

SIXTH SIX-MONTH PROGRESS REPORT

For the Period March, 2011 through August, 2011

TAKATZ LAKE HYDROELECTRIC PROJECT

FERC No. 13234-000

City and Borough of Sitka Electric Department

September, 2011

This report documents licensing activities for the Takatz Lake Hydroelectric Project (“Project”) during the Period March, 2011 through August, 2011. Biannual progress reports are required by 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
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PROGRESS DURING the SIXTH REPORTING PERIOD

Progress during this reporting period included study planning, field studies, and a Capacity Analysis Report. The following sections document progress accomplished this period.

STUDY PLANNING

During this reporting period, on March 11, 2011, the CBS filed the Draft Archeological and Cultural Resources Report with the restricted filing list.

The CBS also prepared the Final Botanical Resources Study Plan, which was filed with the commission on May 2, 2011, and which completes study planning for vegetation studies. The Final Aquatic Study Plan, which was filed with the Commission on June 28, 2011, completing study planning for fisheries studies. The Final Recreation Resources Study Plan was filed on July 12, 2011. The Final 2011 Wildlife Resources Study Plan was also completed and filed during this period, on July 13, 2011.

CONSULTATION and COMMENT

The City conducted an interagency meeting on April 27, 2011, to discuss the report for 2010 wildlife and fisheries studies and studies for the upcoming 2011 study season. Draft minutes of the meeting were distributed on May 9, 2011. Final meeting minutes from the Wildlife Study Planning Meeting were filed with the commission on June 20, 2011, and Final Fisheries Study Planning Meeting Minutes were filed on June 13, 2011.

RESOURCE STUDIES

The 2011 field season is coming to a close and the season has been very active with a multitude of personnel in the field. Fisheries, wildlife, aesthetic, botanical, cultural, and recreational studies were in progress during this reporting period.

ENGINEERING STUDIES

Capacity Analysis Report

The Capacity Analysis Report was completed and filed with the commission on June 21, 2011. The initial report indicates that should a lake tap be feasible approximately 84% of total project energy would be available without dam construction and associated costs.

Bathymetric Survey

A contract for a bathymetric survey was awarded July 19, 2011 with work scheduled to begin August 29, 2011.

ITEMS to be COMPLETED DURING NEXT 6-MONTH REPORTING PERIOD

This is the final reporting period for this Preliminary Permit. It is the CBS intent to file a 2nd Application for a Preliminary Permit to continue feasibility studies for the project.

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

Cc: Takatz Project Stakeholder list.
Joe Adamson, FERC