

## **SIX-MONTH PROGRESS REPORT**

**For the Period September, 2008 through February, 2009**

### **TAKATZ LAKE HYDROELECTRIC PROJECT**

FERC No. 13234-000

**City and Borough of Sitka Electric Department**

**March, 2009**

This report documents licensing activities for the Takatz Lake Hydroelectric Project (“Project”) during the Period August, 2008 through February, 2009. Biannual progress reports are required by a Federal Energy Regulatory Commission (FERC) letter issuing a Preliminary Permit (“Permit”) for the Project, dated September 19, 2008.

#### **PROJECT BACKGROUND and CONTACT INFORMATION.**

The Project would be an approximately 27 megawatt (mw) installation located on the east shore of Baranof Island, near Sitka, Alaska. Details of the proposal are in the Permit Application, filed with the Commission on June 3, 2008.

The exact name, business address and contact numbers of the person authorized to act as agent for the Licensee is:

City & Borough of Sitka, Electric Department  
Attn: Christopher Brewton, Utility Director  
105 Jarvis Street  
Sitka, Alaska 99835  
Phone: 907-747-1870  
Fax: 907-747-3208

#### **PROGRESS DURING THE FIRST REPORTING PERIOD**

Progress during this reporting period was primarily in the area of studies and reports and consultation. In the following section, we document progress by resource area.

- **NOTIFICATION of STAKEHOLDERS**

The City distributed the Order Issuing Preliminary Permit to list of Stakeholders, including Alaska Department of Fish and Game, US Forest Service, US Fish and Wildlife Service, National Marine Fisheries Service, Alaska Department of Natural Resources and Alaska Department of Environmental Conservation and the Sitka Tribe of Alaska.

- **APPLICATION TO USE ALP**

On November 14, 2008, the City distributed a request to utilize the Commission’s Alternative Licensing Procedure (ALP) to the Stakeholder list. This request included a Draft Communications Protocol (CP). Several respondents forwarded approvals of the CP and use of the ALP to the Commission and the City.

- **ENGINEERING FEASIBILITY**

The City conducted engineering feasibility and cost estimates to further determine the development schedule and to begin the process of requesting development funding. Changes in fuel and materials prices and Sitka electrical load, in association with the developing economic conditions in late 2008, required re-costing of some earlier estimates.

- **COORDINATION with SOUTHEAST ALASKA REGIONAL ELECTRICAL DEVELOPMENT**

The Utility Director attended meetings and coordinated with other Southeast Alaska municipalities and utilities to stay abreast of developments for electrical interconnection and other hydro and renewable energy projects in the area. This coordination will likely affect overall need for power in the region which may affect final proposals for the Takatz Lake project design and operation.

**ITEMS to be COMPLETED DURING NEXT 6-MONTH REPORTING PERIOD**

The City, early in March, 2009, will file a Pre-Application Document (PAD), a Notice of Intent (NOI) to proceed with licensing and a Request to use ALP with the Commission. Once use of ALP is granted, the City will begin 3-stage consultation with members of the Stakeholders list and the invited public, as described in Table 1. The City intends, in Spring and early Summer, 2009, to complete first stage consultation for major resources, including study planning for fisheries, wildlife, botanical and cultural resources, and water use and quality.

**Table 1. Planned Licensing and Consultation Activities for the Second Reporting Period, Takatz Lake Project.**

<b>Task</b>	<b>Estimated Term or Completion in 2009</b>
Pre-Application Document (PAD, Notice of Intent (NOI), Request to use ALP)	Early March
Study Planning	April-May
Public Meeting	April
Takatz Lake, Creek	April- July

temperature logger emplacement	
Reconnaissance Resource Surveys, Fisheries, Wildlife	May-November
Hydrologic Field Surveys	May-August
LIDAR survey	July
Cultural Resource Recon Survey	July, August

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

Thanks for your participation in and continued guidance on the Takatz Lake hydro project development.

Sincerely,

Christopher Brewton, Director  
City and Borough of Sitka Electric Department