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(February 7, 2007)

(TRANSCRIBER'S NOTE: The comment by Mr. Bledsoe and Mr. Trial were made privately to the court reporter.)

MR. BLEDSOE: My name is Ron Bledsoe, and I am a member of the Central Missouri Electric Coop, and I farm in northern Saline County. And I'm a farmer; I farm in the Missouri River bottoms there. And I'd like to testify that the Missouri Department of Natural Resources, known as DNR, have their regulations that protect Missouri's land and water.

In 1993, we had what they call a 500-year flood. And after the flood, we had damage to our levees; and we had to ask the government for funding to replace the levies. And a lot of that came with rules and regulations of DNR. And as an example of how strict their regulations are, we had sand bags that we had -- leftover sandbags that we put on the levy prior to the flood; and DNR stepped in and told us that there was rules and regulations we had to follow with the sandbags.

They would not let us throw the sandbags into the River. We couldn't just dump the sandbags on the land and destroy the bags. We had to remove the sandbags to a hazardous waste site. And that told me that they are very particular when it comes to contaminating or using hazardous

1 material on any of Missouri's land and waters.

2 And if they're that particular with the land
3 and water, I have to feel they're that particular with the
4 air of Missouri also. And DNR is very much involved in this
5 project that Associated has before the public tonight. Thank
6 you.

7 MR. TRIAL: Actually, it's just No. 2. If you
8 are required to reduce carbon released to the atmosphere from
9 coal combustion during the proposed plants' operating
10 lifetime, how will you accomplish it?

11 MS. FARRELL: For those of you who are going
12 to be participating and either listening and/or commenting,
13 please take a seat. My name is Kim Farrell; and I actually
14 came here from Syracuse, New York. I am a neutral
15 facilitator that AECI brought me in to conduct the public
16 meetings. I had hoped that I would be entering the tropics;
17 but as it turned out, you-all are a little bit cooler here
18 than my neck of the woods right at this time.

19 The purpose of the meeting tonight is it's the
20 public commenting meeting regarding the draft of the
21 Environmental Impact Statement of the proposal. And it is
22 strictly a public -- formal public comment session that we'll
23 be doing. What I mean by that is that tonight we want to
24 hear what comments you might have about the proposal.

25 Previously, there were scoping meetings and

1 there were opportunities that were more question-and-answer
2 kind of format. But the format this evening is going to be
3 one in which we have speakers who will talk specifically
4 about the proposal. Stephanie Strength, who is an
5 environmental protection specialist with the United States
6 Department of Agriculture's Rural Development Utilities
7 Program will be speaking about the role of USDA and the
8 Environmental Impact Statement process.

9 Nancy Southworth, who is the manager of
10 corporate communications with AECI will provide a description
11 of the project and the progress to date. And Mary Hagerty
12 with URS will discuss the Environment Impact Statement, the
13 draft of that itself.

14 The way we're going to do this is each of
15 these three will speak. It should take about 30 to 45
16 minutes for them to complete what information they're going
17 to provide you. And at the end of that time, we will begin a
18 public comment period. In order to maximize the opportunity
19 for everybody to offer comment, we set the limit to two
20 minutes of time that people can offer comment.

21 I know some of you may have come prepared with
22 a statement; and it's fine for you to read the statement; but
23 sometimes it takes more than two minutes to read the
24 statement. And there are two ways that we deal with that.
25 One is that you can actually give your prepared statement to

1 us; and Stephanie, in particular, is the person; and she'll
2 talk a little bit about that.

3 And the other thing you can do is just wait
4 until the end; and I can come back to you; and I'm happy to
5 do that. But the main concern we have is that everybody who
6 would like to comment have the opportunity to do so.

7 There are forms at the back -- at the side of
8 the table that will also allow you to write any comments that
9 you want included in this evening's session. And those
10 comments that you write are -- they have the same value that
11 those -- as those that are spoken, so it makes no difference
12 if you submit your comments verbally or in writing. They all
13 have the same meaning to this process, and you're welcome to
14 do that. Also, at the end, the Court reporter will remain to
15 take additional comments that some of you might have.

16 With the two-minute time limit, just so you
17 know, I actually have a timer that I start. And it doesn't
18 beep or jump off the table or anything like that, but we do
19 use it, because sometimes when you're giving a comment, it's
20 really easy to go on and go on for a longer period of time.

21 When you get to a minute and 30 seconds,
22 that's when I will let you know that you've got 30 seconds
23 left. And again, at the end of that two minutes, I will call
24 time, but I will be happy to come back to you. The goal is,
25 again, to maximize the opportunity for everybody.

1 So on that note, we will begin. And the first
2 presentation will be by Stephanie Strength with the
3 Department of Agriculture.

4 MS. STRENGTH: I have to use a microphone so
5 you can hear me. Sometimes I speak pretty quietly. Can
6 everybody hear me now? Okay. My name is Stephanie Strength.
7 I am with USDA Rural Development. I appreciate you coming
8 tonight to comment on this project and to be part of this
9 process.

10 The role of USDA in this project began when
11 Associated Electric approached the utility service for
12 potential financial assistance for this proposal. Before we
13 can consider financing a project, we must look at the
14 environmental implications of the project. In this case,
15 we're preparing an Environmental Impact Statement in
16 accordance with the National Environmental Policy Act.

17 At this part of the process, we have a draft
18 Environmental Impact Statement that is available for review
19 and comment. And we're in a 45-day comment period. Any of
20 the comments that you give us tonight or that you submit to
21 me either tonight or by email or you get them to me by
22 March 12th will be considered, and those comments will be
23 addressed in the final Environmental Impact Statement that we
24 anticipate will be available loosely in the spring of 2007.

25 When that final Environmental Impact Statement

1 is released, there will be another opportunity for everyone
2 to comment. And there will be a 30-day window at that point
3 where you can send the comments to us in the same format. We
4 will announce it the same way, which is newspaper notices; a
5 publication in the Federal Register; and then also with the
6 news releases that Associated has sent out.

7 We have a web site with this project. The web
8 site is listed on the forms that you can pick up where you
9 sign in at the front. On the comment form you can see my
10 name, my phone number, email address, and the web site there.
11 We'll have all the project information and updates, including
12 when the final Environmental Impact Statement is available
13 for release.

14 I want to talk a little bit about the process
15 that we go through. We mainly -- we've highlighted what
16 we've already done. To begin with, identifying the purpose
17 and need and different alternatives. Go on to the notice of
18 intent. That is the intent for preparing an Environmental
19 Impact Statement. Then we went on to the scoping process
20 where we held four meetings over a year ago. The comments
21 then went into the data collection surveys. We then evaluate
22 alternatives and impact analyses, and this is where we have
23 hired consultants to assist us with this process. We don't
24 have enough staff to do the entire analysis ourselves.

25 And we are at the point you see today, which

1 is the draft Environmental Impact Statement and notice of
2 availability and public review and meeting, which is where we
3 are.

4 After we have comments on the final
5 Environmental Impact Statement, we will prepare a record of
6 decision. And that will also go out for public comment. And
7 our agency will not make any decisions or findings on the
8 project until the record of decision is published.

9 Again, I thank you all for being here. And
10 please offer a comment; we'd like to hear what you have to
11 say. Thank you.

12 MS. FARRELL: Nancy Southworth with AECI.

13 MS. SOUTHWORTH: Associated Electric
14 Cooperative is the party entity that is proposing this
15 project. I'm going to give you just an overview of what the
16 project includes. Associated Electric Cooperative is part of
17 a three-tiered power supply system for Rural Electric
18 Cooperative members in, essentially, three states. There are
19 more than 800,000 customers throughout rural Missouri,
20 throughout southeastern Iowa, and then northeastern Oklahoma.
21 About 630,000 of the members are in Missouri.

22 The system -- the three tiers that I mentioned
23 -- is made up of the member consumer -- member consumers
24 belong to 51 different distribution cooperative systems in
25 that sort of area that I described. And then those

1 distribution systems in regional groups own G and T
2 Cooperatives -- that's the Generation and Transmission
3 Cooperative, which focuses primarily on transmission.

4 The six generation and transmission
5 cooperatives own Associated Electric Cooperative. See, this
6 is a member-driven company that is proposing this power plant
7 to serve those roughly two million people.

8 Electricity demand in this service area, the
9 need for more electricity, is growing significantly. In 2005
10 and then again in 2006, the demand for electricity reached
11 all-time highs. So it is a large system; it is a growing
12 system. We're growing at about 100 megawatts a year; and to
13 put that in perspective, 100 megawatts can supply electricity
14 for about 50,000 homes. Until 2025, growth is expected to
15 continue at 100 megawatts a year.

16 Without the proposed power plant, Associated
17 Electric Cooperative is forecasting that we will run short of
18 electricity, about 35 megawatts short in 2011; and then that
19 continues to grow to 243 megawatts short in about 2014, so
20 that's just roughly 100 megawatts a year. And the system is
21 growing beyond their capabilities to supply.

22 To meet these growing needs, we proposed a
23 coal-based power plant and 134 miles of new 345-kV
24 transmission, that would be 345-kV transmission. The
25 proposed plant site is northwest of Norborne, Missouri, in

1 Carroll County. And there's an alternate site in Holt County
2 near Big Lake, Missouri.

3 A number of alternatives were considered to
4 building a coal plant. We looked at taking no action at all;
5 we looked at adding to an existing facility, existing power
6 plant; we looked at partnering with other companies; we
7 looked at alternatives -- wind and solar and natural gas,
8 nuclear, integrated gasification combined cycle. And we
9 found that ultimately none of those was practical or met our
10 financial expectations. They were just inadequate and in
11 some cases, too costly for the system.

12 There were several considerations that were
13 key to site location, primarily access to a water supply and
14 aquifer in around the Missouri River. It's a good water
15 supply, and is important to decision-making in this process.
16 Also, access to the western coal fields where the coal supply
17 comes from the system of Associated Electric Cooperative. Of
18 course, we needed a site that could be built on, and then we
19 also needed to be able to construct transmission that would
20 integrate with the rest of the transmission system that
21 Associated Electric uses.

22 We looked at dozens of sites in northwest
23 Missouri. Eight ultimately were evaluated in detail. And
24 from those, we selected and proposed an alternate site. The
25 plant would take about 1,750 acres; and of that, 750 of it

1 would be leased and farming could continue on that 750 acres.

2 I mentioned that 660 magawatts is the size of
3 the plant that we're talking about. This is a supercritical
4 pulverized coal unit. And the supercritical aspects of the
5 boiler design means that it operates at higher steam
6 pressures, which allows it to use less coal at a higher
7 efficiency and at lower emissions. So these are all
8 advantages.

9 In addition, there will be what we call the
10 best available control technology; and that means that just
11 the best technology that's available at the time the plant is
12 built is what will be on it. And we'll have scrubbers for
13 sulfur dioxide removal. We'll have selective catalytic
14 reduction equipment for NOx removal that's nitrogen oxides.
15 We'll have what's called a baghouse that removes
16 particulates, and those are the fine particles that are in
17 emissions. And then, mercury controls will be on this
18 equipment as well.

19 When the plant is built, this equipment will
20 make it one of the cleanest coal plants in the country by the
21 time it's finished. The plant will also have emissions
22 monitoring equipment. We call it continuous emissions
23 monitoring, because, in effect, that's what it does. It's
24 equipment that monitors the emissions coming out of the plant
25 constantly. And it helps you operate your plant so that you

1 stay within the limits of your air permit that's issued by
2 the Missouri Department of Natural Resources. So that's
3 going to be on the plant as well.

4 The project, overall, in addition to the power
5 plant, includes 134 miles of this high voltage 345kV
6 transmission. The transmission lines will go from the
7 proposed plant site at Norborne east over to the Thomas Hill
8 Energy Center. And will also -- another line goes from the
9 Norborne plant site south to a substation called Mount Hulda
10 in Benton County. There will be a short segment that is a
11 double-circuit section from the Norborne plant site to south
12 of the Missouri River.

13 The transmission side of the process included
14 identifying several two-mile wide corridors at the outset.
15 And after the scoping meetings that Stephanie Strength
16 mentioned in August of 2005, those were refined to one-
17 quarter-mile-wide corridors. In certain areas, we'll see on
18 the maps that the corridors are just a little bit wider than
19 a quarter of a mile, but that increases our flexibility in
20 minimizing impacts from the corridor.

21 Those corridors have been analyzed and ranked
22 based on factors like the total length of the corridor, and
23 the nearness of residences was another factor to take into
24 consideration. The final right-of-way for this
25 transmission -- or for these groups will be 150 feet. And

1 the transmission structures will be wooden pole, h-frame
2 construction.

3 There will be some new rail access to the
4 plant site from the existing mainline railroads. They will
5 be used for construction and, ultimately, coal deliveries.
6 The initial rail studies for the plant site identified three
7 one-mile-wide corridors. These were narrowed, ultimately, to
8 one-quarter-mile wide groups. And that was done after the
9 scoping process. The route corridors were then analyzed and
10 ranked on several factors. Topography is one, the nearness
11 of residences, and the railroad crossing -- the road
12 crossing -- where the railroad crosses the roads.

13 The connection to the BNSF line, which is
14 directly to the south of the Norborne plant site, would be
15 used to bring in major pieces of equipment for the
16 construction process and for the plant itself. The coal
17 deliveries are highly unlikely on that line. Coal deliveries
18 would be likely, though, by connection to the BNSF line that
19 runs about 6 1/2 miles north of the plant site. So if you
20 have a chance to look at the maps of the corridors, you can
21 see that. There's also -- that line is used for coal trains
22 exclusively at this point.

23 There's also another Norfolk Southern
24 connection south of the plant which could be a potential
25 future transportation route for coal coming to the plant.

1 The actual right-of-way for the railroad would be about 150
2 feet wide. It will be, basically, identified based on
3 coordination with the railroads. The trains have less
4 flexibility in the way they travel and turn.

5 Water supply for the plant for operations is
6 going to come from a series of wells along the banks of the
7 Missouri River. And there will be a pipeline that will
8 deliver that water to the plant, which, as I mentioned,
9 supplies the water to operate the plant.

10 Initial studies told us that wells right
11 around the plant site could supply enough water. But
12 ultimately, Associated decided to locate those wells at the
13 river where there will be less likelihood of an impact on the
14 surrounding neighbors.

15 In May 2006, during this research that was
16 being conducted on the water supply situation, Associated
17 invited local residents to come and participate in the study
18 by observing some of the well testing and pumping that was
19 done. And the well site is about seven miles south of the
20 Norborne plant site. So the well study was a 72-hour pumping
21 test; and from that, we measured potential water quality and
22 effects to the surrounding area. A number of residents did
23 come and observe that testing and participate.

24 The results of the study show that there were
25 basically no negative impacts on the ground water supply for

1 the neighbors in that area. But we continue to work with
2 neighbors near this proposed site of the well locations
3 because we want to continue to collect information on their
4 specific wells so that we can plan how we will ensure and
5 protect their water supply. And we've explained that to them
6 repeatedly.

7 The plant site will have a landfill. It will
8 be a Missouri Department of Natural Resources permitted
9 utility waste landfill. And that's where the combustion
10 waste will be placed. The landfill design incorporates
11 several precautions, including a liner that protects surface
12 water and ground water and the surrounding property.

13 Several additional precautions will be taken
14 to protect surface water during construction. Runoff and
15 waste water will be controlled and treated. This will all be
16 done under permits from the Missouri Department of Natural
17 Resources.

18 The project, all these planning components and
19 all the other controls, was projected to exceed \$1.3 billion
20 in cost. It obviously takes a lot of money for a big project
21 like this. But it also brings a lot of money to the
22 community. More than 1,200 construction workers will be
23 needed to build the plant; and when it starts and is
24 operational, 139 full-time employees will be needed. Their
25 average salaries are projected to be about \$59,000 and

1 benefits on top of that. So there is a significant economic
2 impact for that area.

3 To date, Associated has communicated
4 extensively in areas surrounding the plant site, particularly
5 the Norborne site. There have been more than 20 community
6 meetings. We've met with civic groups and presented them our
7 plans. We have attended and participated in regulatory
8 meetings. There have been some significant media events that
9 draw a lot of people, and we've participated in those. We've
10 produced and distributed more than 35 news releases. These
11 releases, messages -- we have a mailing list and an email
12 list, and we keep people updated who asked to be informed on
13 the project.

14 Individual correspondence, there's a
15 newsletter that's developed to address the issues of the
16 plant in that community and web site updates to provide
17 information; and we will answer -- when people ask questions,
18 we will answer.

19 MS. FARRELL: Mary Hagerty of URS.

20 MS. HAGERTY: I'm going to give you a little
21 overview of the draft Environmental Impact Statement. That's
22 the big thick document that's sitting on the back table. As
23 Stephanie said, the U.S. Department of Agriculture Rural
24 Development is the lead agency; and there's also a
25 cooperating agency, and that's the Corps of Engineers.

1 There are three main chapters in the EIS,
2 Chapters 1, 2, and 3. Chapter 1 is the -- discusses the
3 purpose and need of the project, and Nancy went over that.
4 The details of that purpose and need are in that chapter. We
5 looked at the resources that Associated has now and then
6 Associated's projected needs and concluded that within a few
7 years, Associated will have the need for approximately 660
8 megawatts of base-load power. Nancy talked about that in
9 detail, and there is a lot of detail in the EIS.

10 The second chapter is the alternatives
11 analysis, and Nancy went over that too, and the document goes
12 into a lot of detail on that. Associated, as Nancy said,
13 looked at not -- no build and options that didn't involve
14 building, and that included options like purchasing power
15 from another company or participating in another's company's
16 project. There were a lot of technology alternatives that
17 were evaluated. And then there's a whole separate section on
18 siting alternatives. And it describes the process where
19 Associated starts out with a map of the State of Missouri and
20 ended up with, through a specialized process, to the sites
21 for consideration -- with the proposed site, which is
22 Norborne, and the alternate site Big Lake. That whole
23 process is described in Chapter 2.

24 Chapter 2 ends with a detailed description of
25 the proposed alternative, the Norborne plant. And the plant

1 and all the associated pieces are part of the proposed
2 action. And those are all the things that are shown on the
3 boards back there. The plant is shown on one board and the
4 location of the landfill, some of the ponds -- the surface
5 water ponds, the substation. The next board shows the
6 locations of the proposed transmission lines. The next board
7 shows the corridor for the rail. It's going to get narrowed
8 down beyond what's shown on there. The transmission line
9 corridor is going to be narrowed down some more too, but
10 somewhere within those bands or those lines you see on the
11 board. And then the well field-water lines are all part of
12 the proposed action. And that's described in detail in
13 Chapter 2. At the end of Chapter 2, we end up with,
14 basically, five alternatives that are evaluated in detail.
15 And those alternatives are the two sites that Nancy
16 mentioned, the Big Lake site in Holt County and the Norborne
17 site in Carrollton, which is the proposed site.

18 There are two technology alternatives: That's
19 the supercritical pulverized coal, which is the proposed
20 technology, and then integrated gasification combined cycle,
21 otherwise known as IGCC, which involves gasifying coal and
22 then burning that gas in a combined cycle unit. And then, in
23 accordance with National and Environmental Policy Act, we
24 also evaluated in detail the no-action alternative, which
25 just means not -- doing nothing.

1 Chapter 3, then, is the detailed analysis of
2 the impact of those alternatives. And Chapter 3 is divided
3 into resource areas. We can't all see this, but the resource
4 areas that the Chapter is divided into are air quality;
5 geology and soils; ground water; surface water; agriculture,
6 and that includes prime farm land; cultural resources, and
7 that will be both architectural resources, historic
8 buildings, and also archeological resources; visual
9 resources, that would be the impact of the plant and the
10 transmission lines, primarily, on people who were within that
11 visual range; public lands; recreation; vegetation and
12 wildlife; threatened and endangered species; noise.

13 Associated did a noise study to evaluate the
14 effects of the noise of the plant and the rail connectors on
15 the people in the vicinity of the plant, and concluded that
16 there would be some -- some mitigation required for some of
17 the fans in the plant to reduce some of the noise impacts.
18 Socioeconomics, that piece looks at things like what's going
19 to be the economic impact on communities in the area of this
20 project. Are there going to be both negative and positive
21 impacts? What other kind of impacts might there be on the
22 community in terms of transportation effects on the
23 infrastructure and community services. Land use and waste
24 management, what's going to happen to the wastes that are
25 generated by the plant. So each of those alternatives, those

1 five that I mentioned, are evaluated in terms of impacts on
2 each of those resources; and that's in Chapter 3.

3 The document is really thick, but about this
4 much of it is studies that were done by Associated on
5 biological resources, the noise analysis, the socioeconomic
6 analysis and form the basis of the evaluation of the impacts
7 that are actually in the assessment. So those documents
8 aren't there, but are appendixes to the Environment Impact
9 assessment. They're not really part of it.

10 A place to start, if you wanted to look at
11 that draft document, is the summary that's in the beginning.
12 It's only a few pages long, and it summarizes each of those
13 three main chapters, the purpose and need. And there's a
14 table in there that shows all the alternatives that were
15 evaluated and the reasons for eliminating the ones that were
16 eliminated from further consideration. And there's a
17 discussion of the impacts by these resource areas for --
18 primarily focused on the proposed action, but for the other
19 alternatives that were looked at in detail too.

20 Then, if you're interested in details of a
21 certain subject, you can go into the table of contents and
22 that will lead you to the very detailed discussion of
23 whatever it is that you're interested in. And there's also
24 an index in the back, and you can look things up by key word.
25 And there's a glossary that contains terms that we consider

1 to be unfamiliar to the general public, technical terms.

2 The conclusion of the draft Environmental
3 Impact Statement is that for each of these resources, when we
4 consider the actions that are incorporated into the proposed
5 action to prevent or reduce impacts and also mitigation in a
6 few places, that the impacts on each of these resources are
7 not significant -- the impacts of the proposed action.

8 And I think that's all I have. Thank you.
9 This handout has basically all the same maps in it so you can
10 see where these things are. And then, I think, Stephanie,
11 you probably already mentioned what's on the back. Okay.
12 Well, on the back of the handout there's information about
13 where you can find the draft EIS. It's on a web site, and
14 it's at each of these libraries that are listed on the back
15 of the handout. And it tells you how to comment. And
16 Stephanie noted you can comment here tonight, but you can
17 also comment any time during the 45-day comment period. And
18 it tells you where to send your comments. And it summarizes
19 what happens next in the process. Thank you.

20 MS. FARRELL: Thank you, Mary. Nancy,
21 Stephanie, do you have anything else to add?

22 MS. STRENGTH: I just realized I wasn't clear
23 when I spoke earlier. The way that the Environmental Impact
24 Statement is developed is that the agency, myself, and our
25 cooperating agency, the Corps of Engineers take these studies

1 that were, in some cases, initially started by Associated
2 when they contracted with Environmental Consultants. And
3 then that information is reviewed, not only by the third-
4 party contracting firm URS that we contracted with, but also
5 by ourselves. So all of the information is looked at
6 independently, and we come to our own conclusions. The
7 document in the end is the USDA and the Corps of Engineers
8 Environmental Impact Statement.

9 MS. FARRELL: Do you-all need me to use a
10 microphone or can you hear me okay in the back? I'm going to
11 repeat myself on a couple of things before we begin the
12 public comment period. But first, one thing I didn't
13 mention, the restrooms are just outside the door; and there's
14 a hallway immediately to the left, if you need to locate
15 that. And all refreshments back there, please feel free to
16 grab refreshments, if you want, during this meeting.

17 I mentioned that this is a public comment --
18 this is a formal public comment meeting -- public meeting to
19 make comments -- to hear your comments. And I mentioned the
20 time line. My role is to keep order. I am a neutral third-
21 party facilitator, which basically means I was brought in
22 because I have no opinion about this proposal. I am not
23 familiar with it. I am most familiar with the interaction
24 between the public -- the public constituencies of utility
25 companies and government and these kinds of decisions. So my

1 role is to keep order.

2 And I mentioned the time; and the fact of the
3 matter is, is I do have the timer. I looked through the
4 list. Not all of you wanted to speak. And so the purpose of
5 the time is to, again, maximize the opportunity for everybody
6 to make a comment. And if you're speaking -- and again, I'll
7 let you know when you've got 30 seconds or so left. But I
8 don't want people to feel in any way as if they can't
9 completely make their comments. So if you go over slightly,
10 the chances are I'll be very flexible with that. Again, I
11 will come back to you at the end after everybody who has
12 requested the opportunity to make a comment has. And then
13 you can complete your comments as much as you would like to.
14 And also, the court reporter can take additional comments at
15 the end. I just ask that you be respectful of the requests
16 that others have made to also make comment.

17 And the way that we'll do this is we'll ask
18 you to come up. I'm going to identify those on the list.
19 I'm calling your name in the order that you signed up when
20 you arrived. And if you could come up to the microphone, and
21 I believe the microphone is going to be on. There we go.
22 And if you would like for me to come to you, I am happy to do
23 that as well. And again, when you make your comments, just
24 remember that there are others who will be coming after you;
25 so just be respectful of that time factor. And I think we'll

1 have plenty of time for those who do want to go beyond the
2 two minutes. Because at this point, I believe we have about
3 14 people who have requested to speak.

4 So I don't anticipate any problems, but just
5 on the front end, I would really appreciate your respecting
6 that time. So the first names that we have, Carl Lawrence
7 and -- I can't read the second name, so I'm going to ask for
8 a little bit of help from them. Harrisville? Harrisonville?
9 Okay. And then Frank Burton. Those will be the first three.
10 So if I could ask Carl Lawrence to come up first, I would
11 appreciate it.

12 MR. LAWRENCE: My name is Carl Lawrence. I
13 live at Laclede, Missouri, five miles west of Lebanon on
14 Highway 64, down toward the beautiful Bennett Springs Park.
15 I'm a member of Laclede Electric, my parents were, and either
16 I was a member or they was all of my life. I'm here to talk
17 to you about a 660 megawatt plant and why I believe that we
18 need it. My comments are going to be very brief, and what
19 I'm going to say to you is I'm going to say God gave us the
20 brains, so let's use it this moment. I want to say these
21 things to you. You and I both know down deep in our heart
22 that we need more electricity, because we know what
23 electricity has done for this country.

24 So having said that, let me explain this to
25 you just a little bit. Over my life time, I have observed,

1 as you have -- think about it -- as you have, how the farmers
2 have appreciated the properties, they have improved their
3 lives, they're improved their families' lives, they've
4 improved their children's lives. You know that the farmers
5 are the good stewards of this land that we live on. You have
6 seen, in your lifetime, how the adequate supply of
7 electricity has caused individuals to better themselves and
8 also businesses.

9 Now, also, if you've been paying attention to
10 the life that we live, that we have to have an adequate power
11 supply for economic development in order to continue to go
12 forward in this country and not backwards. So I say to you
13 that, as a member of the Laclede Electric Cooperative, our
14 cooperative is growing at about 20 percent per year for the
15 last several years; and we have 35,000-plus meters.

16 MS. FARRELL: Thirty seconds.

17 MR. LAWRENCE: So you can see -- and I'm going
18 to hurry up and say this to you, that Associated Electric is
19 environmentally friendly. The U.S. spends millions of
20 dollars to protect the environment. This plant will be built
21 by a cooperative for our cooperative rural members. Thank
22 you very much.

23 MS. FARRELL: Thank you, Carl. Thank you very
24 much. P.D.

25 MR. KIRCHER: Yes, ma'am. Is my time started?

1 MS. FARRELL: Your time has started.

2 MR. KIRCHER: I'm P.D. Kircher from Osage
3 Valley, a member of Osage Valley in Southern Missouri, which
4 is located in Bates County. But I live in Cass County, and
5 that's near Kansas City. Yes, electric service is very
6 important for economic development. But let me share with
7 you the agriculture in my region.

8 I own and operate a very large grain operation
9 with high-tech irrigation. Now, as I go through this
10 presentation -- I haven't got an hour to put you through
11 that -- electricity is not all electricity. It's got to be
12 very quality electricity.

13 For the last three years, I have invested over
14 a half a million dollars in just upgrading high-tech
15 irrigation. And I have one system there's only 16 of them in
16 the world. So I'll bring you to where I'm at, is how
17 important electricity is. Now, that takes quality
18 electricity. If we get it from Osage Valley and CAMO and
19 Associated, a three-tier system, and that's -- we've got what
20 not too many people in this country have; and I'll cover that
21 just a little bit later.

22 Now, diesel motors and generators don't work
23 very good. We've replaced all our diesel motors with
24 electric motors. And that should be environmental friendly;
25 it does clear the air up just a little bit. But we've got

1 three- and four-generation farmers in our region. And on a
2 drawing board of those -- of the large operators, which
3 includes me, sure, is an elevator at the plant and a large
4 feed lot. Now, that takes a lot of electricity, which is
5 coal. We want the lowest possible reliable cost; that's what
6 we want. And we have the confidence that Associated can
7 deliver.

8 Now, those other operators are member owners
9 just like I am. And if they've figured this out, they've
10 done their homework. They understand the three-tier system.
11 They know, they have something to say about Associated's
12 performance.

13 MS. FARRELL: Carl, we're going to need to
14 come back.

15 MR. KIRCHER: I'm done, I'm done. They are
16 just like I am, a stewardship of the ground; and Associated
17 is environmental and clean air. They expect the best. And
18 basically, they're not going to accept anything less. Thank
19 you.

20 MS. FARRELL: Thank you, P.D. I didn't mean
21 to call you Carl.

22 MR. KIRCHER: That's all right.

23 MS. FARRELL: And if you would like at the
24 end, you can add to that. Frank.

25 MR. BURTON: My name is Frank Burton. I'm

1 from Stockton, Missouri. Osage is my coop. I want to tell
2 you something that happened on our farm. We had a
3 transformer that blew up, and we called them. And they were
4 out in a matter of minutes. They were faster than our
5 ambulance service. I mean, I have dealt with them -- I have
6 dealt with another in Indiana where the same thing had
7 happened; they showed up in two hours with a guy in a pick-up
8 truck looking at it. They came out immediately, secured the
9 area, cleaned up all the oil on the ground, soot, put it all
10 in containers, sealed it up, and got rid of it. This was all
11 done in a matter of an hour or two to get all this done.

12 And if they're doing that for the environment
13 right there, to me, they're not going to -- they're going to
14 follow the exact same kind of attitude about it. So I think
15 it's important to realize that took seriously -- they did
16 take as a serious job of trying to clean it up.

17 Our facility that I'm on, we -- I'm a pastor
18 of a church. Also we have a boarding school for troubled
19 boys. Our electricity that we used the last ten years, we
20 have increased by over 100 times in the last ten years. And
21 we still build. Our buildings will just have nowhere to go.
22 And I'm not sure where we're going to stop, but we need more
23 electricity. We can't -- we can't change our lives; we can't
24 stop that because we can't have electricity. Let me say
25 this, I think it's important that we have this plant. Here's

1 why I say, that if we don't get busy and get our need done
2 before our growth happens, then we won't be able to meet
3 adequately what we need to have down the road. Case in
4 point, California.

5 MS. FARRELL: Thirty seconds.

6 MR. BURTON: They have black-outs. They have
7 all kinds of problems and what because they did not work on
8 planning ahead of time to get everything done and taken care
9 of. And they did all kinds of -- they have all kinds of
10 problems. We need this plant so we can have electricity for
11 the future.

12 MS. FARRELL: Thank you very much. The next
13 people who have requested to speak, Steven Burger and Steven
14 Craig, and Ralph Voss. Steven Burger, come on up.

15 MR. BURGER: Hello. I'm Steven Burger from
16 California, Missouri. I'm here representing Burger's
17 Smokehouse, and I'm a board member of COMO Electric. We cure
18 and smoke; we're a cure and smoke meat processor; and we sell
19 nationwide to grocery, food service, and mail order. Our
20 plant is in rural California, and we occupy about 300,000
21 square feet and employ over 300 people. Most of our labor
22 comes from small communities in the area -- California,
23 Eldon, Versailles, Tipton, and Jamestown.

24 We have a strong and successful relationship
25 with our rural coop COMO. Since rural coop began buying

1 power in the late 1940's, we have had an amazingly reliable
2 electrical service. Response times have been few. The
3 response times of the few power obstructions we have had have
4 been incredibly fast. And we've never had to use auxiliary
5 power generation or remove a product from site because of
6 service failure.

7 Our major accounts are now requiring us to be
8 more diligent in the way we plan for our contingencies. In
9 response to that, COMO is currently making provisions with
10 U.S. Electricity from two different directions. We're also
11 asking COMO to be involved in the risk assessment of our
12 power needs, and help us with our areas of vulnerability.

13 It's clear to us from past and current
14 performance that the coop system of power generation
15 distribution is an efficient and effective way to power rural
16 Missouri. Over the past eight years, our company revenues
17 have grown 30 percent. We currently use 11 million kilowatt
18 hours, which is a 47 percent increase over the last eight
19 hours. The price of these kilowatt hours have not changed
20 until recently for the past 14 years.

21 The company is currently involved in a plan
22 that will help fuel growth for the foreseeable future. With
23 that growth comes capital expenditure, with capital
24 expenditure comes the need for additional power. As life-
25 long residents have grown in Missouri, we want to remain

1 active in the rural economy; and we need a good
2 infrastructure in order to do that. The small communities
3 are talking about economic development. In order to survive,
4 we must address the infrastructure needs of the rural
5 community, such as roads, waste water, in addition to what
6 we're talking about this evening, and that's energy.

7 I will encourage our decision-makers to work
8 through short-term challenges that exist in a project of this
9 magnitude, and focus on the long-term socioeconomic benefits
10 that will result from a strong rural community. Let's let
11 sound economics and science dictate a path of energy
12 sufficiency. And I strongly encourage our decision-makers to
13 allow our coop network the ability to play a major role in
14 the generation and distribution of electrical services to us
15 for many years.

16 MS. FARRELL: Thank you very much, Steven.
17 Okay. Steven Craig.

18 MR. CRAIG: My name is Steven Craig. I'm the
19 Assistant State Administrator for the City of Camden. And
20 I'm here to speak in favor of the proposed power plant. In
21 my position with the city, I handle all of the economic
22 growth and activities for Camden. I am responsible for
23 developing and moving in programs that stimulate the
24 Camden-area economy. Specifically, this means
25 facilitating partnerships with businesses to build a stronger

1 tax base with quality developments designed within the
2 community, such as commercial developments to increase our
3 sales tax base and attract community manufacturers that
4 provide good wages for our residents.

5 In my efforts to attract potential prospects,
6 there are a number of factors that are examined. However,
7 this proposed plant will directly affect one of the most
8 essential components of operating business, energy costs.
9 Currently, Missouri has some of the lowest industrial and
10 commercial electric rates in the country, which is an
11 incentive to potential prospects looking to locate within the
12 State. This power plant will provide a source of continuing
13 affordable electricity. However, without this plant, the
14 potential consequences will not only include the loss of this
15 competitive advantage, but also the trickle-down effect that
16 could lead to the migration of jobs and economic activity to
17 other states.

18 The City of Camdenton is located within the
19 Lake of the Ozarks region, which is one of the fastest
20 growing areas in the State. For example, from 1990 to 2000,
21 Camden County, which is where Camdenton is located in, was
22 the third-fastest growing county in Missouri. The City of
23 Camdenton is experiencing strong growth that is only going to
24 continue for many years to come.

25 MS. FARRELL: Thirty seconds.

1 MR. CRAIG: For example, the city is currently
2 working with a developer on a \$133 million retail project
3 that will construct approximately 760,000 square feet of
4 space when all the spaces are completed. And we will have
5 substantial growth as far as our residential housing in the
6 next ten years. We have at least 600 new homes just within
7 the City of Camden. Those projects need the power that
8 this power plant is going to provide. I would just like to
9 conclude my comments by reaffirming my support for the
10 construction of this facility. I will directly impact the
11 electric rates on commercial, industrial, and residential
12 customers pay in my community. The advantages of
13 constructing this plant are numerous, but the consequences of
14 inaction are disastrous. This plant is desperately needed
15 for the continuing growth, not only in the City of Camden,
16 but for all communities that receive power from Associated
17 Electric.

18 MS. FARRELL: Thank you, Steve. And by the
19 way, any prepared comments, I want to encourage you to submit
20 those. There is a box; it's on the table. And so please put
21 those in there if you'd like to do so. The next person,
22 Ralph Voss. And I'd also like to remind everybody that those
23 that I am cutting off, we'll come back in case you'd like to
24 add more.

25 MR. VOSS: My name is Ralph Voss; I'm from

1 Linn, Missouri. I live inside the city limits where I am a
2 customer of Union Electric. We have a farm six miles east of
3 town where we have Three Rivers Electric. I am here to
4 support this project because I want a reliable source of
5 electricity on my farm. The State of Missouri has a number
6 of agencies which promote what I do with my farm, which is
7 intensive grazing. They want you to keep your cattle out of
8 the woods; it's not good for the woods. They want you keep
9 your cattle out of streams and ponds and rivers. I do that
10 because -- I do that with electric fences. Miles? I have no
11 idea. To provide these cattle that you contain in these
12 small areas with the water, you've got to have lots of water
13 lines. I've got 20,000 feet of water lines.

14 I've never had a problem with my fence or
15 water lines until this last ice storm. I was without power
16 for a while, and I had to march my cows a mile back to the
17 house and a mile down to the river. And what they did down
18 there by the river, is not pretty. It's a lot better to have
19 them up at the field, and I'm telling you that's where they
20 need to be.

21 Another reason I support this is that I --
22 we've grown up in Jefferson City. I was literally a stone's
23 throw from the capitol building. There were two power plants
24 within three hundred yards of our house. When we'd walk
25 outside at one point, there would be so much soot you could

1 slide down the sidewalks. Now, that came not only from the
2 power plants, but the Missouri Pacific Railroad, which was
3 less than 100 yards away, and from the fact that people in
4 our area burned coal.

5 Today I can ride through a town 20 miles from
6 Linn to a little town of Chamois, and there is a Rural
7 Electric power plant there. And you can't tell when it's
8 generating; you literally can't tell.

9 MS. FARRELL: Thirty seconds.

10 MR. VOSS: Did you say 30 seconds?

11 MS. FARRELL: Yes. You-all are getting tired
12 of me, I know. Okay. The next three will be Carmen
13 Hartwell, Kimberly Doyle, and Mike Trial. So Carmen, come on
14 up.

15 MS. HARTWELL: Hi. My name is Carmen
16 Hartwell. I am a member of Gas-Osage Electric Cooperative in
17 Dixon, Missouri; and I support the Norborne coal project.
18 It's my understanding that Associated says that they will not
19 have the capacity to meet the needs of its members by the
20 year 2013. With this coal-powered plant, Associated will be
21 able to meet those needs with cost effectiveness that will
22 allow me and my fellow-members to enjoy some of the lowest
23 rates in the nation.

24 I have the highest level of trust in the
25 cooperative model which Associated follows and that

1 recommendations are made in the best interests of the members
2 who are also the owners. More importantly, it should be
3 understood that those members and owners are very likely
4 family members, friends, and neighbors.

5 Discussion about this project began in 2003,
6 and research and analysis over the last couple of years. I
7 feel that this is the best choice for our power needs. Thank
8 you.

9 MS. FARRELL: Thank you very much, Carmen.
10 Kimberly.

11 MS. DOYLE: Hi. My name is Kimberly Doyle. I
12 live in Dixon, Missouri, which is in Pulaski County. I am
13 also a member of Gas-Osage Electric Coop -- a proud member
14 because it is a coop. And Associated is along with the
15 three-tier system with the coop family, which I have learned
16 over the years means a lot to our community.

17 We really experienced that, of course, during
18 the last ice storm. Most of our community was out for ten
19 days-plus. And it was not only just our daily living that
20 was interrupted, but we have a nursing home there that does
21 not have a back-up generator. And when it came to the point
22 that we knew that they were going to not have electric for a
23 few days, that was quite heart-wrenching to know that there
24 could be lives in danger. And it really brought home the
25 fact that we knew just how important our electric needs were.

1 We're in a growing community. We're next to
2 Ft. Leonard Wood, which is an Army place that continues to
3 grow year after year. And we're proud that a coop surrounds
4 the Army base. And we've had some other experience with
5 other utilities; and from what I see, the coop is an
6 advantage. It's because they are member-owned; every one of
7 our families and our friends, they have to answer to us. And
8 so it's good to know that we have a voice and a choice in the
9 decisions we make. And I feel sure that Associated will make
10 the best decisions for our environment and for our community.
11 Thank you.

12 MS. FARRELL: Thank you, Kimberly. Mike.

13 MR. TRIAL: I am Mike Trial. I'm a tree
14 farmer over in Boone County. Boone Electric Cooperative is
15 our supplier. I certainly endorse the previous speaker's
16 interest in the plant; me too. I would -- even though IGCC
17 was not the preferred alternative selected, I would ask that
18 AEC and your design contractor try to assure that the
19 pulverized coal combustion technology that you did use is
20 somehow flexible enough so that in the future, if we need to
21 capture combustion carbon, we can do it cost-effectively.
22 Thanks.

23 MS. FARRELL: Thank you very much. Boy, the
24 last three were so on-time. Beverly Rawlings. And I don't
25 have others marked yes; so after Beverly, I will provide more

1 opportunity; and then I will call a couple of you back.

2 MS. RAWLINGS: Hi. I am Beverly Rawlings, and
3 I am from here in Sedalia. I grew up in Macon, Missouri.
4 And I'm looking around this room. Any one of you could be my
5 relatives. I've grown up in families and families and
6 generations and generations of farming; and I grew up within
7 15 miles of the AECI plant in Thomas Hill. And I am standing
8 here and understanding that we need an expansion of
9 electricity. Obviously, our population is growing. But I
10 also want to consider the flip side.

11 It's very important to me that we experience
12 and are assured of corporate responsibility. I don't know if
13 you're familiar with the health effects of mercury exposure.
14 But they cause -- the mercury exposure causes neurological
15 and immune damage in both children and adults. I was
16 diagnosed with multiple sclerosis two years ago. And the
17 people in my community have also experienced it at a rate
18 about ten times the national average.

19 So knowing that the AECI plant did have
20 scrubbers and the appropriate controls -- and I don't want to
21 blame AECI, because they were compliant with the laws
22 required at the time; and so I don't want to say they were
23 doing something they knew was harming the environment. But I
24 do want to learn more and be assured that this new
25 supercritical technology is actually something that is going

1 to keep mercury out of our environment because it is making
2 our fish danger to consume, and it's a very critical supply
3 for us.

4 I understand that about 25 percent of mercury
5 emissions go into the local area and then about another 75
6 percent into the global cycle. So I ask that you also look
7 into the overall impact of coal burning. And it certainly
8 may be the best option for what we need to do to generate
9 more electricity. I ask, please, that you look very closely
10 at also the other side and make sure we are minimizing, if
11 not down to a zero point, the mercury emissions that go into
12 the environment. Thank you.

13 MS. FARRELL: Thank you, Beverly. Okay. I
14 have no one else.

15 MR. BAGBY: I think you skipped my name.

16 MS. FARRELL: Oh, did I?

17 MR. BAGBY: Rick Bagby.

18 MS. FARRELL: Rick, you are absolutely
19 correct. I apologize for that.

20 MR. BAGBY: No problem. I wonder how I get
21 myself into these things anyway. I'm a small business owner
22 in Stockton, Missouri; Stoc-Osage Power. I am concerned
23 about manufacturing in this country as a whole. I support
24 this project. We need the energy; we need low-cost,
25 reliable, electrical power. My plant uses a lot of

1 electrical power. I'm one of the biggest customers for Stoc-
2 Osage.

3 I want to comment on something that those of
4 you that are old enough to remember 15 years ago. Ross
5 Perot, when he was running for president, one of the things
6 that he used to say was if we sign NAFTA, we're going to hear
7 this big sucking sound; and that's manufacturing coming out
8 of the United States into Mexico and Canada. Well, old Ross
9 had the right idea. The only thing, he had the country
10 wrong.

11 Manufacturing is going to China in big, big
12 numbers. And if we don't continue to keep the power
13 reliable, affordable in this country -- when you walk into
14 Wal-Mart, already it says, "Made in China," "Made in China."
15 I worry about the future. I'm old enough that I'm not going
16 to have to get a job in the fast-food industry, but I worry
17 about where the jobs are going to come from in this country.

18 I'm a small business owner; I hire only eight
19 people; but still, I make an impact. And there are tens of
20 thousands of small businesses like mine in this country that
21 are risk if we don't have enough power. That's all I have to
22 say.

23 MS. FARRELL: Thank you very much. Was there
24 anybody else who wanted to comment? Let me go back to a
25 couple of you who I cut off. P.D., would you like to add

1 more comment?

2 MR. KIRCHER: Oh, I don't know. I think we
3 covered it pretty well.

4 MS. FARRELL: Okay. Steven Craig?

5 MR. CRAIG: The last thing that I had, and I
6 strongly support this proposed plant. That's it.

7 MS. FARRELL: You mean I cut you off on your
8 last few words? I'm sure sorry about that. Okay. All
9 right. I would like to remind everybody that there are forms
10 in the back of the room that you are welcome to take with you
11 and distribute, by the way, to your neighbors -- anybody else
12 who you believe would like to comment. They have all the
13 information on mailing those comments to Stephanie. They can
14 also email Stephanie. Comments can be written and left in
15 the box back there tonight. There are extra handouts that
16 Mary will have there also in the back that it would be great
17 if you would take some of those with you and distribute those
18 as well.

19 The court reporter will be here for a short
20 period for those of you who haven't commented and you're
21 walking in the room and you decide you'd like to comment, you
22 can certainly comment now. I'll ask one last time if there's
23 any other request to make public comment about this proposal.
24 Okay. Stephanie, Mary, or Nancy, are there any comments you
25 wish to make?

1 MS. STRENGTH: Thank you all for coming.

2 MS. FARRELL: Thank you very much, especially
3 given the weather. It takes a lot of commitment to be here.
4 I know Nancy would love for everybody to eat the refreshments
5 up. Thank you for your commitment. Have a good night.

6 HANDWRITTEN COMMENTS OF FRANCIS BURKS: My
7 name is Francis I. Burks. I live in Saline County, R-2
8 Slater, Missouri. I am a coop member of Central Missouri
9 Electric located in Sedalia, Missouri.

10 Associated has a long, successful history of
11 generating reliable and affordable wholesale power for
12 electric coops. Building new generating coal-fired plants is
13 the only way they continue to furnish affordable electricity
14 for our rural areas. If they don't build new generating
15 plants, they will need to buy on open market to meet our
16 growing need at much higher prices. We need their help to
17 keep our electricity at affordable prices in our rural areas.

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