

**NOTICE OF INTENT (NOI)  
PRE-APPLICATION DOCUMENT (PAD)  
REQUEST TO USE ALTERNATIVE LICENSING PROCEDURES (ALP)**

**TAKATZ LAKE HYDROELECTRIC PROJECT**

**FERC No. 13234**

*Prepared by:*

**City and Borough of Sitka Electric Department  
105 Jarvis Street, Sitka, AK, 99835**

**March, 2009**



# City and Borough of Sitka

## Electric Department

105 Jarvis Street, Sitka, Alaska 99835

Christopher Brewton, Utility Director  
(907) 747-1870, FAX (907)747-3208  
chrisb@cityofsitka.com

Date: March 20, 2009

Ms. Kimberly Bose, Secretary  
Federal Energy Regulatory Commission  
Mail Code DHAC, PJ-12.3  
888 First Street NE  
Washington D.C. 20426

**Subject: Notice of Intent to File for Original License, Takatz Lake Hydroelectric Project, FERC Preliminary Permit No. 13234-000.**

### Secretary Bose:

Pursuant to the Commission's regulations (18 CFR Ch. 4, S 5.5) the City and Borough of Sitka, Alaska, ("City") hereby submits Notice Of Intent to file for an original license to construct and operate the Takatz Lake hydroelectric Project ("Project"), located on Baranof Island, near Sitka, Alaska. The City currently holds a Preliminary Permit (FERC no. 13234-000) for the Project, effective September 19, 2006.

With this submittal, the City is also electronically filing:

1. A Pre-Application Document (PAD) (Attachment I), filed in accordance with 18 CFR Ch. 4, S 5.6;
2. A Request to Utilize Alternative Licensing Procedures (ALP) (Attachment II), filed in accordance with 18 CFR Ch. 4 S 5.3; and
3. A list of Project Stakeholders (Attachment IV).

In the Request to Utilize ALP, we have included a copy of the Takatz Lake Project Communications Protocol (CP) and copies of approvals of both the CP signed by the principal Alaska State and Federal resource agencies. No objections to use ALP or the CP were received after a 60-day comment period. Also with this submittal is a current Project Stakeholder list.

Information required under 18 CFR Ch. I, S 5.5(b) is provided herein:

### Potential Applicant's Name and Address

Christopher Brewton, Utility Director  
City and Borough of Sitka Electric Department  
105 Jarvis Street

Sitka, Alaska, 98335  
Telephone: 907-747-1870  
Email: [chrisb@cityofsitka.com](mailto:chrisb@cityofsitka.com)

**Project Number**

P-13234-000

**License Expiration Date:**

Not Applicable

**An Unequivocal Statement of the Potential Applicant’s Intention to File an Application for an Original License**

The City and Borough of Sitka, Alaska, acting through its agent, the City and Borough of Sitka Electric Department, hereby gives notice of its intent to file for an original license to construct and operate a hydroelectric project on Takatz Lake, located on Baranof Island, Alaska.

**The Type of Principal Project Works Licensed**

The Project would consist of the following principal components:

- A dam and intake structure on Takatz Lake;
- A power conduit approximately 2800 feet long from the intake to the powerhouse;
- A powerhouse;
- A primary transmission line of potentially consisting of overhead, buried and submarine segments.

**Location of the Project By State, County, and Stream**

The Project would be located in Alaska, on Baranof Island, approximately 20 miles east of the City of Sitka. Takatz Lake and the proposed powerhouse are located in:

- Sections 35, 36 of Township 54S, Range 66E of the Copper River Meridian, and
- Sections 1, 2, 3, 4, 10 of Township 55S, Range 66E of the Copper River Meridian

The approximate powerhouse location is: longitude 134 degrees 52.07’ west; latitude 57 degrees 08.21’ north.

The Project is proposed to have an installed generating capacity of about 27 megawatts (MW).

The names and mailing addresses of pertinent Federal, State and local agencies and potentially interested parties are in Attachment IV.

If you have any questions or concerns, don't hesitate to contact me at 907-747-1870, or via email at [chrisb@cityofsitka.com](mailto:chrisb@cityofsitka.com).

Thanks for your continued guidance on the Takatz Lake Project licensing.

A handwritten signature in black ink that reads "Christopher D. Brewton". The signature is written in a cursive style with a large initial "C" and a long horizontal stroke at the end.

Christopher Brewton  
Utility Director

4 attachments

**ATTACHMENT I**

**Takatz Lake Project Pre-Application Document (PAD)**

PRE-APPLICATION DOCUMENT (PAD)

TAKATZ LAKE HYDROELECTRIC PROJECT, FERC No. 13234

*Prepared By:*

**City and Borough of Sitka Electric Department, Applicant**

**105 Jarvis Street, Sitka, AK 99835**

**March, 2009**

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## INTRODUCTION

Pursuant to 18 CFR Ch. 1 §5.6, the City and Borough of Sitka Electric Department, (“City”, “Applicant”) is required to prepare a Pre-Application Document (PAD) that describes the proposed Takatz Lake Hydroelectric Project (FERC No. 13234-000, “Project”) and pertinent data and information on the surrounding area. This document provides a compilation of existing, reasonably available information.

The purpose of this PAD is to enable Project licensing Stakeholders [state and federal natural resource agencies, affected Indian entities, the public and Non-Governmental Organizations (NGO’s), collectively, “Stakeholders”] to identify issues and related information needs. The PAD also serves as a basis for the environmental analysis section of a future Preliminary Licensing Proposal (PLP) and other related licensing documents.

## PROCESS PLAN AND SCHEDULE

The plan and schedule for pre-application activities including pre-filing consultation, Environmental studies and information gathering, and license application described in this document is presented in Table 1. Note that the schedule in Table 1 is based on use of the Alternative Licensing Procedures (ALP) and not the default Integrated Licensing Procedures (ILP). At the same time as submittal of this PAD, the City is also applying for use of ALP and expects, based on agency approvals at this time, for that process to be granted.

**Initial Consultation Meeting:** April, 2009  
**Location(s):** Sitka, AK  
Juneau, AK  
**Site Visit Date:** April, 2009  
**Location:** Sitka, AK

**Table 1. Process Plan and Schedule**

<b>Activity</b>	<b>Schedule</b>
<b>PAD/NOI</b>	March, 2009
<b>Initial Consultation Meeting</b>	April, 2009
<b>Study Planning</b>	April-June, 2009
<b>Study Execution</b>	June, 2009-2011
<b>Ongoing Engineering Studies</b>	2009-2011
<b>Scoping</b>	October, 2009
<b>Draft License Application to Stakeholders</b>	Spring, 2011
<b>Agency Comments on DLA</b>	Spring-Summer, 2011

<b>Final License Application to FERC</b>	September, 2011
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**APPLICANT INFORMATION**

The exact name, business address and phone number of each person authorized to act as agent for the Applicant are:

James E. Dinley  
City and Borough of Sitka Municipal Administrator  
100 Lincoln Street  
Sitka, Alaska 99835  
Phone 907-747-1808  
E-mail: jimdinley@cityofsitka.com

Christopher Brewton, Utility Director  
City and Borough of Sitka Electric Department  
105 Jarvis St.  
Sitka, Alaska 99835  
Phone: 907-747-1870  
Fax: 907-747-3208 Electric Department  
E-mail: chrisb@cityofsitka.com

**PROJECT DESCRIPTION AND OPERATION**

**GENERAL**

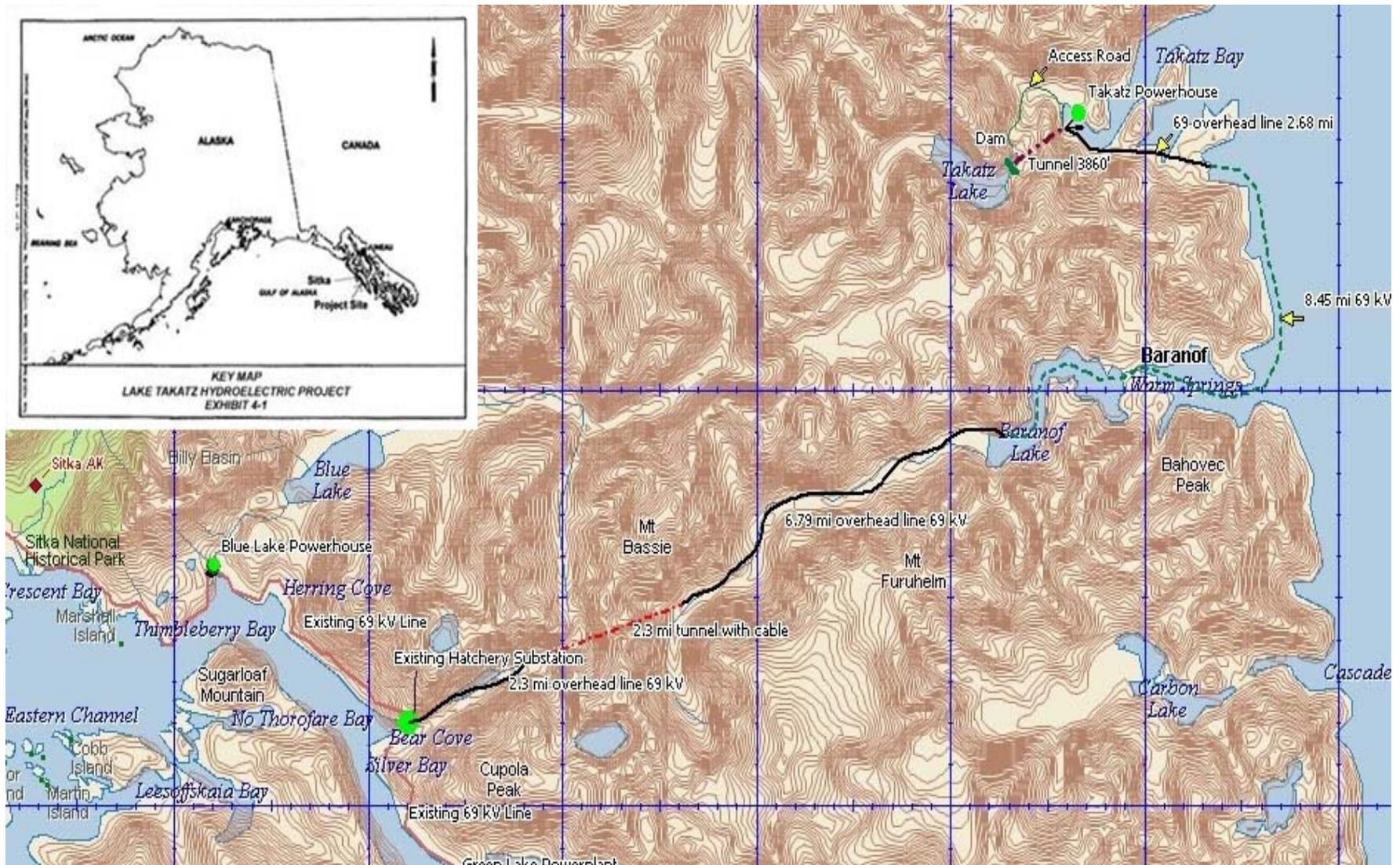
The Project would be located about 20 airline miles east of the city of Sitka, Alaska on the eastern shore of Baranof Island (Figure 1). Development of hydroelectric power at the site would include construction of a concrete dam, power intake, unlined tunnel, power penstock, power plant, tailrace, and transmission line segments.

Takatz Lake and the proposed powerhouse are located in:

Sections 35 and 36 of Township 54S, Range 66E of the Copper River Meridian, and Sections 1, 2, 3, 4, 10 of Township 55S, Range 66E of the Copper River Meridian

The approximate powerhouse location is: longitude 134 degrees 52.07' west; latitude 57 degrees 08.21' north.

State: Alaska  
County: City and Borough of Sitka, Alaska  
Nearby Town: Sitka, Alaska  
Stream or Other Body of Water: Takatz Lake, Takatz Creek



**Figure 1. Takatz Lake Project Vicinity Map**

## **PROJECT FEATURES and BOUNDARY**

The project description and much basic data presented herein was obtained from a report by the U.S. Department of Interior, Alaska Power Administration (APA), entitled *Plan for Development for Takatz Creek Project, Alaska* dated January, 1968. The City cites the proposed project design and other supporting data from that report in this application.

Because exact locations of Project features, particularly transmission facilities, are speculative at this time, no Project Boundary is shown. The FERC Boundary for the Project will be initially proposed to extend about 100 ft. from all project features within the jurisdictional area.

In the following description, elevations are in feet above mean low sea level and are denoted "El".

**Reservoir.** Takatz Lake is located approximately 4,000 feet upstream of the mouth of Takatz Creek which flows into Chatham Strait by way of Takatz Bay on the eastern shore of Baranof Island. Normal existing water surface of the lake is at approximately El 905 and lake volume is estimated to be about 62,000 acre-feet (af). The proposed dam would increase reservoir volume to approximately 124,000 af, or an increase in active capacity of approximately 82,000 af. Surface area of Takatz Lake would increase from about 378 acres to approximately 740 acres as a result of impoundment.

**Dam.** The conceptual design in APA 1968 called for an approximately 200 ft. high primary concrete arch dam (the "Takatz Creek Dam") with spillway at El. 1040 and parapet wall at El. 1052 (Figure 2). In the APA 1968 design, this dam would be constructed on Takatz Creek just downstream of the existing outlet of Takatz Lake. A secondary dam, the "Saddle Dam" would be approximately 30 ft. high and would be located south and east of the primary dam.

**Intake/Power Tunnel/Penstock.** Water would be withdrawn through a gate structure intake into an approximately 2,800 foot-long, 6.5 foot by 7 foot modified horseshoe tunnel. The tunnel's downstream portal would connect to a 72-inch diameter, 1000 foot-long steel penstock leading to the powerhouse. Net operating head at spill would be around 1000 feet of water.

**Powerhouse, Switchyard and Tailrace.** A surface powerhouse approximately 4000 square feet in area would be constructed at sea level near Takatz Bay. The powerhouse would house two 18,600 hp Francis turbines, driving two 13.8 megawatt (MW) generators. A switchyard would be located near the powerhouse. The powerhouse tailrace would provide an average of about 166 cubic feet per second (cfs) discharge into tidewater.

**Transmission Facilities.** Power generated by the Project would be transmitted by a new 21-mile long transmission line designed for 115 kV or whatever regional transmission voltage is established probably 138 kV, but energized initially at 69 kV.

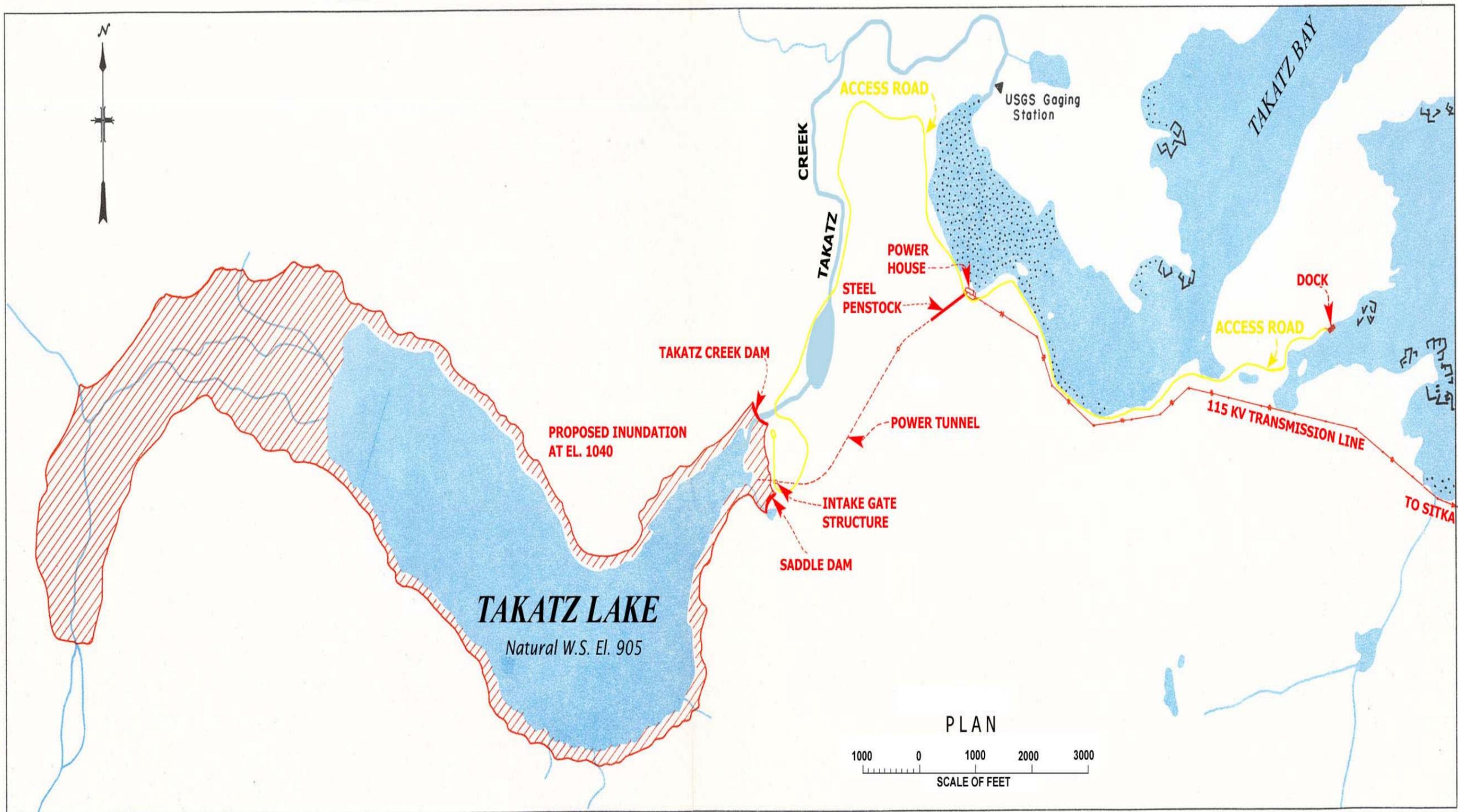


Figure 2. Takatz Lake Project Features

The transmission line would consist of a combination of overhead, underground and submarine segments. Exact transmission type and routing will be determined based on further field investigations and feasibility studies due to the high avalanche hazards along the route.

The proposed transmission line would be of submarine construction from Takatz Bay, into Chatham Straight and then Warm Springs Bay. A substation would be constructed at Baranof Warm Springs to supply power to the community. From Baranof Warm Springs the transmission line would follow either a combined overhead and underground route around Baranof Lake or an underwater route on the lake bottom again depending on avalanche hazards and road construction. Once beyond Baranof Lake, the transmission line would continue up the Upper Baranof River valley, overhead, to an undetermined point at which it would follow a 2 mi-long tunnel passing north of Indigo Lake and south of Mount Bassie. The tunnel would daylight in the Medvejie Valley and would continue either buried or overhead down the Medvejie Lake valley to interconnect with the existing 69 kV transmission system connecting the Blue Lake and Green Lake Projects to the City of Sitka Electric Department service area. (See Figure 1).

The 115 kV or 138 kV transmission line would provide capacity for future power supply projects, including geothermal resources at Baranof Warm Springs and other potential hydroelectric project sites near Takatz Lake. These other sites may be developed in the future as needs for additional renewable energy sources in Sitka and Southeast Alaska increase.

## **PROJECT ACCESS**

### **Generating Facilities**

Access for construction and long-term operation and maintenance of the Project generating facilities would be via floatplane, helicopter and boat. A gravel-surfaced access and maintenance road would lead to Takatz Lake and the Project features from a dock to be constructed on Takatz Bay. Access to construction sites for transmission facilities near Baranof Lake would also be via floatplane or boat, and staging would be provided by a dock in Warm Springs Bay.

### **Transmission Line**

The transmission line construction west from Baranof Warm Springs may be accessed by a road which would connect Baranof Warm Springs with the Green Lake road at the Northern Southeast Regional Aquaculture Association (NSRAA) Medvejie hatchery. The road would facilitate construction of the transmission facilities. The approximately 2 mi-long tunnel would also house the transmission line in the road right-of-way.

The need for a road across Baranof Island has been discussed for many years, to provide access to a proposed east-island ferry terminal. Such a terminal would offer more

convenient ferry service to Inside Passage state ferries and cruise boats because Sitka residents would not have to circumnavigate Baranof Island before traveling east to Juneau or Petersburg.

Development of the road would greatly facilitate transmission construction. The road would serve the dual purposes described above and would be constructed by either the City, the State of Alaska Department of Transportation and Public Facilities (ADOTPF), or both.

## **INSTALLED CAPACITY AND ENERGY PRODUCTION**

### **Installed Capacity**

Total installed capacity would be 27.7 megawatts (MW), depending on final design.

### **Annual Energy Production**

The Takatz Lake project configuration evaluated APA 1968 produced 97,100,000 kilowatt-hours (kWh) of firm annual energy and 9,800,000 kWh of non-firm energy for a total average capability of 106,900,000 kWh generation each year.

### **Turbines and Generators**

The APA study said that 2 impulse-type turbine generators of approximately equal capacity would be installed. The high operating head suggests such generators, but exact turbine type will be determined during further feasibility studies.

## **PROJECT OPERATION**

### **Need for Power and Intended Power Markets**

Power from the Project would be initially transmitted to Sitka to augment hydroelectric generation within the Electric Department's existing service area. The City has prepared several recent energy forecast documents all stressing the need, based on increased demand for hydroelectric rather than diesel generation, for additional installed hydroelectric capacity.

The most recent of those forecasts, prepared by D. Hittle and Associates in September, 2008, concluded that energy needs in the Sitka service area were increasing faster than predicted in 2005. At that time, the Sitka electric load forecast was based on the historic 0.8 percent per year growth rate. In 2006, oil price increases and new business starts in Sitka brought overall load increases to over 5 percent. In 2007 and 2008 the load continued to increase at 3-5 percent, even with decreased oil prices. The City, in 2008 revised its load growth forecast to reflect a conservative 1.9 percent growth rate for future planning. Under this growth rate, it was predicted that by 2020, there would be significant requirement for additional diesel generation if hydroelectric capacity was not

increased. Beyond 2020, further load increases would entail diesel requirements which could not be met even with the City's current proposal to expand the existing Blue Lake hydroelectric project. Overall current load forecast, with reference to the Takatz Lake development and other Sitka generating resources, is shown in Figure 3.

The need for additional hydroelectric power throughout Southeast Alaska to offset rising diesel fuel costs should also be considered under needs for the Takatz Project. The City will participate in ongoing comprehensive planning efforts in the region to determine how the Project might, through development of a submarine intertie to the east, supply power to the communities of, variously, Kake, Angoon, Petersburg, Wrangell and Ketchikan. The City believes, in the absence of such interconnection, that the Project would be fully justified based on future needs in the Sitka Electric service area.

### **Project Operation**

The Project would supplement energy generated by Sitka's two primary hydroelectric projects, the Blue Lake Project (FERC No. 2230) and Green Lake Project (FERC No. 2818). The City operates these projects to meet base and peaking load requirements within the Sitka Service area. Currently, the Blue Lake Project generates base-load energy and Green Lake provides peaking capacity. The City is currently expanding the Blue Lake Project through dam raising and increase in the installed capacity, such that the expanded project might be used to generate peaking power.

The Takatz Lake Project, after Blue Lake Expansion, would be used to meet base load or peaking load depending on reservoir management and frequency control. In any case, generation would be optimized by following a rule curve reflecting seasonal inflow, spill capacity and drawdown limitations. Final project and system load configuration will be determined in further feasibility studies.

Generally, the Project would produce 41 percent of Sitka's annual energy while Blue Lake and Green Lake would produce 36 percent and 23 percent, respectively after Takatz Lake Project commissioning.

The Project would be an unmanned facility. Operation would be monitored and controlled from the existing Blue Lake Control Center via a SCADA system. Maintenance personnel would visit the plant approximately monthly, providing routine equipment maintenance.

### **INFORMATION ON EXISTING LICENSED PROJECT**

N/A

### **NEW FACILITIES, PLANS, AND CHANGE IN OPERATION**

N/A

# Sitka's Electric Energy Requirements and Resources (1973-2030)

September 13, 2008

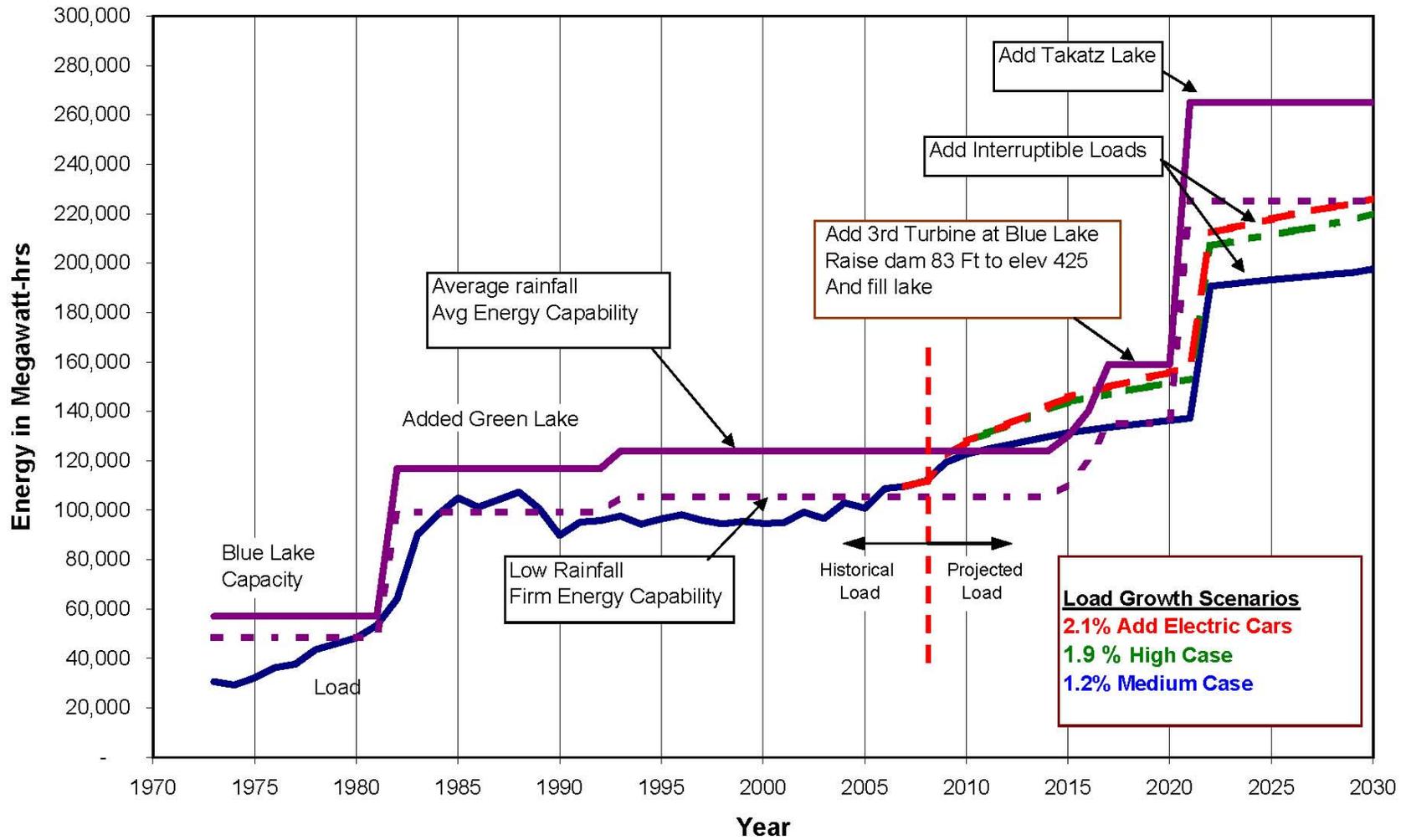


Figure 3. Sitka Service Area Load and Generation Forecasts.

## **EXISTING ENVIRONMENT AND RESOURCE IMPACTS**

### **POTENTIALLY-AFFECTED WATER BODIES**

The Project would potentially affect seven primary water bodies:

- Takatz Lake;
- Takatz Creek;
- Takatz Bay, Warm Springs Bay and Chatham Straight;
- Lower Baranof River, Upper Baranof River;
- Baranof Lake;
- Medvejie Lake; and
- Medvejie Creek.

The major project features including the dam, penstock, powerhouse, switchyard and proximal transmission line would affect Takatz Lake and Takatz Bay. The transmission line would affect Takatz Bay, Chatham Straight, Warm Springs Bay, Baranof River and Baranof Lake. General Characteristics of the potentially-affected water bodies are as follows:

#### **Takatz Lake**

Takatz Lake is an approximately 400 surface acre water body on the east side of Baranof Island, approximately 20 miles east of Sitka. Normal water surface of Takatz Lake is at El 905. Maximum depth is approximately 475 feet. The Lake is fed by an unnamed stream which rises in the high ridge of mountains to the west. This tributary stream branches upstream of the lake and the southerly branch terminates in an active glacier at about El. 2000.

#### **Takatz Creek**

Takatz Creek is approximately one linear mile long, but flows more than a mile in a tortuous pattern to Takatz Bay. Takatz Creek receives a sizeable inflow from an unnamed tributary approximately .7 mi downstream from Takatz Lake.

#### **Takatz Bay and Chatham Straight**

Takatz Bay extends from the mouth of Takatz Creek approximately 2 miles to Chatham Straight, the primary marine waterway east of Baranof Island. Takatz Bay, according to navigation charts reaches a maximum depth of about 636 feet, but would be less than 60 feet deep along the proposed transmission line route.

## **Baranof Lake**

Baranof Lake is a 800 surface acre lake with a normal water surface at El. 145. It receives water from Upper Baranof River (see below) and several other inflow tributaries rising from lakes or forested canyons. The lake is about 2.9 mi long and .22 mi wide with a maximum depth of 285 feet and a mean depth of about 125 feet.

## **Baranof River**

In this report, the segment of Baranof River upstream of the Baranof Lake is called “Upper Baranof River”. Upper Baranof River is the primary inflow tributary of Baranof Lake. It extends over 4 mi upstream of the lake and is fed by at least 6 smaller tributaries arising from lakes and forested drainages. Upper Baranof River flows through several miles of low-gradient valley bottom upstream of the Lake.

Downstream of Baranof Lake, a short (less than .25 mi) segment of Baranof River (herein called “Lower Baranof River”) flows from the lake outlet to tidewater. This stream reach is essentially a series of cascades extending from the lake outlet to tidewater.

## **Medvejie River and Medvejie Lake**

Medvejie River is the major drainage in the valley down which the western transmission line segment would pass. This stream flows into Medvejie Lake about 2 mi. from tidewater. The river exits the lake and flows about .5 mi. to tidewater. This stream is the water supply for the NSRAA Medvejie hatchery.

## **EXISTING DATA OR STUDIES**

- City and Borough of Sitka Energy load forecast studies;
- APA 1968 and earlier feasibility studies cited in that report;
- USFS resource information for Takatz and Baranof watersheds;
- ADF&G Catalogue of Anadromous Fish Waters;
- ADF&G harvest records and studies for Baranof Lake;
- ADF&G stocking and commercial salmon catch data; and
- US Forest Service Tongass Land Use Management Plan.
- US Forest Service records for recreation cabin use.

## **GENERAL DESCRIPTION OF THE AREA**

### **TOPOGRAPHY**

Topography in the Project area is primarily steep and mountainous with dense spruce-hemlock forests extending from rock and glacial areas to tidewater. Maximum elevations above Takatz and Baranof Lakes are over 4,000 feet, while the average elevation is about 2,000 feet. Both Takatz and Baranof Lakes derive some of their inflow from glaciers in higher mountain elevations.

## **CLIMATE**

Climate in the Project area is typical of Southeast Alaska, with cool temperatures and high precipitation. Precipitation in the mountains is much heavier than at sea level, and winter temperatures are lower. The bulk of the winter precipitation in the mountains is snowfall, as shown by the low runoff during the winter months, when sea level precipitation is substantial. In the upper reaches of the Takatz Creek drainage, glacial ice is present. No observations have been recorded of long-range fluctuations in the quantity of this glaciation.

The eastern side of Baranof Island receives more and colder precipitation than the western side of the island, the eastern side is locally known as the “Waterfall Coast”. Precipitation near the Project area is higher than in Sitka on the other side of Baranof Island. Long-term records in Sitka show annual precipitation of about 88 inches, while shorter-term records from a station near Baranof Lake show over 150 inches. Average air temperatures are about 42 F. near Sitka and slightly cooler near the Project area. Snowfall in the Project area is over 150 inches per year, while it is only about 80 inches per year in Sitka.

## **GEOLOGY AND SOILS**

The following information is derived or quoted from APA 1968, which presented a feasibility grade geological investigation of the damsite, reservoir area, power conduit and powerplant site of the subject project.

### **General Characteristics**

The east coast of Baranof Island is characterized by east-trending, deeply glaciated valleys, whose lower parts usually form narrow embayments connected to tidewater. The upper part of the valleys are often occupied by deep lakes, such as Takatz Lake.

### **Damsite**

Bedrock at the damsite consists of a light gray medium to coarse grained biotite quartz-diorite intrusive rock. The intrusive rock is very hard, competent, massive and mostly equigranular.

The lake outlet stream channel occupies a narrow talus-filled valley between the massive steep-walled abutments slopes. The stream channel is armored with talus boulders. Two exploration drill holes revealed talus rocks with voids partially filled to filled with silty fine sand, to depth of 25 feet, underlain by glacial fluvial silty fine sand to depth of 40 to 50 feet. The diorite bedrock core obtained from the two exploration drill holes was excellent rock.

## Soils

No detailed soil studies have been conducted throughout most of the potentially-affected areas. Generally, in southeast Alaska, soils are thin and of poor productivity. Detailed soils surveys will be conducted as part of the overall geologic and geotechnical investigations.

## Reservoir Shorelines and Stream Banks

Generally, the shorelines of Takatz and Baranof Lakes are steep and heavily forested. The inlet streams of both lakes form deltas and drain valleys of much lower gradients than those around the remaining lakeshore.

## WATER RESOURCES

### Takatz Lake Drainage Area

The drainage area above the Takatz Lake damsite is 10.6 square miles. The drainage area at the Takatz Creek gaging station (described below) is 17.2 square miles owing drainage area in the basin of an unnamed tributary which does not afford additional water for generation.

### Monthly Recorded Flows in Takatz Creek

A US Geological Survey (USGS) streamflow gaging station has operated intermittently at the mouth of Takatz Creek since July, 1951. As described above, flows measured at this gage would require proportionation to determine the volume of water available for generation from the proposed Project configuration. The APA 1968 report presented considerable data on this proportionation, noting elevation and seasonal differences between the Takatz Creek basin and that of the unnamed tributary.

Based on these calculations, which also included some synthesis of flows for ungaged periods, mean monthly flows into Takatz Lake were as shown in Table 2.

**Table 2. Estimated Mean Monthly Inflow to Takatz Lake in Cubic Feet Per Second (cfs). From APA, 1968.**

Month	Acre-feet	Cfs
Oct	20600	28.4
Nov	6900	9.5
Dec	3500	4.8
Jan	2200	3.0
Feb	1600	2.2
Mar	1500	2.1
Apr	2300	3.2

May	9500	13.1
June	17600	24.3
July	23200	32.0
Aug	19400	26.8
Sept	20500	28.3

The City has contracted with USGS to install monitor and maintain a streamflow gaging station at the outlet of Takatz Lake to better determine present generating streamflows, which may have changed from those measured in the 1950's and 1960's, due to climate change or longer term hydrologic cycles.

### **Water Use**

There appear to be no known domestic, commercial or industrial uses of water in the Takatz Lake basin. However, Baranof River and Baranof Lake support significant recreation centered on the warm springs and Warm Springs Bay. Water from Lower Baranof River is diverted to some of the dwellings and resort buildings in and near the settlement of Baranof Warm Springs. During early consultation with Alaska Department of Natural Resources (ADNR), The City will research existence of any Takatz Creek water rights which may exist or which have been applied for.

### **Water Quality**

#### **Federal Water Quality Standards**

Because of the potential for domestic/commercial water uses in and near Baranof, certain state and federal water quality criteria may apply. The City will consult with Alaska Department of Environmental Conservation (ADEC), ADNR and US Army Corps of Engineers (ACOE) about existing water quality standards and will begin the process of obtaining applicable permits from ADEC and ACOE for Project development.

### **FISH AND AQUATIC RESOURCES**

Fish and aquatic resources are discussed relative to the following potentially-affected water bodies:

#### **Takatz Creek**

ADF&G, 2006, a listing of occurrence and distribution of Alaska anadromous fish, indicates that chum, pink and coho salmon occur in Takatz Creek.

#### **Takatz Lake**

The US Bureau of Reclamation (USBR) conducted limited fish surveys in 1964 in Takatz Lake. Although there were, and are, anecdotal reports of Dolly Varden char and coastal cutthroat trout in Takatz Lake, the USBR netting study did not produce any catches.

Salmon in Takatz do not migrate into Takatz Lake because of a set of barrier cascades in the Creek.

### **Baranof River**

ADF&G 2006, lists chum, pink and coho salmon in this stream, from tidewater to a barrier just upstream of tidewater. Because of a barrier falls, these anadromous fish do not migrate into Baranof Lake. Baranof River from Baranof Lake to tidewater is essentially a series of steep cascades. No freshwater fish are expected to reside there, although it is expected that lake fish would be washed into the river on occasion.

### **Baranof Lake**

ADF&G records show a significant coastal cutthroat trout population in Baranof Lake. This trout population has been the subject of several ADF&G Sport Fish Division studies. There are also anecdotal reports of rainbow trout and Dolly Varden, but these are not substantiated by studies.

### **Takatz Bay, Warm Springs Bay and Chatham Strait**

These marine areas support a diverse community of fish species including salmon and several species of groundfish. The east side of Baranof Island is in ADF&G fishery Management District 12 which is an important commercial fishing area, especially for chum salmon. Takatz Bay is at the southern end of Terminal Harvest Area (THA) 112-22 within District 12. NSRAA operates a hatchery facility near Hidden Falls bay approximately 3.5 mi north of the mouth of Takatz Bay. This hatchery focuses primarily on chum salmon to support the growing chum salmon commercial fishery in the area. Releases of chum salmon fry from this hatchery have been as high as 89 million in recent years. Commercial catch of chum salmon in the THA has ranged from 500,000 to over 3.2 million fish in recent years.

Pink salmon are also targeted in the area's commercial fishery. Coho salmon are not significant in the commercial catch for the area but are targeted by sports fishers, primarily those staying at resort facilities in or near Baranof Warm Springs.

There is also a long-line fishery for black cod in Chatham Strait but little information was available for this fishery in the vicinity of the proposed submarine cable.

### **Medvejie River and Medvejie Lake**

The ADF&G 2006 list coho, pink and chum salmon and Dolly Varden char in this Medvejie River. Little is known of recreational use of these fish. Chum and pink salmon populations may derive from the extensive NSRAA hatchery operations for these two species in the Silver Bay area.

## **WILDLIFE AND BOTANICAL RESOURCES**

The Takatz Lake and Baranof Lake Basin wildlife resources are described in this document in three categories: 1) large mammals, 2) small mammals and furbearers; and 3) birds.

### **Large Mammals**

Three species of large mammals are known to inhabit the Takatz and Lake basin, including:

#### ***Deer***

Sitka black-tailed deer are unevenly distributed in the Takatz/Baranof watersheds. While some hunting for deer occurs in the area, deer harvest is poorly documented and take is expected to be low because of distance from population centers, a lack of beach area and difficult access into higher elevations.

#### ***Mountain Goat***

Mountain goats occupy the precipitous terrain in the higher elevations surrounding Takatz and Baranof Lakes. Goats occur at lower elevations in the winter. Annual sport hunting goat harvest is small compared to similar areas near Sitka, primarily because of access difficulties, terrain and dense vegetation.

#### ***Bear***

Coastal brown bears occur in both the Takatz and Baranof Lake areas. Some directed hunting of brown bears occurs but steep topography, dense vegetation and a lack of beaches reduces bear hunting opportunities relative to areas on Baranof Island's western coastal regions.

### ***Small Mammals and Furbearers***

Furbearers in the Project Area include marten, mink, river otter and occasionally beaver. Populations are high enough to sustain trapping, but travel distances and access difficulties reduce trapping effort in the area. Small mammals include red squirrel, deer mice, voles, shrews and one species of bat. Most of these are important prey species for furbearers and raptors.

### ***Birds and Waterfowl***

Few if any directed bird surveys have been conducted in the Taktaz-Baraonof Lake areas or their watersheds. The Project area offers habitat for a number of raptor species including bald eagle, northern goshawk, and several owl species. Forest bird species would most likely be similar to the numerous ones found on western Baranof, such as thrushes, sparrows, warblers, woodpeckers, crows and ravens. Waterfowl frequenting the lakes and bays include swans, geese, and various species of ducks.

## **BOTANICAL RESOURCES**

The area is generally within the Tongass National Forest and, except for the steep slopes, is covered with a dense growth of timber consisting primarily of western hemlock, Sitka spruce and Alaska cedar. From sea level to about 2,000 feet, the forests have a dense undergrowth of bushes, mainly salmonberry and huckleberry, and other vegetation including devils club. Where there have been slides and on some of the talus slopes, dense growths of willow and alder form an almost impenetrable barrier. The best timber is in the well-drained areas on the steep hillsides, but there is a large quantity of poorer grade timber suitable for paper pulp within the drainage areas of the three creeks and in the area bordering Takatz Bay.

## **WETLANDS, RIPARIAN, AND LITTORAL HABITAT**

While federal and state studies and listing do not show identified wetlands in the Project Area, The City will conduct a Preliminary Jurisdictional Determination (PJD) prior to license application to identify wetlands and waters of the US. Based on available aerial imagery, it is likely that wetlands could be present in the inlet and areas of all the affected water bodies.

## **RECREATION**

In the potentially affected areas, recreation uses are diverse and in many cases significant. Fishing, hunting, warm springs resort use and hiking comprise the primary recreation activities in the area, as described below:

### **Baranof Wilderness Lodge Resort Use**

The settlement of Baranof Warm Springs, on property owned by City, is a significant seasonal recreation area with few permanent residents. During the summer recreation period, the settlement grows in resident population to about 200, mostly from Bed and Breakfast operations and one primary resort, Baranof Wilderness Lodge. The settlement is accessed by a dock, also owned by the City. The area is popular with boat owners from Alaska and the lower 48 who moor their boats there and use the warm springs facilities and fish, primarily in saltwater areas for salmon.

The USFS maintains a cabin on the west end of Baranof Lake. The cabin, with a capacity of 6 is open from June through October each year as is typically accessed via floatplane from Sitka.

### **Fishing**

ADF&G notes significant sport fishing in salt waters potentially-affected by the Project and in Baranof Lake. Fresh-water sport fishing focuses on cutthroat trout in Baranof Lake. Angling effort comes from USFS cabin users, tourists visiting the Baranof Warm Springs area and fly-in visitors from Sitka and from the Lodge.

In the saltwater areas of Takatz Bay, Chatham Straight and Warm Springs Bay, sport fishers target several salmon species and halibut, but catch numbers by species are limited.

Less use has been documented in Takatz Lake. As noted earlier, no substantial fish populations have been documented in Takatz Lake, and access difficulty reduces fishing pressure. Sport fishers in salt water, however, probably target the salmon which congregate near the mouth of Takatz Creek.

Fishing in Takatz and Baranof Creeks has not been documented and is expected to be minimal due to access difficulties and the very steep characteristics of the streams.

**Hunting and Trapping**

ADF&G records for goats, otter and marten indicate much smaller harvests than for the same species in the Blue Lake basin to the west. Exact deer harvest numbers are not known, but hunting is expected to be limited to coastal areas. As with sport fishing, hunting and trapping harvest is probably limited by access.

Generally, hunting and trapping in the Takatz and Baranof Lake areas is minor compared to those activities in the Blue Lake system and relative to the overall harvest in ADF&G game management Unit 4 (Table 3). Brown bear harvest in the Takatz, Baranof, and Blue Lake drainages was insignificant compared to the remainder of the unit. Goat harvest was far less than in the Blue Lake drainage. Otter and marten trapping harvest was also comparatively small, and it is thought that most of this harvest occurs near saltwater approaches to Takatz and Warm Spring Bays, and not in the upland areas near the lakes or streams.

**Table 3. Wildlife Harvest Comparisons between Blue, Baranof, and Takatz Lake Watersheds**

Species	Record Years	Total harvest for Record Years Available			
		Blue Lake	Baranof Lake	Takatz Lake	Total for Unit 4
Brown bear	1996-2007	1	0	2	1587
Marten	1996-2007	107	33 (all in 1996)	0	13945
Otter	1977-2006	23	11	3	4555
Goats	1976-2008	327	6	0	1918

**Hiking**

Hiking in the Takatz Lake basin is probably not an important recreation factor. In the Baranof basin, however, the Cross-Island Trail offers one of Baranof Island’s most popular multi-day hikes. The trail leads across the island from the Medvejie fish

hatchery on the west to Baranof Warm Springs on the east, and roughly follows the proposed transmission line route. Exact numbers of cross-island trail hikers each year are not known, and the difficulty of completing the entire trail probably reduces numbers relative to those on easier trails near Sitka.

## **Boating**

Baranof Warm Springs is a popular boating destination for recreationers from Sitka and other Southeast Alaska launch points. Boaters arriving at the settlement from Canada and the Lower 48 are not uncommon. Boaters anchor or tie up in Warm Springs Bay and recreationers travel to the settlement and warm springs areas.

## **Project Proximity to Protected Rivers, Recreational Areas**

No rivers in the Project area are protected under state or federal regulations or statutes.

There are no protected rivers or wilderness areas within the proposed Project Boundary. The Takatz Lake basin is designated semi-primitive in the TLMP, and there are restrictions on road building in the area. When final project plans are available, the applicant will evaluate all final plans for access roads and construction areas relative to Tongass National Forest land use designations.

## **LAND USE WITHIN/ADJACENT to PROJECT BOUNDARY**

### **Land Ownership**

The City owns much of the land near Takatz Lake on which Project features would be constructed. These lands are part of a power withdrawal. The City also owns much of the land in and near the settlement of Baranof Warm Springs, and maintains some of the facilities there (Figure 4). All other potentially-affected areas are within the USFS Tongass National Forest, and are managed according to that agency's land use plans and other directives.

### **US Forest Service Land Use Designations**

Following are Land Use Designation prescriptions offered by USFS in their comments on the Application for Preliminary Permit for the Project, in quotes:

“The project needs to be designed to achieve the objectives of the Forest Plan Land Use Designations (LUDs) as follows:

#### ***Semi-Remote Recreation***

The reservoir and impoundment facilities would be located in the Semi-Remote Recreation LUD. Goals, Objectives, and the Desired Condition of this LUD include but are not limited to: predominantly natural or natural-appearing settings for semi-primitive



Figure 4. Land Ownership in Takatz Lake, Baranof Lake Areas (gray areas are non-federal land).

types of recreation and tourism, and occasional enclaves of concentrated recreation and tourism facilities; apply the Moderate Scenic Integrity Objective to any developments, facilities, or structures; facilities and structures may be minimal or occasionally may be larger in scale, but will be rustic in appearance, or in harmony with the natural setting.

### ***Remote Recreation***

The transmission line corridor is located in the Remote Recreation LUD. This management prescription provides for: extensive, unmodified natural settings for primitive types of recreation and tourism; application of the High Scenic Integrity Objective; facilities and structures are to be minimal and rustic in appearance. This LUD is a Transportation and Utility System (TUS) "Avoidance Area". Transportation and utility sites and corridors may be located within this LUD only after an analysis of potential TUS corridors has been completed and no feasible alternatives exist outside this LUD. Refer to the Transportation and Utility management prescription for direction.

### ***Transportation and Utility System (TUS) Management Prescription***

A Transportation and Utility System overlay in the Forest Plan represents a “window” through the underlying Remote Recreation LUD which roads and/or utilities can be built. A TUS overlay corridor within Remote Recreation LUD portion of the project area is identified in the 2008 Forest Plan Record of Decision map. It is expected that this project would utilize this corridor.

During the period before actual construction of new TUS facilities occurs, the management prescriptions of the (initial) LUD(s) underlying the corridors will remain applicable. When construction of a TUS facility begins, the TUS management prescription will be used. TUS overlay objectives provide that where feasible, the project should be planned to meet the management prescription standards and guidelines for the underlying Remote Recreation LUD. Goals, Objectives, and the Desired condition for this TUS include: provide for, and/or facilitate the development of, existing and future major public Transportation and Utility Systems, including those identified by the State of Alaska and the Alaska Energy Authority; transportation and utility corridors, to the extent feasible, should follow the same route; transportation utility systems have been constructed in an efficient and economic manner, and have been designed to be compatible with the adjacent LUD to the maximum extent feasible.

This Land Use Designation represents a Transportation and Utility System (TUS) ‘window’ and provides opportunities for the future designation and location of Transportation and Utility sites.”

## **CULTURAL RESOURCES**

The area is known to have been used by the Sitka Tribe but evidence of use has been primarily confined to coastal areas. The City will begin, as an early step in initial consultation to query the Alaska Department of Natural Resources State Historic Preservation Office (SHPO), the USFS and the Sitka Tribe of Alaska about cultural and historic resources within and Area of Potential Effect (APE) relative to potential Project-related land disturbance.

## **SOCIO-ECONOMIC RESOURCES**

The Project would bring certain economic benefits to the region, both from construction- and operation related employment, and from economic benefits resulting from displacement of fossil fuel. The Project would be constructed by a work force of approximately 50 workers. These workers would be employed over a 5-year timeframe to complete initial construction of the generation facilities and the proposed transmission line.

Total workforce income could be as high as \$60 million over the first four years of construction. A much smaller workforce would remain onsite for about two years during Project startup and validation. After that, a minimal workforce of about four would be necessary for routine operations and a workforce of 10 would be employed in routine operations and maintenance.

The greater regional benefit would derive from generating revenues to the participating parties. At an installed capacity of 27 MW, total annual generating revenue, after O&M costs would range from \$10 million to \$15 million, given electrical energy prices between \$75 and \$100 per megawatt hour.

It is not expected that Project construction or operation would result in any significant long-term increase in the population of Sitka or other nearby settlements.

## **SCENIC AND AESTHETIC RESOURCES**

Scenic and aesthetic values in the various potentially-affected areas are exceptionally high, especially in the alpine areas above Baranof Lake accessed via the cross-island trail. Coastal scenery is much like that throughout coastal southeast Alaska, with dense forests extending to tidewater. Views from Takatz Lake and Baranof Lake are quite scenic, but access difficulty limits the ability to move around the lakes by foot to reach various viewpoints.

## **SUBSISTENCE RESOURCES**

Subsistence harvest in the Takatz and Baranof Lake areas is minimal compared to that nearer to population centers like Sitka.

## **THREATENED AND ENDANGERED SPECIES**

Two species, humpback whale (*Megaptera novaeangliae*) and Stellar sea lion (*Eumetopias jubata*), are listed as respectively endangered and threatened in the marine environments of southeast Alaska. Both species have been reported in Frederick Sound and Thomas Bay. The marbled murrelet (*Brachyramphus marmoratus*) was recently added to the T&E list for certain areas of southeast Alaska.

The City, prior to license application, will complete a Biological Evaluation (BE) noting all endangered plant, fish and animal species in the Project area. Further, study plans botanical resources will note special surveys to be conducted for sensitive plants, to be conducted after final Project design.

## **DESCRIPTION OF IMPACTS**

### **POTENTIAL NEGATIVE IMPACTS**

- Visual effects of transmission line and possible road construction, existence and maintenance in potentially-affected scenic areas;
- Effects of altered streamflow in Takatz Creek on anadromous fish;
- Water quality effects of construction on potentially-affected water bodies;
- Effects of underwater transmission cable installation and existence on aquatic and marine resources in Takatz Bay, Chatham Straight, Warm Springs Bay and Baranof Lake;
- Construction-related noise and other disturbance effects along access roads and construction sites;
- Effects of access road and tunnel spoils storage and disposal on terrestrial habitats in areas selected for these activities;
- Effects of Project access facilities such as docks, helicopter landings and transshipment centers, particularly in Baranof Bay;
- Effects of blasting necessary for road and tunnel construction.

### **POTENTIAL POSITIVE IMPACTS**

- Improvement of regional area air quality and reduction of greenhouse gasses through elimination of need for diesel generation;
- Socioeconomic benefits to Sitka through displacement of expensive and unpredictable fuel costs;
- Contribution to national energy independence;
- Stable electric rates;
- Temporarily increased employment;

### **DEVELOPMENTAL BENEFITS**

The Project will directly avoid and offset electrical energy produced by diesel plants, reducing costs associated with diesel generation the at City's Jarvis Street diesel plant which serves as backup for the primarily hydroelectric-based Sitka generation system. Costs associated with diesel generation are approximately three times higher than those for energy generated using hydroelectric facilities.

Similarly, the project will reduce the quantity of diesel being transported to these generation facilities, reducing the likelihood and magnitude of spills.

The Project will have a short-term economic benefit to the community during

construction, and a long term economic benefit by providing long term jobs for maintenance and operations. The Project is one of several components of a longer-term energy plan for Sitka featuring renewable energy and reduced dependence on fossil fuel generation.

## **PRELIMINARY ISSUES AND STUDIES LIST**

### **GEOLOGY and SOILS**

#### **Issues**

##### **Issue GS1. Existence of mineral claims.**

Whether ground disturbance or access restrictions associated with Project construction or operation might affect existing mineral claims, especially in previously-noted mining areas.

##### **Issue GS2. Geotechnical feasibility of Project works.**

Whether surface and subsurface conditions, including bedrock, soils and slope materials might affect feasibility of construction of Project features as proposed.

#### **Studies**

As part of the NEPA process, The City will query the Bureau of Land Management for any mineral claims prior to building any structures or otherwise blocking access to potentially valuable deposits. The results of this preliminary study would provide a geotechnical review of any geologic features that would be incorporated into any of the constructed features. Geotechnical studies will be done according to study plans approved by the FERC and Alaskan agencies.

### **FISHERIES and AQUATIC RESOURCES ISSUES**

#### **Issues**

##### **Issue F1. Effects on Takatz Creek Aquatic Communities of Altered Streamflow from Takatz Lake.**

Under this issue, The City would address changes in instream habitat resulting from changes in streamflow, particularly in the proposed bypass reach of Takatz Creek.

##### **Issue F2. Effects Of Transmission Line Construction, Existence, and Maintenance on Fish Communities in Takatz Bay, Chatham Straight, Warm Springs Bay, Baranof Lake and Baranof Creek.**

Under this issue, the City would consider the potential effects of transmission line construction, operation and maintenance on marine and fresh water aquatic resources in the potentially-affected waterbodies.

## **Studies**

The City expects to conduct, through an approved contractor, baseline surveys of fish populations, their habitats and general life histories in potentially-affected waterbodies described above. Study plans for these surveys will be developed in consultation with Alaska state and federal resource agencies, including ADF&G, USFS, NMFS, FWS, NGOs, and affected tribes. General areas for these studies are described below:

- ***Takatz Lake and Takatz Creek.*** Takatz Lake and Creek fisheries studies may include, but not be limited to lake and tributary observations and various capture techniques to determine the fish populations present and their relative abundance;
- ***Baranof Lake and Baranof Creek.*** Baranof Lake and Creek fisheries studies may include, but not be limited to lake and tributary observations and various capture techniques to determine the fish populations present and their relative abundance;
- ***Marine Areas.*** Studies in these areas will seek to generally determine the distribution and abundance of resident and anadromous marine fish populations, and, to the extent possible, of marine invertebrate and botanical resources in areas potentially-affected by the Project submarine transmission line.

## **WILDLIFE**

### **Issues**

#### **Issue W1. Disturbance Effects of Project Construction.**

Whether human access, blasting, excavation or other activities might disturb wildlife during construction of Project generation and transmission facilities.

#### **Issue W2. Effects Of Increased Access on Wildlife Species Which are Hunted and Trapped.**

Whether increased human access provided by access roads or clearings would affect populations of wildlife subject to hunting or trapping.

### **Studies**

The City expects to conduct wildlife surveys during the licensing period. All wildlife-related study plans will be developed in association with Alaska state and federal

resource agencies, including USFS, ADF&G, FWS, NGOs, and tribes. Typically, wildlife surveys include:

- Ground surveys to determine large mammal habitat utilization and food habits;
- Small mammal trapping, to determine distribution and relative abundance of small mammals; and
- General visual observations of birds, bird calling and other forms of documentations.

## **BOTANICAL RESOURCES**

### **Issues**

#### **Issue BR1. Effects of Construction on Threatened, Endangered, or Sensitive Plant Species.**

Whether construction of Project features such as the powerhouse, access roads or transmission corridors might affect these plant species.

### **Studies**

The City intends to conduct baseline surveys for potentially-affected botanical resources, according to study plans approved by USFS, ADF&G and perhaps other agencies. Typically, baseline plant surveys include:

- Aerial inventories of vegetative type, primarily from existing imagery;
- Foot surveys, to ground-truth the aerial inventories;
- A Preliminary Jurisdictional Determination (PJD), to determine location, type, function and extent of wetlands, uplands, and Waters of the US in the Project area;
- Prior to construction, the City will conduct sensitive plant surveys according to USFS prescriptions in potentially-affected areas delineated in the Project final design.

## **WATER QUANTITY**

**Issues** (Note: Effects of altered streamflow on fish habitat are addressed under Fisheries issues, above).

#### **Issue Wquant 1. Effects of Licensing on Water Rights and Related Requirements.**

Whether instream flow or lake level regimes adopted during licensing would affect existing permanent and conditional water rights in the potentially-affected river basins. Although the potentially-affected river basins are not known to be subject to existing water rights for commercial, municipal or industrial use, the addition of a hydroelectric project would add a use which would be subject to state water rights appropriation.

## **Studies**

Water quantity studies will include hydrologic studies of streamflow in the potentially-affected streams and seasonal lake levels in potentially affected lakes. These studies may be based on field data or data synthesized from comparisons with measured data in nearby basins.

## **WATER QUALITY**

### **Issues**

#### **Issue Wqual 1. Effect of Project Construction on Water Quality Parameters in all potentially-affected water bodies.**

Whether construction of intake, powerhouse, access road(s) or transmission corridors might affect water quality in potentially-affected water bodies. Effects might include changes in temperature, sedimentation, fuel spills, erosion or other factors relative to existing state water quality standards.

### **Studies**

Water quality studies for licensing generally focus on characterization of the temperature, dissolved oxygen, dissolved solids and clarity (turbidity) of waters affected by the Project. These water quality parameters are measured either continuously or periodically (seasonally, daily or weekly), using modern equipment capable of high accuracy and reliability.

The City intends to conduct water quality surveys of Takatz Lake and Creek and Baranof Lake and Creek. The City will determine the exact sampling methods, locations and frequency through the consultation process. Water quality study plans will be reviewed by Alaska state and federal resource agencies, including Alaska Department of Environmental Conservation (ADEC), the agency responsible for water quality standard compliance.

## **CULTURAL RESOURCES**

### **Issues**

#### **Issue C1. Effects of Increased Access on Existing Cultural Resources in Takatz Lake Basin.**

Whether construction-related access might allow increased visitation to known or suspected cultural resource sites, with accompanying disturbance or resource loss.

## **Studies**

The City intends to conduct, using an approved contractor, an inventory of cultural resources in an Area of Potential Effect (APE) sufficient to document the existence of cultural resources within areas which might be affected by project-related construction, road building or other ground disturbance.

These surveys will be in two stages: Stage I will be less-intensive reconnaissance surveys designed to define the direct and indirect impact area of the project and the potential of the areas for containing sites. The more intensive Stage II surveys will be conducted in those areas identified in the Stage I surveys as having a reasonable likelihood of containing sites. The scope of all survey work will be determined in consultation with the SHPO, the USFS, and affected tribes, and other Stakeholders.

## **SCENIC AND AESTHETIC RESOURCES**

### **Issues**

#### **Issue SA 1. Effects of the proposed transmission line corridor and access roads on aesthetic values along the proposed transmission corridor(s).**

This issue derives primarily from concern for USFS visual quality standards along the proposed transmission route, particularly if a road were to be constructed. Visual effects of an overhead transmission line, in the absence of a road, would also be considered, depending on the final design.

#### **Issue SA 2. Effects of Takatz Lake fluctuation on aesthetic values at the Lake.**

Under this issue, the City would consider whether proposed final project operations would cause scenic and aesthetic effects due to lake drawdown or increase, with respect to USFS visual quality standards.

#### **Issue SA 3. Effects of altered streamflow on aesthetics of Takatz Creek.**

Under this issue, the City would assess effects of altered flow regime on the affected reach of Takatz Creek between the lake outlet and the proposed powerhouse.

#### **Issue SA 3. Effects of the powerhouse on aesthetic values in the Takatz Bay area.**

This issue involves aesthetic effects of the tidewater powerhouse and various dock facilities on scenic values as viewed primarily from Takatz and Warm Springs Bays.

## **Studies**

The City will research existing aesthetic resource information including existing TLMP descriptions to distinguish among aesthetic impacts in the various potentially-affected areas. Viewshed analyses may be required to evaluate effects in different areas. All constructed Project features will be evaluated relative to USFS and other stakeholder prescriptions for maintenance of aesthetic values from various viewing points.

## **SOCIOECONOMICS**

**Issue SE1. Effects of licensing-related changes for non-developmental resources on economics,** particularly electric rates within the region, and related effects on cost of living.

An increase in electric rates might effect the overall quality of life in the region through cost impacts on both residences and businesses. Under this issue, the City would evaluate the effects of streamflow and lake level constraints on electrical rates.

## **THREATENED AND ENDANGERED SPECIES.**

**Issue T and E1. Effects of licensing on threatened and endangered species.**

Section 7 of the Endangered Species Act requires that all federal agencies, in consultation with the US Fish and Wildlife Service and National Marine Fisheries Service ensure that their actions are not likely to jeopardize the continued existence of threatened or endangered species or adversely modify their habitat.

Under this issue, the City will consult with appropriate federal and state agencies to determine whether listed threatened or endangered species might occur within the area potentially affected by Project construction or long-term operation, and, if such species are found, to assure that licensing does not adversely affect these species.

## **SUBSISTENCE RESOURCES**

**Issue Sub1. Effects of licensing on subsistence related resources.**

Alaska statutes identify groups and individuals qualifying to take or otherwise utilize resources for subsistence purposes. The City will research existing subsistence uses and their related entitlements in all subsequent environmental and licensing documents.

## **APPLICABLE COMPREHENSIVE PLANS**

The following state and federal management plans were identified as potentially relevant to the Takatz Lake Project development. During subsequent licensing stages, further investigations into relevant plans will be conducted.

1. Sitka Coastal Management Plan. Alaska Department of Natural Resources;
2. Tongass Land Use Management Plan. United States Forest Service, Tongass National Forest, Juneau;
3. Central Southeast Area Plan, Alaska Department of Natural Resources.

During the licensing process, the City will fully address enforceable policies and conditions of all plans to determine consistency of Project proposals and alternatives with Plan conditions. We seek any input from the applicable agencies or others which might aid in our review of Comprehensive Plans during licensing.

### **GLOSSARY OF ACRONYMS AND ABBREVIATIONS**

<b>ADEC</b>	<b>Alaska Department of Environmental Conservation</b>
<b>ADF&amp;G</b>	<b>Alaska Department of Fish and Game</b>
<b>ADNR</b>	<b>Alaska Department of Natural Resources</b>
<b>af</b>	<b>Acre foot or feet</b>
<b>ALP</b>	<b>Alternative Licensing Process</b>
<b>cfs</b>	<b>Cubic foot or feet per second</b>
<b>EA</b>	<b>Environmental Assessment</b>
<b>EIS</b>	<b>Environmental Impact Statement</b>
<b>FERC</b>	<b>Federal Energy Regulatory Commission</b>
<b>FPA</b>	<b>Federal Power Act</b>
<b>FWS</b>	<b>United States Fish and Wildlife Service</b>
<b>HPA</b>	<b>Historic Preservation Act</b>
<b>kW</b>	<b>Kilowatt</b>
<b>mgd</b>	<b>Million gallons per day</b>
<b>MW</b>	<b>Megawatt</b>
<b>NEPA</b>	<b>National Environmental Policy Act</b>
<b>NGO</b>	<b>Non-governmental Organization</b>
<b>NMFS</b>	<b>National Marine Fisheries Service</b>
<b>PJD</b>	<b>Preliminary Jurisdictional Determination</b>
<b>SHPO</b>	<b>State Historic Preservation Officer</b>
<b>SM</b>	<b>Stream Mile</b>
<b>USFS</b>	<b>United States Forest Service</b>
<b>USGS</b>	<b>United States Geological Survey</b>

**ATTACHMENT II**

**Request to Use Alternative Licensing Procedure**

**Including Communications Protocol**

*and*

**Signed Approvals of**

**Communications Protocol**



# City and Borough of Sitka

## Electric Department

105 Jarvis Street, Sitka, Alaska 99835

Christopher Brewton, Utility Director

(907) 747-1870, FAX (907)747-3208

chrisb@cityofsitka.com

Date: March 20, 2009

Ms. Kimberly Bose, Secretary  
Federal Energy Regulatory Commission  
Mail Code: DHAC, PJ-12.3  
888 First Street, N.E.  
Washington, D.C. 20426

Subject: **Request for Approval to use Alternative Licensing Procedures (ALP), Takatz Lake Project ("Project", FERC No. 13234-000).**

Ms. Bose:

This letter is a request to the FERC for approval to use Alternative Licensing Procedures (ALP) for pre-filing consultation and processing of an application for license for the Subject Project. The Project pre-filing activities are proceeding under a Preliminary Permit issued to the City and Borough of Sitka Electric Department ("City", "Applicant") by FERC, dated September 19, 2008.

Accompanying this request, in accordance with Federal Regulations, are a Notice of Intent (NOI) to submit an application for license for the Project and a Pre-Application Document (PAD) describing the Project, related developmental and non-developmental resources, preliminary issues and studies.

The City wishes to utilize the ALP on this project for two primary reasons:

- The City has recently completed all substantive work on relicensing of its Blue Lake hydro Project (FERC No. 2230) using ALP. Use of ALP on this project was highly successful and created good working relationships and communications among the City and stakeholders, many of whom are the same offices or individuals with which we will conduct the Takatz Lake licensing;
- Use of ALP would afford a more flexible time schedule within which to compete energy planning at both the local and regional levels which may pertain to this development.

The FERC regulations, 18 CFR Section 4.34(i)(3), require us to do the following prior to FERC's acceptance of our request to use the ALP (the following is exact language from the federal regulations):

- 1) *“demonstrate that a reasonable effort has been made to contact all resource agencies, Indian tribes, citizens’ groups and other affected by your license proposal, and that a consensus exists that the use of the alternative procedures is appropriate under the circumstance;*
- 2) *submit a communications protocol, supported by interested entities, governing how you and other participants in the pre-filing consultation process, including the Commission staff, may communicate with each other regarding the merits of your proposal and proposal and recommendations of interested entities; and*
- 3) *serve a copy of the request on all affected resource agencies and Indian tribes and on all entities contacted by you that have expressed an interest in the alternative pre-filing consultation process.”*

In response to items 1 and 2, the City distributed a Draft Communications Protocol (“CP”, Attachment I CP) to the Project Stakeholder list at that time, describing the various licensing alternatives. In the review request, we asked recipients to comment in writing on use of the ALP. We have received e-mail responses from several consulting agencies, including Alaska Department of Fish and Game, US Fish and Wildlife Service, Alaska Department of Natural Resources, National Marine Fisheries Service and US Forest Service (Attachment II CP). Those responses all supported use of the ALP process and approved the Draft CP.

Finally, in response to item 3, above, we will send a copy of this request (minus Attachments), via e-mail to members of the Takatz Lake Project Participant List.

Thanks for your prompt attention to this request. If you require any additional information, or if I can be of further assistance, please do not hesitate to contact me at 907-747-1870 or at [chrisb@cityofsitka.com](mailto:chrisb@cityofsitka.com), at your earliest convenience.

Sincerely,



**Christopher Brewton,  
Utility Director**

**2 attachments**

**ATTACHMENT I CP**

**COMMUNICATIONS PROTOCOL**

**TAKATZ LAKE PROJECT (FERC No. 13234)**

# **COMMUNICATIONS PROTOCOL**

## **Takatz Lake Hydroelectric Project**

**FERC No. 13234-000**

**City and Borough of Sitka Electric Department**

**November, 2008**

### **INTRODUCTION**

The City and Borough of Sitka Electric Department (“City”) holds a Preliminary Permit (“Permit”) from the Federal Energy Regulatory Commission (FERC, Commission) for the proposed Takatz Lake hydroelectric project (“Project”), FERC No. 13234-000-AK. The Permit preserves the City’s rights to conduct feasibility studies for the Project for a period of 36 months beginning September 19, 2008, the Permit’s issuance date.

The Permit included the requirement for the City to utilize the Commission’s Integrated Licensing Process (ILP) as described in 18 CFR, Chapter 1, Section 5.5 of the Federal Regulations. The Permit also states that an Applicant may utilize either of two other licensing methods, the Traditional (TLP) or the Alternative Licensing Process (ALP) on approval by the Commission.

For the Takatz Lake Project, the City has decided to request use of the ALP. An applicant’s request for use of ALP must include documentation of approval by Project Stakeholders, of both the licensing process and a Communications Protocol (CP) governing communications during the pre-filing period.

### **LICENSING PROCESS DESCRIPTIONS**

#### **ILP**

The efficiencies expected to be achieved through the ILP are founded in three fundamental principles:

- Early issue identification and resolution of studies needed to fill information gaps, avoiding studies post-filing;
- Integration of other stakeholder permitting process needs; and
- Established time frames to complete process steps for all stakeholders, including the Commission.

## **ALP**

As part of the alternative licensing process, an applicant can:

- Tailor the pre-filing consultation process to the circumstances of each case;
- Combine into a single process the pre-filing consultation process and environmental review processes under the National Environmental Policy Act and other statutes; and
- Allow for preparation of a preliminary draft environmental assessment by an applicant or an environmental impact statement by a contractor chosen by the Commission and funded by the applicant.

Having successfully utilized the ALP for the Blue Lake Hydro Project (FERC No. 2230) relicensing, the City believes it can achieve the objectives of ILP while implementing the ALP on the Takatz Lake Project.

Under the ALP, the City would, with FERC direction and approval, conduct **NEPA Scoping** (the public participation process to solicit comments on environmental issues) and prepare and submit a **Preliminary Draft Environmental Assessment (PDEA)** with the license application. The **Final EA**, which will serve as the basis for conditions of the new license, will be prepared by the FERC after their independent review of the PDEA and project record.

### **PARTICIPATING in the LICENSING PROCESS**

Under the ALP, the licensing process is open to the general public and their participation is encouraged. A Participant List will be compiled by the City and expanded as new Participants request inclusion in the ALP.

The ALP affords Participants the opportunity to interact with the licensing process at several distinct points, including: 1) public meetings; 2) coordinated meetings 3) document review and comment; and 4) access to general information regarding process, schedule, and status. The City will use several means to assure access to licensing material, as described in the following sections.

### **PUBLIC REFERENCE FILES**

There will be two public reference files, one in Sitka and the other at the Commission offices in Washington D.C. The reference files will be maintained on a monthly basis and will include, but not be limited to: semi-annual progress reports (described below), study plans and reports, preliminary data files, meeting announcements, agendas and summaries, draft and final technical reports, draft and final EA's and license applications,

written correspondence and telephone discussion notes. The addresses of the Public Reference Files are:

City and Borough of Sitka, Electric Department  
105 Jarvis Street  
Sitka, Alaska, 99835

and

Federal Energy Regulatory Commission  
Public Reference Room, Room 2-A  
Attn: Secretary  
888 First Street, N.E.  
Washington, D.C. 20426

All materials in the reference files will be available for review and copying by request. All communications added to the Public Reference File will be available to the public consistent with the public records procedures set forth in the Freedom of Information Act. Most materials will also be available on the FERC website ([www.ferc.gov](http://www.ferc.gov)). Individual project information is available on the FERC website at the **elibrary** link by inputting the Project number (P-13234)

### **THE TAKATZ LAKE PROJECT LICENSING WEBSITE**

The City will develop and maintain a Takatz Lake Project licensing Website at which most Project material be made available. The licensing Website will contain:

- Project Description;
- Description of the licensing Process and ALP;
- Licensing Schedule;
- Notices of Public and Coordinated Meetings;
- Notices of Availability of Documents for Participant Review;
- Semi-Annual Progress Reports;
- Monthly Status Updates;
- Current Participant List;
- Tracking File (record of all licensing transactions)
- Other features, as deemed necessary.

### **NEED for TIMELY NOTIFICATION and REVIEW**

For this process to succeed, it is important that the interaction opportunities are announced to the Participants, and that the Participants provide timely comment and information at each opportunity. It is also important that Participants have sufficient access to general information. In the following, we describe the protocols to address these needs.

## **MEETINGS and SITE VISITS**

Meeting events (Scoping and others) to present information and obtain comments from the public and stakeholders will be held at various points during the licensing. Two public meetings will be held during the Project licensing. The first event, consisting of two "Initial Stage Consultation" meetings (one in Juneau and one in Sitka) and a site visit, will tentatively be held during Spring, 2009. Notice of the meetings and site visit will be placed in the Sitka Sentinel and the Juneau Empire newspapers more than 15 days prior to the events. The City will prepare draft summaries of the Initial Consultation meetings and site visit, and circulate them among attendees for review and comment.

The other scheduled licensing meeting event will be the Scoping meeting and site visit, presently scheduled for Fall, 2009. Notice of the Scoping meeting and site visit will be posted on the Takatz Lake Project Website (described above), on the Sitka Electric Department and City Administration Building Bulletin Boards and published in local newspapers, specifically the Juneau Empire and the Sitka Sentinel. The Commission will also publish notice of the Scoping meeting and site visit in the Federal Register. All notices will be posted at least 30 calendar days in advance of the meeting date. The City will also serve notification of the Scoping meeting and site visit via e-mail to all those on the Project's Participant List. The City will transcribe the Scoping meeting on videotape, and tape copies will be available to all Participants on request.

Comments in the approved meeting summary will be considered the speaker's formal comments if they choose not to provide written comments. Scoping Participants will be given at least 30 days to provide written comments on the Scoping meeting and related written material.

## **COORDINATED MEETINGS**

Meetings between and among licensing Participants may occur on an "as needed" basis. If a City representative is present at the meeting, the City will prepare a meeting summary. If the City is not present at the meeting, the person who requested the meeting will prepare the meeting summary.

## **MEETING SUMMARIES**

Draft Meeting Summaries for all public and coordinated meetings will be circulated to all meeting Participants for review and comment within 15 days after the meeting. Comments will be incorporated into a Final Meeting Summary, with the goal of agreement among all Participants on its content. Deadlines for preparation of drafts, returning comments, and submittal of a final summary will be agreed upon by Participants at each meeting. Final Meeting Summaries should be e-mailed to the City at the contact address on page 6, for inclusion in the City's Tracking File and Licensing Website. All Draft and Final Meeting Summaries will be available on the Licensing Website and in hard copy by request.

## DOCUMENT AVAILABILITY

### MAJOR DOCUMENTS

Throughout the licensing process, Participants will be afforded opportunity to review and comment on documents prepared in the course of the licensing process. While it is not possible to envision an exact list of documents for review, the City expects to prepare and distribute the major documents shown in Table 1 prior to the application for license.

Most licensing-related written material will be available in electronic format and will be electronically distributed directly to Participants via email with attachment. Documents will be in MS Word or Adobe pdf format. Much of the same material will be available through the Takatz Lake Project Licensing Website. In all cases, however, Participants may request printed copies of major documents. Printed copies of Scoping Documents, the Draft Application, Preliminary Draft EA or EIS, FERC Draft EA and FERC Order Issuing License will also be available at the public library in Sitka and the state library in Juneau.

Most major documents will be available in either text or Adobe pdf. on the FERC website. To access documents on this website, go to [ferc.us.gov](http://ferc.us.gov) and then to “elibrary” on the home page. This will open a search page offering several search options.

The review period for major documents will be no less than 30 days, unless longer periods are required by FERC regulations, or if individual agencies formally request more review time.

**Table 1.** Major documents to be made available for review during Takatz Lake Project licensing.

<b>Document Name</b>	<b>Expected Date of Issue</b>	<b>Description</b>
<b>Pre Application Document (PAD)</b>	January-February, 2009	Document with Project description, licensing schedule and preliminary resource issues.
<b>Study Plans</b>	Spring, 2009	Describe detailed objectives, methods and required reporting for various environmental field and office studies
<b>Scoping Document I (SD1)</b>	Fall, 2009	A document describing the Project, licensing process, and environmental and economic issues related to licensing
<b>Study Reports</b>	2009-20012	Present results of the

		environmental studies, usually on an annual basis
<b>Draft Application for License</b>	Fall, 2010	Documents describing various design and operation aspects of the project, as proposed for licensing
<b>Preliminary Draft EA</b>	Fall, 2010	Accompanies Draft Application, describes existing environment, licensing impacts and mitigation proposals.
<b>Final License Application</b>	Sept. 2011	Incorporates all agency comments and presents Applicant's Preferred Alternative and proposed PM&E measures.
<b>FERC Draft EA</b>	2012	FERC-prepared EA noting issues, impacts, mitigation and recommendations.
<b>FERC Order Issuing License</b>	Dec. 2013	Contains FERC's Final EA and Licensing Order as well as License Articles and other Conditions.

### **MINOR DOCUMENTS and CORRESPONDENCE**

Throughout the licensing process, the City will communicate frequently with Participants, individually and collectively. These communications may include written material such as meeting notices and summaries or other small documents relevant to the communications. Minor documents (with exception of Status Reports) will become part of the public record after review, editing and approval by participating parties. Transfer of minor documents will be primarily in the form of e-mail, often with attached files, and via the Takatz Lake Project Website. The City will follow certain e-mail transmittals with a phone message check to assure that the messages were received and in readable format.

## COMMUNICATIONS PROTOCOLS

In this section, we describe conditions governing communications among licensing Participants. The Protocols are intended to assure that interactions are appropriate, effective and properly documented.

### WRITTEN COMMUNICATIONS

All written communications that need to be part of the public record, including comment letters, progress reports, fax communications, meeting summaries, and teleconference summaries, or in which any party intends to become part of the formal record, should be mailed to:

City and Borough of Sitka Electric Department  
Attn: Christopher Brewton, Utility Director  
105 Jarvis Street  
Sitka, Alaska, 99835  
Phone: 907-747-1870  
Fax: 907-747-3208  
Email: [chrisb@cityofsitka.com](mailto:chrisb@cityofsitka.com)

With a copy to [deano@cityofsitka.com](mailto:deano@cityofsitka.com)

All written communications must have the following clearly displayed on the first page, preferably in the “Subject” line of the correspondence:

#### **Takatz Lake Hydroelectric Project (FERC No. 13234)**

Written communications must display deadlines for comments or other actions (when applicable) and should reference the corresponding activity of the licensing process associated with the written communication (for example., “Comments on Scoping Document I”, “Summary of Study Planning Meeting”, etc.) in the “Subject” line of the correspondence. Communications must indicate where to submit responses, when applicable. Copies of all written communications will be placed in the Public Reference File. A distribution mailing list will be sent with each formal correspondence or document that shows all recipients who were sent a copy.

The Commission will from time to time advance the number following the Project number to indicate a different licensing action phase (for example, FERC No. 13234-001, 13234-002, etc.) Participants should check Commission and the City correspondence closely to assure that the proper Project numbers are identified when referencing a particular document.

## **TELECONFERENCE COMMUNICATIONS**

Periodic teleconference calls among licensing Participants may occur on an “as-needed basis”. If the communication is between an agency and either the City or the Commission, the party initiating the call will forward a written summary of the call to the City at the contact address on page 6, to be included with the Public Reference File(s). Participants will be noticed and given the opportunity to participate in any communications the City makes with FERC on substantive matters concerning the licensing. Documentation of teleconference calls between the City and the Commission will be included in the Public Reference File, with a summary written by the party initiating the call.

## **INTER/INTRA RESOURCE AGENCY STAFF COMMUNICATIONS**

Written communications, meetings, telephone conversations, or other types of communications within or between State or Federal resource agency staff concerning the Takatz Lake Project licensing are not subject to the scheduling, notification, and documentation requirements of previous sections this CP. It is understood that such communications will not be part of the licensing record unless they are submitted to the Commission by a participating agency. However, in the spirit of openness reflected in this CP, the City encourages agencies to submit records of such meetings and communications to the Contact Address on page 6 as often as possible during the licensing.

## **COMMUNICATION WITH COMMISSION STAFF**

The Commission recently revised its ex-parte rules (88 FERC para. 61,225) and determined that the rule prohibiting off-the-record communications does not apply to interactions during the ALP. This is because all actions under ALP occur before a license application is filed, prior to the Noticed “licensing procedure” at the Commission. However, in this CP’s spirit of open interaction, oral communications by any participant with FERC staff should be summarized in a written memorandum prepared by a Participant agreed upon among those involved in the communication, and distributed to the Project Participant list for review.

## **ORAL COMMUNICATIONS AND E-MAILS**

Oral communications (i.e. telephone conversations) between the City and any Participant will be documented in writing (see “Contact Logs”, below) if communications regard substantive aspects of the project licensing. Similarly, e-mails between the City and any Participant on substantive Project issues will also be documented. All written communications distributed by parties to the CP shall enclose or attach a distribution list for that communication that identifies all recipients of that communication. The cc list on an e-mail message can serve as the distribution list.

## **DISPUTE RESOLUTION**

Dispute prevention is preferable to dispute resolution. However, when disputes arise, it is intended that efforts to resolve a dispute focus on alternative dispute resolution methods. These may include the use of a facilitator, as described in the following: **Compromise and Good Faith Efforts**

In the interests of reaching agreement, Participants are expected to make compromises in some areas. This means that Participants will make good faith effort to address the concerns of others so that most Participants can agree or live with the interim outcomes and do not object to the terms and conditions. It is recognized that each Participant may not find the resulting decision or settlement to be optimal in relation to their preferred outcome, but that the overall outcome will be beneficial to their interests as well as those of the other Participants.

### **Informal Efforts to Resolve Disputes**

If disputes cannot be resolved through good faith efforts, a mutually agreed upon facilitator may be assigned. The facilitator and stakeholders should make every reasonable effort to resolve disputes amongst Participants including: facilitator's use of alternative dispute resolution techniques, e.g., offline mediation by the facilitator; determining whether additional study or analysis could be undertaken to provide new information necessary to resolve the dispute; referring a technical matter to a third party expert or for peer review; identifying potential trade-offs to satisfy one of the disputing Participants; and, forming a workgroup to focus specifically on the matter in question.

Participants that are in substantive dispute will schedule a separate meeting/conference call, open to all interested parties, to discuss and resolve their differences. Unless the parties agree that it is unnecessary, a facilitator must be present at a meeting as an independent note taker.

## **STATEMENTS to the MEDIA**

Communications by the participants to the media will generally not be maintained in the Public Reference File. No person or entity involved in the alternative licensing process is authorized to make a statement on behalf of any other person or entity to any media person or entity with regard to the process or any substantive issue affecting the relicensing application. When a representative for a participant speaks to the media about the Project process, s/he should preface comments with: "I speak only for \_\_\_\_\_ and not for any other participant in the Takatz Lake Hydroelectric Project licensing process."

## **DURATION OF COMMUNICATIONS PROTOCOL CONDITIONS**

This CP shall become effective upon the Commission's approval of the City's request to use the Alternative Licensing Process. Until then, the City and the participants shall act

in good faith to recognize the likely future acceptance of this Protocol and its obligations. This Protocol will remain in effect until the Commission notifies the City the Preliminary Draft Environmental Review Document and Final License application are accepted for filing with the Commission or until termination of the ALP. Participants may elect by consensus, including unanimous consent of the Resource Parties, to extend the duration of this Protocol until license order issuance.

## **RESERVATION of RIGHTS**

This Protocol is made (and filed with the Commission), and the collaborative process is undertaken, without prejudice as to any rights or interests of any participant and with a full reservation of rights by and on behalf of any and all participants. No participant shall be deemed to have waived any legal right or evidentiary claim or privilege by participation, statement or act in this process by the participant or its representatives. Nothing in this Protocol shall be construed to limit any governmental agency from complying with its obligations under applicable laws or from considering public comments received in any environmental review or other regulatory process. This process shall not be interpreted to in any manner predispose or predetermine the outcome of any permit or environmental review process.

## **CONTACT LOGS**

Contact log sheets will be utilized to document substantive oral communications among the Participants, the City or the Commission. Contact log sheets will include: individual(s) involved; title(s); date of communication; subject of communication; issues discussed; and action(s) to be taken.

## **REVISIONS of the CP**

Upon written approval by the City and the signatories, this CP may be revised as deemed appropriate throughout the licensing period. No changes will be made to the CP without notification of all Participants. All proposed procedural changes will be distributed in writing to all Participants for review and comment. If comments represent a consensus of opinion on the proposed change(s), the Protocol will be modified, and the revised version distributed to the Participants list. In case of a dispute over proposed changes, the City will convene a meeting or teleconference among affected participants.

## **SEMI-ANNUAL PROGRESS REPORTS**

The City will file with the Commission every six (6) months, a progress report that will summarize the Project status at the end of the previous 6-month reporting period. Each report will include the following for the forgoing 6-month period:

- An updated log of oral and written communications;
- Descriptions of all major action taken on the project;

- Copies of all comment letters and other written correspondence, including those with the Commission staff;
- Copies of all meeting summaries and teleconferences call records, including those with Commission staff;
- Schedule for the next 6-month licensing period, including action items;
- Other information pertinent to the licensing.

Each 6-month progress report will be placed in the Project Public Reference Files and on the Licensing Website. Each Participant will receive a copy of the cover letter submitting the progress report to the Commission along with a log of all communications filed for that period. Any Participant may request a copy of any item on the log from the City.

**COMMUNICATIONS PROTOCOL APPROVAL**

**TAKATZ LAKE HYDROELECTRIC PROJECT**

**FERC No. 13234-000**

I have read and agree to follow this Communications Protocol proposed by the City and Borough of Sitka Electric Department to guide communications and information exchange between the Participants in the ALP for the Project.

**SIGNATURE**

**AGENCY/ORGANIZATION**

**DATE**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SIGNATURE PRINTED**

**AGENCY/ORGANIZATION PRINTED**

\_\_\_\_\_

\_\_\_\_\_

I accept the conditions of this communication protocol

I do not accept the conditions of this communication protocol

Reasons, if any: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Written comments must be sent to the FERC address below. To file in writing to the FERC you must send an original and eight (8) copies of your comments to the following address:

The Secretary  
Federal Energy Regulatory Commission  
888 First Street  
Washington, D.C. 20426

We would appreciate your also sending your approval to:

City and Borough of Sitka Electric Department  
Attn: Christopher Brewton, Utility Director  
105 Jarvis St. Sitka, AK, 99835  
[chrisb@cityofsitka.com](mailto:chrisb@cityofsitka.com)  
[cc: deano@cityofsitka.com](mailto:deano@cityofsitka.com)

You may also file your comments via email using FERC's "efiling" facility. To efile comments, log on to "ferc.gov" and follow the links to "efiling". If you have questions on the efile process, please contact Anji Russell, Electric Department administrative assistant, at 907-747-1882, or via email at: [anjulie@cityofsitka.com](mailto:anjulie@cityofsitka.com).

**ATTACHMENT II CP**

**LETTERS OF APPROVAL**

**Of:**

**TAKATZ LAKE PROJECT (FERC No. 13234)**

**COMMUNICATIONS PROTOCOL**

**COMMUNICATIONS PROTOCOL APPROVAL**

**TAKATZ LAKE HYDROELECTRIC PROJECT**

**FERC No. 13234-000**

I have read and agree to follow this Communications Protocol proposed by the City and Borough of Sitka Electric Department to guide communications and information exchange between the Participants in the ALP for the Project.

**SIGNATURE**

**AGENCY/ORGANIZATION**

**DATE**

 U.S. Fish and Wildlife Service 11/28/08

**SIGNATURE PRINTED**

**AGENCY/ORGANIZATION PRINTED**

Steve Brockmann Acting Field Supervisor



I accept the conditions of this communication protocol



I do not accept the conditions of this communication protocol

Reasons, if any: \_\_\_\_\_

**COMMUNICATIONS PROTOCOL APPROVAL**

**TAKATZ LAKE HYDROELECTRIC PROJECT**

**FERC No. 13234-000**

I have read and agree to follow this Communications Protocol proposed by the City and Borough of Sitka Electric Department to guide communications and information exchange between the Participants in the ALP for the Project.

**SIGNATURE**

**AGENCY/ORGANIZATION**

**DATE**

*John Dunker*

*Water Resource Manager*

*3 Dec. '08*

**SIGNATURE PRINTED**

**AGENCY/ORGANIZATION PRINTED**

*John Dunker*

*Alaska Dept. of Natural Resources*

*Div. of Mining, Land, & Water, Water Resources Section*

I accept the conditions of this communication protocol

I do not accept the conditions of this communication protocol

Reasons, if any: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**COMMUNICATIONS PROTOCOL APPROVAL**

**TAKATZ LAKE HYDROELECTRIC PROJECT**

**FERC No. 13234-000**

I have read and agree to follow this Communications Protocol proposed by the City and Borough of Sitka Electric Department to guide communications and information exchange between the Participants in the ALP for the Project.

**SIGNATURE**

**AGENCY/ORGANIZATION**

**DATE**

*James M. Ferguson*

ADF&G

12/11/08

**SIGNATURE PRINTED**

**AGENCY/ORGANIZATION PRINTED**

James M. Ferguson

AK Dept. of Fish & Game



I accept the conditions of this communication protocol



I do not accept the conditions of this communication protocol

Reasons, if any: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**COMMUNICATIONS PROTOCOL APPROVAL**

**TAKATZ LAKE HYDROELECTRIC PROJECT**

**FERC No. 13234-000**

I have read and agree to follow this Communications Protocol proposed by the City and Borough of Sitka Electric Department to guide communications and information exchange between the Participants in the ALP for the Project.

**SIGNATURE**

**AGENCY/ORGANIZATION**

**DATE**

*[Handwritten Signature]*

*NOAA - Fisheries*

*1/30/09*

**SIGNATURE PRINTED**

**AGENCY/ORGANIZATION PRINTED**

*Susan H Walker*

*National Marine Fisheries Service  
Alaska Region*

I accept the conditions of this communication protocol

I do not accept the conditions of this communication protocol

Reasons, if any: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



File Code: 2770

Date: February 2, 2009

Ms. Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Takatz Lake Hydroelectric Project, P-13234-000  
City & Borough of Sitka Electric Department**

Dear Ms. Bose:

We concur in the use of the Alternative Licensing Procedures for the Takatz Lake Hydroelectric Project. Enclosed is our signature page for the City & Borough of Sitka Electric Department's communications protocol for this project. Also enclosed is the certificate of service.

If you have any questions concerning this submittal, please contact Roger Birk, Alaska Region Hydropower Program Coordinator at (907) 586-8843 or via email at [rbirk@fs.fed.us](mailto:rbirk@fs.fed.us).

Sincerely,

*/s/DENNIS E. BSCHOR*

DENNIS E. BSCHOR  
Regional Forester

Enclosures (2)

cc: Melissa Dinsmore



**ATTACHMENT IV**

**Takatz Lake Project Licensing Stakeholder Mailing List**

## PARTICIPANT LIST

### LAKE TAKATZ HYDRO FERC P-13234

City and Borough of Sitka, AK,  
3/19/09

Carole Goularte, District Ranger  
U.S. Forest Service  
204 Siginaka Way  
Sitka, AK 99835  
(907) 747-4218  
[cgoularte@fs.fed.us](mailto:cgoularte@fs.fed.us)

Roger Birk, R10 Hydropower Team  
U.S. Forest Service  
P.O. Box 21628  
Juneau, AK 99802-1628  
907-586-8843  
[rbirk@fs.fed.us](mailto:rbirk@fs.fed.us)

Lisa Gassman  
Sitka Tribe of Alaska  
456 Katlian St.  
Sitka, AK. 99835  
907-747-7500  
[lgassman@sitkatribes.org](mailto:lgassman@sitkatribes.org)

Heather Woody, Research Biologist  
Sitka Tribe of Alaska  
456 Katlian St.  
Sitka, AK. 99835  
907-747-6506 ext. 10  
[hwoody@sitkatribes.org](mailto:hwoody@sitkatribes.org)

Jim Ferguson  
Hydropower Coordinator  
Alaska Department of Fish and Game  
333 Raspberry Road  
Anchorage, AK. 99518  
907-267-2312  
[jim.ferguson@alaska.gov](mailto:jim.ferguson@alaska.gov)

Shawn Johnson, Fishery Biologist  
Alaska Department of Fish and Game  
Sport Fish Division  
P.O. Box 110024  
Juneau, AK. 99811-0024  
907-465-4302  
[shawn.johnson@alaska.gov](mailto:shawn.johnson@alaska.gov)

Richard Enriquez  
U.S. Fish and Wildlife Service  
3000 Vintage Boulevard, Suite 201  
Juneau, AK. 99801  
907-780-1162  
[Richard\\_Enriquez@fws.gov](mailto:Richard_Enriquez@fws.gov)

Susan H. Walker  
Marine Resources Specialist  
Habitat Conservation Division  
National Marine Fisheries Service  
P.O. Box 21668  
Juneau, Alaska 99802-1668  
907-586-7646  
[susan.walker@noaa.gov](mailto:susan.walker@noaa.gov)

Erin Allee  
Alaska Department of Natural Resources,  
Alaska Coastal Management Program  
PO box 111030  
Juneau, AK 99811-1030  
907-465-8790  
[erin.allee@alaska.gov](mailto:erin.allee@alaska.gov)

John Dunker  
Alaska Department of Natural Resources  
Division of Water  
400 W. Willoughby Avenue  
Juneau, AK. 99801-1724  
907-465-2533  
[john.dunker@alaska.gov](mailto:john.dunker@alaska.gov)

Jackie Timothy  
Dept. of Natural Resources, OHMP  
P.O. Box 111050  
Juneau, AK. 99811-1050  
(907) 465-4275  
[jackie.timothy@alaska.gov](mailto:jackie.timothy@alaska.gov)

Brenda Krauss  
Alaska Department of Environmental  
Conservation  
Division of Water  
410 Willoughby Ave, Ste. 303  
Juneau, AK. 99801  
907-465-5321  
[Brenda\\_Krauss@dec.state.ak.us](mailto:Brenda_Krauss@dec.state.ak.us)

Judith Bittner  
State Historic Preservation Officer  
550 West Seventh Avenue, Suite 1310  
Anchorage, AK. 99501-3565  
907-269-8715  
[Judy.Bittner@alaska.gov](mailto:Judy.Bittner@alaska.gov)

Dan Hess  
U.S. Geological Survey  
P.O. Box 1568  
Juneau, AK. 99801  
907-586-7216  
[dlhess@usgs.gov](mailto:dlhess@usgs.gov)

John Klutz  
U.S. Army Corps of Engineers  
P.O. Box 6898  
Elmendorf AFB, AK. 99506-6898  
800-472-2712  
[john.r.klutz@poa02.usace.army.mil](mailto:john.r.klutz@poa02.usace.army.mil)

Andrew Thoms, Executive Director  
Sitka Conservation Society  
Box 6533  
Sitka, AK 99835  
907-747-7509  
[andrew@sitkawild.org](mailto:andrew@sitkawild.org)

Dean Orbison, Engineer  
City of Sitka, Electric Department  
105 Jarvis Street  
Sitka, Alaska 99835  
907-747-1827  
[deano@cityofsitka.com](mailto:deano@cityofsitka.com)

Marlene Campbell, Special Projects  
Director  
City and Borough of Sitka  
100 Lincoln St.  
Sitka, AK 99835  
907-747-1855  
[Campbell@cityofsitka.com](mailto:Campbell@cityofsitka.com)

Karl Wolfe  
P.O. Box 2796  
Sitka, AK 99835  
907-966-2919  
[wildernesswolfe@alaska.net](mailto:wildernesswolfe@alaska.net)

Mike Prewitt  
8205 Ashworth Avenue North  
Seattle, WA, 98103-4434  
206-525-3483  
[cmikeprewitt@aol.com](mailto:cmikeprewitt@aol.com)

James Dinley, Municipal Administrator  
City and Borough of Sitka  
100 Lincoln St.  
Sitka, AK 99835  
907-747-1808  
[jimdinley@cityofsitka.com](mailto:jimdinley@cityofsitka.com)

Melissa Dinsmore, Lands Specialist  
USDA Forest Service  
204 Siginaka Way  
Sitka, AK 99835  
907-747-4201  
[mdinsmore@fs.fed.us](mailto:mdinsmore@fs.fed.us)

Sue Schrader  
Southeast Alaska Conservation Council  
419 Sixth St. Suite 200  
Juneau, AK 99801  
907-586-6942  
[sue@seacc.org](mailto:sue@seacc.org)

Deborah Lyons  
Sitka Trail Works  
801 HPR  
Sitka, AK 99835  
[trail@gci.net](mailto:trail@gci.net)

Kate Kanouse  
Alaska Department of Natural Resources  
Office of Habitat Management and  
Permitting  
400 W. Willoughby Ave.  
4<sup>th</sup> floor  
Juneau, AK 99801  
[kate.kanouse@alaska.gov](mailto:kate.kanouse@alaska.gov)

Troy Tydingco  
ADF&G  
Com Fish Division  
304 Lake Street, Room 103  
Sitka, AK. 99835-7563  
907-747-6688  
[troy.tydingco@alaska.gov](mailto:troy.tydingco@alaska.gov)

Paul Carson  
Currents Consulting  
11045 Exeter Ave NE  
Seattle, WA 98125  
206-440-5433  
[paul\\_carson@comcast.net](mailto:paul_carson@comcast.net)

Mark Buggins Environmental Director  
City and Borough of Sitka  
100 Alice Loop  
Sitka, AK 99835  
907-966-2256  
[markb@cityofsitka.com](mailto:markb@cityofsitka.com)

Christopher Brewton  
Utility Director  
City of Sitka, Electric Department  
105 Jarvis Street  
Sitka, Alaska 99835  
907-747-1870  
[chrisb@cityofsitka.com](mailto:chrisb@cityofsitka.com)

William Guey-Lee, Chief  
Engineering & Jurisdiction Branch  
Division of Hydropower Administration &  
Compliance  
888 First St. NE  
Washington, DC 20426  
Phone: 202-502-6064  
Fax: 202-219-2732  
[william.guey-lee@ferc.gov](mailto:william.guey-lee@ferc.gov)

Kent Bovee  
Biologist  
210 A Marine St.  
Sitka, AK 99835  
(907) 752-0710  
[boveek@mail.ssd.k12.ak.us](mailto:boveek@mail.ssd.k12.ak.us)

Margaret Beilharz  
USFS R10/R6 Hydropower Team  
McKenzie Bridge, OR 97413-9612  
541-822-7228  
[mbeilharz@fs.fed.us](mailto:mbeilharz@fs.fed.us)

Gary Prokosch  
ADNR Water Resources  
[gary.prokosch@alaska.gov](mailto:gary.prokosch@alaska.gov)

Stefanie Ludwig  
DNR  
[Stefanie.Ludwig@alaska.gov](mailto:Stefanie.Ludwig@alaska.gov)

Perry Edwards  
USFS  
204 Siginaka Way  
Sitka, AK 99835  
907-747-4220  
[pedwards@fs.fed.us](mailto:pedwards@fs.fed.us)

Anji Russell  
City of Sitka  
105 Jarvis St.  
Sitka, AK 99835  
[anjulie@cityofsitka.com](mailto:anjulie@cityofsitka.com)

Patrick Regan P.E.  
Federal Energy Regulatory Commission  
Portland Regional Office  
101 S.W. Main Street, Suite 905  
Portland, OR. 97204  
(503) 552-2741  
[patrick.regan@ferc.gov](mailto:patrick.regan@ferc.gov)

Kim de Rubertis  
Consulting Engineer  
PO Box 506  
Cashmere, WA 98815  
509-782-3434  
[derubertis@aol.com](mailto:derubertis@aol.com)

Gia Hanna  
Resources Protection Director  
Sitka Tribe of Alaska  
208 Lake St.  
Sitka, AK 99835  
907-747-7469  
Fax 907-747-7506  
[ghanna@sitkatribes.org](mailto:ghanna@sitkatribes.org)

Justin Nettle P.E.  
Federal Energy Regulatory Commission  
Portland Regional Office  
805 SW Broadway, Suite 550  
Portland, OR. 97205  
(503) 552-2741  
[Justin.Nettle@ferc.gov](mailto:Justin.Nettle@ferc.gov)

Coyne Vanderjack  
Shee Atika, Inc.  
[Coyne@sheeatika.com](mailto:Coyne@sheeatika.com)

Joseph Adamson  
Federal Energy Regulatory Commission  
[Joseph.adamson@ferc.gov](mailto:Joseph.adamson@ferc.gov)

Shawn Johnson, Fishery Biologist  
Alaska Department of Fish and Game  
Sport Fish Division  
P.O. Box 110024  
Juneau, AK. 99811-0024  
907-465-4302  
[shawn.johnson@alaska.gov](mailto:shawn.johnson@alaska.gov)