

May 15, 2015

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**RE: Draft Natural Resource Management/Monitoring Plans and Biological Evaluation -
Grant Lake Hydroelectric Project (FERC No. 13212)**

Dear Secretary Bose:

Kenai Hydro, LLC (KHL) hereby submits its Draft natural resource management/monitoring plans (Plans) and Biological Evaluation (BE) for stakeholder review and comment.

The proposed Project would be located near the city of Moose Pass, Alaska, on Grant Creek and have an installed capacity of 5.0 megawatts (MW). KHL is proud of the quality science and engineering that has gone into the evaluation of this Project and is extremely encouraged by the results and collaboration that has taken place during the licensing process. The extensive record and associated filings of reports, numerous meetings minutes, comment responses, presentations, etc. speak to this and are directly reflective of KHL's commitment to operate the Project in an environmentally conscious and dependably efficient manner consistent with all requirements put forth in a FERC license order.

Per previous commitment, KHL elected to proactively develop a series of Plans and a BE for review concurrent with stakeholder review of the Draft License Application (DLA). The DLA was filed with FERC and distributed via multiple mechanisms to stakeholders and the interested public on March 27, 2015, facilitating a 90-day review period making comments due on or before June 25, 2015. An email was sent to stakeholders and interested public parties documenting the filing of the DLA as well as KHL's commitment to distribute the attached draft Plans and BE soon thereafter to allow enough time for a parallel review and comment period for both the DLA and these Plans and BE. It remains KHL's hope that this type of review will take place and that comments received reflect this global and comprehensive process.

Documents associated with this filing include:

- Draft Grant Lake Project Operation Compliance Monitoring Plan (OCMP)
- Draft Grant Lake Project Avian Protection Plan (APP)
- Draft Grant Lake Project Historic Properties Management Plan (HPMP; privileged version)
- Draft Grant Lake Project Vegetation Management Plan (VMP; public and privileged version)
- Draft Grant Lake Project Biological Evaluation for Plants (BE)

The HPMP and VMP contain sensitive, detailed information on location of historic and archeological resources, and sensitive plant species, respectively, for which, pursuant to 18 C.F.R. §§ 388.112(b) and 388.113(c)(1), KHL accordingly requests designation and special treatment of the HPMP in its entirety and portions of the VMP as Privileged material.

In addition to this filing, KHL will be distributing the public Plans and BE to stakeholders and the interested public (per global contact list) via email. The public Plans and BE will also be uploaded to the KHL website for downloading.

KHL is currently finalizing one additional plan, a Draft Grant Lake Project Biological Monitoring Plan, which will be filed with FERC and submitted to stakeholders within two weeks of this filing.

On January 27, 2015, KHL filed a timely request for an extension of the Project Preliminary Permit. On February 27, 2015, FERC issued order denying the extension of the term of the preliminary permit. On March 27, 2015, KHL filed a request for rehearing on the order denying the 10 month preliminary permit extension. These Plans and BE further demonstrate the significant progress KHL has made toward Project development.

KHL looks forward to continuing consultation and collaboration on this licensing effort with FERC and the interested stakeholders. If you have any questions regarding KHL's Plans or BE, I can be contacted via email at msalzetti@homerelectric.com or by phone at (907) 283-2375.

Sincerely:



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