



September 9, 2025

The Honorable Mike Dunleavy
Office of the Governor
P.O. Box 110001
Juneau, AK 99811

Re: Eklutna Hydroelectric Project, Fish and Wildlife Program Implementation

Dear Governor Dunleavy:

Thank you again for approving the Proposed Final Fish and Wildlife Program with modifications last October. We appreciate the time you and your staff put into this decision. We are writing to update you on the progress of implementing the Final Program since your approval. Below is a summary of the Project Owners' efforts over the past several months.

Lakeside Trail Repairs

Per Section 2.5.1 of the Final Program, the Project Owners were required to provide a one-time payment of \$234,000 to Chugach State Park (or another entity as directed by Chugach State Park) by January 31, 2025, for lakeside trail repairs that address erosion-related Project impacts. This payment was made on January 30, 2025, as directed by Chugach State Park. Recent correspondence from the Chugach State Park Superintendent confirms that these repairs have been completed.

Monitoring and Adaptive Management Committee

Per Section 3.1 of the Final Program, a Monitoring and Adaptive Management Committee (Committee) must be established to execute the Monitoring and Adaptive Management Plan. The Committee must consist of one voting representative from Alaska Department of Fish and Game (ADFG), Alaska Department of Natural Resources (ADNR), National Marine Fisheries Service (NMFS), U.S. Fish and Wildlife Service (USFWS), Native Village of Eklutna (NVE), and a Governor appointee. As of April 2025, all voting members of the Committee have been appointed and are as follows:

- ADFG – Ken Bouwens, Habitat Division, Southcentral Regional Supervisor
- ADNR – Tom Barrett, Water Section Chief
- NMFS – Sean McDermott, Habitat Conservation Division, Anchorage Office Supervisor
- USFWS – Jennie Spegon, Southern Alaska Conservation Office, Ecological Services
- NVE – Marc Lamoreaux, Land and Environment Director
- Governor Appointee – Bryan Carey, former AEA Director of Owned Assets

The Final Program also states that the Committee chair will be selected by members of the Committee. A meeting was held on May 22, 2025, for this purpose and Ken Bouwens from ADFG was selected to serve as the Committee chair.

Fixed Wheel Gate Study

Per Section 4.1 of the Final Program, the Project Owners are required to conduct a more detailed feasibility study of the fixed wheel gate (including a stability analysis and Class 3 cost estimate) within three years of the Governor's issuance of the Final Program.

This study was initiated in July 2025 and should be completed in early 2026. The results of the study will be provided to the Committee as required by the Final Program.

Pumped Storage Hydro Study

Per Section 4.3 of the Final Program, the Parties to the 1991 Agreement and NVE must study pumped storage hydropower (PSH) upon terms and conditions they mutually agree to. The terms and conditions must include level of engineering, level of cost analysis, what Party or Parties will fund the study and in what amounts, and any other matters the Parties find necessary to implement this limited reopener. The study should be consistent with studies performed for other alternatives reviewed by the Project Owners and should be undertaken immediately, but this study should not delay the implementation of the Final Program or the review and study of the fixed wheel gate.

Chugach and MEA convened a meeting of the Parties and NVE on December 18, 2024, to discuss the terms and conditions of the PSH study. At that meeting, the Municipality of Anchorage (MOA) volunteered to conduct and fund the study, which was agreed to by the other Parties. The MOA retained Stantec, an environmental and engineering consultancy with Alaska experience, to conduct the PSH study. The MOA subsequently hosted a series of four meetings from April through June of 2025 to discuss the phased approach, the scope of the studies, process proposed by the MOA, the selection criteria, and potential PSH alternatives. The Parties reached agreement on the terms and conditions of the scope of the study and the process in August 2025, and the Technical Working Group for the study is currently reviewing and ranking the potential PSH alternatives based on the selection criteria. It is anticipated that this study will be completed in early 2026.

Eklutna River Release Facility

As stated above and per your decision document dated October 2, 2024, the PSH study should not delay the implementation of the Final Program. The Project Owners have therefore continued to move forward planning efforts associated with permitting and design of the Eklutna River Release Facility. We have begun coordination with ADNR regarding land ownership and management authority to determine the necessary approval process and established an engineering team to initiate final design in 2026. We have also been in coordination with the MOA regarding the requirements for executing the drafted agreements with Anchorage Water

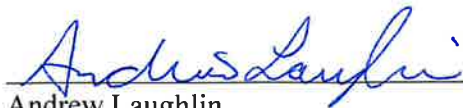
and Wastewater Utility (AWWU) that are part of, and appended to, the Final Program. The Anchorage Assembly's approval of the negotiated AWWU agreements is necessary for the MOA to execute those documents. In April 2025, the Anchorage Assembly took up the AWWU agreements for consideration. Chugach and MEA expected approval of the AWWU agreements at that time, but ultimately the Assembly referred the AWWU agreements to the Municipal Attorney, with the direction that she bring it back to the Assembly for approval once the PSH study scope and process have been agreed between the Parties. Therefore, now that the PSH scope and process have been agreed to, we expect the Assembly to approve the negotiated AWWU agreements, which must be executed by the end of 2025 in order to remain on schedule for implementing the Final Program and preserve the carefully negotiated agreement regarding use of the AWWU facilities for the Eklutna River Release Facility, water rights, compensation, and related matters.

Conclusion

We are pleased to report the progress to date on implementation of the Final Fish and Wildlife Program.

Please let us know if you have any questions about implementation efforts to date or planned implementation efforts in the future. We look forward to working with the Committee in the coming years to continue implementing the Final Program.

Sincerely,



Andrew Laughlin
Chief Operating Officer
Chugach Electric Association, Inc.



Tony Zellers
Chief Operating Officer
Matanuska Electric Association, Inc.

cc: Rachel Bylsma, Office of the Governor
Mark Spafford, MOA
Ken Bouwens, ADFG
Tom Barrett, ADNR, Water Section
Justin Dipaola-Allen, ADNR, Chugach State Park
Sean McDermott, NMFS
Jennie Spegon, USFWS
Marc Lamoreaux, NVE
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