

April 8, 2022

Commissioner Corri A. Feige
Alaska Department of Natural Resources
Office of the Commissioner
550 West 7th Avenue, Suite 1400
Anchorage, AK 99501



Re: 1991 Fish and Wildlife Agreement for the Eklutna Hydroelectric Project
Proposed Final Year 2 Study Plans – Request for Concurrence

Dear Commissioner Feige,

In 1991 the owners of the Eklutna Hydroelectric Project (Chugach Electric Association, Matanuska Electric Association, and the Municipality of Anchorage), herein referred to as the “Project Owners”, entered into a Fish and Wildlife Agreement with the U.S. Fish and Wildlife Service (USFWS), National Marine Fisheries Service (NMFS), and the State of Alaska, herein referred to as the “Parties”¹. The 1991 Agreement defines a consultation process and requires the Project Owners to fund and conduct studies to examine, and quantify if possible, the impacts to fish and wildlife from the Project, and then develop and propose to the Governor a program to protect, mitigate damages to, and enhance fish and wildlife, while considering the impact of such measures on electric rate payers, municipal water supply, recreational users and adjacent land use, as well as available means to mitigate those impacts.

The Project Owners initiated the consultation process required by the 1991 Agreement in March 2019 by conducting a series of initial consultation meetings with key stakeholders, including ADNR. Since then, in addition to continuing stakeholder consultation, the Project Owners compiled all of the relevant existing information, developed an Initial Information Package, identified what additional information is needed, established an aquatics Technical Work Group (TWG), coordinated with the aquatics TWG to develop study plans for the studies to be conducted in 2021, implemented those studies, established additional TWGs (terrestrial, recreation, and cultural), and coordinated with all four TWGs to develop study plans for the studies to be conducted in 2022.

Section 3 of the 1991 Agreement states that the study plans shall be developed by the Project Owners in consultation with the USFWS, NMFS, Alaska Department of Fish and Game (ADFG), Alaska Department of Environmental Conservation (ADEC), and the Alaska Department of Natural Resources (ADNR). The following entities are currently participating in one or more of the established Technical Work Groups (TWGs) for the project: USFWS, NMFS, ADFG, ADNR State Parks, ADNR Office of History and Archaeology (OHA), the Native

¹ The Alaska Energy Authority (AEA) is also a party to the 1991 Agreement for the Snettisham Project, and is the Governor’s representative for the Eklutna Project.

Village of Eklutna (NVE), Trout Unlimited (TU), and staff from Alaska Pacific University (APU). A Proposed Year 2 Study Program Framework was presented to, and discussed with the TWGs in November 2021. The Draft Year 2 Study Plans were then distributed to the TWGs on February 11, 2022 for review and comment. The Draft Year 2 Study Plans were also distributed to ADEC and the ADNR Water Section since they are not currently participating in one of the TWGs. The Project Owners received responses and/or written comments from USFWS, NMFS, ADFG, ADEC, ADNR OHA, ADNR Water Section, NVE, TU, and The Conservation Fund. A series of meetings were held with the TWGs the week of March 21, 2022 to review any substantive comments that warranted further discussion. The Project Owners then developed a comprehensive comment-response table and have included it as an appendix to the revised year 2 study plans.

Section 3 of the 1991 Agreement also states that the Parties to the 1991 Agreement shall review the study plans and concur with their scope of work. As you know, a meeting amongst the State agencies involved in the Project was held on February 25, 2021 to determine how the State of Alaska would concur on the scope of work in the year 1 study plans. The State agencies determined that it would be most appropriate for the Commissioners of each State agency (ADFG, ADEC, ADNR, and ADOT&PF) to sign a letter stating that they concur on the scope of work in the year 1 study plans. The Project Owners received concurrence letters from both Federal agencies and all four State agencies last year for the year 1 study plans. The Project Owners intend to follow the same process for the year 2 study plans with one exception. Per ADOT&PF, we do not need to request their concurrence for the year 2 study plans since no study flow releases are being proposed this year, and since there are no other proposed study activities that would involve their infrastructure.

Section 7 of the 1991 Agreement states that the study plans shall include a schedule for the consultation, comment, and decision making called for in the 1991 Agreement which shall be adopted by the parties in consultation with the Governor. This schedule has been included in the year 2 study plans. Consistent with the process outlined last year by the State agencies, after receiving concurrence letters from each of the Commissioners, the Project Owners will send the state concurrence letters to AEA, the Governor's representative for this project, with the Proposed Final Year 2 Study Plans for review and feedback. If AEA provides any additional feedback, the Project Owners will then follow-up with the Parties and the TWGs as appropriate before finalizing the year 2 study plans.

The Proposed Final Year 2 Study Plans are attached to this email for your review. Same as last year, the Project Owners are requesting your concurrence on the scope of work in the year 2 study plans, and to adopt the schedule outlined in the study plans for the consultation, comment, and decision making called for in the 1991 Agreement. Please sign where indicated below, and email a copy of the signed letter to Samantha Owen at owen@mcmjac.com by April 15, 2022. Once we receive all three state concurrence letters, we will send them with the Proposed Final Year 2 Study Plans to AEA for review and request any feedback they might have by April 29. As stated above, if AEA provides any additional feedback, the Project Owners will then follow-up

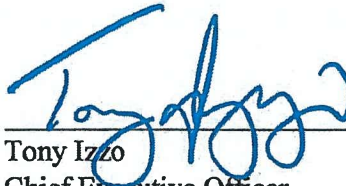
with the Parties and the TWGs as appropriate before finalizing the year 2 study plans. Our goal is to finalize the year 2 study plans by mid-May because our field season generally starts in late-May. We are also working to obtain all necessary permits by that time.

Thank you for your continued participation in the process. If you have any follow-up questions, please feel free to contact Samantha Owen by using the email address above, or by phone at (305) 409-5201.

Sincerely,



Arthur Miller
Acting, Chief Executive Officer
Chugach Electric Association



Tony Izzo
Chief Executive Officer
Matanuska Electric Association



Amy Demboski
Municipal Manager
Municipality of Anchorage

Enc.: Proposed Final Year 2 Study Plans

Cc: Brent Goodrum, Deputy Commissioner
Tom Barrett, Chief of Water Resources
Ben Corwin, Chugach State Park Superintendent
Sarah Meitl, Office of History and Archaeology
Curtis W. Thayer, AEA Executive Director

I hereby concur on the scope of work in the year 2 study plans for the Eklutna Hydroelectric Project, and adopt the schedule outlined in the year 2 study plans for the consultation, comment, and decision making called for in the 1991 Agreement.



Commissioner Corri Feige
Alaska Department of Natural Resources

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Date

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