

UNITED STATES DEPARTMENT OF ENERGY  
NATIONAL ENVIRONMENTAL POLICY ACT SCOPING MEETING FOR  
INDIANA GASIFICATION, LLC  
DOE/EIS-0429

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DEPONENT: **TRANSCRIPT OF PROCEEDINGS**  
DATE: DECEMBER 3, 2009

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11

12       This matter coming on to be heard Doug Boren, DOE  
13 NEPA Document Manager, in the Rockport City Park  
14 Community Center, 930 Fairground Drive, Rockport,  
15 Spencer County, Indiana, on Thursday, December 3, 2009,  
16 at 7:00 p.m.

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19               MR. BOREN: Good evening. On behalf of the  
20 Department of Energy, DOE, loan guarantee program, I  
21 would like to welcome you all tonight. I would like to  
22 say that this crowd is a little bigger than we expected.  
23 I'm sorry if anyone needs to find a chair. Hopefully  
24 you can square it away.

25

              This is the environment scoping meeting for

1 the proposed Indiana Gasification -- industrial  
2 gasification project. The project is being proposed by  
3 Indiana Gasification, LLC. Let the record show that the  
4 public scoping meeting began at seven o'clock on  
5 December 3rd, 2009.

6 My name is Doug Boren, and I am the DOE NEPA  
7 document manager for the Indiana Gasification project.  
8 Maher Itani, sitting beside me, is from Tetra Tech which  
9 is DOE's third party contractor assisting DOE in the  
10 preparation of the EIS. Allister Lesley, also from DOE,  
11 is sitting in the audience tonight also. And we have a  
12 team from Tetra Tech here who is assisting us with the  
13 presentation of the meeting.

14 We are here tonight because the Department  
15 of Energy Loan Guarantee Program, is considering giving  
16 a loan guarantee to Indiana Gasification, L.L.C., for  
17 the proposed industrial coal to substitute natural gas  
18 project. The Loan Guarantee Program was established by  
19 the Energy Policy Act of 2005. Title 17 of the act  
20 identified discrete categories of projects that are  
21 eligible for loan guarantees. These categories include  
22 advanced fossil energy projects.

23 In order to receive a loan guarantee from  
24 the Loan Guarantee Program applicants and projects need  
25 to meet certain criteria, financial and technical. The

1 financial criteria help us meet our statutory  
2 requirement that the federal government have a  
3 reasonable assurance of repayment. These are loans.  
4 They are not grants. There are also criteria that  
5 ensure that the technology is not only new or  
6 significantly improved but that it is also commercially  
7 viable.

8           Proposed projects must meet certain  
9 requirements that are set out in the Energy Policy Act.  
10 For instance, there are certain emission limits of  
11 pollutants for coal gasification projects set out in  
12 section 1703 of the act that must be met in order to be  
13 eligible for a loan.

14           The Department of Energy is a lead federal  
15 agency for the National Environmental Policy Act, or  
16 NEPA, review of the project and the lead agency in the  
17 preparation of the EIS. We have requested the United  
18 States Army Corps of Engineers to participate in the  
19 preparation of the EIS to satisfy their NEPA  
20 responsibilities under section 404 of the Clean Water  
21 Act and section 10 of the Rivers and Harbors Act.

22           The purpose of tonight's meeting is to  
23 provide each of you with an opportunity to give us your  
24 environmental comments on the proposed Indiana  
25 Gasification coal to substitute natural gas project.

1                   We're here tonight to learn from you. It  
2 will help us the most if your comments are as specific  
3 as possible regarding the potential environmental  
4 impacts and reasonable alternatives of the proposed  
5 project.

6                   Your comments will be used to help determine  
7 what issues we need to cover in the EIS. If you wish to  
8 speak tonight, please be sure to sign the speaker's list  
9 at the sign-in table. If you do not wish to speak  
10 tonight but would like to make a written comment, you  
11 can pick up one of the handouts at the sign-in table  
12 that provides information for you to send written  
13 comments to us.

14                   On November, 2009, the Department of Energy  
15 issued a notice of intent to prepare an EIS for this  
16 project. The scope and comment period officially ends  
17 on December 14th, 2009. However, we will take comments  
18 throughout the review of the project. We ask that you  
19 provide comments as soon as possible in order to give us  
20 enough time to analyze and research the issues that you  
21 comment on.

22                   During our review of the project we will  
23 assemble information from a variety of sources including  
24 the applicant, you, the public, other state, local and  
25 federal agencies and our own independent analysis.

1           We will analyze this information and prepare  
2 a profit EIS that will be distributed to the public for  
3 comment. If you want a copy of the draft EIS, you can  
4 send a written comment to DOE requesting a copy, or you  
5 can fill out the comment form at the sign-in table and  
6 check the appropriate box.

7           It is very important that any comments you  
8 send include the DOE EIS number for the project. The  
9 EIS number for, is in the notice of intent but let me  
10 also give it to you now so you can write it down. It's  
11 DOE slash EIS dash 0429. One more time. It's DOE slash  
12 EIS dash 0429. If you decide to send a comment letter,  
13 include that number on it, and that will assure that it  
14 gets to me as soon as possible.

15           After the draft EIS is issued you will have  
16 approximately 45 days to review and comment on it. We  
17 will have a public meeting similar in format to this one  
18 sometime within the 45-day comment period on the draft  
19 EIS. And it will be in a larger facility.

20           At that meeting you can give us your  
21 comments on the draft EIS orally. Alternatively you may  
22 provide comments in writing.

23           At the end of the 45-day comment period we  
24 will use your comments and any new information that we  
25 have been able to gather to finalize the EIS. After the

1 final EIS is issued, DOE will use the information in the  
2 EIS to issue a decision or to issue a record of  
3 decision.

4 The record of decision announces and  
5 explains DOE's decision and describes any commitments  
6 for mitigating potential environmental impacts.

7 Before we start taking comments from you  
8 this evening, I will give you a short presentation about  
9 the NEPA process, and the applicant will make a short  
10 presentation about the Indiana Gasification proposal. A  
11 copy of the NEPA process presentation is available on  
12 the sign-in table.

13 This is just a linear overview of the EIS  
14 NEPA process. The first step in the process is the  
15 notice of intent, which DOE issued the notice of intent  
16 in November. In the notice of intent we supply  
17 relatively sparse amount of information in order to send  
18 it out to the public, to generate comments on the  
19 proposed project.

20 So we're in, right now we are in the public  
21 scoping period which DOE requests comments from the  
22 public on scope of the EIS and alternatives to be  
23 analyzed and evaluated in the EIS.

24 And also this public meeting is part of the  
25 public scoping period.

1           The next step on the process is the draft  
2 EIS. We will take the comments that we receive tonight  
3 and any additional information that we use to develop  
4 the EIS, and we will draft an EIS.

5           When we draft the EIS and we're done with  
6 that, we will put that out for the public's scoping comm  
7 -- or public comment. And it's typically 45 days the  
8 public will have to review the EIS and make comments on  
9 the EIS. We will have another meeting, as I said  
10 before, similar to this one when that process comes  
11 about.

12           The next step is the final EIS. We will  
13 take the comments from the draft EIS public comment  
14 meeting, incorporate those into the document, make any  
15 changes that need to be made and come up with the final  
16 EIS.

17           When the final EIS goes out, it is published  
18 available for the public to review, and there's a 30-day  
19 wait period after the final EIS goes out before the  
20 Department of Energy can issue its record of decision  
21 which discloses the decision that was made; either to  
22 issue or not issue the loan guarantee. And it also  
23 outlines any commitments made to reduce the, or to  
24 mitigate the potential impacts of the project.

25           This pretty much just boils down, the last

1 two slides into one slide, shows it's linear. But it  
2 highlights the opportunities for public involvement.  
3 We're in the first phase of the public involvement. The  
4 next phase would be the comment period during the draft  
5 EIS, and final phase is for comments after the final EIS  
6 comes out before the record of session is issued.

7 Our preliminary indications -- And this is  
8 not an exhaustive list. This is just our preliminary,  
9 what resource areas we believe will be impacted by the  
10 project. We will be covering air quality and greenhouse  
11 gas emissions, water resources. There will be wetlands  
12 and flood plains impacted by the proposed project, and  
13 we will cover that in the EIS.

14 There is a potential for threatened  
15 endangered species to be impacted by the project. We  
16 will disclose those impacts in the EIS. We will also  
17 look at solid waste management, cultural and  
18 socioeconomic resources and cumulative impacts. Which  
19 cumulative impacts is the impacts of this project taking  
20 into consideration with past, present and reasonably  
21 foreseeable projects in the area.

22 This is just a basic information slide. It  
23 highlights the fact that the scope and period closes on  
24 December 14th. But as I previously stated, if you have  
25 comments, send them in. And we will evaluate those

1 comments and take them into consideration in developing  
2 the draft EIS. You can write your comment and submit  
3 them today, or you can email your comments to the email  
4 address there on the slide.

5 If you have any questions throughout the  
6 process, this is my contact information, and this is  
7 where the EI, any comments can be mailed to me at my  
8 office.

9 This is just a basic slide. It has a  
10 website for more information on DOE's Loan Guarantee  
11 Program as well as DOE's NEPA process and again my  
12 contact information with my phone number and email.

13 With that I will turn it over to the  
14 applicant for a short presentation on the proposed  
15 project. Thank you.

16 MR. ROSENBERG: Thank you, Mr. Boren. My  
17 name is William Rosenberg. I am one of the development  
18 team developing this project here in Rockport, and I'm  
19 very impressed by the scope of interest in the project,  
20 although I can understand it. This is a very big  
21 project. It will have many impacts, and we think most  
22 of them will be positive. But it's up to you to express  
23 your point of view.

24 What we have in mind doing is applying what  
25 is known as clean coal technology which is advanced

1 technology to convert coal that has many pollutants  
2 inherent in it into clean methane, which is natural gas,  
3 capture the pollutants and -- that are in the coal. And  
4 instead of releasing them to the atmosphere make them  
5 into byproducts and then capture the CO<sub>2</sub> as part of the  
6 process that is produced in this process.

7           And our preferred solution for that CO<sub>2</sub> is to  
8 compress it and ship it down to the Gulf Coast where it  
9 will be used for injection into existing old oil wells.  
10 And that additional pressure will produce more oil.  
11 Revenues for the project that will pay for the cost of  
12 the environmental protection associated with the  
13 project.

14           This project is sponsored by three  
15 companies. The lead sponsor is Leucadia which is a  
16 large New York Stock Exchange listed company that is  
17 committed to move forward with this project and invest  
18 up to \$500 million of private equity.

19           The Department of Energy is reviewing the,  
20 our application for it to guarantee loans in  
21 approximately 1.8 billion so that the total \$2.3 billion  
22 project which would be built on land that we've optioned  
23 in Rockport could go forward.

24           The other two companies involved; one is my  
25 company E3 Gasification and the other is Johnson

1 Development. I have previously served as the assistant  
2 administrator to the Department of Energy, the chairman  
3 of the Michigan Public Utility Commission and the head  
4 of E.P.A.'s clean air program in Washington and have  
5 dedicated a large part of my life to finding ways to  
6 develop clean energy that's environmentally sound but  
7 produced with resources from the United States so we  
8 don't have to import oil or gas from abroad and do this  
9 in a responsible, economic way for the benefit of the  
10 economy and rate payers.

11 Johnson Development is headed by former  
12 senator from Louisiana who used to head up the Energy  
13 and Natural Resources Committee in the Senate.

14 We are developing four projects; two in them  
15 in the midwest and one in Chicago, one in, here where  
16 we're hoping to convert coal from the Illinois basin  
17 into natural gas; and, two, in the Gulf Coast where  
18 we're hoping to convert the waste from refineries called  
19 petroleum coke into synthetic natural gas as well.

20 So we are among the largest of the companies  
21 trying to apply this advanced technology developed by  
22 the Department of Energy and by General Electric and  
23 some other companies to solve our nation's energy  
24 problem and do it in an economic and clean way.

25 This is the project site. If anybody wants

1 to look at the location in Rockport, there's a larger  
2 version in the, in the -- on the board out there. Our  
3 company that's doing this is Indiana Gasification. It  
4 will be located on a 1,300 acre site that we have  
5 optioned voluntarily from people who own that property.  
6 We'll use GE technology that's been proven before. We  
7 will use fuel, essentially coal mined in this region,  
8 hopefully in Indiana but also it might be some from  
9 Kentucky and Illinois.

10 We will produce 40 billion cubic feet of  
11 substitute natural gas. To put that in context, that's  
12 the equivalent of 17 percent of all the gas that natural  
13 gas utilities buy to heat your homes and heat buildings  
14 like this in the state of Indiana on an annual basis.

15 So this is going to provide a hedge for  
16 about 17 percent of the gas and a hedge against the  
17 volatility of natural gas which you all know goes up and  
18 down very dramatically. We will produce other products  
19 that is, that is in the coal.

20 And instead of releasing sulfur dioxide, for  
21 example, in the air that causes acid rain and  
22 particulates, we will capture that and make sulfuric  
23 acid for sale. Similarly we do the same thing for  
24 argon, CO<sub>2</sub>. And we'll -- There won't be any sludge.  
25 We'll make a slag out of the silicon in the coal. The

1 reason coal is hard is there's sand in it. And so we  
2 will convert that into a product that could be used to  
3 build roads and landfills.

4           The financing that we're hoping to succeed  
5 with is the financing discussed by DOE a moment ago plus  
6 the private capital put up by Leucadia. The Indiana  
7 Legislature on three occasions overwhelmingly passed  
8 enabling legislation to allow this project to proceed.

9           The basic concept of why we're here in  
10 Indiana, why it makes sense to do this is that this  
11 region is blessed with an abundant supply of coal. Now  
12 the way I look at coal, coal is clean hydrocarbons in a  
13 very dirty package. What we have traditionally done is  
14 burn the whole package, and that's what caused air  
15 pollution.

16           What this plant is attempting to do is to  
17 refine that package, take out the pollutants and just be  
18 left with a clean hydrocarbon that has no more pollution  
19 than natural gas when we're finished, as long as we can  
20 collect the sulfur and the nitrogen and the particulate  
21 and the carbon and the mercury and the argon which is  
22 the strategy of the project.

23           And this will enable us to provide natural  
24 gas to utilities in the state through the state of  
25 Indiana that will reduce the volatility of prices and

1 enable home owners to heat their homes over the next 30  
2 years with what we believe will be a lower cost product.  
3 That will be determined by the Indiana Utility  
4 Regulatory Commission.

5           The basic technology is summarized in this  
6 chart. We put in water which is  $H_2O$ . We put in coal  
7 which is carbon and hydrogen,  $CH$ . And we put in oxygen  
8 from the air. And then in the process we gasify it. We  
9 heat it up in a vessel without allowing it to combust  
10 and allowing pollution to go into the atmosphere.

11           And then we break up the water into hydrogen  
12 and oxygen. That's water gas and then we start removing  
13 what would otherwise be pollution before anything goes  
14 into the atmosphere. We remove the mercury. We remove  
15 the carbon dioxide and sulfur dioxide, and we end up  
16 with a clean gas that make into the equivalent of  
17 natural gas.

18           So what will come out of this plant that  
19 will go into home heating or into power plants is the  
20 same thing that comes out of the ground and is piped  
21 into, into those facilities from, from utilities.

22           The net effect is the input is coal from the  
23 Midwest, water from the Ohio River, air, oxygen from the  
24 air; and the output will be natural gas. And when we  
25 use the  $CO_2$  and ship it to the oil regions, oil. And so

1 we'll import less natural gas from the Middle East, less  
2 oil from the Middle East and in fact create economic  
3 development opportunities in the middle west right here  
4 in Indiana.

5           This chart summarizes quickly some of the  
6 economic advantages to you to your state. It will be a  
7 \$2 billion investment with all the tax revenues  
8 associated with that in Spencer County. There will be  
9 up to a thousand construction jobs at the peak over the  
10 three or four-year period of construction that we hope  
11 will begin in 2011. There will be 200 full-time  
12 employment jobs of very high value; and, course, there  
13 will be mining jobs associated with delivering the coal  
14 to this project.

15           We'll spend over \$2 billions in operating --  
16 in operation and maintenance with local businesses and  
17 local people during the operation of the plant. And  
18 this, of course, will have wonderful effects on the  
19 overall economy. So that's the overview.

20           And in doing this we have to meet stringent  
21 environmental standards imposed by the EPA, the Army  
22 Corps of Engineers, the department, the Illinois  
23 Department of Environment. And we need to meet -- get  
24 permits in all of those areas which is what the  
25 Department of Energy is going to evaluate how we are

1 going to meet those requirements. Then the agencies  
2 themselves evaluate whether they're going to give us the  
3 permit.

4 With that I'd like to turn to Jim Hauck who  
5 will discuss with two slides the air emissions  
6 considerations of this complaint.

7 JAMES M. HAUK: Good evening. Air emissions  
8 will undergo a detailed analysis through the EIS, and  
9 Bill mentioned also through a rigorous permitting  
10 process.

11 There are two important points when you  
12 think about this project. There's air emissions. And  
13 the first is that the plant -- And Bill touched on this.  
14 The plant will not burn the coal. Instead it will  
15 refine its components that can be recovered. As such  
16 many of the impurities that would be otherwise in  
17 emissions from coal will be actually captured and turned  
18 into usable products and not emitted.

19 Second the emissions that are still present  
20 will undergo a rigorous permitting process that will  
21 include best-available control technology and the more  
22 rigorous controls called lowest-achievable emission rate  
23 technology. Under the Clean Air Act Major New Source  
24 Review program. We'll also have emissions offsets or  
25 decreases in emissions greater than what the plant puts

1 out. For certain emissions we will not attain that. It  
2 will be a PPM of 2.5.

3           Going to the next slide, when people think  
4 about a project that uses as much coal as this plant  
5 will use, typically they're thinking of large coal-fired  
6 electric power plants. In this case we want to make  
7 sure that the -- And I'll just point out, onsite  
8 emissions performance for this plant compared to a plant  
9 that actually burns the coal, these charts show  
10 emissions, actual emissions of sulfur dioxide  $\text{SO}_2$ , and  
11 nitrogen oxides, known as  $\text{NO}_x$ , from 2008 for the largest  
12 Indiana coal fired electric power plant.

13           You see the largest up here on the left for  
14  $\text{SO}_2$  had 76,000 tons of  $\text{SO}_2$  in the middle 50,000 tons.  
15 The number down at the bottom on the right-hand side is  
16 380 tons of  $\text{SO}_2$  will be emitted from this plant.

17           For  $\text{NO}_x$ , 29,000 almost 30,000 tons from the  
18 largest, from 15,000 in the middle and 122 of  $\text{NO}_x$  from  
19 this plant. Again this is not combusting any coal.  
20 Now, this does not include the emissions that will come  
21 from eventually burning the substitute natural gas that  
22 is created in the plant that will be burned off-site at  
23 other places.

24           There's a still relationship for PM 2.5 and  
25 for mercury emissions between this project and

1 coal-fired power plants.

2 MR. ROSENBERG: Thank you, Jim. And now I'd  
3 like to introduce Jim Madole who will discuss the water  
4 considerations of this project.

5 MR. JIM MADOLE: Good evening. The proposed  
6 Indiana Gasification project is planning to withdraw  
7 approximately 11 million gallons per day of water from  
8 the Ohio River. This constitutes less than  
9 approximately .15 percent of the low limit for the  
10 river's average flow as measured.

11 This design choice was in response to  
12 community concerns previously voiced regarding any  
13 possibility of utilizing ground water from the aquifer  
14 for this project.

15 The withdrawal will be used in two  
16 fundamental ways. Primarily it will be used for a  
17 non-contact cooling water for evaporative cooling  
18 followed by discharge back into the river. And  
19 secondarily the process contact waste water and storm  
20 water will be recycled for use in the process and  
21 extinguished or consumed in a zero liquid discharge  
22 waste water treatment process.

23 MR. ROSENBERG: I would like to emphasize,  
24 again, that there will be no use of aquifer water in  
25 this project. That was in response to citizens'

1 concerns at an earlier public meeting.

2           Finally, the last point I want to make is  
3 that this project is planning and prefers and will work  
4 on the most advanced CO<sub>2</sub> capture initiative in the  
5 country. We are -- The technology itself allows us to  
6 capture the CO<sub>2</sub> as part of the process of making the  
7 synthetic natural gas. That's entirely different than  
8 the CO<sub>2</sub> that's emitted from a coal-burning plant which is  
9 mixed with nitrogen and other emissions in the stack.

10           This will capture the CO<sub>20</sub> and it is our  
11 intent to compress that into a liquid form with an  
12 electric compressor joined with another company in  
13 Indiana -- in Illinois and maybe Kentucky to sponsor --  
14 to sell our CO<sub>2</sub> under contracts we already signed to a  
15 company that will build the pipeline from the Midwest to  
16 the Gulf Coast, taking the CO<sub>2</sub> which would be a waste  
17 product if it was emitted in the atmosphere here and  
18 instead using it beneficially to inject it into the oil  
19 wells down in Texas, Louisiana and Mississippi to  
20 enhance oil production.

21           Not only does this dispose of this CO<sub>2</sub> in a  
22 sequestration mode, it does it in an economic way that  
23 will actually reduce the cost to the rate payers of  
24 Indiana, because that CO<sub>2</sub> will have a value. And if the  
25 price of oil is over \$700 it will be more -- It will get

1 paid more than the cost of compressing the CO<sub>2</sub>. And over  
2 time it's expected that oil prices will continue to go  
3 up, and this will be beneficial to the rate payers.

4           So this is a world-class technology. It's a  
5 world-class product. We're very honored that DOE is  
6 considering making a loan guarantee of \$1.8 billion for  
7 this project. If they do we will invest \$500 million in  
8 your community and will be partners. And I think this  
9 will be one of the best things that happened in this  
10 part of the state in a long time. Thank you very much.

11           MR. BOREN: I would like to point out to the  
12 audience that Indiana Gasification representatives will  
13 be here, will be available after the meeting to answer  
14 any questions you may have about the project specifics.

15           We'll now begin with the most important part  
16 of the meeting, receiving your comments. When your name  
17 is called, please step up to the microphone and state  
18 your name for the record. Your comment will be  
19 transcribed by a court reporter to ensure that we get an  
20 accurate record of your comments.

21           We will initially limit comments to five  
22 minutes to ensure everyone that would like to speak has  
23 the opportunity. If after all commentators who want to  
24 speak have spoken and there is additional time  
25 available, we can allow additional time for speakers

1 that were not finished in their initial five-minute  
2 window. Now, Maher.

3 MR. ITANI: I'm going to announce the name  
4 of the speaker. Theme I'll announce who, the two other  
5 names that will be followed by that speaker. So the  
6 first speaker tonight will be Grant Smith followed by  
7 Steve Obermeier, then Marvin Byrer. Grant Smith.

8 MR. GRANT SMITH: My name is Grant Smith.  
9 I'm the executive director of the Citizens Action  
10 Coalition of Indiana, a state-wide consumer advocacy  
11 group that has 40,000 members state wide. I'm  
12 addressing the following issues in my remarks:

13 The role and scope, alternatives of the EIS  
14 related to the Indiana Gasification, the socioeconomic  
15 component of the EIS and the environmental justice  
16 related to this scope of the EIS.

17 The Seventh Circuit Court in 1997 stated the  
18 critical nature, restored the critical nature of  
19 alternatives to be explored other than the project. The  
20 court stated when a federal agency prepares an EIS it  
21 must consider all reasonable alternatives in depth.

22 No decision is more important than being  
23 limiting what these reasonable alternatives are. That  
24 choice and the ensuing analysis forms the heart of the  
25 environmental impact statement.

1           The court also said the existence of a  
2 viable but unexamined alternative renders an  
3 environmental impact statement inadequate. More over  
4 the court said if NEPA mandates anything, it mandates  
5 this. A federal agency cannot ram through a project  
6 before first weighing the pros and cons of the  
7 alternatives; also in public.

8           In the context of case law Epack of 2005 the  
9 Council of Environmental Quality mandates for federal  
10 agencies, the purpose of this project must be broadly  
11 defined. As such a broad range of alternatives to avoid  
12 and reducing air pollutants under the scope of a broadly  
13 defined loan guarantee program must be explored and  
14 analyzed. These would include end use energy efficiency  
15 and renewable energy projects. It also could include  
16 shale gas.

17           We appreciate the DOE including  
18 socioeconomic impacts in the range of environmental  
19 resource areas be addressed as DOE indicates that any  
20 NOI -- That's the list of tentative and not -- It's  
21 tentative and not predetermined. We strongly urge DOE  
22 to keep socioeconomic in the mix. Indeed an analysis  
23 of the socioeconomic impacts, we would argue, is  
24 required since DOE has decided to prepare an EIS and the  
25 plant's operations is impossible without rate payer

1 largesse.

2           The Seventh Circuit does make reference to  
3 economic issues. It states alternatives might fail  
4 abjectly on economic grounds. But come conversely we  
5 would argue that the project under consideration for  
6 proposed action may fail abjectly on economic grounds  
7 when compared to the alternatives.

8           Be that as it may, the Eighth Circuit in  
9 1998 said when an environmental impact statement is  
10 prepared and the economic and social and natural or  
11 physical environmental effects are interrelated, then  
12 the environmental impact statement will discuss all of  
13 these effects on the human environment.

14           Now, the court also stated agencies  
15 considering significant action are required to examine  
16 enteralgia historic, socioeconomic, social or health  
17 effects, whether direct, indirect or cumulative.

18           We, therefore, assert that because the  
19 economic feasibility of the proposed project rests on  
20 the expressed assumption that the state of Indiana will  
21 require Indiana gas utilities and their customers to pay  
22 a price substantially above the projected market price  
23 of natural gas for 30 years. The socioeconomic impacts  
24 of that expressed assumption should be documented in and  
25 evaluated in detail.

1                   We also assert that because the proposed  
2 Rockport location for the Indiana Gasification plant  
3 raises environmental justice concerns regarding  
4 cumulative impacts, those impacts must be documented and  
5 evaluated in detail.

6                   The DOE shall explore in detail at least the  
7 following: A, the motion promising alternative or  
8 alternatives which meet the statutory purpose but does  
9 not involve coal gasification; B, a coal gasification  
10 alternative which involves CO<sub>2</sub> capture and sequestration;  
11 C, a CO<sub>2</sub> capture and sequestration alternative in  
12 Louisiana post enhanced oil recovery, because enhanced  
13 oil recovery is not sequestration; and one in Indiana  
14 without EOR; D, a coal gasification alternative located  
15 in Louisiana, in the Illinois basin somewhere other than  
16 Rockport and then the Rockport area at a site other than  
17 the one selected by Indiana Gasification; and E, a coal  
18 gasification alternative which includes a power plant  
19 and one that does not.

20                   Also in NEPA the public aspect of this is  
21 very important. For so far the process has been  
22 shrouded in secrecy, the failed negotiations with  
23 utility companies was behind closed doors. Utility  
24 companies don't even want this plant. The, apparently  
25 the state has suspended negotiations, because Leucadia

1 cannot prove there will be a customer savings.

2           And we did ask for a meeting with the loan  
3 guarantee folks in D.C. We did not get that. We hope  
4 the FOI request is being considered at this point.

5           And that's the end of my comments.

6           MR. ITANI: Thank you. Steve Obermeier  
7 following by Marvin Byrer and Joe Lubbers.

8           STEVE OBERMEIER: My name is Steve  
9 Obermeier. I'm a citizen of Spencer County. And I  
10 would like to begin my talk with a bit of history  
11 regarding the synfuel operation in Indiana.

12           Several years ago Mr. Rosenberg first  
13 approached Representative Stillwell, Governor Daniels  
14 and went to them with a proposal to manufacture gas  
15 here. It would be manufactured from coal. At that time  
16 the price of natural gas equalled or exceeded the cost  
17 from a syngas plant. In a word at that time a syngas  
18 operation made economic sense.

19           So it was understandable that Stillwell  
20 Daniels and Lincolnland were enthusiastic about it. But  
21 my how the situation has changed the last couple of  
22 years. Within the past few years a revolutionary new  
23 method has been developed for extracting natural gas  
24 from shale beds. The method is called hydraulic  
25 fracturing whereby light explosive charges are placed in

1 the ground commonly at a depth of thousands of feet.  
2 And then it's exploded and the shale beds are highly  
3 fractured. Here comes the gas in enormous volumes.

4 Large areas in the eastern United States, in  
5 the eastern third of the United States are now supplying  
6 gas to the market. As the result natural gas prices now  
7 have plummeted to about half of what Rosenberg said it  
8 would cost to make syngas. And prospects for long-term  
9 natural gas supplies look great for the future.

10 Indeed, according to an article in today's  
11 Washington Post the CEO of British Petroleum said, and I  
12 quote, "The picture has changed dramatically with  
13 respect to gas supplies. The U.S. is sitting on over  
14 100 years of gas supply at present rates of  
15 consumption."

16 So I ask does a syngas plant make economic  
17 sense? I think the answer is obviously no.

18 Now for some words about environmental  
19 issues. A syngas plant would likely emit only a small  
20 fraction of that from a conventional coal plant  
21 according to many credible persons. But even if a  
22 syngas plant performs as advertised, what about -- What  
23 would be done with the byproducts such as sulfur and  
24 nitrogen oxide plus many more?

25 According to the Federal Register which is a

1 federal publication, sulfuric acid would be produced,  
2 and Mr. Rosenberg said that today also. Plus many more  
3 chemicals yet unknown would be manufactured. Indeed,  
4 lastly Mr. Utter said that he envisions about half a  
5 dozen chemical facilities adjoining the syngas  
6 operation; to which Mr. Rosenberg replied, quote, "It  
7 will be like a petrochemical facility."

8 Well, I ask how many of you have ever gone  
9 by a petrochemical facility? Just think about going  
10 through Charleston, West Virginia, for example. I  
11 suspect quite a few of you have been through there.  
12 Petrochemical plants are common sites of noxious, toxic  
13 fumes and all too frequent disasters caused by chemical  
14 fires, explosions, spills, in towns nearby. Who wants  
15 to live in them?

16 To which I add another caveat, earthquakes  
17 originate in the local area. I think a few words are  
18 relevant here regarding my professional specialty. I am  
19 retired from the U.S. Geological Survey where I did  
20 field geology and engineering work to look for evidence  
21 of large earthquakes that have struck in the previous  
22 several thousand years. And I'm presently working under  
23 contract with the U.S. Nuclear Regulatory Commission in  
24 Washington, D.C. to search for evidence of large  
25 earthquakes there. And I have recently been made an

1 adjunct professor at the University of Tennessee because  
2 of my expertise on this topic.

3           Not everyone in this room is aware of the  
4 hazards of the New Madrid seismic zone where in 1811 and  
5 12 three earthquakes of magnitude seven to about eight  
6 struck, causing strong shaking here. Indeed it is well  
7 documented that river banks at Ohio -- or at Owensboro  
8 caved extensively. What about the future? Well, on  
9 average you get a big earthquake popping off every six  
10 or 800 years. But that's just an average. Nobody  
11 really knows when the next big one is going to pop off.

12           To which I add a very recent finding about  
13 earthquake hazards in the local area; I mean Rockport  
14 and Owensboro. And by the recent finding, I'm talking  
15 about a large magnitude, greater than six earthquakes  
16 that we found originating here.

17           I am part of a team that discovered  
18 proof-positive evidence for strong shaking, a site about  
19 12 miles west of Owensboro, probably from a fault  
20 nearby. But even discounting that newly discovered  
21 evidence there's a good possibility that the sediments  
22 at the proposed syngas plant would liquify under modern  
23 construction, building codes.

24           For example, engineering analysis from  
25 engineering borings at a proposed hospital site in

1 Owensboro found that sediments would liquify to a depth  
2 of 50 feet. The sediments there are basically the same  
3 as the sediments out here at the proposed site by the  
4 way. Which means in lay terms that the building would  
5 --

6 MR. BOREN: Excuse me, sir. It's been five  
7 minutes.

8 MR. OBERMEIER: Okay. Thank you very much.

9 MR. ITANI: Marvin Byrer followed by Joe  
10 Lubbers and Wallace McMullen.

11 MARVIN BYRER: Hello. I'm Marvin Byrer. I  
12 represent the Indiana-Kentucky Regional Council of  
13 Carpenters. I'm also here to represent the Southwest  
14 Building Trades of Southern Indiana. I'm also a Spencer  
15 County resident, very proud to be so.

16 And we support the building of this plant.  
17 We believe that this is, represents years and years of  
18 hard work by environmentalists to provide the very best  
19 technology available for clean coal.

20 We also support this because it's good for  
21 Spencer County. It's good for Indiana, and it's good  
22 for the United States as well. Added tax income from  
23 this plant will be used for many good things such as  
24 schools, roads and much needed sewers. This plant will  
25 create needed jobs and will open new opportunities for

1 local businesses and will attract new businesses to our  
2 area.

3           This plant is good for Spencer County. Our  
4 state is leading the way out of a down economy. With  
5 the help of our leaders and the House and the Senate,  
6 we're showing the country that Hoosiers are moving  
7 forward.

8           Unemployment is approaching ten percent.  
9 Our highly skilled work force needs jobs. This plant  
10 will employ a thousand workers and when finished will  
11 provide not only 200 permanent jobs but years and years  
12 of maintenance work as well.

13           The plant will need a supply of coal which  
14 will provide additional jobs, up to 300, which new  
15 industry will spring up in relationship to this project.  
16 This project is good for Indiana.

17           We're buying billions of dollars of oil from  
18 folks that hate everything we stand for. We depend on  
19 them for the commodity they control. We owe it to  
20 ourselves and our children to reduce the need for  
21 foreign oil. This plant is a step forward in that  
22 direction.

23           Our national economy problems are a direct  
24 result of businesses choosing to do business overseas  
25 and in the south. The most productive workforce in the

1 world is forced to compete with workers making a tenth  
2 or less than their American counterparts.

3           We've allowed millions of jobs to leave this  
4 country and wonder why. This is a chance to invest in  
5 American jobs. We can make a difference for the  
6 American workforce and choose to invest in the future.  
7 This project is good for our country.

8           We, the carpenters, pipefitters, boiler  
9 makers, iron workers, sheet metal workers, brick and  
10 block layers, concrete finishers, glazers, painters,  
11 operators, teamsters -- the list goes on; we all support  
12 the construction of this plant, because added tax income  
13 is good for Spencer County. Its jobs and related  
14 business are good for Indiana. And this is an  
15 investment in America.

16           MR. BOREN: Thank you.

17           MR. ITANI: Thank you. Joe Lubbers followed  
18 by Wallace McMullen and Rex Winchell. And I apologize  
19 if I mispronounce the names.

20           JOE LUBBERS: I'm Joe Lubbers, and I'm a  
21 carpenter out of Local 90 out of Evansville. And I'm a  
22 family man, and I just think this is really great for --  
23 I mean I'd like to see this going to get some decent  
24 jobs and just get a lot of unemployed people back to  
25 work. Thank you.

1                   MR. ITANI: Thank you. Wallace McMullen  
2 followed by Rex Winchell and Jim Marquart.

3                   WALLACE MCMULLEN: I am Wallace McMullen.  
4 I'm active in the Sierra Club. I'm going to speak to  
5 the things that I believe need to be covered in the  
6 environmental impact statement.

7                   Start off with, I think that we need an  
8 improved number of options to be considered or  
9 alternatives. The notice that DOE put out said they're  
10 only going to consider do the project or don't do the  
11 project. They should be considering at least four. The  
12 project as proposed, a project that requires 90 percent  
13 carbon emissions capture; and also it is required to use  
14 a nondestructive coal source. Coal is frequently mined  
15 using mountaintop removal which is horribly destructive  
16 environmentally.

17                   It should be required to use  
18 underground-mined coal. This is not using the long wall  
19 technique. That should be an alternative. There should  
20 also be an alternative considering the use of  
21 comprehensive end-use energy efficiency investments plus  
22 renewable energy. We could do a lot with \$2.3 billion  
23 of efficiency investments in renewable energy and  
24 efficient -- efficiency investments which would be  
25 wonderful for the entire economy of Indiana.

1           No environmental permits have been applied  
2 for. Therefore, there are no entered -- There are no  
3 detailed estimates of what the emissions are going to be  
4 from this project. I would suggest that this hearing is  
5 premature.

6           Should it not be postponed until the  
7 detailed emission estimates are known, what the  
8 emissions are going to be from the plant? Also the  
9 emissions from combusting the gas which would be  
10 produced by this project should be included in  
11 evaluating the potential emissions.

12           Now, this proposed project which is based on  
13 requiring that the product be purchased by Indiana which  
14 puts -- the project puts Indiana taxpayers at  
15 significant risk both environmentally and financially.  
16 What if forthcoming state government administrations be  
17 decide these risks are unacceptable and abandon the  
18 project? That's an alternative to be considered.

19           What impact will potential technology,  
20 technological advances have on the life of this project?  
21 How will the project and its costs be impacted by carbon  
22 regulation? We have a carbon marketing bill passed by  
23 the House. The Congress will continue to be working on  
24 carbon regulation.

25           The Copenhagen meeting is going to increase

1 the pressure on beginning to control carbon dioxide  
2 emissions which are endangering the life of all of our  
3 grandchildren; so making the planet uninhabitable.

4 Synthetic natural gas is energy intensive  
5 and has a larger CO<sub>2</sub> footprint than other sources. This  
6 should be considered. Up to half of the demand for  
7 natural gas may be met with efficiency in the future.  
8 Will this plant become a white elephant with stranded  
9 cost, decaying seal and rotting buildings a potential  
10 that should be considered in the environmental impact  
11 statement.

12 Can't the existing natural gas industry meet  
13 all the need, and wouldn't they be pleased to expand  
14 with \$2.3 billion from the government creating hundreds  
15 of jobs? The effects on the climate should be  
16 considered if all the CO<sub>2</sub> emissions generated by this  
17 plant are emitted.

18 Now, he's talking about using a pipeline to  
19 send gas to the oil business in Louisiana. This  
20 pipeline is not built. The operator, the proposed  
21 operator doesn't have the financing to build it at this  
22 point in time. It's simply speculative. It is entirely  
23 possible that all the CO<sub>2</sub> from the manufacturing process  
24 of Indiana Gasification will go straight into the  
25 atmosphere. And when this syngas will be burned,

1 another major emission of carbon emissions.

2           Rockport, Indiana with a population of 2,068  
3 already has the dubious distinction of placing 33  
4 percent more toxic chemicals into the local environment  
5 than the cities of New York City, Atlanta, Philadelphia,  
6 Pittsburgh, Chicago Indianapolis, Seattle, Los Angeles  
7 and San Diego combined.

8           This proposal will significantly add to that  
9 huge emissions group creating an enormous environmental  
10 justice issue. Will this plant turn Rockport into an  
11 industrial sacrifice zone? Will only poor and minority  
12 people be willing to live near this plant?

13           Then there are flood plain and wetlands  
14 issues which have been identified as something that will  
15 be considered. 400 acres will be raised one to seven  
16 feet to elevate the plant site out of the hundred year  
17 flood plain.

18           However, climate change means that hundred  
19 year flooding events now occur like every 20 years.  
20 There could be terrible environmental impacts if a  
21 200-year flood occur. And I submit that also the  
22 environmental impact statement should consider the  
23 environmental effects of coal mining.

24           Thank you, sir.

25           MR. ITANI: Thank you. Rex Winchell

1 followed by Jim Marquart and Wayne Werne.

2 FROM THE AUDIENCE: Great job.

3 REX WINCHELL: I am Rex Winchell and I work  
4 with a group called Spencer County Citizens For Quality  
5 of Life. And I have worked at lot of different jobs.  
6 So I feel for you guys to think that this is the panacea  
7 to cure all of your ills. And I hope that you find good  
8 jobs but not for this coal gasification plant.

9 I feel there's a need to mention the  
10 approval of this plant by Spencer County Commissioners.  
11 One commissioner was involved in the sale of land  
12 options to the developer more than a year and a half ago  
13 before voting on the issue. So his motivation is  
14 perhaps understandable at least.

15 The issues involved in this plant are  
16 numerous and complex. And it puzzles me that the  
17 commissioners felt technically competent to make a  
18 decision about this plant without getting independent,  
19 unbiased analysis from technical consultants. Such  
20 consultants are readily available as we saw this evening  
21 in our universities and private industry.

22 The lessons of industries in Spencer County  
23 such as our notorious polluter, the Barmet Company just  
24 outside of town should have been foremost in the  
25 commissioners' minds, but obviously it wasn't.

1                   The responsibility of elected officials  
2 include the determination of danger to public health and  
3 safety. And we live in an area that's already very,  
4 very heavily polluted by the use of coal and numerous  
5 power plants which pose hazards to the health of the  
6 residents and yet our county commissioners have not  
7 obtained or made known that the potential increase in  
8 pollution by coal gasification in this area.

9                   Now, there are data which show that syngas  
10 can in no way compete with natural gas, and the  
11 technology is readily available to produce natural gas  
12 in adequate amounts for many, many years.

13                   Now, I've got a question. Why make the  
14 residents of this area veritable guinea pigs and the  
15 U.S. taxpayers to pay for an unnecessary plant, coal  
16 gasification plant?

17                   This, you guys who would work on this,  
18 you're not getting paid by an industry. You're being  
19 paid by Uncle Sam. Where does Uncle Sam get his money?  
20 From the taxpayers. Now, if this was such a red hot  
21 operation, believe me, there would be no problem at all  
22 getting finances for it.

23                   I say it's better to not have it here. If  
24 you want to build it, go some place else. We're already  
25 the most highly polluted place in the United States.

1 Thank you.

2 MR. ITANI: Jim Marquart followed by Wayne  
3 Werne and then Mark Beard.

4 FROM THE AUDIENCE: Somebody should turn  
5 their cell phone off.

6 JIM MARQUART: Good evening. My name is Jim  
7 Marquart. I'm from Clarksville, Indiana. And won't try  
8 to duplicate what these other two preceding speakers  
9 have said, because they're a lot more knowledgeable than  
10 I am.

11 I have spent 30 years of my life in public  
12 utility consulting work. I'm a retired CPA. As I said  
13 I did cost service work. And my job was to determine  
14 what it cost the utilities to provide service in both  
15 gas, electric, telephone, water companies, postal  
16 operations and transportation.

17 I think Bill has done a great job in  
18 presenting this thing in a very positive light this  
19 evening. I think the speakers so far have done a great  
20 job in pointing out some of the areas that we should  
21 look into. I hope we're not going to be in another  
22 Marble Hill.

23 Many of you in Indiana may have remembered  
24 Marble Hill nuclear plant. I have great years of  
25 experience. I dispatched the first nuclear plant in

1 Arkansas back in the 1970sm AL number one, which was  
2 supposed to have been the plant, zero cost of energy.  
3 Didn't turn out that way. So all I'm going to say is be  
4 careful before you buy into these benefits.

5           Now, some of the speakers have said Indiana  
6 is a polluting state. In fact Indiana is the greatest  
7 polluter in the United States of America. And  
8 sometimes, sometimes we send out two-thirds of our  
9 current generation outside our area. So we're the  
10 backyard of pollution in the United States, and we have  
11 to have our children and grandchildren live with it?

12           I live in Clarksville down the river. And  
13 I've understood that 18 to 24,000 people a year die in  
14 the Ohio Valley as a result of bad air. Now, whether  
15 those numbers are right or wrong, I say to you -- I have  
16 only one question for this scoping study. What is the  
17 cost benefit ratio -- What is the cost of one human life  
18 if we kill one more person as a result of this  
19 construction versus the savings in deference to the rest  
20 of us?

21           Now, I really would like to see jobs come to  
22 Rockport. I'd like to see jobs come to Indiana. I have  
23 a son for a month -- a year and a half unemployed, two  
24 college degrees, a hundred thousand dollars worth of  
25 education, loves the airline industry. No jobs. I know

1 this country needs jobs, and this is an opportunity --  
2 an occasion for them to take and present this. But is  
3 this a solution that you want to live with for the full  
4 life cycle costs of this plant? Think about it folks.  
5 God bless you.

6 MR. ITANI: Wayne Werne followed by Mark  
7 Beard and Jim Shenk.

8 WAYNE WERNE: My name is Wayne Werne. I  
9 live in the northern part of Spencer County. I'd like  
10 to make several comments regarding the proposed action  
11 to secure a loan guaranteed from the Department of  
12 Energy for the proposed building of the gasification  
13 plant in Rockport.

14 First of all I'd like to clearly state that  
15 I, I am not in favor of this plant being built in  
16 Spencer County. And especially due to the fact that  
17 there would be some level of subsidization by the  
18 government taxpayers to help build such a plant. If the  
19 plant's purpose is to produce synthetic natural gas and  
20 sell it for a profit, it would seem that the whole idea  
21 is doomed from the start.

22 If the proposed break-even price for this  
23 plant is in the range of seven to \$8.00 per thousand  
24 cubic feet of gas produced and the price of traditional  
25 natural gas is now between three and \$4.00 per thousand

1 cubic feet, then it would seem to be doomed to failure  
2 before it even gets off the ground.

3 I'm not sure if there's any kind of business  
4 model anywhere that would support this loaning or  
5 spending of perhaps billions of dollars to build a  
6 business that would sell its products at twice the going  
7 market rate.

8 Since the backers of this plant have seen  
9 fit to seek out state legislation to ensure it's built  
10 one way or the other and because rate payers will be  
11 expected to pick up the tab for this venture and because  
12 they are seeking a federal license guarantee to finance  
13 it, I would have to say that this qualifies as the next  
14 bridge to nowhere that will be talked about on the  
15 national stage.

16 The federal government has really got no  
17 business loaning money for this kind of ill-conceived  
18 project, especially in the current political climate  
19 where everyone is keenly aware of and harshly critical  
20 of government wasting money by propping up business that  
21 run themselves into the ground under their own power all  
22 the while expecting the taxpayer to pick up the tab for  
23 them.

24 Beyond making the economic principle being  
25 violated, I would also like to address the environmental

1 costs that would be borne by this project. The general  
2 information that I'm familiar with, this project would  
3 propose -- proposes to locate itself on 1,300 acres of  
4 primarily agricultural land in or near the flood plane  
5 with wetlands associated with it.

6           My goodness, people, how much is wrong with  
7 this scenario? People are currently very restricted  
8 when it comes to building in a flood plane. This  
9 project states the necessity to raise the elevation of  
10 400 acres of this site in order to build and develop it.  
11 They state that they expect only a minimal amount of  
12 wetlands on site would be permanently lost as result of  
13 this project.

14           First of all they don't even seem to know  
15 the location of their proposal. Second of all they  
16 don't seem to care. Why is everyone else expected to  
17 protect the flood plane over wetlands while this project  
18 would get a free pass on such issues?

19           The first thing, the wetlands serve the  
20 purpose of protecting the water quality of the Ohio  
21 River and its tributaries and provide the area for flood  
22 water to spread out so the effects of a major flood,  
23 floods downstream are mitigated.

24           This project threatens the work counter to  
25 that intent, and they certainly should not be given a

1 free pass and allowed to break the rules everyone else  
2 is expected to follow.

3           Finally, I'd like to address the impacts on  
4 the loss of farmland. Again this project proposes the  
5 impact of the 1,300 acres of primarily agricultural  
6 land, some of which is prime farmland; contrary to what  
7 many people think are productive farms and forest land,  
8 it is one of our greatest resources, because it can  
9 sustainably grow products that we consume in perpetuity  
10 if the land is properly taken care of.

11           Once it's destroyed by a project like this,  
12 it is gone forever. There are many people in this world  
13 that envy our ability to grow our own food and fiber on  
14 land that is fertile in an area that has seen ample  
15 rainfall.

16           It was determined by the Governor's task  
17 force on farmland preservation back in the '90s that  
18 Indiana was losing about 88,000 acres of land to  
19 development each year between 1978 and 1992. This fact  
20 is almost impossible to absorb and something that our  
21 society should be ashamed of.

22           Poor land conservation practices in the  
23 1930s developed into the Dust Bowl and the degradation  
24 of millions of acres of what was once productive land.  
25 That blemish on our history is remembered to this day,

1 and here we are again in a position where some people  
2 would be willing to sacrifice 1,200 acres of productive  
3 land for another development project.

4           It is indeed a shame that people cannot  
5 understand and appreciate history to the point that we  
6 are doomed to repeat the mistakes in our past for a  
7 project that's destined to lose money at the start.

8           So in conclusion, although I have fought  
9 everyone's efforts to create jobs by encouraging  
10 investment in new technology to reduce our dependence on  
11 foreign oil, this is certainly not a project worth the  
12 investment by our government to support. I certainly  
13 hope common sense comes into play and DOE does not  
14 recommend to provide a federal loan guarantee for this  
15 proposed project.

16           MR. ITANI: Mark Beard followed by Jim  
17 Schenk and Bill Deal.

18           MARK BEARD: Good evening. My name is Mark  
19 Beard, representative for the Indiana Kentucky Regional  
20 Council of Carpenters. I am with Local 1080. And one  
21 of the things I'd like to first address is the economic  
22 impact that has been brought up, very good points. It  
23 wasn't too long ago that we wondered how we were paying  
24 nearly \$5.00 a gallon for gasoline. But yet we were.

25           And I wondered if we were talking right now

1 about how we were going to tap the natural resource of  
2 oil instead of the coal beds we sit on, would we still  
3 have the same, same fight of environmental impact  
4 knowing that we had a way to reduce the coast of gas. I  
5 don't know.

6                   And then the wind farms. It would be great  
7 if we could build wind farms, but we live in an area  
8 that does not have sustainable wind power. Solar is  
9 great. We're all for it. Each one of these creates  
10 jobs, good paying jobs, years of jobs. We don't live in  
11 an area that we can build solar. We live on coal. It's  
12 a natural resource.

13                   And I want to applaud every environmental  
14 group. Because of these environmental groups the  
15 construction workers that I see in this room have all  
16 benefitted. We have not only built these power plants,  
17 but we have scrubbed nearly every one of them. That's  
18 created good jobs, raised good families, put kids  
19 through college. And it got these people around here  
20 decent retirements.

21                   This is a good project. We've got, we've  
22 got plants that should have been shut down 20, 30 years  
23 ago. They're still running, and it's because of these  
24 people they are. And it's because of these people and  
25 the environmentalists that they're running cleaner than

1 they ever have.

2                   We should be embracing the technology of  
3 today and how clean this technology is and worrying  
4 about how can we fix what's broken. Not pushing away  
5 the technology of today. We should embrace it and say:  
6 Let's build clean and fix the old.

7                   Because we live in a coal basin that's our  
8 natural resource, we have to figure out how we can make  
9 it our partner and our friend to not only create jobs  
10 but doing it in a way that's environmentally safe and  
11 responsible. And this is what this plant does. To say  
12 that the coal, that the natural gas is going to stay  
13 half of what it was, it's only a picture of where it's  
14 at today.

15                   The shale is great. It's great technology.  
16 But if you look and see who owns the companies that are  
17 exploring for the shale gas, they're small companies.  
18 And once the Exxons, the BPs and these guys figure out  
19 that there's a lot of money in it, they're going to go  
20 buy them out. And then where do we stand? They'll  
21 control the oil. Now they'll control the shale.

22                   So the hedge is obviously it's going to go  
23 up. I don't trust anybody enough to think that it  
24 won't. I don't trust anybody enough to think that I've  
25 got to talk to another one of my members that's losing

1 his home, that can't feed his kids and has to decide  
2 where he's going to go and what he's going to do to make  
3 ends meet.

4                   The American dream is up here. And  
5 everybody, we're all down here. And we can do this and  
6 build this in an a safe, environmentally responsible way  
7 and make sure that we're doing it the right way. And  
8 because of you guys, hopefully in 2011 we'll scrub  
9 Rockport and make it a cleaner place for everybody.  
10 Thank you.

11                   MR. ITANI: Jim Schenk followed by Bill Deal  
12 and Jim Foster.

13                   JIM SCHENK: I'll make this quick. My name  
14 is Jim Shenk, representative from the Indiana-Kentucky  
15 Regional Council for Carpenters, Local 90 union  
16 carpenters, a union building trade. We have built the  
17 wealth of this community for over a hundred years.  
18 We've built projects to support our families and  
19 ourselves.

20                   The people against this project are like  
21 cave people, citizens against everything. They're  
22 hypocrites, too. Did they drive here today in electric  
23 cars? Did they produce electric in their back yards?  
24 Do they have passive solar houses? Do they have  
25 windmills in their houses? Do they live in berm houses?

1 Do they have geothermal heat? Do they have solar  
2 panels?

3 They'll drive home tonight in their  
4 vehicles, plug into the electrical grid and wait until  
5 the next project comes up, protest against it. We're  
6 here to support this project. And thank you for your  
7 time.

8 MR. ITANI: Bill Deal followed by Jim Foster  
9 and Will Hardin.

10 BILL DEAL: Good evening. My name is Bill  
11 Deal. Some of you probably know me. I've lived within  
12 ten miles of this spot all my life. Now, I drove here  
13 tonight, and I am -- I know for a fact every one of us  
14 is going to use energy. There's no way around it.

15 So the decision we have to make is how are  
16 we going to get this energy? We've got a lot of good  
17 options. Solar was mentioned earlier. I can remember  
18 when solar was first a new technology. It was next to  
19 worthless. Okay. It's come a long way.

20 Coal gasification has come a long way. I  
21 remember back in the '70s when we had our first oil  
22 crisis. There was property purchased in Kentucky not  
23 too far from here to build a coal gasification plant.  
24 Oil prices went back down; gasification plant went out  
25 the window.

1                   Oil prices have gone up again. Everybody  
2 started talking about synfuels. Coal gasification.  
3 Now, the prices are back down. Let's all forget it.  
4 How many times are we going to go through this cycle?

5                   Now, someone earlier mentioned that we've  
6 not done the EPA studies. We don't know how much this  
7 plant is going to pollute, but too many people are  
8 already against it. Let's wait. Let's find out. What  
9 are the benefits against the cost? We know it's going  
10 to create pollution. Any time we use energy we create  
11 pollution; something we have to live with. Thank you.

12                   MR. ITANI: Jim Foster followed by Will  
13 Hardin and Gene Steinkamp.

14                   JIM FOSTER: Good evening. I'm Jim Foster.  
15 I live across the river in Kentucky. I am a  
16 professional engineer for the state, 35 years experience  
17 in the hydrocarbon industry, project engineer for the  
18 Navy's first nuclear submarine.

19                   I'm currently project manager on a \$9  
20 billion offshore gas collection system and onshore  
21 natural gas liquids processing plant in the Gulf. Also  
22 I was a project engineer on the project this gentleman  
23 just mentioned, the ICRC, the international crude  
24 project west of Owensboro. That project, as all of you  
25 know, was cancelled when President Reagan came in and

1 took away the subsidies. So that project went away.

2                   You may wonder why I'm at this meeting since  
3 I live in Kentucky. Well, I only live two miles from  
4 here by the crow, the way the crow flies. And I'm  
5 always concerned for myself, my family, my neighbors  
6 when polluting plants are proposed to be built in this  
7 area.

8                   As we all know the Ohio River valley is one  
9 of the most polluted areas in the entire country. In  
10 fact I think one of the other gentlemen explained it  
11 correct, quite clearly. In my place on clear days,  
12 which there are very few because of the haze and smog,  
13 there are ten power plants, smoke spilling, spewing  
14 power plants within 50 miles of my house. And that's  
15 the sort of thing that brings me to one of these  
16 meetings.

17                   I'm typically overseas a lot. I don't keep  
18 up with all the local issues as well as I should. But  
19 I'm here tonight and three of those power plants are on  
20 the E.P.A.'s list of ten top polluters in the whole  
21 country. They're right here in this area.

22                   I previously discussed some other issues.  
23 This is one of the most destructive earthquake zones in  
24 the entire country including the San Andreas fault in  
25 California where they're talking about half of

1 California just dropping off in the water.

2           The soil here is classified as the worst  
3 possible soil for a building site. That's because of  
4 its susceptibility to liquefaction. This obviously  
5 represents a strong potential for destruction or damage  
6 to the plant with discharges of incredible toxins of  
7 poisons. Now, if the plant is totally destroyed, it's  
8 going to obviously be an environmental catastrophe.

9           CO<sub>2</sub> is another concern. I've not been very  
10 impressed with the way this project is talking about  
11 sequestering. It depends on a future pipeline, depends  
12 on the secondary oil process which depends on price of  
13 oil which depends on a lot of things. It's one unknown,  
14 one assumption, one unknown after another.

15           Good point that someone made about the  
16 ethanol plant a couple of years ago. That was a project  
17 that was just charging right down the road. And then  
18 somebody said, "well, where -- What's happening to the  
19 aquifer?"

20           It turned out that the plant was using half  
21 of the water that's used in this year each day, pulling  
22 it right out of the aquifer. It would have drawn it  
23 down, the contaminants from the agricultural,  
24 pesticides, whatever, would have contaminated the  
25 aquifer for the entire region. Fortunately brought that

1 here and stopped that. So I'm glad to see that.

2           Regarding the price of gas. That's  
3 probably, this is very much my specialty. I've been in  
4 it for 35 years. There is a glut, as people already  
5 mentioned. The glut is not going away, because the  
6 collection of clean natural gas is accelerating every  
7 day. Canada, Middle East, Africa.

8           And I've been involved in all of those  
9 vehicles. I'm involved in a plant right now; same  
10 thing. These people not only want the revenue; they're  
11 going to provide clean gas. So we're never going to see  
12 gas prices where they were before. That's in my opinion  
13 a gift, and that's because I've been involved in it for  
14 almost 35 years.

15           Now, in my opinion at this stage, this  
16 project should go back to the drawing board, because we  
17 absolutely have no information, no facts, to even start  
18 environmental impact, draft statement. I've been  
19 involved in those for years as well. I just finished.  
20 It took 12 months. You guys are talking two or three  
21 months on a project like this. Thank you.

22           MR. ITANI: Will Hardin followed by Gene  
23 Steinkamp and Jim Edwards.

24           NAN HARDIN: I'm Nan Hardin. I'm a  
25 Kentuckian. So my husband is from Illinois, bows to my

1 greater something or another. I'm from southeastern  
2 Kentucky, a place called Lick's Bend in Knox County.  
3 And our city is Barbourville, and our tourist attraction  
4 is Cumberland Falls.

5 I was born and raised in Knox County, and my  
6 father owned the highest peak in Knox County. And it  
7 was -- A number of years ago it was strip mined. And  
8 the strip mine law had allowed for mountain top removal.  
9 It was supposed to be two to three acres, and the  
10 implication was that there would be, the fill would not  
11 be tossed over as it is now. So there wasn't a great  
12 deal of environmental damage, and it was way on top of  
13 the mountain.

14 And what I'm going to say is I lived close  
15 to a coal camp. My family, my father and my mother, my  
16 mother's father had worked in a coal mine, and she had a  
17 recurrent dream when she was a little girl. And it was  
18 that her father was killed in the mines. He was not  
19 killed in the mines. He was forced to leave in the '20s  
20 and go into southern Indiana to become a tenant farmer.

21 My parents were inspired by the experience  
22 of that and other members who were miners to educate  
23 their children, and we all left. They educated us, and  
24 we left. We still own this land.

25 And recently I was on the internet, and I

1 saw that this area is the only area in Kentucky that is  
2 suitable for wind energy. Those of you who traveled in  
3 the last few years north know that between, north of  
4 Terre Haute, between 41 and 65, there's a wonderful,  
5 wonderful wind farm. It isn't interfering very much  
6 with farmers' lives.

7                   And I don't know anything about who did  
8 this. But it looks beautiful to me because I, I  
9 remember. I remember when I was a kid and I sold corn  
10 in the farm camps -- or in the mining camps. And if the  
11 miners were on strike, my dad would just open up the  
12 truck and give away the corn.

13                   And I don't think there's anybody in this  
14 room who has lived in a county that had 50 percent  
15 unemployment. I have. People starved. I knew people  
16 who starved. It was a little enclave of a third world.  
17 I have been a strong supporter of unions all my life,  
18 ever since I was big enough to know what a union was.

19                   My dad used to tell me when I went to stay  
20 with my girl friends in the mining camp, "Don't say  
21 anything about John Louis. The kids will beat you up.  
22 Don't say anything bad about John Louis. The kids will  
23 beat you up."

24                   My friend lived in a little shack. There  
25 were holes in the floor. Her little brothers and

1 sisters poked the knives and forks through the floor, I  
2 guess. Anyway when we went to eat supper, the mother  
3 put a big pot of soup beans on the table and a pone of  
4 cornbread. And the children drank water out of fruit  
5 jars, pint fruit jars.

6                   So I know what poverty is like. I never had  
7 poverty in my life, because we lived on a farm and we  
8 worked very, very hard. But I know what poverty is  
9 like, and I know what unemployment is like. And I know  
10 what hard work is like.

11                   I feel that, that -- What I'm am trying to  
12 do right now is to get a little wind energy on top of my  
13 mountain that I share with brothers and sisters. And I  
14 think after a period of transition we'll all prosper,  
15 and we'll prosper without pollution, and we'll all  
16 prosper together. Thank you.

17                   MR. ITANI: Gene Steinkamp followed by Jim  
18 Edwards and Tom Utter.

19                   GENE STEINKAMP: Those of you have known me  
20 may find this hard to believe, but this will be short.  
21 I managed to escape Perdue University about 40 years ago  
22 with a degree in turf management, agronomy. And what I  
23 think my best attribute is I'm not half stupid. I ran a  
24 sod farm up here for 30, 31 years; tried to do it in an  
25 environmentally responsible way, consider myself an

1 environmentalist.

2 I had an opportunity to get on the board of  
3 LEDC, Lincolnland Economic Development Corporation  
4 several years ago, and I jumped at it, because I wanted  
5 to be involved in bringing economic development and  
6 prosperity to this county.

7 I am tired of our young people going to  
8 Indianapolis to find work, to find opportunity. And it,  
9 there's -- We have great people here. And I want to  
10 tell you that there's, anybody in this room, no matter  
11 which side you're on, there are evil people. Everybody  
12 just has a different point of view.

13 My point of view is that I'm convinced that  
14 this is an economic boon to this county. This county  
15 needs this. Rockport needs this. It's a  
16 environmentally responsible project. The people  
17 involved are environmentally responsible, responsible  
18 people, good people.

19 And I just want it on record to say that we  
20 need to go ahead with this project. I don't care if the  
21 -- It may be 20 years from now that this plant won't be  
22 profitable. That kind of thinking -- If you're going to  
23 follow that kind of thinking that new technology and new  
24 things -- This is state of the art. It's as good as it  
25 gets today. It will mark, it will be improved. But if

1 you're waiting for tomorrow, you'll never buy a computer  
2 today. So we need to just jump on this technology, do  
3 it now and take advantage of the opportunity.

4 Thank you.

5 MR. ITANI: Jim Edwards followed by Tom  
6 Utter and Dan Schenk.

7 JIM EDWARDS: I'm Jim Edwards, and I'm the  
8 president of the Lincolnland Economic Development  
9 Corporation. And I am presently a semi-retired  
10 businessman who --

11 To give you a little bit of background for  
12 the comment I'm about to make, I have founded two of  
13 Spencer County's major manufacturing plants which have  
14 created over a thousand jobs easily between the two of  
15 them. And besides seeing those companies grow, the  
16 greatest thrill of doing all of that is the job  
17 creation, and the project we're talking about here  
18 tonight is a job creation project.

19 But it also will accomplish several other  
20 things. One of the other things that I do is I  
21 presently serve on the Indiana State Board of Education,  
22 and I represent our Congressional district on your  
23 behalf in that role. So my comments are going to be  
24 focussed on education and the, both the cultural and  
25 socioeconomics impacts of what this project will do.

1                   In manufacturing with complexity and  
2 technological advances that happen almost by the day any  
3 more, education and training is absolutely paramount in  
4 staying competitive on not just the local, regional  
5 basis but world wide. So one of the great things about  
6 this project is that we're significantly raising the  
7 technological bar with the technology that is coming  
8 here with this project.

9                   And that, that creates raising the bar on  
10 education as well. So it would create skills that are  
11 required to do that. And the person just before me  
12 mentioned that, you know, that the American dream is up  
13 here. Well, what we really need to really be thinking  
14 about and the real winners in this project are going to  
15 be the youth of Spencer County.

16                   True. Because the educational opportunities  
17 will expand almost exponentially with the growth of this  
18 project and the new technologies that it brings. And  
19 when you're working with new technologies in  
20 manufacturing, they surely create additional innovation  
21 that you learn a few lessons as you apply this  
22 technology.

23                   So my view of this project is that it is a  
24 huge opportunity for Spencer County to become a leader  
25 in clean energy technology. And when you're doing this

1 you get the collateral benefit of skill development that  
2 provides technical skills kids need, and that opens the  
3 door for a multitude of other economic opportunity. So  
4 for these reasons I am in enthusiastic support of this  
5 project.

6 Mr. ITANI: Tom Utter followed by Dan Schenk  
7 and Carol Oglesby.

8 TOM UTTER: I'd like to thank the  
9 environmental community for bringing these kinds of  
10 technology to bear and helping to replace older, less  
11 efficient and less positive environmental processes with  
12 these kinds of new ones. I want to thank the Department  
13 of Energy for this opportunity for the public to have  
14 its say.

15 This is indeed through the natural resources  
16 that we have to offer and through this new technology,  
17 this process providing environmentally a new and better  
18 technology developed by experts and environmental  
19 processes and by environmentalists themselves  
20 representing a \$2.2 billion capitalization into the  
21 region, into this community, bringing about 800 and a  
22 thousand professional trades jobs in construction for a  
23 period of approximately three years into this region and  
24 into this community and about 200 high tech, high wage  
25 permanent jobs for this region in the campus of the

1 facility not to mention the ancillary related jobs in  
2 mining and related to other companies that we might be  
3 able to bring.

4           Indeed I just want to say I feel this is an  
5 environmentally responsible use of our home and natural  
6 resources to put a substitute natural gas into our own  
7 grid to support our own country.

8           There's no perfect anything. No project  
9 I've ever worked on or ever heard of was perfect. But  
10 there are better ways, improved ways. And this is an  
11 improvement and a better way to bring new technology and  
12 new opportunities into the region. Thank you very much.

13           MR. ITANI: Dan Schenk followed by Carol  
14 Oglesby and Chuck Botsko.

15           DAN SCHENK: Good evening. My name is Dan  
16 Schenk. I'm chancellor of Indiana Tech Community  
17 College, responsible for ten counties in the southwest  
18 Indiana. Much has been spoken tonight about the  
19 sciences and chemistries and those kinds of things  
20 regarding this project. I'm here to talk to you about  
21 workforce development and the type of training and  
22 education provided to support projects like this.

23           I've been with the college for 34 years, and  
24 we certainly have seen many projects come forward. And  
25 we have a relationship with nearly each of the trades

1 that have been referenced this evening; Lincoln, with  
2 them helping those workers get their education at the  
3 college.

4 We're now serving over 100,000 students  
5 state wide. We're Indiana's largest higher education  
6 institution. Last year we delivered over \$1 million --  
7 Excuse me, one million contact hours of training through  
8 workforce and economic development. We're a large  
9 institution. We encompass the entire state.

10 You bring us down, and we're really right  
11 here at home. We have a center about 25 miles up the  
12 road in Tell City. We have been delivering training  
13 programs at Alcoa at the Warrick County plant for the  
14 last 20 years. There are a number of companies,  
15 probably over 150 companies a year we work with. So I'm  
16 here today to talk about work force development. We  
17 certainly have served companies in this area. The  
18 Waupaket, the AK Steels, the Alcoas, certainly regions  
19 beyond that as well.

20 Our range of services, we offer associate  
21 degree two-year degrees, and we offer really a full  
22 range of workforce and economic development. We get  
23 into needs analysis, preemployment training, testing.  
24 We offer technical training, supervision management, a  
25 number of certifications.

1           If we talk specifically about energy, over  
2 the last couple of years we've been working very hard  
3 and very closely with the number of utility companies  
4 across the state of Indiana.

5           We have a state wide consortium that's in  
6 place. We work very closely with Vectren Corporation.  
7 And the other utility companies that are involved in the  
8 partnership are Indiana Michigan Power, AEP; IPL,  
9 Indiana Public Light; Alcoa Warrick operation; Citizens  
10 energy group, Duke Energy; Indiana Energy Association;  
11 Northern Indiana Public Service Company; Southwest  
12 Association of Rural Electric Coops; and Vectren  
13 Corporation.

14           They've helped us develop the curriculum.  
15 They've helped us identify the equipment needs. They've  
16 helped us acquire resources to really activate some new  
17 concentrations or programs that we have in place today.

18           The first is a power plant operations  
19 program. Courses involved power plant fundamentals,  
20 power plant steam systems, power plant instrumentation,  
21 controls, advanced power plant systems. You get a list  
22 of these courses. As we mentioned before, high-skill,  
23 high-wage opportunity. Certainly and many times the  
24 high wages will follow high skills.

25           We also offer opportunity in natural gas

1 technology and electrical line construction. We're  
2 ready and will be very responsive to any workforce and  
3 economic development needs in this area. Again, we have  
4 a tremendous resource base across our system, and we can  
5 respond very quickly, I think rather appropriately. We  
6 treasure the relationships we have with the trades.  
7 They have been tremendous partners. We're certainly  
8 willing to continue in that effort through this process.

9           Again, thanks for the opportunity to address  
10 you tonight. We're here as a partner, and thanks again.

11           MR. ITANI: Carol Oglesby followed by Chuck  
12 Botsko and Mike Menke.

13           CAROL OGLESBY: Good evening. My name is  
14 Carol Oglesby. I live in Evansville. Basically I'm  
15 happy to hear that local universities and community  
16 colleges are prospering and offering training programs.  
17 I hope they also include training programs in the  
18 medical field. That might also include, you know,  
19 physicians, nurses, ambulance drivers, respiratory  
20 therapists.

21           Because as we talk tonight about the  
22 environmental impact, it's very clear that we have the  
23 information that tells us already that people that live  
24 in and around this county are exposed to highly toxic  
25 chemicals. That means damage to your body, the body of

1 your loved ones, your children, your grandchildren.

2           And while I appreciate the need for jobs  
3 very much, if you have not walked through the process of  
4 a loved one fighting cancer, the costs that you have  
5 fighting cancer, I have to say that it's overwhelming.

6           And I think that it might even, to some of  
7 you, appeal that it might be a little easier actually  
8 maybe to move to another region to secure a job rather  
9 than to watch a loved one go through the treatment and  
10 die from cancer or cardiovascular problems associated  
11 with this.

12           Furthermore, we've talked about educational  
13 opportunities that this will bring. I don't know if  
14 you're aware that these chemicals that are in the air,  
15 in the water, in the land, like lead, have been proven  
16 to impair the development of children's intelligence,  
17 thinking and reasoning skills they cause.

18           This is documented. This is proven. I see  
19 skeptical looks. But it's proven. And I personally  
20 have witnessed that happen in another part of the  
21 country to see children's level of intelligence drop  
22 after exposure in a play area to lead. I know it  
23 happens.

24           So my concern is that for the citizens of  
25 Spencer County and for those across the river, for those

1 back in Evansville for this area, there is danger to you  
2 by approving these kinds of technologies. Coal is not  
3 clean. And right now we don't know a way to make it  
4 clean. A small yes.

5           Maybe they emit less pollutants, damage our  
6 environment less. But they still emit pollutants that  
7 are, that is affecting every one of you, every one of us  
8 in this room. You may just have not seen it yet because  
9 that, that -- the research is showing us that there is  
10 a, can be a delay when you encounter the pollutant and  
11 when you actually develop the full-blown symptoms of the  
12 disease.

13           So I just want to close with -- I'm speaking  
14 out of concern for everyone here with proven  
15 information. Coal is not clean. Thank you.

16           MR. ITANI: Chuck Botsko followed by Mike  
17 Menke and Ron Barnes.

18           CHUCK BOTSKO: Good evening. My name is  
19 Chuck Botsko, and I'm a resident of Gentryville,  
20 Indiana.

21           I wasn't going to say anything today when I  
22 came in, and I appreciate Mr. Utter and Mr. Rosenberg  
23 for allowing me to sit in on an invited-only guest  
24 meeting the other day. By invitation only. But I  
25 happened to show up. But they were kind enough to let

1 me sit in and saw part of this presentation.

2           Some of you don't know that some of the  
3 history is this group that Mr. Rosenberg is part of  
4 tried to negotiate with Vectren and NIPSCA to sign a  
5 30-year contract to purchase gas, synthetic gas. But  
6 because of the problems that they had with the company  
7 as well as the prices and cap and trade possibility come  
8 up, they decided it was against their interests to do  
9 the 30-year contract.

10           So the company, course, Indiana  
11 Gasification, adapted. So they contacted Mr. Stillwell,  
12 other legislators, the governor and for some, doing  
13 something that has never been done before. They got the  
14 Legislature to pass a law allowing the company to  
15 proceed guaranteeing that the state is going to buy this  
16 gas.

17           And then the state is going to turn around  
18 and force the utility companies to take it at some  
19 unknown, negotiated price that the government, the state  
20 government has not even finished any kind of  
21 negotiations with the company.

22           So here we are talking about an EIS on a  
23 process that the state hasn't even agreed to as far as  
24 purchasing at what price is that going to be purchased  
25 at. And what are the rate payers of Indiana going --

1 None of us may be those rate payers. But the other part  
2 of the state may be a lot of rate payers -- are going to  
3 have to pay for this plant.

4 Now, originally we were talking about  
5 sequestering. Course, the local concerns -- And we  
6 appreciate the fact that there's local people here  
7 trying to get jobs in this area. We're all for that,  
8 especially during our economy now.

9 The question was: What about Rockport  
10 water? Well, company has gone back, adapted to that.  
11 Now, we're going to take 11 billion gallons of water a  
12 day out of the river instead of going into the aquifer.

13 In your DOE, in the Federal Register -- a  
14 point I want to bring up real quick. The Federal  
15 Register, volume 74, number 217, I guess this is a pager  
16 number, 58266. They are talking about sequestering the  
17 carbon dioxide. Now, they're coming back with a  
18 possible pipeline which is fantastic.

19 IG has an agreement with a potential third  
20 party taker in the Gulf Coast region for the sale of  
21 carbon dioxide. The third party taker would be  
22 responsible for construction of a pipeline to transport  
23 the CO<sub>2</sub>, but a commitment from the third party to  
24 construct such a pipeline does not exist at this time.

25 Now, course, I understand that this was from

1 November 12th. Mr. Rosenberg told us today that there  
2 is a contract. Did I understand that correctly? He  
3 told us today there was a contract. At least that's  
4 what he said to Lincolnland Development Tuesday before  
5 Thanksgiving.

6                   Continuing on in that paragraph, IG is not  
7 proposing to build a pipeline. All right -- as part of  
8 the project. In the event that the carbon dioxide  
9 pipeline is not constructed and no other reasonable  
10 alternative to sequester the carbon dioxide is  
11 determined, then the carbon dioxide produced during the  
12 gasification process would be released into the  
13 atmosphere.

14                   Mr. Rosenberg had also mentioned a comment  
15 while -- He was talking. That caught my attention. He  
16 said -- He was talking about the pollutants and  
17 everything, and the comment was, "As long as we can  
18 collect the pollutants." I don't know what that means,  
19 but it just caught my attention.

20                   380, 380 tons of sulfur is a very low level  
21 compared to I&M. But 380 tons additional sulfur. 122  
22 tons additional nitrogen. We're not talking about the  
23 fact that this job may not be -- I mean may be a great  
24 facility. But why here?

25                   In a letter that I wrote to the papers back

1 in May, I wrote down that EPA's concept to release  
2 inventory for 2007 shows that Spencer County industries  
3 release 30,321,380 pounds of toxic materials compared to  
4 Lake County up in the northern part, including Hammond  
5 and the northwest corner of Indiana, again, 14,972,528  
6 pounds released.

7 I grew up in that area on the south side of  
8 Chicago, born in Hammond. I never believed coming into  
9 this area 38 years ago when I married my wife on  
10 November 27th -- We just had our 38th anniversary.

11 I never believed that Spencer County would  
12 beat Lake County in the amount of pollution, and it's  
13 because these two plants that Mr. Utter --

14 MR. BOREN: Excuse me. Mr. --

15 MR. BOTSKO: That's enough to come --

16 MR. BOREN: It's been five minutes, if you  
17 may.

18 MR. BOTSKO: Oh, thanks.

19 MR. ITANI: Mike Menke followed by Ron  
20 Barnes and John Blair.

21 MIKE MENKE: Mike Menke. I'm with the  
22 plumbers and steamfitters union. I want this as a  
23 matter of record that we do have adequate manpower from  
24 the local building trades to build this facility if it  
25 is approved to be built. That's a matter of record.

1           The other thing I want to say is I've been  
2 following this plant since probably, I'd say July, '08,  
3 as it went through this process with the state and so  
4 forth. There has been a lot of good questions asked by  
5 both sides and a lot of community concern, a lot of  
6 concern about jobs. And obviously we have a, you know,  
7 a large amount of man hours to gain from this project.

8           But what I see happening here -- I know one  
9 side tries to scare the other side a little bit, and  
10 we're trying to scare residents, and that's all fine and  
11 good. You know, we need to be aware of the dangers of  
12 this plant. But we have done this in our areas. It's  
13 what we do. We have a manufacturing base here. We do,  
14 we manufacture everything from baby milk to steel to  
15 electricity. So it's what we do.

16           By I'm going to tell you we have to as a  
17 community work with environmentalists, work with a group  
18 like E3, Mr. Rosenberg, to develop this technology. We  
19 owe it to the rest of the country. There's not just  
20 coal in southern Indiana. It's in China. It's in South  
21 America. It's everywhere. We owe it, our area does, to  
22 develop this technology so it can be used around the  
23 country.

24           It's imperative that we do this. Why should  
25 we let China and other countries just burn coal wide

1 open? Why don't we work with environmentalists as they  
2 help clean up this southern Indiana? Work with them so  
3 we can show the world how to do this the right way. The  
4 right way.

5                   So that's all I've got to say. The sky is  
6 not falling here. We can get this thing done. And you  
7 guys are such great people, all of you. It's the great  
8 American, you know, the American way it starting to show  
9 through here. Let's, we've got a group of people that  
10 want to invest money in this area. Let's work with them  
11 and make it a clean plant and a viable plant. Thank you  
12 all.

13                   MR. ITANI: Ron Barnes followed by John  
14 Blair and Rock Emmert.

15                   RON BARNES: My name is Ron Barnes, and I  
16 probably won't get as technical as most people will here  
17 today. I'd just like to speak from my heart. I've  
18 lived in this county for a long time. Right off the bat  
19 I want to tell you I'm totally against this plant. As a  
20 citizen of Spencer County I would like to say to my  
21 elected officials this plant is a boondoggle from the  
22 start.

23                   How many here of you would like to open up  
24 your own business and be financed by the state and by  
25 the federal government? And on top of that, if things

1 don't work out right, well, that's okay. Because the  
2 people in Spencer County, the rest of the country well,  
3 we'll just bale you out. What they do in Iraq, that's a  
4 good deal.

5                   In the past few years, it seems like to me  
6 we've had a hell of a lot of these people like that. I  
7 think it's time to stop. While the wheelers and dealers  
8 go on their merry way, what is Spencer County left with?  
9 A toxic site just like the Barmet site that our local  
10 officials thought was so wonderful at the time. That  
11 plant was an environmental disaster from the start.

12                   This plant will burn over 12,000 tons --  
13 excuse me -- of coal a day. Can you imagine 12,000 tons  
14 of coal. It's the dirtiest fuel ever used. From big  
15 factories to farmland, there's no way to use coal as a  
16 clean source of fuel. This fuel ruins our planet, our  
17 bodies. There's no way to burn it cleanly.

18                   If you think the state or federal government  
19 will look out after you for your well being and your  
20 health, you better think again. After all they have  
21 millions invested in this company and our money, too.  
22 It's is our money.

23                   Indiana is a state. It's the third largest  
24 polluter in the U.S.A. Spencer County is the number two  
25 in the state. Now, if this plant is built in Spencer

1 County, they'll say we're number one in the state.

2                   Okay. Look to the sky on a nice clear day.  
3 You say it's a beautiful day. Everything is nice.  
4 Seems wonderful. Don't be fooled. It's what you don't  
5 see. Just like the H1N1 virus that's going around; do  
6 you see that? That's just the way pollution works on  
7 us. Your health and ultimately all of you an early  
8 death.

9                   To end this I can remember a song titled in  
10 the '60s, Killing Me Softly. That's what's happening to  
11 us and individuals and as a community. As citizens of  
12 Spencer County we were played as fools in the past but  
13 not this time. We can do better than this. Thank you.

14                   MR. ITANI: John Blair followed by Rock  
15 Emmert.

16                   MR. BLAIR: Can I ask to be last, I --

17                   MR. BOREN: Mr. Blair, sir, actually we have  
18 another commenter if you'd like --

19                   MR. BLAIR: I'd be happy to yield to Rock  
20 and then I'll be --

21                   MR. BOREN: Okay. Great. Rock Emmert. On  
22 behalf of a quick break here, I would like to say is  
23 there anyone here that would like to speak that hasn't  
24 signed up on the sign-in sheet before we get to the last  
25 speaker which would be Mr. Blair?

1                   Okay, sir. When Rock is done, then you can  
2 go next.

3                   ROCK EMMERT: Okay. Thank you. My name is  
4 Rock Emmert, and I'm a teacher. And I left my notes on  
5 my desk. I grabbed the wrong folder. So I've been  
6 scrambling here tonight. So bear with me. I hope this  
7 comes across somewhat coherent.

8                   I'm not a scientist. I teach literature. I  
9 spent a lot of time in Vermont, graduate school, was  
10 blessed to be able to go out there; and met a lot of  
11 wonderful people there and studied Emerson and Thorough.  
12 I have an area of some expertise. But my first passion  
13 is literature and environment and the southern Indiana  
14 culture where we live. And so my comments are coming  
15 from that perspective.

16                   One concern I have in this whole region, in  
17 my lifetime this whole Ohio valley is turning into an  
18 industrial zone. I look at Tell City. And I don't know  
19 how the economy in Tell City is actually doing, but all  
20 I know is my principal told me the other day that  
21 they're in desperate need of a new school, and they  
22 can't do anything about it.

23                   And I, I don't know how the economy here is  
24 in Rockport. I hope it's doing well. But we hear so  
25 much about promises from people in far away places.

1 It's going to, it's going to change our lives and change  
2 the world. And that's what Emerson and Thorough were  
3 talking about 150 years ago.

4           And, Wayne, I agree with your comments  
5 earlier about conservation and think. And we, we need  
6 jobs obviously. But I've got to believe our leaders are  
7 imaginative and wise enough to come up with jobs that  
8 are going to be sustainable for our kids. And there's  
9 an Iroquois saying that says: Make decisions for the  
10 seventh generation out.

11           And I don't, I just don't think this is it.  
12 What we spend -- and I don't -- I haven't researched  
13 this. But I've heard the other day what we spend on the  
14 war in the past eight years, we could put solar panels  
15 on -- It was some unconceivable percentage of buildings  
16 in the United States.

17           I'm not saying we shouldn't have responded  
18 to 9-11. Obviously we had to do something. But just as  
19 a nation we're a little microcosm of the United States  
20 here. This is going on across the country, and we're  
21 all in this together.

22           I get a little bit flustered on the back row  
23 when some of the people who are responsible for this  
24 project are making snide comments while some of the  
25 other people are trying to speak. That concerns me

1 about the character of the people behind this project.

2 I don't know you personally. I've never met you.

3           But when people are speaking and there's  
4 whispering going on, snide comments about the health  
5 issues of this area as an objective person in this room,  
6 I got a little bit leery about the integrity of the  
7 people who are trying to push this through, especially  
8 the speed at which this is being pushed through.

9           I'm fundamentally opposed to our governor's  
10 premise that since we live in coal country and a coal  
11 basin, therefore we must use it. That doesn't make any  
12 sense. We live under the sun. Why aren't we putting  
13 solar panels everywhere?

14           You know, somebody said the other day just  
15 because we got out of the stone age, we still have  
16 stones. And I don't think anybody in this room would  
17 say, well, let's got back to the stone age, because  
18 there's still stones around. To me that's just a  
19 no-brainer. But maybe, maybe it's just me.

20           Let's see here. Clean technology somebody  
21 said earlier does not destroy our -- Or this is clean  
22 technology. I live up near the edge of Spencer County.  
23 I see what's going on in Ireland. I see what's going on  
24 when I go to basketball games when I go to basketball  
25 games in Boonville.

1           I see what's going on with coal mining in  
2 this area. And we're talking 20, 30 years out. I don't  
3 know the technology that's going to pull this coal out  
4 of the ground. There are shafts, like the people that  
5 fall through those shafts not too long ago. I wouldn't  
6 want to be one of those people.

7           But to me coal is dirty across the board.  
8 Those of you that have devoted your lives, thank you for  
9 doing this up to this point. But as a nation and China  
10 building how many coal plants every few weeks? Deep  
11 down inside I think the whole planet is in trouble based  
12 upon what 99 percent of the world's scientists are  
13 saying.

14           And what's happening in this room tonight,  
15 if this goes ahead, and my humble opinion, I think, is  
16 we're all -- Kurt Vonnegut, Indiana author, said, "We  
17 tried to save here, but we were just too damn greedy."

18           And we're all a part of this. You're right.  
19 I'm going to drive away in my Corolla. It's the highest  
20 mileage car I can afford. I'd love to be able to afford  
21 one. But why don't we invest this kind of tax money  
22 toward something that is sustainable? If we're going to  
23 pay for this out of our pocket, I'll pay extra tax  
24 dollars if we're going to do something that is long-term  
25 and sustainable.

1           So anyway I've probably talked enough.  
2   Habitat loss, Werne touched on that. We are in the  
3   middle of the sixth or seventh greatest extinction of  
4   wildlife on this planet. I don't know if you're aware  
5   of that or not.

6           World's leading scientists in the next 40 or  
7   50 years, half of all wildlife on this earth will be  
8   extinct. And that's, that's seven generations out.  
9   What kind of world are we leaving to our great, great,  
10  great grand kids? There's got to be some better  
11  answers.

12           And I'm new to this technology. But the  
13  lack of facts I'm hearing tonight and the fact that it's  
14  got to pull coal out of the ground, what I see in West  
15  Virginia with mountaintop removal -- If you've never  
16  seen that, folks, study it. It's barbaric, what's  
17  happening in the Appalachian chain. Thank you.

18           JESSICA BOYD: I'm Jessica Boyd from  
19  Environmental Watch from Evansville, Indiana. I'm  
20  opposed to this plant and urge you to consider the  
21  health risks that this plant will bring.

22           We already have some 18 coal plants in a 52  
23  mile radius in this tristate area which generate 15,000  
24  megawatts of electricity and also produces 57 million  
25  pounds of toxic emissions each year. The thing is

1 10,000 megawatts of the 15,000 that we generate are  
2 shipped out of this area. We are not in need of  
3 electricity, people. We have plenty. Our lights are  
4 not going to be turned off if this plant is not built.

5           So this plant is not clean. It is cleaner  
6 than AEP down the road, but it's not replacing AEP.  
7 It's not replacing any of these older, dirtier plants.  
8 Therefore, it's only adding more toxic pollution to the  
9 already heavily polluted area, 30,000 pounds in Rockport  
10 alone of toxic emissions.

11           We can't afford to add any more to that. Do  
12 you really want cancer and heart disease and strokes?  
13 Are these good things for your community? And tell me  
14 why one community that's prosperous coal. Edwardsport,  
15 Petersburg, the whole state of West Virginia. Been  
16 there. Not a pretty sight. It's squaller.

17           So AEP doesn't even serve this area. It  
18 services Fort Wayne and Michigan. What I'm trying to  
19 say is that if this dirty, very expensive plant doesn't  
20 get built, we're not going to be missing out on  
21 electricity. We're not going to have the power shut  
22 off.

23           Yes, I use electricity. But we don't need  
24 -- It doesn't take 15,000 megawatts of electricity to  
25 power this little area. Most of it is being shipped

1 out. So we're not even using most of what -- Most of  
2 our electricity is already being shipped out is what I'm  
3 trying to say.

4           Anyway, bring other companies here instead.  
5 I know we need jobs. We need jobs very, very badly  
6 here. But bring other companies and industries here  
7 instead. Toyota is not a coal plant. Look how many it  
8 employs. Bring ones that won't cause cancer or bankrupt  
9 your town.

10           And for the ones who they aren't sick, so  
11 the coal must be okay, well, that's just like saying  
12 cigarettes don't kill people until it happens to someone  
13 in your family. That doesn't make sense. So coal is  
14 bad for you. It's unhealthy. And just because you're  
15 settling for this albatross you're whole life doesn't  
16 mean you have to continue to do so. And it doesn't mean  
17 it's good for you.

18           It's a habit. Stop fearing change and start  
19 embracing it. Your quality of life depends on it. Let  
20 go of the past and start enjoying greener pastures.

21           MR. BOREN: Thanks. All right. We have one  
22 more speaker on the list. I just wanted to open it up  
23 to anyone who -- Is there anyone out there who would  
24 look to speak before we get to the last speaker? Anyone  
25 who has not signed up to speak already. I would like to

1 offer Mr. Obermeier and Mr. Botsko a chance to finish  
2 your comments that they had to be -- that I had to cut  
3 them off on. Can I add one thing?

4 FROM THE AUDIENCE: Did you just open it up  
5 to anyone.

6 MR. BOREN: Yes, ma'am. If you would like  
7 to speak, then please make your way to the microphone  
8 and --

9 STEVE OBERMEIER: Thanks very much for this  
10 opportunity. My point was that this area is a high  
11 earthquake risk zone. So for having these facilities  
12 around here, including production of sulfuric acid and  
13 we have a big earthquake hit, it could very well hit.  
14 Then what happens? I think it's a pretty scary  
15 scenario.

16 And now I would like to talk a little bit  
17 about the issue of carbon dioxide. Mr. Rosenberg says  
18 he has a contract to take some or all of these CO<sub>2</sub> from  
19 the plant for several years in the future.

20 But what happens if there's still CO<sub>2</sub> to be  
21 disposed of? Mr. Rosenberg said he's been in touch with  
22 Indiana Geological survey on this matter. I have seen  
23 the geologic drawings and analysis on which the Indiana  
24 geological survey analysis has been done. It shows no  
25 faults.

1           And everyone around here knows this area is  
2 riddled with faults. Indeed many faults around here are  
3 yet unknown and in fact they are unknowable. So what  
4 would happen to CO<sub>2</sub> injected into such a region? Why,  
5 who knows where the CO<sub>2</sub> would pop back to the surface.  
6 Anyone who tells me that they can determine whether or  
7 not -- they can determine whether or not it will come to  
8 the surface is in my opinion not a competent person.  
9 Thank you.

10           CAROL DEMAS: Hi. I'm Carol Demas. I was  
11 born and lived in Spencer County. That's where my  
12 parents and grandparents, and now I live in Warrick  
13 County, in Newburgh. I have for the past several years.  
14 And I was considering maybe purchasing a piece of land  
15 and developing a senior housing development and  
16 botanical garden.

17           But I'm not so sure I care to do that now.  
18 It seems to me that Spencer County has put all of its  
19 eggs in one big gold basket, and it's not a very  
20 diversified economy where people are going to move into  
21 an area or stay in an area.

22           I think maybe they need to look at the  
23 economic model of Warrick County, especially around  
24 Newburgh. It started first, not with factories, a  
25 handful of factories and a handful of job, temporary

1 jobs as this seems to be doing here. But it started  
2 first with people.

3           They made it convenient for a couple of  
4 developers to build an upscale housing development which  
5 then begat another upscale housing development and one  
6 thing after another. Warrick County does now have lots  
7 of upscale housing development, fastest growing county  
8 in the state.

9           And once we had a concentration of lots of  
10 people, you then had the business start to come in,  
11 because they saw that there was opportunity there. And  
12 a lot of these businesses were small businesses,  
13 individually owned. They saw to the needs of the  
14 people; everything from entertainment to medical  
15 professional; all of the services that a person would  
16 like to have in a diversified economy.

17           And I'd like for Spencer County to consider  
18 -- maybe they got their economic model back asswards.  
19 We still have jobs, jobs bringing in people. Maybe it's  
20 people then, a concentration of people who would then  
21 bring in jobs and businesses.

22           And these are local businesses run by small  
23 business owners and professional businesses and a lot of  
24 just high paying jobs and the full range of jobs from  
25 technical to clerical to educational. That's what

1 Warrick County has done. I'm asking maybe to look at a  
2 different economic model than what's, the path you're  
3 on.

4 CHUCK BOTSKO: I expected a little  
5 additional time. A couple other points that I was  
6 working on. And if I can read from my notes, it may be  
7 faster. My letter to the editor back in May.

8 Do we need another polluting industry in the  
9 county? The company is using three million tons of coal  
10 a year. How many toxic chemicals will be released into  
11 the air and water?

12 The claims that 80 to 90 percent of the  
13 pollutants will be captured still leaves one to 20  
14 percent being released. In 2006 the group reported that  
15 the DOE, that 80 percent of the carbon dioxide would be  
16 captured. Now, that's been upped to about 90 percent.

17 Government statistics show that one ton of  
18 coal produces 5,720 pounds of carbon dioxide. Times  
19 that by three million pounds; and once you take that out  
20 and if 80 percent of it captured, you still get three  
21 billion 432 million pounds of carbon dioxide being  
22 released into the atmosphere.

23 Plus not counting the other toxic chemicals  
24 being released into the air and water the eleven million  
25 gallons of water coming out, none of that is going to be

1 touched as far as the process. It's going to be cooling  
2 down the equipment. But what's the thermal change in  
3 that water temperature when it enters back into the  
4 water? You'll probably be looking into that. And what  
5 effect is that going to have into the aquatic life and  
6 plant and animal life in the water?

7                   And as I said earlier the company doesn't  
8 have any contract with the state yet. The state hasn't  
9 given the power companies what they're going to have to  
10 pay for the -- And I'm wondering whether the financing  
11 companies --

12                   Out of the four projects that they're  
13 talking about, they don't have any of them working.  
14 This company doesn't have a synthetic gasification plant  
15 anywhere. I'm not sure that they have any significant  
16 business running at this particular point in time.

17                   MR. BLAIR: A wine venture.

18                   MR. BOTSKO: I think a term would be venture  
19 capitalist. So they're getting financing together, to  
20 put a project together and everything. And if it fails  
21 -- They're already told the state that the state can  
22 take it over, and that's okay with them.

23                   What happens if the, if and when this  
24 project goes bust? The economy will be stuck with  
25 another Brownfield. Remember Barmet's, just a little

1 whale? In fact the property goes around Barmet's  
2 property, right? Do we really think this LLC will be  
3 here for the long haul? These outsiders will be long  
4 gone onto the next project.

5           Whatever happened to the Steel Port?  
6 Remember, Mr. Utter, when they came? In outside  
7 Rockport they still have a sign out there, Steel Port.  
8 Right? It was supposed to have been a big development  
9 with businesses coming in and housing.

10           And across from AK Steel, what happened to  
11 that big facility on that 80 acres west of AK Steel?  
12 That was supposed to be hotels and things. So some  
13 things just don't work out sometimes.

14           Going back to education which is my field.  
15 Okay. Taught school for over 26 years; one of few  
16 people that left Florida to retire here in Spencer  
17 County. But anyway U.S.A. Today John Hopkins  
18 University, University of Maryland, University of  
19 Massachusetts report focus on the air quality around  
20 school districts.

21           127,800 school districts in the country were  
22 studied. And what they did was that they took the EPA  
23 air quality reports and findings that the EPA has and  
24 put those over, those reportings over those school  
25 districts. I don't know how Mr. Rosenberg's school

1 district came out.

2                   South Spencer High School was in the ninth  
3 percentile. That means 91 percent of that 127,800  
4 school districts had cleaner air around that area than  
5 South Spencer did. Louis Elementary, sixth percentile.  
6 Nancy Hanes, fifth percentile; Harris -- Heritage Hills,  
7 21st percentile.

8                   I checked some of them in Warrick County,  
9 because I've got this site from a letter to the editor  
10 from a parent in Warrick County. Yankeetown Elementary  
11 which is only a short distance from Alcoa was in the  
12 second percentile.

13                   So this, this plant and everything may be an  
14 excellent idea, may be the most advanced plant that we  
15 have to date. But my concern would be the operation of  
16 the company that's operating it, would be operating it  
17 and also why here, if we've already got all of this in  
18 our particular county.

19                   Now, last item. Jobs are important.  
20 Employment is important. Has anyone figured out how  
21 these jobs are going to be impacted by loss of farmland  
22 and the tillable acreage? Are these license -- large  
23 industrial type businesses which only employ  
24 approximately 150 when completed, the only type of  
25 businesses that we can attract to this area?

1           Why not focus on our natural and historical  
2 vacation destination status and attract businesses that  
3 are not detrimental to our health and environment? But  
4 we don't know what type of business Mr. Utter is  
5 planning on if this comes in. But I know something like  
6 this is, wouldn't be going up in North Spencer. I mean  
7 regardless of if we have the river there or not. But  
8 people up in Holiday World wouldn't allow that, I'm  
9 sure. Thank you very much.

10           WAYNE WERNE: I would like to list a number  
11 of other concerns that I think need to be considered,  
12 environmental threat, environmental impact statement.

13           Issue of what is the attainment status for  
14 complying with the Clean Air Act both in this area and  
15 the surrounding area, Evansville, across the river,  
16 Henderson County where we've got another coal  
17 gasification plant proposed. You get all of these  
18 polluting industries close together. That's going to  
19 have a major impact on the attainment status of the  
20 area.

21           What goes along with that, course, is the  
22 impact of the toxic and hazardous air pollutants. What  
23 does it do to air quality management plans? What about  
24 unregulated air pollutants? Will there be objectionable  
25 odors? We discussed greenhouse gas emissions. What

1 about the propensity for severe weather in the local  
2 area here? That should be looked at.

3 We've heard about the geologic hazards,  
4 earthquake, et cetera. There should be some  
5 investigation of whether the company's assertion that  
6 gas-oil recovery is genuine, sequestration of carbon so  
7 that it won't escape.

8 What about soil erosion and soil  
9 contamination from the disturbances caused by this  
10 project? What's that going to do to the ground water,  
11 ground water supplies and quality? Will there be  
12 contamination of ground water? Aren't there local and  
13 regional ground water management plans that will be  
14 affected?

15 I believe you're going to look at surface  
16 water quality. We've mentioned thermal pollution. What  
17 other kind of effluent will come from this plant, and  
18 what will be the impact of that effluent?

19 Will the boundaries of the 100 and 500-year  
20 flood planes be affected? Will this screw up regional  
21 or local flood management plans and regulations? You're  
22 going to look at -- How do you say it? Threatened  
23 species.

24 What will be done to habitats, both  
25 terrestrial and aquatic, the impact on protected

1 species? Will this encourage invasive species to  
2 become, can reek havoc? Are there local or regional  
3 wildlife management plans that will be affected?

4 I believe you're going to look at historic  
5 resources which is needed and appropriate. Are there  
6 any land use planning considerations? Is this going to  
7 have any effect on air space provisions of nearby  
8 airports?

9 What about scenic vistas? I assume there's  
10 good scenery in Spencer County. Is that going to be  
11 screwed up by this project? Will there be any impact on  
12 federal, state and local parks for creating areas of  
13 scenic resources?

14 What about the impact on transportation and  
15 traffic? Lots of trucks it looks like to me. What will  
16 the impact be on roadways and traffic? Will there be an  
17 impact on rail access? Will this have an adverse effect  
18 on local and regional transportation plans?

19 Will there be noise from this plant that  
20 will have an adverse effect on people living nearby?  
21 Will it create ground borne vibrations. What about the,  
22 dealing with waste, the slag? No one has discussed  
23 that. But there's a potential that it will be highly  
24 poisonous. As nearly everyone has agreed, there's lots  
25 of toxins in coal, and those will be concentrated in

1 slag when it comes out.

2 I urge you to consider what will be the  
3 effect on occupational affect -- occupational health due  
4 to accidents, injuries and et cetera? We discussed the  
5 health risks due to plant emissions. Health risks due  
6 to unintentional resource -- unintentional releases of  
7 dislocated carbon sequestration activities.

8 Will water utility be affected? Is this  
9 going to have an effect on community services, emergency  
10 services, fire protection, et cetera? I've touched on  
11 population and housing a little bit. Certainly that's  
12 highly significant. And, again, I urge you to take a  
13 look at the environmental justice effects. And thanks.  
14 I'm finished.

15 JOHN BLAIR: Good evening. My name is John  
16 Blair. I'm the president of a group called Valley  
17 Watch. We're based in Evansville. Our purpose is to  
18 protect the public health and environment of the lower  
19 Ohio River valley.

20 We do that through a number of ways. One of  
21 the ways we've done that is to help local and regional  
22 environmental groups deal with their environmental  
23 issues, because we have had about a 30-year history of  
24 dealing with issues just like this.

25 In fact somebody mentioned the three synfuel

1 plants across the river that were proposed in 1979, 80,  
2 or so, and Valley Watch and a sister group called  
3 Synthetic -- Synfuel Inquiry. We're both engaged in  
4 those and help to find the environmental aspects of  
5 those plants. Funny thing; none of them were built.

6 I talked to you, Mr. Boren, earlier when I  
7 made a statement. I, I'm maybe a little shrill. I've  
8 been known to be that way. About this being premature.  
9 I couldn't think of anything that is more premature.  
10 Here we are dealing at this level, engaging the  
11 resources of the federal government.

12 There's at least -- You said there's a whole  
13 entourage of people from the DOE and Tetra here tonight.  
14 I don't think any of you are working for free. So  
15 that's certainly an expenditure of resources. It was an  
16 expenditure of resources to get to this point, to write  
17 the Federal Register notice.

18 All of these resources are being expended  
19 almost as if this is a done deal. And, you know, I'm  
20 happy to say that I know enough about this industry that  
21 it's certainly anything but a done deal.

22 However, you know, I resent the fact that  
23 we're here mainly because it seems like that one sponsor  
24 of a plan that Mr. Rosenberg put up. Johnstone or  
25 whatever it was, Johnston Consultants or whatever it is

1 was a very powerful politician in Louisiana.

2           And I suspect that that's the only reason  
3 that we're here today is because Senator Johnson was  
4 capable of getting us to this point. Didn't have  
5 anything to do with the veracity of this proposal; it  
6 didn't have anything to do with whether or not it's  
7 going to be meaningful. What it had to do with is pure  
8 politics.

9           And I resent that because I have better  
10 things to do with my time. I'm sure everybody in this  
11 room has better things to do with their time than to  
12 come out on a Thursday night and miss 30 Rock and The  
13 Office, everything and sit here and exercise their  
14 rights as people in a democracy.

15           But there's another reason why I consider  
16 this premature. I just had a conversation with the  
17 governor's energy and environmental staffer. His name  
18 is David Pippin. We exchanged emails earlier this week.  
19 And I said, you know, "I'd like to know what the status  
20 of the contract negotiations with Indiana Gasification  
21 and the Indiana Finance Authority are at this point."

22           He wrote back, "There are no negotiations  
23 currently going on."

24           Well now without a contract with the IFA,  
25 approved somehow by the Indiana Utility Regulatory

1 Commission, which could be a year and a half process  
2 anyway, why are we here? You can't assess the  
3 environmental impact unless you know something about the  
4 environmental and economic integrity of the sponsors of  
5 this.

6                   Now, it's easy to say, you know, I can come  
7 up here and say I'm going to apply \$500 million in this  
8 facility or a facility. You know, I'll admit I'm not  
9 traded -- I'm not traded on the New York Stock Exchange  
10 with, with the letters L-U-K, which mean luck, last time  
11 I saw, LUK.

12                   Here we have a couple of things, a couple of  
13 people wanting to do these things in Indiana. Duke  
14 Energy, their symbols on the New York Stock Exchange are  
15 DUK, D-U-K. DUK and LUK are altering our future in  
16 Indiana by going down through a technology that is  
17 generally untested and without planning generally.

18                   At least the Duke Energy facility, which is  
19 being built north of here, has an air permit. They  
20 haven't applied for a water permit yet, because they've  
21 got problems there.

22                   But the history of that Duke plant should  
23 serve you well in your analysis of whether this plant  
24 has the veracity to be given a two or three or however  
25 million, billion dollar loan guarantee, because when

1 they announced that plant, Duke, in 19. 19 -- I'm sorry,  
2 in 2006, it was going to cost \$1 billion. Then when we  
3 went through the hearing in August, August 31st, 2007 in  
4 Bloomington, before the IURC, the price had gone to \$1.9  
5 billion.

6                   And almost as soon as they had gotten that  
7 approved by the Indiana Utility Regulatory Commission,  
8 be able to put into the rate base of Duke customers  
9 state wide, 69 counties, almost immediately they came  
10 back and said we need \$365 billion [sic] more.

11                   And just last week they came back and they  
12 said they needed another 150 million or -- but they  
13 didn't know for sure it was going to end up being 150  
14 million or not. They were going to have to wait until  
15 sometime in the late spring to be able to come back  
16 before the IURC to tell them what the exact figure was  
17 going to be, because they knew it was probably going to  
18 be more than \$150 million.

19                   So we have a plant that has these increasing  
20 costs. Now, I'm not sure why the prices of these things  
21 should be increasing, because price of steel has  
22 generally leveled off or actually come down in some  
23 instances.

24                   The price of concrete, because of the  
25 reduction of the concrete -- of the construction market

1 in general has come down somewhat. But the cost of  
2 building these gasification plants is going up and up  
3 and up. And that's not unusual for a technology that  
4 really hasn't been tested on any, on anything close to  
5 utility scale. You're going to see that.

6                   So I don't know. I couldn't see in there,  
7 in the notice of intent exactly what size loan guarantee  
8 you're considering, but I do know this. That Leucadia  
9 and E3, Mr. Rosenberg's company. I think, testified  
10 before Congress two years ago saying that 80 percent  
11 loan guarantees are not enough. We need a hundred  
12 percent.

13                   So they need a hundred percent loan  
14 guarantees. They need a guaranteed market from the  
15 Indiana utility rate payers. And now I understand Mitch  
16 Daniels, in a meeting earlier this week, has -- our  
17 governor, Mitch Daniels, has indicated that they're  
18 going to come back with additional legislation before  
19 the Indiana Legislature this year asking that the  
20 taxpayers take over all the liability for any  
21 environmental disasters or anything like that that might  
22 accrue from this carbon dioxide problem that these, that  
23 this company clearly has. So that's where it's  
24 premature turmoil also.

25                   Now, it's also premature on the pipeline.

1 Now, Mr. Rosenberg says he has a contract, but I don't  
2 think he's revealed it to even you. He certainly hasn't  
3 revealed it to anybody in this room. He hasn't revealed  
4 it to the IURC. He hasn't revealed it to anybody that  
5 I'm aware of. If that contract is there, I'd like to  
6 know how much of that carbon dioxide they're actually  
7 going to take, at what price they're going to sell it  
8 for.

9 He's calling it a revenue stream. Ha,  
10 that's a joke. You know, how much is it going to cost  
11 them to build that pipeline from, from the middle of  
12 Mississippi all the way to Chicago, because that's what  
13 they're proposing now; is to go all the way to Chicago  
14 to get LUK's other, other gasifier up in Chicago.

15 It is interesting to note, and Mr. Pippin  
16 told me this; that Leucadia -- or not Leucadia.  
17 Denberry Pipeline, Denberry Resources was having trouble  
18 getting permission to come through Tennessee. So they  
19 have changed the route. They've gone through Arkansas  
20 and around.

21 Course, they only extended it about 200, 300  
22 miles by doing that. I guess that was at no cost, too.  
23 And I guess that there's -- They understood that there's  
24 not going to be anybody that's going to challenge any,  
25 any problems with eminent domain along the way which

1 could delay that pipeline.

2           There's not going to be any problems them  
3 challenging, having somebody challenge eminent domain  
4 any place along this pipeline. You know, whether it  
5 comes from the K Street plant which is one that they're  
6 talking about possibly tying into or from Cash Street to  
7 Rockport which is only a few miles.

8           But whose property is that going to go over?  
9 Is it going to go over Rex Winchell's property? Is he  
10 going to give them a right to do that without a fight?  
11 I don't think so. And I'll tell you why.

12           The Sierra Club, Valley Watch, Citizens  
13 Action Coalition and Spencer County Citizens for Quality  
14 of Life are all ready to go to the mat on this thing to  
15 make sure that you have to cross every T and dot every I  
16 and make this thing so legitimate and air tight that you  
17 can't get out of it.

18           So understand that right now as part of your  
19 understanding whether this is, this plant has any  
20 veracity whatsoever from an economic standpoint.

21           And let's talk about the economics for a  
22 minute. Today gas closed on the spot market at the very  
23 beginning of the home heating season at 4.55. Mr.  
24 Rosenberg says it takes 7.52 minimum. That was 2007  
25 dollars when he had that presentation prepared. 7.52 to

1 produce this gas.

2 Well, you know, I understand back in 2006  
3 this looked like a pretty good deal. Gas was at \$9.00  
4 in 2006 on its way up to 13.50 by the time it started  
5 peaking out in 2008, in about July of 2008.

6 Just this morning the Washington Post, An  
7 Energy Answer in the Shale Below, and it talks about  
8 just what -- I don't remember the man's name a minute  
9 ago. Mr. Foster indicated that cheap gas is here to  
10 stay. And it is.

11 How can you sell, expect to sell a product  
12 on, in a private market at almost twice the price that  
13 you can get a superior product for under the  
14 conventional means? That's some kind of insanity. Why  
15 are we even here?

16 You know, a little bit more about the  
17 pipeline, and I'll drop that. You know, whenever -- If  
18 you're going to look at the totality of the  
19 environmental impact of this plant, then you have to  
20 know what the route that that pipeline is actually going  
21 to take is.

22 And then you need to assess this  
23 environmental impact of that pipeline all the way from  
24 Meridian, Mississippi, where they have this nice big CO<sub>2</sub>  
25 dome down there, Denberry does, all the way to this

1 area. You have to assess that, because otherwise it's  
2 not a complete environmental impact statement. You  
3 aren't really doing anything with it.

4           And you also have to assess in that pipeline  
5 the amount of energy it's going to take to pump 600  
6 miles from this point to Meridian, Mississippi the  
7 energy usage and how much carbon dioxide that's going to  
8 create by generating the electricity to pump that  
9 amount, which by the way, 12,600 tons of coal a day  
10 which is what you say in your notice of intent is going  
11 to be used in this plant will create about 15 million  
12 tons of CO<sub>2</sub>. So there's your figure.

13           How much energy does it take to pump that?  
14 It ought to be easy enough to figure out. I'm sure the  
15 scientists at DOE and Tetra won't have any problem in  
16 figuring out how much it's going to cost economically  
17 and environmentally to deal with that pipeline, just  
18 that pipeline alone.

19           Well now, that pipeline -- Somebody said  
20 earlier that that pipeline wasn't sequestration, and  
21 that's true. And ancillary oil recovery isn't  
22 sequestration. Heck, they've got all kinds of holes  
23 going down in those things. You know, sequestration  
24 implies that you have one hole going down and it stays  
25 there and there's no pathway up except for that one that

1 you have to monitor. That's all.

2           And what we found out around here is that  
3 this isn't a particularly viable area for carbon capture  
4 and sequestration. You know, they did studies with the  
5 Indiana Geological Survey recently, and they found that  
6 the Mount Simon sandstone which is the magic place to  
7 put all of this stuff, the Mount Simon sandstone is not  
8 porous enough to have carbon capture and sequestration.

9           So if the pipeline is not built -- And why  
10 should the pipeline be built, because, you know, just  
11 recently Denberry blew their wad literally on buying  
12 another company for \$4.3 billion. They are out of cash.  
13 So where are they going to get the money?

14           You need to assess that aspect of the  
15 economic viability of this project, too, because  
16 Denberry doesn't have the money to build this pipeline  
17 now, and maybe Mr. Rosenberg ought to be saying to them,  
18 "Hey, why did you do this to us? You know, we need the  
19 pipeline coming here." It's a joke. Why are we here?  
20 This is so premature it's amazing.

21           Now, let's talk about another aspect of the  
22 economics. You know, I kept hearing, "Oh, this is going  
23 to be an investment in our community. What a wonderful  
24 deal. This is an investment in the community." I heard  
25 Mr. Utter just talking about all of this investment.

1 You know, it's a wonderful investment.

2 I'll tell you what. Right around here, \$2.4  
3 billion of investment was put in that Rockport power  
4 plant when \$2.4 billion was one hell of a lot of money  
5 back in the 1980s. If you use that kind of logic that  
6 this is going to be the economic salvation of the  
7 community, then Rockport, Indiana, should be the most  
8 prosperous community in Indiana.

9 And I'll tell you what. I have a lot of  
10 friends in Rockport, Indiana. But you can look around  
11 this place, and you can see almost by spending five  
12 minutes here that it is not a particularly prosperous  
13 community. Most of the people have left. It's down to  
14 2,068 people.

15 But Rockport is not alone. You know, any  
16 community that puts its fortunes into coal finds itself  
17 in this exact same scenario. I have never been in --  
18 I've been involved in coal issues now for nearly 30  
19 years. And I have never once been in a prosperous coal  
20 community. If anybody in here can name me one, I would  
21 like to know where it is so I can could go see it for  
22 myself.

23 FROM THE AUDIENCE: Louisville, Kentucky.  
24 Lexington, Kentucky.

25 MR. BLAIR: Well, they don't have coal.

1 FROM THE AUDIENCE: They're not in coal  
2 country.

3 MR. BLAIR: They are in coal country.  
4 That's exactly right. Coal country suffers --

5 MR. YEARBY: Tuscaloosa, Alabama.

6 MR. BLAIR: I've never been to Tuscaloosa.

7 MR. YEARBY: Bessemer, Alabama.

8 MR. BLAIR: I've been to Tuscaloosa  
9 actually, and they have the University of Alabama. But  
10 it was there before the coal.

11 MR. YEARBY: You don't live in this  
12 community.

13 MR. BLAIR: Okay. Can somebody -- Is this  
14 appropriate?

15 MR. YEARBY: Sorry, sir. Sorry.

16 MR. BLAIR: No, you're not.

17 MR. BOREN: All right. As you know there's  
18 a court reporter recording this so we make sure we get  
19 everyone's comments. So if you'd like to speak --

20 FROM THE AUDIENCE: [Inaudible].

21 MR. BLAIR: No. I called ahead just like  
22 Mr. Rosenberg called ahead and asked to speak for longer  
23 than five minutes.

24 We also have to look at the economic harm  
25 that this will do to Hoosier rate payers who are going

1 to have to pay a premium just for the privilege of  
2 propping up the coal dinosaur. You know, why Hoosiers  
3 should have to pay more to heat their homes --

4           You know, I think Mr. Rosenberg said this is  
5 going to be a 17 percent hedge on the price of natural  
6 gas. Well, I'll tell you what. The price of natural  
7 gas projected out to 2030 by the Environmental  
8 Information Administration last April said that the  
9 price of natural gas in 2030 is going do \$8.00 a million  
10 Btu.

11           But that was before we knew so much about  
12 this Marcella shale and shale plays in the West and the  
13 shale plays in the Bering and the shale plays in the  
14 Gulf. You know, these things are there. They are, they  
15 are going to maintain a supply of natural gas for a very  
16 long time.

17           So we need to assess the environmental  
18 impacts of the economic problems that this will create  
19 for Hoosier rate payers to have to pay on 17 percent of  
20 their gas a premium to get it from this plant, because  
21 we're required to by state law.

22           Now let's talk a little bit about  
23 environmental justice.

24           MR. BOREN: Excuse me, sir.

25           MR. ITALI: Five minutes.

1                   MR. BOREN: In all fairness to people in  
2 attendance tonight it has been --

3                   MR. BLAIR: Hey, I came here. I've been, I  
4 tried to get -- Wait a minute. I tried to get a meeting  
5 with you guys, and I wrote letter after letter after  
6 letter to get a meeting so that we could discuss all of  
7 these issues in your office on our own time. And you  
8 guys refused, and I'm not going to -- I'm not -- You  
9 told me.

10                  MR. BOREN: But that --

11                  MR. BLAIR: Jackie Boltz told me I could  
12 have as much time as I wanted. And you have pretty much  
13 told me that, too.

14                  MR. BOREN: I agree with that statement.

15                  MR. BLAIR: I've got a lot to say. You've  
16 let other people sit up here and say -- And I don't  
17 think I've come -- I don't think I've done anything that  
18 wasn't worthy of discussion; like a lot of people  
19 talking about, "I need a job." So, you know, give me a  
20 break. I'm not going to be here all night, and people  
21 can leave if they desire.

22                  FROM THE AUDIENCE: We are.

23                  MR. BLAIR: That's fine. We are the center  
24 of the largest concentration of coal-fired power plants  
25 in the world as far as I know. There may be others in

1 China that are greater than we are. These plants in  
2 this area, as Miss Boyd said, produce 15,000 and three  
3 megawatts of power of which 10,000 megawatts of that  
4 power is shipped out of our area.

5 For that we get -- Those same plants produce  
6 105 million tons of CO<sub>2</sub>, but they also produce 289,000  
7 tons of SO<sub>2</sub> -- or NOx 510,000 tons of SO<sub>2</sub> and, wow, two  
8 and a half tons of mercury which is dumbing down our  
9 kids around here.

10 Because a hundred percent of Indiana's  
11 streams and lakes and all the streams and lakes around  
12 here have fish consumption warnings warning women of  
13 child-bearing age and children not to eat more than  
14 one-quarter pound of Indiana caught fish per month. Now  
15 that's a deal. So environmental justice is a huge issue  
16 here.

17 So therefore, your study and Tetra -- I hope  
18 you're listening, because your study ought to cover --  
19 first, in order to have a desirable health impact, you  
20 know, to be able to understand what the health impacts  
21 are, you have to have a fairly good baseline; which  
22 should include the near epidemic of MS that is in the  
23 county next to us in Perry county.

24 It should have a complete surveillance of  
25 what the state of the health is in this area now so that

1 we can determine what those emissions -- which we have  
2 no idea what they will be. It's easy to put 320 tons on  
3 a piece of paper.

4 But they haven't filed any permit  
5 application. They haven't said to anybody official that  
6 they're going to put out this much pollution or that  
7 much pollution. It's words on a paper, numbers on a  
8 paper.

9 So you need to have, first before you can do  
10 any of this, you need to have them file their  
11 application with the Indiana Department of Environmental  
12 Management so we can at least all know what their  
13 projected emissions are, what they're saying they can  
14 do. We don't know that.

15 We don't know anything about this loan  
16 application, because we filed a Freedom of Information  
17 request with DOE in June of 2009, and those things are  
18 supposed to be answered in ten working days. That's two  
19 weeks. And have we received anything? No. Not one  
20 word, except, "Oh, we received your FOI."

21 Well, that was real nice. You know, I don't  
22 know how many people are having met the FOI. But, you  
23 know, if it all had to do with confidential business  
24 information, something is really wrong here. Because,  
25 you know, banning confidential business information for

1 a big, a bunch of snake oil salesmen is kind of a bazaar  
2 practice I would think.

3           So environmental justice is really  
4 important. We have to know the coal mining impacts from  
5 the very first tree that's going to be felled should  
6 they bring that strip mine -- And I suspect the mine,  
7 Peabody -- I saw a Peabody on this nice video out here.  
8 So I suspect that the Peabody Bear Run mine may be  
9 supplying the coal.

10           So we have to have then the environmental  
11 impact of the very first tree to the worse of the acid  
12 rain to the cemeteries that they're going to have to  
13 move to all of these things that are going to have to  
14 take place to mine that coal, to transport it here.

15           And about that transportation. We're going  
16 to -- We're going to have to determine, you know, what  
17 the environmental impact of that transportation is, but  
18 you don't know and you can't really assess that because  
19 you don't know if they're going to bring it by rail,  
20 barge or truck. You know, so you need -- You really  
21 need to know those things. So it's pretty mature on  
22 that ground, too.

23           You also need to know -- I think Wallace  
24 mentioned non-attainment. Well, I don't know if you're  
25 aware of this. But one county or the other all the way

1 around us is not attainment for ozone, fine particles on  
2 an annual and a daily basis and in -- now sulfur dioxide  
3 with the proposed standard that the EPA is coming out  
4 with.

5           You know, I did -- I did take heart in the  
6 fact that the taller man who was making his presentation  
7 a while ago for Leucadia did acknowledge that they had to  
8 find offsets, because they are acknowledging that this  
9 is a non-attainment area. That's the first time I've  
10 heard that happen.

11           We also have to have the environmental  
12 impact on the transport of gas and the risks that are  
13 involved any place this gas may come to the surface  
14 which would include all the pumping stations and that  
15 sort of thing and what, what impact that might have on  
16 those surrounding communities. That would be what a  
17 total environmental impact statement would do.

18           We also, you know, the flood plane issue has  
19 been talked about a couple of times here. But I look on  
20 that map and I talked to a guy that's from here, and he  
21 showed me some things. And he said, you know, this one  
22 company right here in the, almost in the dead center of  
23 the plant site, they had to bring in --

24           They're bringing boats in there last spring  
25 to get their employees to their jobs, because it's

1 almost all in a flood plane which really belies the 18  
2 percent figure in the notice of intent. So you better  
3 check on what the flood plane actually is. And I think  
4 that Wallace's idea of looking at the impact of global  
5 warming on that flooding could have as well.

6 But, you know, the mitigation, where is that  
7 going to take place? Is it going to take place, you  
8 know, some place in southern Kentucky? Is it going to  
9 take place in northern Indiana? We don't know these  
10 things. They don't know these things. They don't  
11 really care.

12 You know, I know the Corps will probably  
13 grant them a permit because of the politics involved. I  
14 know that, you know, the two Senators from Kentucky are  
15 all for this facility, I'm sure. And certainly the two  
16 Senators from Indiana are. So that won't be an issue.  
17 We'll just go ahead and grant that permit.

18 And then last the endangered species. I  
19 have followed, I have followed a number of things in  
20 this Ohio River for the last 35 years. And the  
21 endangered species in this river, you know, one of the  
22 sad things is a lot of them are already gone. But  
23 there's others that aren't. They're mostly muscles.

24 There is some fish species, but the muscle  
25 population of this river has been completely devastated

1 because of the power plants that already exist. And now  
2 because of the, of what we have with AK Steel, a massive  
3 amount of water pollution that they create, these  
4 species are gone.

5           Now, I doubt that there's very many people  
6 that are proponents of this plant that really give a  
7 darn about whether a species lives or die. Dies. But  
8 scientists are -- of course Rush Limbaugh -- All  
9 scientists are liars. So take it as you wish.  
10 Scientists have determined that as many as 50 percent of  
11 the species that exist on earth today will no longer be  
12 with us in 2100.

13           You know, I'm quite concerned and like I  
14 started with Valley Watch is an organization to protect  
15 public health. And I'm quite concerned that the public  
16 health issues that are already here, the fact that this  
17 one community alone puts out more toxic chemicals than  
18 Atlanta, New York, Philadelphia, Pittsburgh, Chicago,  
19 Indianapolis, Seattle, Los Angeles and San Diego  
20 combined, more by 33 percent than all the industry that  
21 are in the counties that house those cities.

22           Two industries right out here; we are under  
23 an environmental assault here in Rockport, Indiana. And  
24 it's time for us to get rid of this nonsense, start  
25 cleaning it up and forget about carpet baggers wanting

1 to come in here and make a buck.

2 FROM THE AUDIENCE: Right.

3 FERMAN YEARBY: My name is Ferman Yearby.  
4 I'm a city councilman from Rockport. And I want to  
5 commend you, John. And you want to stick that up in my  
6 face again and try to make me look like another fool  
7 this time. Go ahead. I want to commend you on your  
8 efforts to --

9 John, you have no credibility, because you  
10 speak out of both sides of your mouth. You carry the  
11 same passion in here in this community you do down in  
12 Kentucky. And you tell the people down there, "Why  
13 don't you go up in Indiana and get something like that  
14 done up there for your plant down here." And it's well  
15 recorded by the Evansville Courier & Press. They stated  
16 it.

17 FROM THE AUDIENCE: You're a liar.

18 MR. YEARBY: At that time, at that time --  
19 This was last summer. You know about this, and you know  
20 how clean this plant is. Your big concern is carbon  
21 sequestration. So we went out and we did something  
22 about that.

23 So you speak one thing here and another  
24 thing there. Now, one thing I did ask you about a year  
25 ago, I said: What's going to happen? If we don't do

1 something, we're going to be in a recession by this  
2 time. It was very prophetic. You laughed at it. It  
3 was funny. It was funny. Yeah, you're --

4 We're really going to be in a recession.  
5 Well, guess what; we are. And it's not funny. It's not  
6 funny to people who can't pay bills. They can't feed  
7 their families. They can't stay in their houses, but  
8 you don't care. That has no concern to you, because  
9 your great environmental whatever is more important than  
10 people's lives.

11 Well, I'm telling you this is an opportunity  
12 to provide jobs here. My greatest concern about the  
13 environment is people being able to have a job. That's  
14 more important than whatever you come up with. And I'm  
15 telling you you know what I'm saying. Speak out of both  
16 sides of your mouth depending upon what group you're in  
17 front of.

18 MR. BOREN: If there aren't any more  
19 speakers, the formal portion of this meeting will  
20 conclude. On behalf of the Department of Energy I would  
21 like to thank all of you for coming here tonight. Let  
22 the record show that the Indiana Gasification project  
23 public scoping meeting concluded at 9:44 p.m. Thank you  
24 again.

25 FROM THE AUDIENCE: Thank you.

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1 STATE OF KENTUCKY )  
 ) SS.  
2 COUNTY OF WARREN )

3 I, James A. Dale, Jr., a Notary Public, within and  
4 for the State of Kentucky, do hereby certify that the  
5 foregoing **TRANSCRIPT OF PROCEEDINGS**, was taken before me  
6 at the time and place and for the purpose in the caption  
7 stated; that the Transcript of Proceedings was reduced  
8 to shorthand writing by me in the presence of the  
9 witnesses; that the foregoing is a full, true and  
10 correct transcript of said proceedings so given; and  
11 that the appearances were as stated in the caption.

12

13 I further certify that I am neither of kin nor of  
14 counsel to either of the parties to this action, and am  
15 in no wise interested in the outcome of said action.

16

17 WITNESS MY SIGNATURE, this 10th day of December,  
18 2009. My commission expires May 16, 2011.

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20 -----  
Notary Public,  
21 State at Large, Kentucky

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