops and Southern Montana Electric.

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

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

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

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

CHAIRMAN COX: We're going to get again with the
public hearing. We are on proponents. So please come in
and take a chair, and we'll get started with more
proponents. Any proponents? Any proponents? Proponents, for. Okay. At this time we'll close the proponents and ask for opponents.

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

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

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

CHAIRMAN COX: Thank you.

AART DOLMAN: The question is what is at risk with the Highwood Generation Station. There are some -- here are some of the answers. During the 2000 year, tourists spent some $148 million in Cascade County. They came here to see our county for a specific reason: Our Lewis and Clark historical sites, because the county is well-known for that, we have more historical sites than anyone else in the nation; to see the beautiful space and abundant wildlife. As you see here on this slide, some 30 percent of these visitors in the county visited the
Lewis and Clark Interpretive Center. That ranges on jobs, since everybody seems to be talking about jobs these days, right across the board, from gas station, restaurants, groceries, fees and licenses, services, and, yes, even gambling, to a total of 147 million.

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

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

They come by car. And what are they looking for? For open space.

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

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

Thank you very much.

CHAIRMAN COX: Thank you.

JACKIE SLOVAK: My name is Jackie Slovak. I live at 4315 Island View Drive here in Great Falls. I'm a
native Montanan. I grew up in the Tongue River Electric Cooperative territory. I moved to Great Falls a couple of years ago. I'm a member of the Northern Plains Resource Council, and I'm here to read a statement by the chair of our board.

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

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

One of our main concerns is the loss of the productive agricultural land to industrialization. Not only will this zoning change impact the specific land where the coal generation plant is proposed, but it will also devalue and degrade neighboring farms and ranches, forcing
these agriculturalists to sell out to developers.

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

The power plant will emit millions of tons of pollutants, including fine particles that will not be monitored under the permit the state has approved. These fine particles are a public health risk, and the county should consider this, even if the state did not. Even though the state has set limits on some of the pollutants, the experience of our members in the vicinity of Colstrip has been that the pollution abatement equipment, while possibility state of the art when installed, will become outdated in time. Without constant vigilance by the citizenry, air pollutants will be emitted. The new coal-fired power plant in Hardin, with state of the art pollution equipment, has already been fined hundreds of thousands of dollars by the Department of Environmental Quality. Fines do not reduce the health and environmental
impacts that are the result of these pollution events. Additionally, the carbon emissions from this plant will add to the growing global warming problem we now recognize. If the true environmental costs of this plant were disclosed, the direct emissions, as well as the emissions from strip mining and hauling the coal from southeastern Montana, then we would not be considering this outdated technology for producing energy.

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

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

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

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

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

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

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

Also, if you want to be a good neighbor, you have to be aware that a high percentage of coal-fired generators has been the result of a lot of global warming, and global warming is becoming a major issue. There is right now just
a small window where there are coal-fired power plants and
proposed plants; but in the future there's going to be
heavier restrictions, carbon taxes, and much more. So
we're just kind of in a transition stage, and there have
been many, many coal-fired plants proposed. I have seen a
map of the United States, where there is just a solid mass
of proposed plants. So anything that you have heard that
will be emitted by this plant, you have to multiply for the
many, many plants that are already in existence or those
that are planned. So this is a cumulative effect.

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

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

TAMMIE SMITH: Good afternoon. My name is Tammie
Lynne Smith. My husband, Buddy, and I reside at 397
Highwood Road. Our home is approximately six road miles
and three overland miles from the Urquhart parcels identified in the zoning amendment application.

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

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

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

All of the landowners that border the Urquhart parcels, including Jerome Broussard, Louisiana Land &
Cattle Company, are opposed to this zoning amendment. Your board packets include letters from area landowners and many of them will address you here today.

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

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

We, the landowners, are conservationists and environmentalists. We are not extremists nor obstructionists. Our land will be taken for the railroad spur, the water, waste, and transmission lines. As you can see, all of those other items will cross our lands, and everybody is opposed. We are concerned that the information contained within the zoning amendment application and planning staff report presented to you for review and action, the application relies exclusively on information contained in FEIS. FEIS was prepared for SME for the express purpose of obtaining an air quality permit. The information and data contained in FEIS satisfied the
standards for an air quality permit, although the information and data were biased to this result. Although RUS and DEQ issued the air quality permit to the prescribed standards, both the federal and state agencies clearly stated in their final decision that the local government must give the final approval before this project can be completed. We urge you not to be swayed by arguments that the FEIS is the final and only authoritative information pertaining to this land rezone and the proposed coal-fired plant.

The data presented by applicants and SME is often incorrect and frequently misleading. The discussion concerning the Pendroy Clays would lead you to believe that the soil in our area and on the Urquhart parcels is irrelevant to farming and is useless for anything other than what they want it to be used for. In fact, the Pendroy soils report obtained by Kate McMahon stated that the soil type is rated very limited and is limited for shallow excavation, commercial building, roads, landfill, fence posts, and septic systems. Very limited indicates that the soil has one or more features that are unfavorable for this type of use. Members of the planning board, this is just one example of the many interpretations, misrepresentations, and misleading facts presented in the context of the Urquhart zoning amendment application.
Please take the necessary time to study and fully research the impacts and implications of this application. We firmly believe that the proposed rezone of pristine agricultural land to heavy industrial use would forever change the footprint in our community. Thank you.

KENT HOLTZ: Mr. Chairman and the board, my name is Kent Holtz, and my wife and I reside at 150 Bickford Road, four miles west of the proposed plant. Excuse me. Eight years ago, I was forced to retire from farming because of asthma condition. And with this in mind, I was curious as to what the connection between asthma and the coal plant would be. So I went on the Internet, and I put in asthma plus coal plant. And I urge you, each of you to do the same thing. I came up with 600,000 references that links asthma to coal plants.

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

One of the ones that I found most interesting came out of Minnesota. Its research -- the title was Particulates From Coal-Fired Power Plants Increase the Risk of Asthma in Children. "Particulates and sulfur dioxide emitted from coal plants are known to be triggers for asthma. Preliminary studies done in our neighboring state,
North Dakota, demonstrate the high rates of asthma near coal-fired plants." The study was simple. Surveys were given to all of the school children in Grades 2 through 12 in Mercer and Oliver counties, the region of North Dakota where many coal plants are located. There was a 97 percent response to this survey. 1821 children were counted.

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

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

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

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

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

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

ROBERT LASILLA: Good afternoon, I'm Bob Lassila,
149 Bickford Road. My family has been in agricultural east
of Great Falls for about 100 years now. I'm a
third-generation farmer, and that goes to show my son is
probably the fourth.

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

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

My grandparents, who homesteaded out east, knew
only a few words of English, but they knew right from
wrong. And if they were here at this time, I'm sure they
would be asking, in whatever language they could muster,
who are these people from Tongue River, Beartooth, and
Yellowstone, and why do they want to do Cascade County harm
to better themselves. What school is it that taught them
that transporting coal hundreds of miles, and then taking
somebody else's water to make steam is a sound business
plan? It wouldn't take my grandparents long to figure out
that no one in Southern Montana wants to deal with the
emissions and other liabilities of this project down in
their neighborhood.

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

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

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

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

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

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

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

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

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

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

But if a Highwood generating plant is built, what benefit will I receive living south of the plant, when the wind blows out of the north, directly south of this plant? What is this going to do to the property values? What is it going to do to our farmland? We have to -- we have to
prove our yields every year. The yields out here east of
Great Falls are tremendous, and they don't need to be
irrigated.

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

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

I brought with me a number of essays written by
students of the Stone Child College on the Rocky Boy Indian
Reservation. These were originally submitted last year for
review during the EIS process, but their opinions have not
changed. These are not written by experts. They're not
full of facts. These are just the way that young people in
this area of Montana see it. These are young people that
apparently are part are a Diaspora spread out throughout
the United States and the world in search of a working coal
plant. The same people who will come back, we are told, to
work at the HGS. And it's simply not true. The reasons
given in these essays range from environment to health
reasons to the respect for the land that these people have
throughout the state. And they should be taken into
consideration as real reasons for not building this plant,
as opposed to the seemingly overwhelming reason to build
the plant, which is an economic shot in the arm that will
not occur for many years and may only last for a few.

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

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

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

And then the landowner rights, like Clara Roehm
indicated, and Tim hasn't talked to me once about --
railroad lines go through my property, and also the waste
disposal lines. And I have rights too, I guess. I'm
just -- and I also believe land values and my home values
will go down. I live right next to it, if it's built, so.

And, anyway, that's all I've got to say. Thank you.

CHAIRMAN COX: Thank you.

HELEN COLEMAN: Hello. My name is Helen Coleman,
and I live at Number 11 Homestake Lane.

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

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

You know, this morning the proponents were
talking, I almost thought we were talking about a clean
plant; you know, but I was brought up in Pennsylvania, and
I do know what coal means and that it's not always clean. The plant will also admit mercury, arsenic, beryllium, cadmium, manganese, lead, and acid gases. If all of these chemicals and particulates constitutes a promotion of general public health, then I have worked my entire career of 34 years in public health in nursing, with a total misunderstanding of good public health practices. Promotion of general public health is the exact opposite of pollution of the environment. What general public health does constitute is the avoidance of contaminants in food, maintenance of clean water and air, proper management of waste, avoidance of communicable diseases, and prevention of morbidity.

This prevention of morbidity is the focus of my concern. As has been said, coal emissions contribute to small particles in the air that are made up of many components from different sources. Epidemiology has linked airborne fine particles to many public health effects. In 1996 the Natural Resources Defense Council estimated that fine particles may cause as many as 54,000 deaths per year from heart and lung disease. Researchers at Johns Hopkins University found that soot and dust in the air caused between 20 and 200 premature deaths each day in America, and that pollution from dirty power plants kills more people every year than drunk drivers.
It has been said that asthma is increased. We know that the incidents of cardiac problems has increased. And both DEQ and SME failed to specifically analyze the emissions of effects of fine particulates, and the air pollution permit does not require Highwood to monitor for these pollutants. Proponents of the coal plant cannot argue that the air pollution permit will promote public health, when it did not even consider air pollutants that are widely accepted to cause significant public health impacts.

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

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

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

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

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

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

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

RICHARD DOHRMAN: Excuse me. Richard Dohrman, I
live at Number 9 Homestake Lane, along with my family.

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

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

I speak more specifically concerning my family and 16 other families who call Homestake Ranch subdivision home. It is my little piece of paradise. This group of homes has been here for over 31 years. This area is an agricultural area. These families would not have chosen to
move here with a coal-fired plant less than two miles away. With the ensuing pollution of the air created by several years of noisy, on-site construction, and heavy truck traffic, why would any family want to move in? I know I wouldn't.

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

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

J.C. KANTOROWICZ: Hi. I'm J.C. Kantorowicz, 166 Swift Road, east of Great Falls. I think this graphic developed is too important not to be up here so that you can see it all the time. I'm not sure what the definition of a district is, but as I understand this whole process, 40 percent of the people living within the district
I think you can see by the graphic that we have developed here, had anybody been in that district, other than the Urquharts, we wouldn't be at this point today. It is clearly that it's nearly 100 percent opposition to this proposed rezoning and this proposed power plant from all of the area landowners.

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

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

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

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

CHERE JIUSTO: Good afternoon. My name is Chere Jiusto. I'm the executive director of the Montana Preservation Alliance. I live in Helena at 4529 Union Road. And I'm here to reflect the views of the Montana Preservation Alliance and also to share with you comments
from the National Trust for Historic Preservation. I have a letter here, which I will leave with you, from Amy Cole, the regional attorney.

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

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

Let's just be clear here, the introduction of a
massive coal-fired power plant and accompanying infrastructure does not preserve scenic beauty, nor does the destruction of the landscape of the national historic landmark preserve cultural heritage. The mitigation proposal does not change these facts and is certainly not a safeguard to protect cultural resources as the applicant claims. Rezoning -- let's see.

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

I would like to just talk about the vision thing for a minute. You know, we're talking about a project that is proposed, and it's in a very specific location. And
we're talking about the need for power generation in Great Falls and in Montana. But we really aren't talking about our future in a big way. And I think that we have the opportunity to do that. And I don't think that Great Falls or Montana has to have an either/or scenario, where we either have electrical power in Great Falls generated for a, you know, certain portion of our state, or we have scenic beauty and heritage. We can have both.

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

In other states they've developed projects like commissioning to do sculptures of constant sites in the State of Washington and to celebrate history and draw
visitors. And other sites, like Fort Clapsop, where the
communities work with congress to appropriate millions of
dollars to celebrate and promote the heritage sites there.

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

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

The Lewis and Clark Trail Heritage Foundation is
the national nonprofit that supports the trail throughout
the country. We have 36 chapters across the United States
and members worldwide. We're having our national annual
meeting here in August. The foundation chose to put its
headquarter's office in Great Falls in 1998, because, among
other things, the community's strong support of Lewis and
Clark. First Lady Laura Bush also recently recognized the city's support of Lewis and Clark, when she designated this community a preserve America community.

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


Dear members of the board, I understand you are again considering a zone change to accommodate the construction of the Highwood Generating Station. It is also my understanding that the majority of this proposal
study would be a loan from the U.S. Department of Agriculture Rural Utility Service.

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

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

Despite the claim, mitigation measures are planned to offset the impacts of this station. It is our belief that this station is not mitigatable at the Salem site. It is our position that they must investigate sites which lay outside the landmark and its view shed. Until
the process is definitively identified an acceptable
construction site, it is inappropriate for the planning
board to rezone land in preparation for the Highwood
Generating Station.

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

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

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

LARRY REZENTES: Good afternoon, ladies and
gentlemen. My name is Larry Rezentes. I live at 2208
First Avenue North here in Great Falls. I work for the
U.S. Department of Justice, Office of the U.S. Trustees.
And in my capacity I review each and every Chapter 7 and
Chapter 11 bankruptcy filed and made in the State of
Montana. I have several years of experience as a turnaround bankruptcy consultant. I have worked as a CFO public-venture-capital-financed and private-equity-financed businesses for over 20 years. I was active as well in the liquidation of Touch America, a very prominent bankruptcy filing filed here in the State of Montana.

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

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

We could ask ourselves a question: How could anyone forecast so badly, raises questions of competence or questions of misrepresentation by developers of the
potential plant economic results.

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

Two, the impacts of commitments representing scores of millions of dollars have not been included in these costs and the estimates provided by SME. It was committed to by Tim Gregori, the general manager of SME, that carbon sequestration technology would be affected in the construction of the plant, and by Jeff Chaffe -- I don't know if -- I know Mr. Gregori is here. I don't know if Jeff Chaffe is here, consulting engineer for Southern Montana Electric -- that activated carbon injection technologies would also be applied. So these have not been included in these cost estimates. Thus, incomplete estimates cast further doubt on the economic viability of the Highwood Generating Station and of the ability of the county to generate future tax revenues from the plant.
Third, I address the more intangible issues here. The experience of the citizens of Great Falls in dealing with Southern Montana Electric in its pursuit of an end run around them and potential customers of the Highwood Generating Station. This began with notification of Great Falls City Ordinance 2861 that required a vote prior to the spending of any money in the establishment of Electric City Power, the city's precursor entity in establishment of the plant. SME then pursued, with Electric City Power, the securing of customers for the plant by under-pricing power sales of prices known to not be sustainable and generating losses to the city and a $1.3 million debt to SME. SME then engaged in a cover-up in the recovery of the moneys owed to it by the city by requiring the city to post a, quote, "deposit" in this amount.

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

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

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

Once the plant is built, the environmental and
economic catastrophe they wreak will be a problem not
capable of being solved at the level of awareness that
created it. In fact, it will be a problem that can no
longer be solved at all.

Refuse this application for-rezoning. Thank you.

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

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

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

The other thing I wanted -- and you're supposed
to consider economic benefits and that kind of thing, and
that's supposed to be the big winner in this. I absolutely
dispute that this is going to be wholly economics -- of
economic benefit to our community.

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

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

Just this morning, Mr. Gregori and someone else,
I believe, if you kept the minutes there, the exact quote
was, "There are no adverse impacts on the air." Well, if
you look at the EIS, as they like to quote, overall, it says, "Overall air quality impacts from the proposed action would be adverse and most likely nonsignificant, but with the potential to become significant. Noise impacts would be minor, localized, and long-term, while they would be nonsignificant, there will be a potential for them to become significant." So just because they say their opinion is that the EIS says everything is hunky-dory, I think if you're going to take that, you need to read it, because -- and then check their definition, because under the air quality degradation, significant definitions, which is in the EIS, the air quality it says it could have minor to moderate impact. Well, a moderate impact, the magnitude moderate impact is a change greater than 50 percent of federal or Montana standards. To me that means that you could have the change in the air quality could be 50 to 99 percent of the standard. Now, that's a degradation, it is not an enhancement. I don't care what you say.

Then it goes to their definition of duration, long-term duration is an impact longer than five years. Likelihood, probable likelihood, it occurs under typical operating conditions. So you're going to have a degradation of air quality and other things probable under their normal -- and we're not even talking about accidents or anything else.
So please, when you skim over those terms, please check and see what they mean, because we throw them about kind of loosely, just like I'm sure that Mr. Gregori would admit he misspoke with that, saying there are no significant adverse, there were no adverse -- excuse me, he said no adverse effects.

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

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

So, anyway, I would like to tell you folks I'm here to represent Chouteau County, the mayor of Geraldine, the mayor of Denton. I visited with the mayor of Belt. I have talked to many, many people over the last couple of
years about what is about to be created here just east of
Great Falls. And I could count probably on only one hand
or less the number of people that really feel that this is
the correct direction for we in Great Falls to go, along
with we as a civilization.

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

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

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

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

ANNE HEDGES: I'm very loud. Tell me if it's too
loud. I'm the eighth of nine children, and I'm very loud.
My name is Anne Hedges. I'm with the Montana Environmental
Information Center. Thank you for being here today and for having this hearing. We appreciate the opportunity to express our opinions regarding this proposal.

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

This regional application relies heavily upon the environmental study that was done by the state and the local and the federal government. The application here gives the impression that, because the project was okay with the state and the federal government, that it should also be okay with Cascade County. But in its final decision, the federal and state government clearly said that the local government has to give its approval. It must give its approval prior to this project moving forward. The state and the federal government recognize that the local government has a unique and independent perspective that needs to be considered in this process. To the feds most of the impacts from this project were
considered in a larger context, in a national context, and to them those impacts are small. But a small impact on a nationwide basis might be an extremely large impact to a neighboring property owner. That is why this decision was contingent on local approval.

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

Now, recently permitted plants in Montana, I believe, provide a very good indication of what Great Falls can expect. Thompson River Co-Gen, DEQ issued this company its first air pollution permit in 2001. Since then the company has asked DEQ to weaken its permit four times and amend it two times. DEQ has complied with those requests
every time but one. Since it started operating, DEQ has fined the company twice. The first fine was for $106,000, because the company built a different plant than they were allowed to build under their air pollution permit. Then DEQ later, after amending their permit to allow them to have the plant that they actually built, the DEQ then fined them again $1.8 million, because they had exceeded their air pollution permit limits. But just this week DEQ knocked down that fine by 90 percent, based on the fact that the company couldn't afford to pay the fine. So what that says is, Mr. Police Officer, I am so sorry I can't afford to pay for my drunk driving penalty. That is not acceptable. It shouldn't be acceptable to you, and it certainly shouldn't have been acceptable to the state. But since they couldn't afford to pay, DEQ knocked down 90 percent of their fine.

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

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

Thank you.

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

In considering this request for rezone, I tried to stay focused on key issues that are relevant, excuse me, to the 12-step criteria as mandated by Montana law. I realize that in the county growth policy one of the goals is economic development. I am a union member, have been for over 19 years. My husband has been in the union for
over 30. However, we do realize as well that economic
development and jobs is only one portion of the county
growth plan.

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

Furthermore, the proposed rezone for heavy -- to
heavy industrial raises alarm over potential sprawl and
conversion of additional agricultural lands between the
city and the plant location. Even the DEIS/FEIS states
that a main concern is anticipated to be the potential
changes in land use surrounding the plant area due to the
city's infrastructure extending six miles east of the city.
Construction of the plant would likely just be the
beginning of a corridor of development between the site and
Great Falls.
Currently the site and surrounding lands are predominately agriculture and residential in nature and should be preserved as such. I do realize that A-2 zoning does allow for other uses, other than farming and ranching, but I do doubt we would be here today if one of the neighbors was just building a dog boarding facility.

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

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

The area of the plant was defined as a bench. The growth plans state that this type of landscape covers most of the northern half of the county and comprises the majority of important wheat producing areas of the
country -- excuse me, the county. The growth plan
continues, "Since the existing land use of the benches and
dissected benches landscape is predominately agriculture,
special consideration should be given to protect this use.
Any development or change in the use of the land should be
in a form suited to the natural lay of the land. Rezoning
of the Urquhart parcels to heavy industrial will not
protect the agricultural composition of the area."

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

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

RON MATHSEN: Good afternoon, my name is Ron
Mathsen. I live at 122 Treasurer State Drive here in Great
Falls. And I appreciate the opportunity I have to address
the board on this hearing for recommendation for or against
the rezoning. I also am wearing a button here from CCE,
which depicts the smoke coming out of the smoke stack. And
it is not the visual kind of thing, but what's behind it
that is the reason for that. It's hard, very difficult to
show on a pin invisible particulate matter and other kinds
of things. So we took that liberty and didn't know how
else to do it.

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

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

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

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

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

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

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

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

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

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

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

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

In conclusion, I'll put to you: Is this a way to shepherd the land environment that we are responsible for to pass on to those who come after us. Gone are the days of extracting freely of our resources with no thoughts
given to the consequences of our actions. We simply have
to be more mindful before we trade our precious land and
its beauty for something that in 40 years will be nothing
but an ugly, polluted remnant of an ill-conceived idea.

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

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

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

The application states that the proposed zoning
will meet or exceed all state, federal, environmental, and
air quality regulations. Why does that cause me pause? We are challenging this assertion, this unproven claim, in both federal and state courts.

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

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

Our case against the Department of Environmental Quality at the state level has a hearing scheduled in January. The current air permit allows SME to release up
to one ton of dangerous, respirable particulates each day.

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

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

Mr. Taylor offered us an analogy. If you take a
kitchen strainer and 100 grams of marbles and 100 grams of
baby powder, and you pour the marbles and baby powder into
the strainer, which is analogous to this same kind of
filter, it will be 100 percent effective in collecting the
marbles. I'm not worried about the marbles. It's the baby
powder that will be on the floor, in our lungs, in our
heart and arteries that I'm concerned about it. I am
concerned about it because children are more vulnerable to
these sort of things. Their lungs are not yet fully
developed. They spend more time outdoors.

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

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

Now, an experienced local meteorologist, who is
now retired, told me that the air modeling studies done for
SME failed to take into account the air inversions that
frequently accompany our cold weather. During cold
weather, we get an atmospheric cap that concentrates
deposition of particles ladened with toxic heavy metals on
the local populace. Even when the prevailing winds are
blowing the pollutant to neighboring counties, there is a
baffling effect of the Highwood mountains that blows it
back to Great Falls.

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

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

I grew up here in Great Falls. In 1974, in '73 I
graduated from high school. I was lucky enough to obtain a
apprenticeship. I went to Colstrip where I worked as a
construction boilermaker for four years as an
apprenticeship where I worked on Colstrip 1, 2. After that
I went back to school. I went to MSU to obtain my
engineering degree. Summers I worked on Colstrip 3 and 4.
I have worked a total of ten years in the construction
trade. And I know what the union members talk about, about
having to travel. I think I was ten years, I spent six
months in Great Falls building storage tanks out at the
Malmstrom Air Base. So my heart is with them. I know what
they're talking about.
But these coal plants, when you talk about their clean technology now. If I had a couple of props, if I had two cigarettes, if I had an old Camel cigarette without a filter in one hand and like a Salem ultra thin filtered cigarette low tar in the other hand, which one would you want your children to smoke? That's the choice with the clean coal technology they're talking about.

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

We are so fortunate in Great Falls because of our raw materials: The sun, the wind, the water in the river. We have the best renewable energy sources in the state. You couldn't do what I'm doing in any other city in this state. We have a gold mine here, and it has nothing to do
with coal. The idea that we have to hitch our wagon to
c coal dream is insane.

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

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

Well, there's 1100 coal-fired power plants in
this country. And the first legislation is already
starting to go through in the senate to put some kind of
penalty on the carbon that comes out of these plants. So
there's going to be 1100 of these plants that are going to be standing in line for any kind of government money to build this carbon capture sequestration technology. So your odds of getting any of that money, especially the whole amount, which will probably be about $300 million for this plant, is pretty slim.

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

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

To whom it may concern, as printed in the Sunday December 3rd Tribune, Nevada would benefit on many levels from investment in energy efficiency and renewable energy rather than new coal fired plants. And this is a quote
from U.S. Senate majority leader Harry Reed, a democrat
from Nevada, an opponent of coal-fired plants. Here's
another quote from him, it's unbelievable that the people
running that company, in parentheses, Sierra Pacific
Resources, could be pushing for coal.

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

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

PAAVO HALL: My name is Paavo Hall. I live at
2910 5B Street Northeast. My wife just told you why we
moved here. I've actually been coming up here for about
40 years, because I had a mother and sister living here.
So I know the area somewhat, but I have not lived here
permanently until now.
The decision to build a coal-fired plant in Highwood and the Highwood Mountain area is of crucial importance for at least three reasons. The plant, if built, would have an adverse effect on the environment. Number two, the plant built will have an adverse effect, not only on the residents of Great Falls, but on the adjacent populations. The city of Fort Benton has already made clear that it opposes the plant, apprehending the pollution and loss of water that it will suffer if the plant is built. Most importantly for me, the plant, whether built or not, is a dismal reflection on the nature of how popular government works in Great Falls.

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

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

A supporter of the plant, Mr. Dick Fisher, member of the Great Falls City Planning Board, backed the proposed plant December 2nd in the Great Falls Tribune by saying, "I think it's a good economic boost for the community. It
would provide jobs. We all know energy is needed."

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

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

I've recently moved to Great Falls from Nevada, where coal-fired plants have also become an issue. Nevadans have not, by any standard, been world-class environmentalists. So I can only surmise that they found the statement of David Sims, project director for Sierra Pacific Resources' proposed coal-fired plant near Ely, Nevada, somewhat unsatisfactory. According to the December 2nd Great Falls Tribune, Mr. Sims defended the project with these reassuring, if not specifically informative words: We think we're on the right track. The right track from whom? Sierra Pacific or the right track for the people of eastern Nevada and western Utah.
Let me conclude by drawing a parallel between Great Falls, Montana, and Ely, Nevada. Ely has been in a steady economic decline since the closing of the copper mines in McGill, 20 miles to its north. The largest penitentiary in the state was built near Ely with the hope for creating jobs for the local economy. It didn't work.

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

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

JODIE WRIGHT: Hello, my name is Jodie Wright, and I was born and raised in Great Falls. I live at 124 Cove Lane north of Great Falls. We have ten acres of land there. I'm a mother and a small business owner, and I
guess I'm here today to express my concerns and to express
my opposition of the rezoning of this land.

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

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

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

I would like to read something from the Billings
Gazette dated September 21st, 2007. It's titled Highwood
Plant Has Objectors Within Co-op Membership. "As three
Montana cities: Missoula, Helena, and Bozeman, turned down
a chance to plug into the Highwood Generating Station, some
coop members in south-central Montana wish they could do
"'Since the electric cooperative that owns the poles and wires and infrastructure that delivers power to our homes and ranches, we're not free to choose whether or not we want to participate,' said Dot Gallagher, a resident of Columbus and a member of the Beartooth Electric Co-op.

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

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

"Dave Grimland, another Beartooth member and resident of Columbus, views Highwood as a financial white elephant. He and his wife, Kathleen Ralph, say the coal-fired could soon be outdated, perhaps even before its completed. They commend the co-op's board of directors for dealing with a projected electricity shortfall early, but they say the energy picture has changed radically since
2005, when the Highwood proposal was born.

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

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

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

"Tim Gregori is CEO and manager of Southern Montana Electric, the Billings based co-op that has headed up the Highwood proposal. First he explains that the
co-ops of south-central Montana have no choice but to take action. The energy they receive from the Bonneville Power Administration phases out between 2008 and 2011, forcing them to take and find new sources for 80 percent of their electricity.

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

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

"Regarding technology, SME Vice President John Prinkki said board members are continually reevaluating proposals and assessing cutting-edge technology through their participation and organizations like the Big Sky
Carbon Sequestration Partnership.

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

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

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

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

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

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

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

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

In the ranching community there's a developed
system of behavior, I guess you could call it, that we know
as a code of behavior that we call the good neighbor
policy. And most of you know that the ranchers are -- you
don't want to generalize on people, but we're generally
pretty independent, believers in free enterprise, definite
believers in private property rights, pretty determined.
Some people may say stubborn. But we have come over the
years, over the decades, to recognize that our rights to
perform as we wish on our private property has to take into
consideration the impact on our neighbors. And why is
that? It's because we deal predominately in natural systems: Land, its vegetation, wind, water, wildlife.

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

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

I would suggest that these natural systems have no more respect for county lines than they do ranch lines. So I would ask you to please take into consideration the impact on the people of Chouteau County. I understand your economic benefits. We don't have them. There won't be any
tax base increase in Chouteau County. So I guess a word of caution, if the plant were proposed in the center of Cascade County, I wouldn't be here, and most of the opposition in Chouteau County would go away.

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

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

I grew up here. My grandparents were both raised in north central Montana, as were my parents. I moved away for about seven years and thought I would never return to Great Falls. But after living multiple places in the U.S., in Europe, traveling to Africa and Asia, this really is the
best place on earth. And it depends on what you value. For me I value clean air, clean water, affordable living, and space. Wilderness is important to me as well. And I think when we're talking about economic value of our area, boosting the economy, we need to play to our strengths. And our strengths being clean air, clean water, wilderness. Giving those up, I think is going to backfire.

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

The other thing I would like to talk about in regard to high energy costs, that's another idea why we would like to propose this plant. High energy costs kind of go hand-in-hand with supply and demand. And if there's a demand for energy, the cost will certainly go up. But I also believe that conservation has a role to play in this. I bought a home two years ago, and my first winter my highest bill was $250 for a month of energy. After doing some very basic maintenance, my energy bill was down to 140. So I think when you combine conservation and alternative energy processes, clean energy, as well as looking at what kind of energy we can bring in, you'll come
up with a much different solution than building a coal
plant.

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

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

MERT FREYHOLTZ: I'm Mert Freyholtz from
Gildford, Montana, Box 211. Zip code is 59525.
Everything has pretty much been said. I'm not a public speaker. I think there's a lot of nontruth being talked about when you listen to the other side. One day they say one thing, and the next day they say something else.

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

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

Also, I don't know where you people live. I'm in Gildford, which is probably 90 miles downwind the way the bird flies. But if I lived right beside that stack in the
shadow, I would be furious. I'm furious right now. If I lived beside it, I would be really angry. I can't imagine. One of the guys worked hard four or five years to clean his land up so he could be organic. Now, do you think he's going to be organic once they put that plant up there? No way. And also degrades the agricultural land. It ain't going to be worth what it was before. Why didn't the Urquharts sell their land to the farmer down the road, but there was more money involved.

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

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

I am against the coal-fired power plant. I can tell you that, if I was a young physician and I came to look at the town of Great Falls and it had a coal-fired power plant, I wouldn't come here. I wouldn't have come
here if there had been a coal-fired power plant. I, in fact, had a good job opportunity in Billings, and my wife and I elected to come here, because of the quality of the environment compared to Billings. And it was a very good practice opportunity with the top practice in Billings.

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

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

I think that, you know, there are other reasons for lack of economic development in the State of Montana. One of them certainly isn't the environment, but it may become the environment. I think that probably it has more to do with the tax structure than it does the cheap power.
I mean we had it when we had Montana Power, and what
happened to economic development in Great Falls.

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

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

We are organic farmers and ranchers, and there
are proven reports of people who became ill and cattle that
became ill when cattle grazed on grass and forage that had
mercury on it, plus all of the other things that are coming out of that stack.

So you have a hard job. You have to be objective. It's been my experience, I've been a teacher and principal for 35 years. And I think you know about spin doctors. Kids are good at it. And so I just say that you can -- anybody can find facts to support their opinion.

So I would say what facts are you going to look at and take as your judgment that the health -- are you going to support the constitution that we have the right to a clean and healthful environment. And then there are other rules and regulations that -- Montana has not had good environmental regulations or limits. They haven't needed them or haven't thought they needed them. And they're just starting now thinking, well, let's see what kind of limits should we have on this. So if there are faulty regulations, do we accept that as the law, or do we say the constitution is our law?

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

JAMES BELL: Hello, my name is James P. Bell. I am retiring to Choteau, Montana. I live now in Arkansas. Back in 1975 my wife and I came to Glacier County to practice medicine. We lived there for a couple of years, and we fell in love with Great Falls and Choteau.
Great Falls is a wonderful town. And it has been, and it has always been attractive to us. At a time when my colleagues in the Indian Health Service were moving to Livingston or down to Bozeman, we came back year after year to Great Falls and to this part of the country. We love northern Montana. And we set on a beautiful area that has, to this point, has been unsullied.

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

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

The science is clear, the earth is warming. And whether you think this is due to natural cycles, you cannot disagree that man has not contributed to this in some way.
I can remember in 1975 when the skies were clear, summer, winter, fall, spring. Now, through much of the summer you see a haze on the horizon. And I'm told by my friends this is due to peak fires in Alberta, forest fires in Oregon. Yes, it may be in part, but it is due to the increased number of coal plants that we have put into this country since the Jimmy Carter days in the 1970s.

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

You have a chance now, folks, at this point to make a difference in history. You are at an important place in history to make a difference on how you vote on permitting this rezoning change. You can make a difference for not only Cascade County, but for all of American.
Because if this plant goes in, even as clean as they say it is, it still is one more chink into that increasing load that our atmosphere is varied. I would urge you to consider not giving this permit for this power plant. Thank you very much.

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

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

Now, it's interesting, because I'm going to try to focus on something that no one else has mentioned, and that is the environmental modelling as it pertains to the land around the Urquhart property. Most people are concerned about what comes out of the stack, where it goes and that. But I'm going to talk about what's called fugitives of emissions: Stuff that comes off of the ground and affects things on the ground and in the groundwater. Now, I can swear I heard a proponent talk about how these
things have been addressed, but they have not, because I'm in possession of all of the electronic data submitted to the Montana Department of Environmental Quality. Nothing in that modelling addresses anything to do with what happens in the ground or what happens in the groundwater.

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

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

And why that is significant is because it doesn't really model reality at all. No amount of consideration has ever been taken into account what the true effects are
on the ground of the effected property surrounding this
property. Is it permitted to take that into consideration
in your zoning?

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

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

Another thing I would like to address, there was
an article in Forbes magazine addressing how wind power projects have been cancelled in Montana, because there is not enough transmission capacity to handle these projects. So when you consume that transmission availability with this project, you are, in effect, cancelling more of these projects. So you are giving up clean energy jobs for dirty energy jobs. There is no gain.

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

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

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

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

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

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

Personally we buy from some of these local organic farmers. It's important that they grow organic, at least for me it's important, because I'm a breast cancer survivor. And it's more and more important that I get clean food, because my immune system is compromised. And
all of the other cancer survivors, we have a weakened
immune system. We have to be more careful with the water
we drink, the foods we eat. And if we pollute our own
land, our own organic farmers, where are we going to turn?
We can't turn to China. We can see right now that they're
polluting their land even worse. So why are we even
thinking to go down this path.

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

And I hope you all take the time to realize that
your decision here today is going to be looked at by
everyone in the world. We are now in a google economy.
The world, when they google coal plants, when they google
what is happening, they're going to see what your decision
is, what the decision is here in Cascade County. And it
does matter. It matters to the whole world. It matters to
my daughter. It matters to my nieces, my nephews, my great
niece and great nephew. It matters to all of us. And I
hope that you will carefully consider, especially what all
these landowners have been saying, because they are the
most directly impacted. Thank you.

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

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

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

As far as some of my concerns, three weeks ago I
have a three-year-old grandson that has to go to Great
Falls for medical care because of a chronic lung problem.
I also have concern about statements that are made about
cheap power. What is cheap power? You people are going to
have to have the ability to decipher what is the overall picture. And the overall picture is bigger than Cascade County, in my opinion. What happens if the propose -- somebody mentioned that the fiscal things don't come about. What happens to cheap power then? Does it go to the person offering the highest power for the price, or does that power stay in Cascade County, Great Falls, the five co-ops? It's a concern that I have, because we've seen it in other areas.

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

I would urge the board to take their time on this. The rezone, because of my locality, I have a very personal issue with this. And I am concerned that if you rezone this now before financing, if you rezone it before all of the permitting process, if you rezone it for a number of issues, and those don't come through, I'll be stuck with a rezone program that does what? I don't know that answer, but I hope you people know that answer before you make your vote.
I think it is -- I'm also concerned because I've already been told by people that I am the edge of the Belt Creek breaks. It is property that people look at, and we have lots of hunters. They go fishing in Belt Creek. But they're not interested in developing in the area, or if you want to develop it for more homes, if a coal-fired plant is there. Property devaluation is a big issue.

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

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

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

And the privilege to speak before the Cascade County Planning Board, a group of folks who volunteer their time, I feel is extremely important and deserves a special note of thanks, and I thank you personally. I also want to thank you for voting to adopt Roberts Rules of Order by
which you conduct your public meetings and your public
hearings.

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

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

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

Many of us in the audience are aware that if a
developer or company or citizen fills out the proper
paperwork and forms required by the Cascade County Planning
Board staff, that the planning board staff always
recommends that you vote yes on the staff recommendations.
The planning board was formed to study and review the
staff's acquisition of new material and new information to
help you, as a board, make a thoughtful decision. As
public officials, you should ensure that your actions and
positions on issues have been studied, researched and
thoroughly thought out. Each of you live here. Your voice
and your knowledge is greatly needed and appreciated for
this community and this county.

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

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

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

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

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

Now, in the proposal for Highwood, they're not
talking about any type of cutting edge technology. My point being is there's a lot of cutting edge technology out there that hasn't even been considered as this coal plant is being shoved down our throat.

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

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

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

It's all pretty much been said. But, you know, I
would just like to recap. And I would like to point out a
couple of things regarding the testimony. You know, all of
the proponents of this thing, if you were paying attention,
every one of them was in this thing for a buck. They were
economically connected to this coal plant.

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

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

And, you know, I remember something, I don't know
if you guys have read the book by K. Ross Toole called Rape
of the Great Plains. Toole said something in that book,
and I would like to repeat it for you. He said, "It
remains incredible that in so many instances there appears
to be no relationship between the mortality of a bad idea
and the mass of the weight of the evidence against it."
And I think that you've seen a good example of that today. You have physicians, you have farmers, you have ranchers, over here with this huge mass of evidence against a bad idea, over here a coal plant. So, you know, I think it's fairly evident that this coal plant really is a bad idea for everybody, except for the few connected people involved.

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

And as a way of evidence, I would like to offer in some testimony by a fellow named Dr. Wade Sikorski, Ph.D., who lives over in Baker, Montana, downwind from Colstrip. And what Wade discovered through his investigations is, and this is a direct quote from Wade, I believe that the evidence shows that the health of children has already been harmed by emissions from Colstrip. According to some statistics that I got off the Department of Health and Human Services website for county health profiles in Montana, in Montana there are ten counties with
high incidences of birth defects. And all but one of them, Liberty County, which is up by the Canadian border, are clustered each -- are clustered around each other in southeastern Montana. These are counties in southeastern Montana that have elevated birth abnormality rates: Big Horn, 16 percent; Carter, 21 percent; Custer, 34 percent; Dawson, 17 percent; Fallon, 26 percent; Garfield, 31 percent; Powder River, 25 percent; Prairie, 34 percent; Rosebud, 20 percent. Except for Liberty County, which had 15 percent, all of the other counties in Montana were either 10 percent or lower with most of them coming in around seven percent. The average for all of Montana is eight percent. So counties in the southeastern Montana have about three times as many abnormal births as counties in the other three quadrants of Montana. The difference in birth abnormalities between southeastern Montana and the rest of the state is as dramatic as it is disturbing.

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

Am I out of time, are you just flipping those?

How much time do I have? All right.

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

DONNA KRAMER: Hello. My name is Donna Kramer. I live at 1604 Second Avenue South, Great Falls, Montana. And I'm just here to say that in the paper Carol Fisher was talking about a proposed plant that would be built in Butte. If you want to see this same plant up and running already, look to Arapahoe Energy. They're either in New Mexico or Arizona. It is the same type of plant. You can go to their official site and see everything that they do. They also are going into biofuels. It's very interesting and it's something that I think we should really look into. Thank you.

RON GESSAMAN: My name is Ron Gessaman. I live at 1006 36 Avenue Northeast. And I was born in Fort Benton. My family has agricultural interests in Chouteau
County, have had for about a hundred years. So I have a connection to Chouteau County. I went to high school here in Great Falls, and I graduated from Bozeman. So I have a connection to Cascade County and Gallatin County.

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

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

We have heard the proponents testify that this plant has the latest, the greatest, the most modern technology. Well, in fact, the technology that is being used by this plant, circulating fluidized bed, CFB, is an old technology. There are CFB plants running out there
that are 28 years old. The Canadian government has recognized that the CFB plants in Canada are all dinosaurs. They are in favor of shutting them all down.

The reason that CFB is considered undesirable is because it has a very high heat rate. This particular plant has a heat rate of 9836 BTUs per kilowatt hour. That's straight out of the SME data provided to the RUS in their FEIS. That number is among the highest heat rates on earth for a power generation plant. You have a letter in your possession showing some charts and graphs as to what other plants have for heat rates. And a modern plant would be somewheres down around 8,000, 8500 BTUs.

So on a technical basis this plant is not acceptable. It's efficiency is low. And when you have a low efficiency, then, of course, you don't make any money, because you're using a lot of coal to generate your output electricity.

The other thing about this plant is that this plant will be very difficult to control the CO₂ on. The reason it is difficult is because you have a very large input stream of air for the combustion, and all of those gases, like the nitrogen, end up in the off gases. And so you've got to scavenge through all that off gas to find your CO₂. That means that that stream will be up to a 160 times larger than it would be if you cleaned up the carbon
before you provided the fuel to the boilers or the process
where you have generated the electricity.

So then that brings us to another environmental
issue, which is the best available control technology.
Just because this plant has best available control
technology does not mean that's the best emissions control.
It just means that's the best technology for a CFB plant.
So we need to keep in mind that we are not talking about
the state of the art here. We're talking about old
technology. Thank you.

PAMELA MORRIS: Chairman, members of the board, I
am Pamela Morris, 2201 Eighth Avenue North, Great Falls.
That's just for the last six years. Previous 30 I was
teaching in Billings, Montana. But the previous, I'm not
going to say from my birth, I was born in Great Falls right
at the Columbus Hospital. In fact, both sides of my family
came to north central Montana over a hundred years ago. My
grandfather started a business in Great Falls here, which
evolved into the largest sporting goods distributorship,
many of you may have bought some firearms from him on
Central Avenue.

I chose to retire back to Great Falls, just as
many have, because this is indeed the last best place. I
commend you for serving at this time. And ask you to
readdress one of the points that your planning department
staff did not fully address. Because you need to look at
Number 5, the culture of Great Falls. Great Falls is not a
culture of smoke stacks and Anaconda Company where you can
be happy that your grandfather worked and your father
worked at Anaconda Company. What it is now is the place
where people, such as I, are happy to come back, where we
can breathe the fresh air. We can raise our children, and
we know that there's a fine medical facility here that
brings doctors to our place because of the wonderful
educational system. By the way, the teachers come here
rather than other places, the cities, including Billings,
which I am glad not to be there now.

How about an arts community? How about the
tourism? Okay. Who is really Great Falls anymore and what
is going to be our future here? Our potential, our
economic future is not in the area of regressive energy
development. We're going to have an Aero conference coming
up Saturday. I invite you to take a look at what the real
future is going to be, if we allow it, rather than going
backwards. Because we do have wonderful alternative
sources of energy.

Please do not turn this community back into an
Anaconda mining company, again, town. The skies are clear
now. You notice I come back here, and I see and I look up,
and I see, look at this. I tell you I did not see that in
Billings.

All right. I want us to continue having this, and you people who are in the labor unions, et cetera, what quality of houses do you want to build, what quality of businesses do you want to have? All right. We don't need to attract people who want to come here and breathe dirty coal air. We want to continue to attract the kind of people that are coming that are allowing us to thrive right now where there are jobs, and I see this to be, continue to be our last best place, even more so.

So please revisit your planning department's recommendation where they have half admitted some things, and then look at what has not been said, as other people have said to them, and let's do what is right.

CHAIRMAN COX: Do I have any other opponents?

I'll just speak for a moment or two here. And I don't speak very often in front of people, so I'm usually scared.

THE COURT REPORTER: I need your name before you go too far.

JERED KUNO: My name is Jered Kuno. I live at 2205 4th Avenue South. I worked previously the last time 19-and-a-half years for the waste water treatment plant here for a company called Veolia Water, that was one of the companies that own it, or didn't own it, excuse me, you
folks own it. We operated it. We operated it well. My point is that I don't think our facility here is up to handling much more without additional rebuilds on that plant. That plant was built in '77. It was designed for 120,000 people in the city. It was built to actually accommodate 60,000, because two part -- or one-half of that plant was never further developed on what they call the wetting. The solid ends is the digester and rebuilt. And there is a methane burner there that was supposed to go on line, I believe, in early spring. I retired six months ago, and it wasn't in operation then. I don't know if it's in operation yet, but that's another point.

The other points that I have, I have family that lives very close to China. I've seen the results of the pollution there and the pollution in Koahsiung from coal-fired generators. My three grandchildren were sick all the time. I was sick for six weeks when I was there. The sky is the color of that cedar up there by noon. And this is in a valley like this, huge beautiful mountains. And if you can get away from the pollution, it's kind of nice.

But those are my points. I just ask you to consider, if you would like, to further that degradation of our environment, I guess we can go with this antique deal that they're proposing, okay. So that's all I have to say.
Thank you. And I appreciate your help. Hope you don't get too tired of listening to all of us people that don't know how to speak, including my cousin, because he's a very good fellow. Thank you.

CHAIRMAN COX: Any other opponents? Any other opponents? Last call, any other opponents? At this time we'll close it to opponents.

If there's anybody out in the audience that would like to get up and say something not in favor either way, now is your time to do that.

MR. CLIFTON: Mr. Chairman, that has not already spoken?

CHAIRMAN COX: That has not already spoken.

MR. NICHOLSON: Mr. Chairman, may I have the chair? I would like to move to postpone the motion to approve or disapprove the Urquhart zoning change request until the planning staff has had a chance to revise their recommendations to us after consideration of the public comment on this matter and after the decision is rendered by the state of the appeal of the HGS air quality permit and other litigations that are pending?

CHAIRMAN COX: Do I have a second? I do not have a second. Motion is denied.

At this time, we will go to the board and if there's any discussion or questions for Brian.
MR. CLIFTON: If I can have a couple of minutes, Mr. Chairman?

CHAIRMAN COX: Sure. By the way, we are closing it to the public hearing as of now.

MR. CLIFTON: Turn the timer off. Okay. Just a couple of things. First of all, I want to say a thank you to the citizens. I think you guys conducted yourselves in a courteous and gracious manner throughout the process. I would also like to thank the Cascade County sheriff's officers who have been here and helped throughout this process. They probably learned more than they ever wanted to learn, but thank you guys very much. I would like to thank my staff and attorneys for their hard work in preparing this and all this material and setting up for the meeting. And, of course, I would like to thank the board for putting in this time, as many people have recognized the fact you are volunteers and the amount of time you put in.

This is pretty much standard operating procedure. I usually take a couple of minutes to address something, if I think something has come up or a clarification that I need to address, as far as staff. So I've just got a couple of things.

One, as far as soils go, with regards to staff comments, because I never speak for an individual, but as
far as staff report goes, again the land is not designated prime ag land or land of statewide importance, as done through an analysis that we use through our growth policy and our planning board through the USDA. And staff has never indicated in the staff report or in oral presentation that the land is worthless or not productive as agricultural. In fact, I think my staff report seemed to indicate that they could continue to farm it as it is being farmed currently.

Second of all, recommendations, actually recommendations are not always in the affirmative, unless the materials submitted meets, in staff's opinion, their requirements of our regulations. Oftentimes a developer chooses not to go in front of our planning board, if staff has already indicated that it doesn't appear to meet our regulations, but they are always welcome too. And as this board can attest to, regardless of staff recommendations, this board is definitely independent and will make up their minds as they see fit. But as far as staff reports go, the recommendations are not always in the affirmative, unless the material submitted meets, in staff's opinion, the requirements of our regulations.

Regarding the Section 106 process, which has been talked about a couple of times, the staff totally agrees with the fact that this process, while not yet completed,
is an advisory only. It's not a binding document as a
building permit location, air quality permit, et cetera.
Therefore, staff does not believe that the Section 106
process will affect the zone change application presented
to you, and that's why staff forwarded that recommendation
in the staff report.

And at this time I will entertain any questions
that the board may have. Again, just for the people who
may not have ever attended one of these meetings,
oftentimes the board will ask me technical questions with
regard to the application. Myself or my staff will never
be able to answer all technical questions regarding
application form. And oftentimes we pull the applicant
back up to explain something to the planning board. So I
don't want you to think it's out of character. It's not.
It's very common, because usually these planning board
meetings we're hearing anywhere from two to five
applications, and there's no way staff can know all of the
intricacies of each and every application that comes in
front of us.

And then for the final, staff has, as I mentioned
before, we worked until late last night documenting all --
we have to document everything that comes in. And I just
want to give to the planning board, we have to summarize
for the record the attachments. They're also included in
the front page of your booklet, or the binder I gave you
guys prior to this meeting. The issues and the concerns
that we've received, I will run through those, so that we
have those on record as well, and for the public to hear as
far as the summation of those.

For the opponents, the summation includes:

No to the Highwood coal plant.
Recommend investing in clean renewable energy and/or
conservation alternatives instead.
It's hazardous to our health, air pollution, emissions from
the plant.
We do not need the electricity here and should not build to
send the electricity out of state.
Waste of water sources/reduction in water supply.
Impact of this plant would increase global warming.
Changing the zoning is anti-farming.
Articles from USA Today regarding mercury toxicity/rise in
humidity/coal plants.
View into the future of a creation of a new Superfund site.
Effect of downwind residents on air quality.
Effect of downriver residents on water quality and the
effect of the volume of the water.
HGS will create a negative impact on the quality of life of
Fort Benton.
City of Fort Benton will not receive any positive economic
impact from the plant.
Cascade County tax payers will be stuck with funding this project.
RUS and SME must investigate sites for HGS that lie outside of the NHL and its view shed.
This will result in overpolluting the planet, there's no clear view of the Highwood Mountains.
The impact of the HGS on this letter writer's chronic obstructive pulmonary disease.
It will spoil the area's natural beauty and image, keep Montana the last best place.
The plant will disrupt the character of Great Falls and is inconsistent with our values.
It's spot zoning, it's not an economic interest, it's not an environmental interest, traffic issues, prime land, and noise concerns.
Loss of the productive agricultural land to industrial land.
The plant will devalue and degrade neighboring farms and ranches and homes.
Electric rates will go up.
Impacts to property taxes and schools.
The plant will have negative impacts to the portage route and tourism.
Great Falls will lose its gold star on the national map for
the NHL.

Rezoning is premature since the Section 106 process is not complete.

HGS cannot minimize, mitigate, or avoid impacts to the NHL. There are unanswered questions and costs of meaningful and safe methods involved.

Shrinking and questionable electrical market.

States are not open to coal-used electrical generation markets.

Plants should be built at the coal field.

This plant will reduce the view of the Highwood Mountains as seen from around Great Falls.

This plant will cause environmental problems now and for future generations.

Natural beauty and ag production should be protected and well guarded.

Rezoning for housing and industrial facilities on best ag land makes no sense.

Rules must be followed and not bent, do not rezone the plant.

Application is not in compliance with the county land use plan.

Application is not compatible with neighboring farms and ranches.

Coal plant is not in the best interest of the county.
HGS will use all the available transmission capacity for electricity in the region.

HGS facility will lead to the probable delisting of the national historical landmark.

Facility will do damage and is not needed in the state.

Facility will not be in compliance with promoting public health and general welfare.

Facility would increase exposure of dust from road and ash from solid waste piles.

People should have been able to vote on this in the county.

Plant will not enhance public health, economy, or working toward a cleaner environment.

Court cases have mandated rezoning meets the 12-step criteria mandated by law.

Listing of the 12-step rezoning criteria and non-compliance of each one.

Cast doubt on the economic feasibility of the program.

Commitments to capital expenditures have not been included.

City of Great Falls has end run around the citizens and voters of Great Falls.

Plant construction costs are not accurate.

Sponsor of the plant lacks credibility.

Site plan contains railroad lines and sewer lines across my property, I have not been notified.

FEIS notes impacts with air quality, noise, visual
resources and traffic would decrease quality of life.

Salem Road is not adequate to support traffic necessary to build the plant.

Salem Road is the only reasonable access to the site, so emergency services in the area are inadequate.

Who wants to live next to dirty pollution, railroad spurs, transmission lines, and 550 vehicles of traffic.

A 400-foot stack will not be attractive.

Smoke billowing out of stack will cover the beautiful view of the Highwood Mountains.

HGS facility would alter the area and the residents' way of life.

My way of life will greatly change, if this is not stopped.

Will the proposed HGS insure us a healthy environment?

Coal dust will possibly contaminate our drinking water.

The Northwest Energy Coalition and the NW Power and Conservation Council say there's no need to built a new coal plant.

Coal plants are not wanted.

The best use of this land is for farming.

Conversion of the land to industrial use would be a travesty.

We do not need slag heaps, coal piles, and smoke stacks destroying forever this vista.

Planning board has a moral obligation to uphold the Montana
Constitution to guarantee a clean and healthful environment.

HGS will use up the transmission capacity for local wind energy development.

It's too close to their land and house.

Stack limited to 400-foot height, variable wind patterns and upper inversion cap impact air quality, lack sufficient dispersion of pollutants.

The particulate matter will impact Great Falls/contributes to poor health such as in West Virginia and the east coast.

Diversion of large amounts of water as noted in the EIS, could stop other potential industries/needs for crops and recreational uses.

Neighboring landowners are opposed; their rights need to be considered.

Infrastructure is expensive to construct/maintain, fire and law both would have additional expenses.

Consider effects on city and county budgets.

Timing of this project prior to likelihood of carbon tax is not a wise investment.

Most of the central rural cooperatives that supply our area have mostly refused to participate in this venture.

SME has overestimated its power supply needs.

Management and solid waste will be a problem, groundwater contamination/overflow with flooding hard to manage.
Economic impact for jobs are very limited.

General Electric no longer manufactures this type of plant, it's obsolete.

We have a need for clean air and clean water.

Plan is outdated technology.

The amount of mercury that would be put in the countryside and rivers is a concern.

This plant is bad on the environment.

Treatment of sewage to a plant already stressed by the malting plant is of concern.

Impacts from a proposed influx of temporary labor and resulting congestion.

The best use of land would be considered agriculture, ranching, outdoor opportunity and a healthy environment.

Opening door to other industrial type projects such as munitions disassembly, plutonium reprocessing facility, et cetera.

SME blatant deceptions and persistent attempts to shade the truth.

The Canadian government considers the CFB technology that operates as dinosaurs.

Carbon Capture and Sequestration Plan Summary is uncertain at this time, funding for HGS is still unclear.

SME has had no generation facility operating experience or any other industrial plant operating experience.
Design of facility for maximum energy efficiency is a major flaw for the proposed at HGS. Plant would encourage sprawl between the site and the city of Great Falls. Potential impacts of the military, the rezone could sandwich the runway, some nearby crash zone properties in this area near base. The existing plants fined for violations, just change the standards they were permitted to run in rather than change their operation. Growth policy encourages special consideration to protect the agriculture of the benches, coal plant would not protect land. Other considerations for location were more expensive, we shouldn't sell out because other areas declined or were more costly. City of Great Falls has agreed to give away 3200 gallons per minute of water from Missouri River to SME for the project without consideration of future use. Still excellent soils that produce many bushels of wheat, et cetera. Feels bias has been introduced to the planning board because of recommendation from planning staff in the affirmative. HGS is a latent killer, gross polluter, environmental
disaster, terrible neighbor, and potentially an economic calamity.

Release of harmful radioactivity from coal consumption, mining impacts on environment.

Current road fees assessed through property tax, burden back to current landowners?

Once power is generated and in the power grid, its source isn't known, think price could good up to allow profit.

Property values have declined in the area because of potential health hazards, increase in noise, significant traffic issues.

Strongly disagree with the statement proposed zoning will promote public health and welfare.

This will become a future Superfund site just as Libby asbestos victims, sounds eerily similar to W.R. Grace's claims in Libby.

Insists there are cleaner, cheaper and more reliable energy economy available, wind power should be encouraged.

This will kill any future residential development in this area.

Other areas in the county are replete with stories of rejected coal-fired power plants with updated technology.

Cost benefit analysis for the entire community not being considered.

Heavy truck traffic, if approved, jeopardizing citizens in
the area.

Few will gain, majority of people will bear the burden.

Particulate matter will impact Great Falls, just as Butte, Missoula, Libby and Hamilton are close to not meeting guidelines.

Mercury concerns are real, coal-fired plants are the largest source of man-made mercury pollution in the country.

Growth policy goals and objectives are themselves contradictory and cannot be adequately defined or practically applied.

The illogical justifications by planning staff that exist in special use permits excuse the fact that HGS is out of character of the area.

Irresponsible use and misinterpretation of all concerned in the FEIS assessment on effects of rezoning the HGS project. This will decrease land values.

This would not preserve the character of the district and would disrupt our cultural heritage.

The Historic Antiquities Act in 1966 requires the SME application for a federal loan guarantee to complete the 106 process prior to the RUS awarding the federal loan.

The documents are lacking necessary economic information to weigh the current economic benefit to Cascade County.

No plans are in place for demolition of HGS when it
terminates its 40 year operational lifespan and restoring it back to ag use.
The economic impact of the historic preservation should not be minimized.
Wind farming is a viable tax contributor/2525 renewable energy initiative.
New York Times article October 20, 2007 about diverse partnerships against coal plant in Great Falls, Montana.
Feels staff report does not give enough information to planning board to make an informed decision.
No documentation for Department of Energy or Department of Defense indicating any level of support as claimed.
Additional water vapor to the atmosphere is another source of greenhouse gases that trap heat that would be added to climate.
Local rights should be considered.
They do not want industrial parks surrounded by agricultural land, growth policy is to be a guide to follow.
The Cascade County has been in a drought, don't let our water go.
Particulate matter will increase if plant approved, when playing sports we will play hard and breathe hard sucking it in.
Concern for wildlife dying from mercury and other possible
deformities.

Local people will not receive any of the electricity for our homes, no real benefit.

If approved, SME should own the plant's pollution as well.

Feels the logic that ag and heavy industrial uses are compatible because they would be allowed with the special use permit is wrong.

Other part of economic development, how many business will not come because the HGS, not just their employees.

Others to consider for employment, what about those who already have jobs, organic farmers may lose their livelihood.

Growth policy objectives not met to protect ag lands.

Feels application is premature, litigation concerns on EIS, air quality permit determined in January of '08, and an AG opinion on secondary industry.

National landmark protection should be considered.

Driving on the Highwood Road with increased traffic raises concerns of insurance being raised.

Coal is not going to work, coal articles attached to letter about many problems with coal.

Future is not limited to the coal plant; labor could build a solar cell factory, a wind farm, biodiesel facility, et cetera.

And, finally, concerns that the plant is being forced on
the public.

The proponents, they're very short. Let you know we're almost done. The proponents:
Should be allowed if State of Montana and federal government agencies approve their permits/need the power/financially beneficial.
Possible that carbon dioxide capture could be installed/state of the art power plant.
Cleaner than Colstrip plants that could be replaced if we had newer, cleaner burning plants.
The right thing to do for our community.
Provide significant benefits to the residents of the tax revenues annually for the school district, city, and county.
Feels that the EIS and environmental impacts are met, we need electricity.
And it's cutting edge of developing CO2 capture and sequestration technology.

And, again, planning board members, you have that. Most of you have seen it in the front of your book that we handed out this morning.

MR. NICHOLSON: I would like to go on record that I never had time to read all these letters that came in this morning, a big pile of them. I know these other people haven't either. And I don't think that that's
MR. CLIFTON: Again, you are the board. This is the board. Staff makes the recommendation on the staff report, and the board makes whatever decision.

MR. KESSEL: I would like to make a recommendation that the planning board recommend they approve. That's my motion.

MR. WILKINSON: Some of us have questions of the applicant, so. Are we to questions? Okay. All right.

I'll get started here then.

I've just got a couple of quick questions. First for Mr. Chaffee. Is he here still? Yeah. Brian asked us to write down questions, as you guys were making your proposal application. So I've done that.

In one of the slides you had in your presentation, I think you had -- it went fast, so I might have missed it, I think it was 7.1 cubic feet of water a minute that would be used. Is that correct?

MR. CHAFFEE: Mr. Chairman, it's 7.1 cubic feet per second --

MR. WILKINSON: Per second.

MR. CHAFFEE: -- is the maximum water demand.

MR. WILKINSON: It's been a while since I've been in school, a I think a cubic foot is what 750 gallons; is that right? That's 100 cubic feet. So what's 7 point --
MR. CHAFFEE: About 7.5.

MR. WILKINSON: So per minute what is the use of
the coal plant? I guess I --

MR. CHAFFEE: On a per minute basis, that would
be 3200 gallons per minute.

MR. WILKINSON: So do you know how much that is a
day in 24-hours. Maybe --

MR. CHAFFEE: My memory says it's 4.6 million a
day, something in that range.

MR. GREGORI: 25 percent goes back.

MR. CHAFFEE: And 25 percent goes back to the
waste water system.

MR. WILKINSON: Okay. Thank you. Since I've got
the mic, do you mind if I ask a few more questions? I
don't know if this is appropriate for Mr. Chaffee or
probably Mr. Cavanaugh. I think you're part of the design
for the plant.

Looking in the application under I think it's Tab
16 of what we have, and I'm just trying to confirm the size
of this thing. The stack is 400 feet tall.

MR. CAVANAUGH: That is correct.

MR. WILKINSON: There's no -- what's the diameter
at the base?

MR. CAVANAUGH: At this time the diameter at the
base is 40 feet.
MR. WILKINSON: So the diameter at the top would be?

MR. CAVANAUGH: 20 feet.

MR. WILKINSON: And I noticed that the boiler building is over 20 stories tall, 200 feet tall.

MR. CAVANAUGH: That is correct.

MR. WILKINSON: And how long is that building, a guess?

MR. CAVANAUGH: You know, I don't have those specific numbers, but in general terms, it's roughly a 160 by a 160-foot square. It's very rough, so.

MR. WILKINSON: By 200, okay. Then I've got a question for, let's see -- well, I guess we could make our comments in a little bit. But, Ms. Jaraczeski, if you would come up there, please.

In several of the letters that we had in our packets it talked about the neighboring property owners, and as far as the transmission lines for the water, the power lines, I imagine the sewer line, the railway going through their property. Do you anticipate that SME will just condemn the property? Is that what you see, as several of their letters said they had never been approached by selling those rights away?

MS. JARACZESKI: I'll respond and then I'll have Mr. Gregori follow up.
As far as contact with the landowners, we had a meeting with the landowners prior to starting the first rezoning process. My recollection was that that occurred in October or November of 2006, and it was a really snowy evening. We sent landowners, in fact, I personally sent them to all of the landowners in the area that that's who we thought would be affected by any of the infrastructure. We invited them to attend this meeting. It was at the LaQuinta. Mr. Gregori gave a presentation, as I remember. And we discussed where, at that time, we thought those structures or those things would be. That answers your first question.

As far as condemnation, my understanding is that we won't proceed directly to condemnation. We'll try to work with the landowners as far as acquiring those rights through either easements or right-of-way.

MR. WILKINSON: But if you don't get it through voluntarily for them selling their rights, is the county then going to condemn that property, because SME is a private entity is my understanding, even though it's made up of various co-ops and the City of Great Falls, but the county would have to condemn the property; correct?

MS. JARACZESKI: I don't think that's correct. I think that under state law that SME as a utility has the right to condemn, because they need those easements and
right-of-way for a public use. Is that right, Neil? Oh, Mike McCarter, their other legal counsel, can speak to that as well.

MR. McCARTER: Yeah, I visited that issue. The co-ops do have the right of condemnation, but you want to use that only as a last resort.

MR. WILKINSON: Is SME a co-op then, if it's made up of various co-ops and the City of Great Falls?

MR. GREGORI: SME is a 51C12 electric cooperative with incorporation papers filed with the Internal Revenue Service.

MS. JARACZESKI: I had reviewed those laws. It was a little while back. But I don't believe it doesn't matter, the corporate structure of the entity doesn't matter. It's the public use that is important to that question.

MR. WILKINSON: Okay.

MR. GREGORI: With regard to the contact, some of the people that spoke today were actually at the meeting. And I was a little confused when I heard that they haven't been approached, when we had Jeff Chaffee, myself, and a representative of Stanley go through the details of the project. At that time, we outlined three alternatives for rail routes and also alternatives for transmission routes. And it would be our goal to try to work with the landowners
and come up with one of those routes that would be
acceptable to the majority of the landowners, and hopefully
be able to purchase the rights as well.

MR. WILKINSON: Can I keep going here, just a
couple more? Another question, probably for the engineers,
I went out to the spot yesterday, in all of the mud,
because I was familiar with the area, but I really hadn't
been out there in such a long time. Can either one of
the -- or someone speak to the elevation? It's on, I
believe, Tab 27 shows the elevation at the plant, but what
is -- does anybody know what the elevation at the Lewis and
Clark Portage staging area is? To me it looks like it kind
of gently raises maybe 60 feet or so?

RICHARD URQUHART: It's 128 feet from where the
plant sits.

THE COURT REPORTER: I know you're an Urquhart,
but I can't remember your first name.

RICHARD URQUHART: Richard Urquhart.

MR. CLIFTON: First of all, the questions and
answers for the board, you have to have the board address
you to answer it. We do not want a yellfest to start, what
about this, what about that. So first of all, you guys
have done very good. I know it's been a long day. It's
imperative that we run through the process, as Mr. Bocock
had stated, through the proper procedures and stuff. So
please wait to be recognized by the chairman. Thank you.

MR. CAVANAUGH: We'll get roughly 130 feet in elevation change. Now let me go to your next question.

MR. WILKINSON: Okay.

MR. CAVANAUGH: Is not a direct line of sight of 130 feet. You have a crest of a ridge, and the power plant sits back over that crest. So your line of sight at the plant, which is some 4,000 feet away, is much higher.

MR. WILKINSON: Okay.

MR. CAVANAUGH: If you understand what I'm saying.

MR. WILKINSON: And I agree with you. I did see that little crest. What bothered me, though, is when -- the reason I went out there, I was looking at the digitalized photo from the applicant, and you could hardly see the smoke stack. And I'm a long-term Montana resident, been here, born here. And I remember the smoke stack up on the smelter here, and you could see that for miles and miles. And I think that was about 500 feet, 550 something like that tall. I just, my point was I don't think that that photo is accurate when I went out there and looked at it. You're going to see that massive stack and that massive 200-foot-tall boiler. But I did see that little crest in the hill there. And that, you know, that's just a point that I wanted to make, because I think that the photo
was not accurate, unless we were using blue skies to --

MR. CAVANAUGH: I anticipated your question. We used fairly sophisticated computer modelling to represent that.

MR. WILKINSON: I'll hold any other questions until a little later. Let some of you other guys, and then have board questions.

MR. LUNDBY: My question is for planning staff. Brian, on Page 14 of the planning staff report, addressing the Criteria Number 3, the zoning regulations have been designed to secure safety for fire panic and other dangers, I noticed when you read through the report, that you left this part out, "The approximately 20 Sand Coulee volunteer firefighters are comprised of volunteers with firefighter one and firefighter two training."

The applicant goes even further in their report, and they claim 50 percent of the Sand Coulee Fire Department volunteer firefighters are certified as firefighter one, and the other 50 percent are certified as firefighter two. As you know, I'm a little bit involved with local fire issues.

MR. CLIFTON: Correct.

MR. LUNDBY: Where did that information come from?

MR. CLIFTON: My information for the staff report
or the information from the applicant?

MR. LUNDBY: Both of them.

MR. CLIFTON: My information from the staff report came from two different sources. One was the application, and the second was part of it came from Kate's analysis previously from last year's application, actually from last year's -- I don't have it right here -- last year's analysis of our previous staff report. So I included information in there from those two sources.

MR. LUNDBY: Because we rely on this information to ultimately make a decision, I think it's important to point out I contacted the certifying agency in Montana, and they were astounded to learn that 50 percent of the Sand Coulee Fire Department was certified as firefighter one and the other 50 percent was certified as firefighter two. They knew nothing of this.

I will also continue on, Vaughn Fire Department also trains to firefighter one standard, we don't certify, but we train to that. Very few of our firefighters are trained to firefighter two. I can tell you that it's extremely difficult to get all of your firefighters trained to firefighter one, if not impossible. Our department by no means is firefighter one trained.

I would also submit that, if this was built in the Vaughn Fire Department area, we would have grave
reservations about being the fire protection. I get worried about a 20,000 foot tire store in my district, let alone a 200-megawatt power plant. That's not to say that the Sand Coulee Fire Department can't do that, but I think there's erroneous information contained in this report. I just wanted to set that record straight.

MR. CLIFTON: In the staff report, the staff report doesn't state that anyone is certified. That part is an the application.

MR. LUNDBY: I recognize that.

MR. CLIFTON: Correct, okay. So because, just like you're saying, staff could not confirm or deny that some of those were certified. So that's why that part was not put in our staff report.

And also, if you continue on, and the reason why, first of all, I had -- I was trying to figure out which -- since the staff report is available publically and you guys have had it for quite some time, if standing up here and reading it verbatim would help anyone or not. That's why the majority -- well, all of the goals and everything up through the goals was read verbatim on the staff report. The rest of it I did try to highlight in the interest of time, the fact I knew that you guys had the staff report for quite some time ahead of this meeting.

Also I think it is important to go on that, as
part of the location conformance permit, I share with you,
staff shared with you questions and concerns is the fact
that we would want to see, we would require that all mutual
aid agreements be in writing, because staff has heard
actually two different indications as to, one, there would
be a mutual agreement with Great Falls Fire Rescue would
respond. And the other one we heard that the Great Falls
Fire and Rescue would not respond, if it's not in their
fire district. At that point in time, I do not know if the
intent is for Great Falls Fire Rescue to incorporate this
plant into their district; and, therefore, put the caveat
in there as to requiring any mutual aid agreements be
signed and demonstrated that those are in place prior to
the issuance of a location conformance permit, as we do
with similar permits. As well as the fact that state
building codes obviously kick in with commercial
development, so we know we always have state building codes
for fire, plumbing, electrical, and building structural.

MR. LUNDBY: A follow-up to that, you would
require those written mutual aid agreements to be signed.
How do you propose to make those responding agencies sign
that mutual aid agreement in the advent that they didn't?
How would that play upon this, this rezoning?

MR. CLIFTON: Correct. They would not have to
sign them. We could not force any agency to sign them.
However, the applicant, if a rezoning was successfully completed, the applicant still has to apply for a location performance permit. And in our regulations before issuing a locations performance permit, applicant has to demonstrate that they have satisfied public health and safety issues.

Fire, of course, is obviously one of the public health and safety issues that they would have to show that they meet. The same way with the roadway. The application has demonstrated that the applicant will work with MDT. But there's no mention in there that they would work with Cascade County with regard to building Salem Road, paving Salem Road, et cetera. Again, that's a public health and safety issue that would fall under our location performance permit and would be a requirement of that prior to issuing that permit.

And, again, that's why at the bottom of that section it says, "Staff believes with the outlying conditions, that a proposed use for the zone amendment would be implicated to secure safety from fire panic and other dangers." And that's kind of the caveat that a lot of people may or may not understand fully is that, if a rezoning application was successful, it doesn't alleviate -- you don't get to still go out and start construction the next day. There's another round of
permitting processes that are required prior to any of that. And our local permitting requirement has a caveat of a whole list of additional conditions with all other regulatory agencies that they have to follow.

MR. AUSTIN: Brian, for the benefit of the board members that weren't here last fall, what is the difference between this application compared to the one that was approved last year?

MR. CLIFTON: First of all, this application is a lot more complete. It's a lot -- I shouldn't say a lot more complete, as if it wasn't complete last time. It was -- it was not as in depth last time. And a lot of that was due to the fact that our previous regulations did not go into as great of depth as our new, approved regulations do. And because of that and the fact that after going through the public hearing process, both through the planning board and the county commissioners, not only did the applicants get an opportunity to hear concerns of the citizens, the staff got to hear all of that as well. As did the planning board and the county commissioners. So I think the difference now is the fact that the applicant, in their application, as well as staff in their staff report, you can definitely see a difference in our staff report this go around is a much more comprehensive look at the whole entire facility over all.
MR. WILKINSON: Brian, also I wanted to -- I
don't know if we want to continue with board discussion.

Any other questions?

CHAIRMAN COX: Any questions down here?

MR. WILKINSON: I wanted to clarify, I think
there was Ms. Floyd, I believe was her last name, bought up
some points that I noticed in the staff recommendation.

I'm the chairman of the -- also the chairman of the Cascade
Zoning Board of Adjustment. Leonard is on that board also.

And the staff report, and mainly, I guess, the application
from the applicant, relies upon, in several areas, the fact
that the zoning regs that we adopted in 2005 allow for an
energy transmit, not energy --

MR. CLIFTON: Electrical generating.

MR. WILKINSON: Electrical generation facility as

using that, saying that it would be allowed by a special

use permit. A couple of things that I wanted to point out

is, under those regs, if that came before our board, we

could deny that special use permit. We could also set

standards and conditions, and they often get quite lengthy

for the ones we do approve. And also I don't think that

when that zoning was adopted in 2005, that really that

allowing for electrical generation facility by special use

permit was ever anticipated or expected that it would be

allowed for a coal-fired generation plant, something of
that size.

The reason that it is in the application is because there's something called spot zoning, and also on the 12 factors that we have to meet. But in spot zoning, even on Page 33 of the applicant's application, that the rezoning area can't be significantly different from the prevailing use in the area. Well, this, in my feeling, and I don't know how we can get by this as a board, unless we just want to jump over it logically, but this is significantly different than the use of the area. The use of the area is agriculture. It's not heavy industrial.

And in that case that she quotes there or the applicant quotes, the Little case, says significant use, not what is possibly allowed by a special use permit, but what the actual use is in the area. And logically I don't see how this board can get over that hurdle.

And I, personally I've struggled with this for some time. I wasn't on this board a year ago. A year ago I would have voted for this power plant like this (indicating). Every week there's something new that comes up in the paper. And for me I'm a builder and developer. And this would be -- and I live on the other side of Great Falls. So this would not impact me at all. The wind blows the other way, and it would actually help me. But I have been struggling with this for some time, because I have to
do what is right, like Ms. Jaraczeski said, what is right under the facts that we have before us, and rather than what benefits me or our economy. So I don't know how we get over that spot zoning issue. And then those special use permit issues that are brought up in Steps 4, 9 and 10.

And the other issue on spot zoning is that it doesn't harm or hinder neighboring property owners. The applicant has on Tab 16, to support their position, which is a letter from an appraiser from Missoula. And I don't think it takes an appraiser from Missoula or a kindergartner to know that, if you have a 200-foot tall smoke stack -- or a 400 smoke stack and a 200-foot tall boiler building next to you, that it's going to harm the value of your property. This letter from this appraiser says that there is no negative impact to a neighboring property. And to me that is just unbelievable. And that's what started me on really looking at this application, because that's just unbelievable. And he bases it on opinion, but on the second page his only fact that he uses, well, you can still farm it like they did in Colstrip.

Well, sure you can still farm that property, but the value of that property to that farmer, who has been there for a hundred years, has significantly dropped. And, therefore, their value is diminished. And it violates the spot zoning in the state law and also in our requirements
in our zoning regs. And I don't think this board can get by those two. And if you can, I would like to hear it. And I'm sure the applicant will get up and try to explain it too. And I would appreciate it.

The other issue, and then I'll finish -- I'm a private property rights guy. I'm probably more pro-development than anybody else on this board. And that's the reason I come down where I will have to oppose this plant. One issue is the easements that we've talked about. These people have a right to their property, and I guess they're going to have to get their property condemned for the rights of way. They have a right to maintain their property, their value in their property. This isn't a subdivision or housing development or a small commercial development that may have some negative impact that may actually help these property owners. This application should have had a compensation package for the neighboring property owners, and it didn't. And I probably would have gone maybe to the other side with that. But we still have the spot zoning issue.

And also we have the water rights issue. What we're doing here, Montana water law gave the cities an extraordinary amount of water. And that water was supposed to be used for municipal purposes. And that was intended for people, drinking water, running the city. It wasn't
intended for public entities, like the City of Great Falls, to go out and lease their water rights. And what that does is it hinders farmers who have water rights on the river already. And we know how, at four-and-a-half million gallons, you know, that's not an insignificant amount of water. It's a good chunk of water. What the applicant should have done is gone out and bought those water rights from a farmer, privately and independent, rather than use this unlimited supply that the city gets, which is really intended, always intended for municipal use, not leasing it out to private industry.

So I'm open to the applicant answering my little tirade, I guess, and the board trying -- I think you have to logically, we have to get over those issues. Step Number 4 is promoting the public health and welfare. I think that's a stretch that this actually helps the welfare and health, but we have to find that it does. Nine is the zoning issue, and it has to be reasonable with the district. And the district is ag, and it's not reasonable. And Number 10 also that this particular parcel has to be particularly suited for this, and I don't think that it is. It was chosen because it was a Montana Power, I think, Montana Power had put all of the study and had located this site years ago, and so there was some work already done that they could jump on. So that's my little two cents
worth, and I'll hand it down.

MR. CLIFTON: Mr. Chairman, if the board would like, I can invite Ms. Jaraczeski up. She put together the spot zoning argument in the application.

MS. JARACZESKI: Thank you. I welcome the opportunity to talk about spot zoning. When I first became involved in this project, I studied and, I guess, in a sense became a student of spot zoning. And my approach to researching this issue and learning about it was to look at the Montana case law from the first case where spot zoning was introduced all the way through to the current law. And in studying that chronology of law, it was very interesting to me.

One thing that I would like to point out, in the two most recent cases decided by the Montana Supreme Court in spot zoning, is a rule of law that was created by the Montana Supreme Court. It is not a rule of statute.

But, in any event, in the most, the two most recent cases where spot zoning was addressed by our court, they did not find spot zoning. And I'll go over this specific criteria, but in a very general sense, I think that's important, because those are both very contentious cases just like this is. There was a lot of feelings on both sides. There were tough issues.

Spot zoning has three criteria. Our court has
said, however, that the three criteria are really nuances of each other. And I will talk about that later, but first I'll talk about those three criteria. And in doing so, I'm going to be fairly specific and focus on some key language, because I think that's very important here.

The first criteria that you consider the adjoining land of use. The standard there is whether or not the surrounding land use is significantly different, and that standard is important here. And I understand why there's been some questions about how can agricultural use and industrial use possibly be compatible, because, I guess, just from a lay perspective, it doesn't seem like that. However, from a zoning perspective and a land use perspective, they're very compatible. And the reason is because agricultural, without any special permitting, involves a whole host and variety of uses. So agricultural and industrial use under our Cascade County zoning regulations can co-exist.

The other thing that I think is important in this analysis is that in 2005, when Cascade County enacted their zoning regulations they opted to zone everything that wasn't already zoned agricultural. One of the reasons for that was the broad variety of uses allowed under agricultural, just as a given. In addition to that, agricultural has a whole laundry list in the Cascade County
zoning regulations, and I'm talking off the top of my head here, but I believe it's about five or six pages long of permitted uses. You could have an airport, you could have a runway, you could have a golf course, all kinds of permitted uses. So that's why it makes sense and it's correct, and I firmly agree with the report of the department when they say that the two uses are compatible. That's your first test.

Your second test is the size of the area. Historically when spot zoning was first introduced in the courts, the size of the area meant just that. It meant you look at the piece of the parcel. In the first case under Montana case law where the size of the area or this criteria was considered, the parcel itself, I think, was half of a city lot. It was infinitesimally small. That factor criteria has changed over the years and has gotten into more consideration as to whether or not you need the growth policy. And I think that's important here. On its face it's spot zoning. And your own regulations talk about it in terms of a parcel. We don't have one parcel. We have four parcels. And, in fact, we have 668 acres of property that we're rezoning.

With respect to compliance of the growth policy, I want to remind you again, and your staff report starts out your analysis of the growth policy with this that
growth policy is one thing, among many, to be considered in
your overall analysis here. And you have five different
goals, many different objectives, and it's a balancing
test.

MR. WILKINSON: Can I follow up with you a little
bit here?

MS. JARACZESKI: Uh-huh.

MR. WILKINSON: But the Little case you cited in
there is talking about actual use, not whether it's a
permitted use. And even if it's a permitted use under our
zoning regulations of Cascade County that doesn't mean it's
going to happen. We regularly turn down items because,
even though they're on that laundry list that you said,
they're incompatible with the area or for some other reason
they don't meet what the board feels is required to issue a
special use permit. But the Little case talks about the
actual use of the property, isn't that correct?

MS. JARACZESKI: You know, I don't agree with you
on that. I don't think you have to look at the actual use.

MR. WILKINSON: Well, I'm looking at your
Page 33. I'm just going with what you had said in your
application. Whether something is possible, remotely
possible in a certain district logically should not have
any relevance, but it should be what the actual use is at
the time of the zoning application.
MS. JARACZESKI: Well, zoning is all about change in land use.

MR. WILKINSON: Right.

MS. JARACZESKI: So you have to look at that from the perspective of changes from ag to industrial. And if an electrical, if an industrial use, such as an electrical generating station, is allowed by special use permit under Cascade County zoning regulations without changing to industrial, it's allowed as an agricultural use. That, to me, is very convincing that, Number 1, the two are compatible; and, Number 2, the uses aren't significantly different, which you have to go back to your legal standard.

MR. WILKINSON: But the case law in our zoning regs, I don't think they talk about compatibility. It's whether they're significantly different. Whether a coal plant is compatible with farming, I guess it technically is, because you can have a coal plant here and farm wheat next door. That's compatible. But I don't think that's the -- it's certainly not what we have in our zoning regs, and it's not what is in the application or that case law that you've cited.

The other question, let's go back to that, you make the argument that there's no negative impact on the value of neighboring property. Do you really believe that?
I mean I would have felt better if you would said, yes, there's going to be some negative impact, but it's going to be offset by such and such. But do you really believe that the neighbors next door have no negative impact? I mean, to me that's so disingenuous that it makes me question everything that is in your application. It's just so untrue, but I'll let you answer that.

MS. JARACZESKI: Yeah, you know, you're coming at that -- and this is my view on it. You're coming at that from the question on whether or not there's a dimunition in value. My reading of it, that's not the issue, and that's not the way that we approached it. We had a highest and best use analysis done, and that's very specific. And the issue of that analysis is whether or not the highest and best use, industrial use can continue -- excuse me, agricultural use can continue in light of the industrial use. So we did not do a dimunition in value study. I don't think you need to. I think you need to evaluate whether or not the existing use can continue and is diminished.

MR. WILKINSON: But in our Cascade County regulations, I believe its value is considered, not whether they can still farm. And so I think it violates it automatically on that basis, but --

MS. JARACZESKI: You know, I would like to read
to you the definition of spot zoning under the Cascade County zoning regulations, if I could.

MR. WILKINSON: Yeah, I've got it and you've got it.

MS. JARACZESKI: "Spot zoning is the process of singling out a small parcel of land for a use or classification totally different from that of a surrounding area for the benefit of the owner of the property to the detriment of other owners and/or the public at large."

MR. WILKINSON: Is this not to the detriment of the other owners? And isn't it totally different, even though our regs use totally and the Little case uses significantly? I don't know if there's a difference there. But isn't a coal-fired power generation plant totally different than farming? I don't see how, just because it is allowed in the special use process possibly, I can tell you that our board -- maybe I won't be on this much longer after this -- but our board would never, it would never approve it. We would say this is too big of an issue that needs to be sent to the planning board for a rezoning. And I don't know if Leonard would agree with me or not.

MR. LUNDBY: I would like to, if I may.

CHAIRMAN COX: I'm going to make a comment here and be real quick. Cattle ranching is way different than farming. It's the opposite in a way. It agriculture, yes.
MR. WILKINSON: But both are agriculture.

MR. LUNDBY: While you're there, Ms. Jaraczewski, I share the same concerns that Tim did. In fact, to answer your question that you posed earlier in your opening remarks when we started this process, you asked us what's changed since our original vote on this board. And I originally did vote, and I originally voted for it. And to answer your question I'll tell you what's changed for me. I also become a student of spot zoning, in that interim, and have spent the last two weeks pouring over Supreme Court decisions in the State of Montana. And if you think this process is boring, you ought to try that. And first let me couch my remarks in that I am completely ambivalent about this plant. I really share no strong feelings for opponent or proponents. So it comes down, for me, it comes down to can we do this. And the Little test, the Little case, which has essentially been the litmus test for spot zoning since 1981, and when I read that 28 page opinion, ruling, three times carefully, and I apply that to this instance, this parcel of land situated where it sat, I share Tim's question, I don't believe it passes the three prong test.

Number one, whether the requested use is significantly different from the prevailing use in the area. It does not speak to compatibility. I won't argue
with you that it's possible for a coal plant and farming to be compatible. However, the Little test doesn't ask that question in part one. It asks is it significantly different from the prevailing use in the area. And I challenge anyone here and on this board to say that a coal plant isn't significantly different than a wheat farm.

Number two, whether the area in which the requested use to apply is small, although not solely in physical size. An important factor is how many separate landowners will benefit from the zone classification. In this instance, we have four landowners.

And number three whether the rezoning is more in the nature of special legislation designed to benefit one or a few landowners at the expense of the surrounding landowners or general public, and this should involve an inquiry as to whether the requested use is in accord with the comprehensive plan or growth policy.

I submit to you that we fail on one and two. And we maybe marginally pass on three, whether it's in compliance with our growth policy. I'm with Tim, I can't get past this being spot zoning in this particular place in this particular use.

MR. AUSTIN: I'm not -- I don't know what they're reading. The way I read this entire section that you started to read, you didn't read one, two, and three below
that, "According to the relevant provisions of the Cascade County zoning regulations, spot zoning is defined as the process of singling out a small parcel of land for use classification totally different from that of the surrounding areas for benefit of the owner of the property and to the detriment of other owners. Number two, a rezoning that extends a preexisting zoning classification to include a larger area is not spot zoning. Number three, under Section 76-2-101 through 76-2-112 the Montana Code Annotated designation of parcels of 40 acres or more as county planning and zoning districts will now be considered spot zoning." So I'm confused.

MS. JARACZESKI: The definition of spot zoning that applies here is stated in Subsection 1. We don't have Subsection 2, an extension of a preexisting zoning classification.

MR. AUSTIN: Right.

MS. JARACZESKI: And we don't have Subsection 3. We don't fall under those particular statutory sections.

MR. AUSTIN: So it's not 40 acres or more?

MR. WILKINSON: We have to meet Section 1 there.

MR. CLIFTON: First of all, staff, the Cascade County, the Cascade County zoning regulations that were rendered in '05 and were adopted did not update that definition with current case law, because, as Mr. Lundby is
mentioning, as well as Tim, the fact that we have dissected spot zoning 27 ways indicates that even the Court system has their own issues on each case. They're not consistent with how they come out of it.

The 40-acre was based on a court case at Fish, Wildlife & Parks, the -- who? I can't remember. But it was a Fish, Wildlife & Parks case where it was a 40 point. Then following lawsuits after that that occurred in time indicated, as Tim has pointed out and Mary has indicated, the size of the parcel actually went away. The elk Foundation -v- Gallatin County had a 300 plus acre rezone application that went through, and it got turned over for spot zoning. So the fact that it's in the definition of a 40-acre, that has subsequently, through court cases, been found that the 40 acres is irrelevant in size. You could probably find a court, under certain circumstances, to find a 12,000 acre parcel of land considered spot zoning in certain circumstances. It all depends on each of the particular instances of the cases.

Same way with the Little's test, and trust me, staff has gone over this with different attorneys. And as a lot of us non-attorneys know, there's 12 attorneys and 12 opinions as to what that law says. But one of the nuances of the loads was that they didn't have an existing zoning, and that is what the application is indicating here, the
fact that this parcel of land already has an existing zoning. So from a staff standpoint that is obviously one different nuance to this. And so the spot zoning is tough. It's a tough analysis.

MR. WILKINSON: I agree with you, Brian. But we're still left with number one in our zoning regulations, and I don't --

MR. CLIFTON: The process of singling out.

MR. WILKINSON: Yes. Everybody turn to Page 33, and look at Number 1 and argue that this isn't spot zoning. Can you argue it, Brian, that it isn't spot zoning?

MR. CLIFTON: Well, again-I would defer to the fact that, one, I think 12 different attorneys in a court of law will come up with 12 different opinions on whether or not one is met.

MR. WILKINSON: Right. And that's why the board needs to look at the regulations and look at one.

MR. CLIFTON: Number 1, the process of singling out a small parcel of land. Okay, so the first part of that is 660 acres a small parcel of land. I live on a one-third acre lot. 660 acres to me is huge. My dad, who is a ranch manager, has 121 sections of land. 660 acres to him is small. So that's the first contraindication of that. Again, I'm not an attorney.

Second of all, for use classification totally
different from that of the surrounding area for the
benefit, so a totally different classification, totally
different from that of the surrounding area for the benefit
of the owner of the property. One could argue the fact
that it's one owner -- well, it's not one owner. It's four
owners. What's the benefit to the owners? Well, benefits
to the applicants is that they are going to sell their
tract of land to a company that is possibly going to use it
for a coal-fired generation, electrical generation plant.
On the flip side, the benefit is all these people get to
use electricity at supposedly a reduced rate. So you have
both sides of that argument as well.

And to the detriment to other owners. Is it a
detriment? Applicant says they're going to fix up
everything nice. It's going to be great. The organic
farmer says it's going to wreck my ability to continue
organic farming. Both sides of it. Now, all of you can
see why staff tries to put the staff report together, hand
it over and say, here's all of the information, what do you
guys think.

MR. WILKINSON: Remember spot zoning is only one
portion. We have that 12-step test. And three of them I
don't know how you can, especially if you get rid of the
idea just because there is a possibility of getting a
special use permit, that's not even justified in at least
three of those criteria, if you get rid of that, I don't know how you can do it.

MR. CLIFTON: To me, that's the great part of this whole entire process. Each board member takes a look at the material, decides for themselves, and then votes. I don't think it's met it for me; therefore, I'm not going to vote for it. I think it's met it for me; therefore, I'm going to vote in favor of it. The good thing about the whole entire process is that, as with our entire society, we go from one board, which is a recommending body; we go to the next board, which is the board of county commissioners who gets to make the decision; and then because of our state, federal, and local laws, there's an appeal process should anyone feel that they are aggrieved by the decision throughout the process.

And I'll tell you, Mr. Dolman and I were chatting the other day about it. It's a great process. A lot of these people have indicated to me over time that they don't feel that they have been able to come out and partake in the process. This is the process, and I think it's a great process. You ten members, nine today, because one just had surgery, you nine members get to try to delineate what your thoughts are as best as you can. And then we move it down to the next or up to the next level. However, you want to look at it.
MR. NICHOLSON: I can't ignore the overwhelming opposition to this project that we've had today and then all these letters that we've had. And I agree with all of them. There's some very intelligent people out there who have written these letters, medical people, engineers, teachers. I don't know how we can ignore the overwhelming opposition to that.

Another thing I wanted to ask about is a thing that Mr. Dolman brought up in his paper, who is going to clean up the mess when this is all over? Who is going to clean up this plant when it's no longer working? There wasn't anything in the application.

MR. KESSEL: Are you done? Anybody else down there?

MS. POPA: I have a comment. I thank all of you also for coming and speaking to this issue. It's a very complicated issue. And there's a lot of things to be considered, and there's a lot of steps that have to be taken before this could, if it does, come to fruition.

I think what we need to set aside is there's a lot of opinions about issues about the plant and whether it should be built or not built, the city should or should not be involved with it, the voters have not had a choice. There's a lot of issues that are not relative to the
specific thing we are addressed with accomplishing today,
and that is just dealing with the zoning issue.

I am -- I have not decided whether I think it's
the right thing to do or not. I have looked through all of
the information and looked at the staff report, and I do
think that it is the right thing to do. The planning
board's job is not to determine whether this is going to be
built or not. If they've met the criteria for the zone
change, that that's the step that we should be taking
today.

Are there any other comments? Because I make a
motion --

MR. KESSEL: Yeah, I just wanted to add my
comments. I didn't casually put this motion on the table
here. We're all a product of our background. Mine is
farming and then 35 years with the forest service where I
was sued on herbicides, sued on clear cutting, sued on
fisheries, and I know the process we're talking about.

To me the site boards are does it meet county
regulations and do we want to recommend it to the county
commissioners. I think I can answer that yes. Is it done?
My experience says you've probably got a legal process that
is going to take five to ten years before you could build.
I still have a motion on the table.

MS. POPA: I will second the motion.
MR. CLIFTON: Mr. Chairman, just for a point of order, could you re-read the motion, please, that you put earlier.

MR. KESSEL: Let me make this more technical. I recommend the planning board recommend the county commission approval of a request to rezone Parcel Numbers 5364100 and 5364200 and 5364300 in Section 24, and Parcel Number 5365200 in Section 25, Township 21 north, Range 5 east, P.M.M., Cascade County, Montana, from A-2 agriculture to I-2 heavy industrial.

CHAIRMAN COX: Do I have a second?

MS. POPA: I second it.

CHAIRMAN COX: All in favor, aye.

BOARD MEMBERS (Jan Popa, Bill Weber, Lonnie Cox, Mick Kessel, and Bill Austin.) Aye.

MR. CLIFTON: Can you please hold your hands up again, so we can get Marie -- one, two, three, four, five in favor.

CHAIRMAN COX: Those opposed.


MR. CLIFTON: One, two, three, four opposed. So Tim, Leonard, Bob, and Alan, if you could write that down. So I can for the record Tim, Leonard, Bob, and Alan are in opposition. So the motion carries five to four for
recommendation to the Cascade County commissioners approval for the rezoning.

CHAIRMAN COX: Thank you very much for coming. I know it's been a long day for everybody. There's still a lot of processes to go through. We have next item is old business.

MR. CLIFTON: Mr. Chairman, at this time I have about 12 items of old business I would like to cover. Mr. Chairman, I have no old business at this time.

CHAIRMAN COX: Any public comments?

MR. KESSEL: I make a motion to adjourn.

MR. CLIFTON: I don't believe so, Mr. Chairman.

CHAIRMAN COX: Do we have a second on a motion to adjourn.

MR. WEBER: Second.

CHAIRMAN COX: All in favor.

BOARD MEMBERS: Aye.

CHAIRMAN COX: Thank you all. Thank you.

5:35 p.m.)
CERTIFICATE OF REPORTER

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.