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November 27, 2023

Ms. Samantha Owens  
McMillen Corp.  
2607 Western Ave, Unit 360  
Seattle, WA 98121

Subject: Public Comment on Eklutna River Fish & Wildlife Program

Dear Ms. Owens,

We are writing to express our concerns and comment on various aspects of the Eklutna Power Project - Draft Fish & Wildlife Program (Program). While we are disappointed, however unsurprised, by the preferred option selected by the Project Owners, we are more disappointed with the analysis in the draft document. It is extremely unusual for a preferred option to be advanced in a preliminary plan without fully evaluating each viable option. Typically, a suite of 3-4 options is identified, and each option is reviewed through a series of criteria, on a point-by-point basis, leaving the public with an opportunity to review the case for each option. Options forwarded by the federal agencies and the Native Village of Eklutna were not thoroughly evaluated under the same criteria the Portal option was given. For the Program to be legally defensible, a full evaluation of each option – now including dam removal – should be included in the Program.

In addition to the issue of inadequate option evaluation, the issues outlined below are important to Eklutna, Inc., and we believe they require careful consideration to ensure the well-being of the public, environment, and indigenous rights.

#### I. Economic and Property Rights

We urge a more thorough examination of the economic impact on Eklutna, Inc. due to the devaluation of landholdings and the consequential impact on fisheries. Eklutna, Inc. owns nearly all the land on each side of the Eklutna River (River). Further, the State of Alaska's Public Access Assertion and Defense unit has deemed Eklutna, Inc. to own the Eklutna Riverbed. There should be consideration of the legal ramifications of Eklutna, Inc.'s ownership of the riverbed and how access along the River will be managed. There is a need for a more comprehensive assessment of riparian rights for landholdings with a consideration of the effective regulatory taking of the Eklutna, Inc. land, suppression of economic opportunities on these lands, and the destruction of public and subsistence resources.

Further, the North Anchorage Land Agreement mandates that Eklutna, Inc. must consent to most forms of development on its land within the Chugach State Park. Our review of the Program did not indicate whether the lands utilized for the Portal option are Eklutna, Inc. lands. Please provide in the Program a description of all lands proposed for use on the Portal option.

## II. Preserving Indigenous History and Rights

The historical presence of Eklutna around the Eklutna Lake and land selection issues must be acknowledged and integrated into the decision-making process. In most documents evaluating project alternatives, the original condition of the environment is considered. We suggest including a detailed accounting of the Eklutna River before the 1928 hydroelectric power project, rooted in tribal ecological knowledge from the records of the Native Village of Eklutna and other available sources. The public deserves to understand better what may be gained through connecting the Eklutna Lake to the Inlet. Currently, the Program advances selective studies dispelling the existence and viability of sockeye in the Eklutna Lake. A fair and balanced document would include the narrative on pre-1928 River condition.

Protection of Native hunting, fishing, and gathering rights is a part of federal law throughout the United States. There was no discussion of subsistence rights and resources in the study. This analysis would be included in a Federal Energy Regulatory Commission relicensing process. We believe the public would expect a detailed description of subsistence resources along the Eklutna River. Rather than discuss Eklutna River public and subsistence resources, the Program inexplicably assesses the impacts of an artificial fishery – Eklutna Tailrace. Please explain the obligation to mitigate an artificial fishery created to substitute for the destruction of a prominent salmon run less than 10 miles away. We do not understand why that impact is worth considering while the evaluation of subsistence fishing is essentially ignored.

## III. Energy Considerations

Eklutna, Inc. is situated within the service areas of Matanuska Electric Association, Inc. (MEA) and Chugach Electric Association, Inc. (CEA). Eklutna, Inc. is currently exploring alternative energy projects with both utilities that would augment energy generation from alternative/renewable energy sources. We believe it is worth exploring an option where the Eklutna Dam is removed once adequate renewable energy sources are commissioned to replace the production from the Eklutna Project. The country is seeing repeated success stories of salmon recovery after dam removal. The Eklutna people have given their lands and resources to Anchorage public water usage and electricity generation - the Eklutna Generation Station and the Eklutna Dam. We understand 90% of Anchorage's water and 90% of MEA's energy generation is attributable to these projects on or affecting Eklutna lands.

The stated need for the continuing existence of the Eklutna Project is the economic value of damming the River. The Program states the Eklutna Project is the lowest-cost energy source in the MEA and Chugach systems. The Program indicates the electricity is generated at \$85/MWh. Recently, it was reported that the Houston Solar project power was purchased at \$65/MWh. We understand solar is an intermittent energy generation source, and a firm power source such as natural gas or hydroelectric is preferred, but it would be helpful for the Program to provide additional analysis on claims such as this.

## IV. Corporate and Government Accountability

The Program outlines the remaining process for public review and the Governor's decision on the final Program. The utility-driven public process is understood, but the Governor's Public Interest Determination (Determination) process is not well-defined. The Program alludes to the Alaska Energy Authority leading the State evaluation process; however, that agency would be an unlikely candidate for executing a public process and delivering a decision on the Governor's behalf. We request greater clarity on which agency or division within the State of Alaska will be responsible for the public process and the Governor's Determination decision.

## V. Economic Analysis and Utility Revenue

We appreciate the Program recognizing Eklutna, Inc.'s contributions to the financial pro forma for the dam replacement. Eklutna, Inc. only reviewed the earth-moving aspects of replacement. It would be advised to seek estimates from industry professionals on the other civil aspects of replacing a dam to ensure the project costs can be trusted.

We request a detailed discussion on the financial implications of dam replacement and the accuracy of revenue generation estimates. During project meetings, revenue figures for the utilities benefiting from the water in Eklutna Lake have been bandied about without an explanation or details. We request to include a section on the specific economics of the project. This is likely public information that should be easily attainable to provide to the public as part of their Program review.

Finally, we would like to see more details of ratepayer increases. The Program discusses the differences in perceived ratepayer increase. The public generally does not understand how rates increase and how the direct costs of a dam replacement, Portal release, or dam removal actually materialize. Discussing how the rates will increase for water and electricity is essential to informing the public of a potential impact on their finances. A cursory estimate is inadequate for a public-facing document.

In conclusion, we strongly urge the responsible parties to prioritize the concerns raised in our comments and work collaboratively towards solutions that ensure the sustainable development and preservation of the Eklutna River ecosystem. We look forward to discussing how to improve the Program throughout December.

Thank you for your attention to these matters.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kyle Foster".

Kyle Foster, CEO

Michael E. Curry, Board President and Chair

A handwritten signature in blue ink, appearing to read "Michael E. Curry".