

DRAFT SCENERY RESOURCES STUDY PLAN

Blue Lake Hydroelectric Project, FERC No. 2230, Expansion

Prepared by:

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This Draft Scenery Resources Study Plan describes proposed studies related to the Blue Lake hydroelectric project ((“Project”, Federal Energy Regulatory Commission (FERC) No. 2230)) Expansion. The Project is owned by the City and Borough of Sitka, Alaska, and operated by the City and Borough of Sitka Electric Department (collectively, the “City”).

The City is in the process of applying for an amendment to the Project’s existing FERC license to reflect two significant changes in Project design: 1) addition of a new generating turbine at or near the existing powerhouse and 2) raising the Project dam as much as 83 feet from the existing spillway height of El 342 to El 425. The City is exploring feasibility of these changes because of recent electric load forecasts in the face on increasing diesel fuel costs. Details of elements of the proposed expansion are described in the Initial Consultation Document (ICD) which was distributed to you early in the license amendment process.

These scenery resource study results will be used by the FERC and state and federal resource agencies to help evaluate impacts of the Expansion-related actions prior to issuing the Expansion-related license amendment.

BACKGROUND

The City recently received a new 30-year operating license for the Project. This license was issued after an extensive relicensing process during which the City conducted studies to document existing environment and potential impacts of continued Project operation. Because the relicensing proposal did not include significant changes in either the Project design or operation, projected impacts were considered insignificant.

The proposed Expansion would result in significant physical change, primarily related to inundation of areas around Blue Lake due to dam raising, and to construction and use of access roads and a new powerhouse. This study plan seeks to address these additional effects in addition to analyses done for relicensing.

PROPOSED SCENERY RESOURCES STUDIES

GENERAL

Blue Lake Project scenery resource studies will be comprised of an analysis of the scenery resources in accordance with the Tongass National Forest Land and Resource Management Plan.

PROJECT/STUDY AREA

The Study Area will include those areas impacted by the Expansion project which include:

- Blue Lake;
- Blue Lake Access Road from Overlook to the Lake;
- Blue Lake Dam Site & Overlook;
- Blue Lake Road;
- Sawmill Creek Campground;
- Power House Site; and
- Tunnel & Surge Chamber Site

METHODS

Each study area will be analyzed based on the Tongass Land Use Designation (LUD) of the study area, and the Visual Priority Travel Routes and Use Areas influenced by the impacts to the study areas. The LUD and Visual Priority Travel Routes and Use Areas are defined by the Tongass National Forest Land and Resource Management Plan. The Land Use Designations are: Municipal Watershed, Semi-Remote Recreation and Road and Transmission Line Corridors. The Visual Priority Travel Routes and Use Areas are: Blue Lake, Blue Lake Road, Beaver Lake Trail, Silver Bay, Sawmill Creek Road. Impacts to City property will be analyzed based on the Visual Priority Travel Routes and Use Areas as well.

ANALYSIS OF EXPANSION PROJECT VISUAL IMPACTS

The analysis of each study area will include a comparison of the scenery at the present time, before the Blue Lake Expansion project, to the future scenery following the completion of the Blue Lake Expansion project. Analysis of the reservoir study area will include a comparison of scenery before and after the Blue Lake Expansion project at the minimum lake level during the spring and at the maximum lake level during spill in the fall.

The analysis of Blue Lake will be done primarily with a photo comparison of existing lake levels to proposed lake levels using Photoshop software as well as a written description of the impacts to the study area.

The analysis of the Blue Lake Access Road, Blue Lake Dam Site & Overlook will be done with proposed site drawings, which indicate the modifications to the study areas, and a written description of the impacts including improvements required by the 2008 license articles.

The analysis of the Power House Site, Tunnel & Surge Chamber Site will be done with proposed site drawings, which indicate the modifications to the study areas, and a written description of the impacts to the study area.

The analysis of the Blue Lake Road will be done with a written description of the modifications made to the road to facilitate dam construction and improvements to the road as required by the 2008 license articles.

The analysis of the Sawmill Creek Campground will be done with a written description of how the area may be used during the construction period and how it will be restored and improved as required by the 2008 license articles.

REPORT

The Blue Lake Expansion Scenery Resources Report will include sections on:

Objectives

Location of Project and study areas

Analysis of each study area including:

- Acres
- Impacts to the area
- Land Owner of each area
- LUD of the area
- Visual Priority Routes and Use Area used
- Evaluation of each study area for conformance with applicable Standards and Guidelines in the Tongass National Forest Land and Resource Management Plan

STUDY AND REPORT SCHEDULE

The scenery resources studies should commence during May 2009 and the report should be available as a draft by June 2009.