

Kenai Hydro, LLC

2525 C Street, Suite 500
Anchorage, AK 99503

March 31, 2009

The Secretary
Federal Energy Regulatory Commission
ATTN: DHAC, PJ-12.2
888 First Street, NE
Washington, DC 20426

- FILED ELECTRONICALLY -

RE: First Six Month Progress Report for the Falls Creek Project, FERC Project No. 13211

Dear Secretary:

Kenai Hydro, LLC (KHL) hereby submits the first six month report for the period of October 1, 2008 to March 31, 2009 for the Falls Creek project, pursuant to Article 4 of the Preliminary Permit issued on October 7, 2008.

ACTIVITIES DURING THE REPORTING PERIOD

Engineering and Environmental Studies

The following reconnaissance level engineering and environmental efforts were initiated:

- Field investigation of the project site
- Review of existing information available on the project
- Development of Conceptual Facility Arrangements and Alternatives
- Facility Cost Estimates
- Energy Production Estimates
- Identification of Potential Environmental Considerations
- Land, Mineral and Water Rights Status
- Permitting and Licensing Requirements
- Prepared Draft Preliminary Environmental Reconnaissance Level Study Plans

Stakeholder Outreach and Consultation

KHL conducted several individual and public interactive meetings with the organizations and agencies listed below, as well as numerous private individuals and businesses. The purpose of these meetings was to introduce the project concepts and proposed studies and to solicit feedback from these interested parties.

- US Forest Service
- US Fish and Wildlife Service
- US Army Corps of Engineers
- US National Parks Service

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- Alaska Department of Fish and Game
- Alaska Department of Natural Resources
- Alaska State Parks
- NOAA Fisheries
- Resurrection Bay Conservation Alliance
- Alaska Center for the Environment
- National Heritage Institute – Hydropower Reform Coalition
- Kenai River Sportfishing Association
- Kenai River Special Management Area Advisory Board
- Kenai River Center Multi-Agency Staff Meeting

KHL started development of a web site to facilitate the exchange and update of information related to the project(s). The domain name registered for the site is www.kenaihydro.com.

ACTIVITIES PROPOSED FOR THE NEXT REPORTING PERIOD

Engineering and Environmental Studies

KHL will continue to refine its engineering evaluation and modeling of the project and finalize study plans for the 2009 summer season to obtain reconnaissance level baseline environmental information. Field data collection should begin in the late spring and continue to the end of the summer season.

Stakeholder Outreach and Consultation

Meetings will continue to be conducted with interested parties, both as outreach events and to obtain input as study plans are developed and finalized prior to the field season.

License Application Determination

KHL will continue to evaluate project feasibility and whether or not to proceed with filing an NOI and PAD for this project. If the project remains viable, it is expected that KHL would file a license application before the preliminary permit expires in October 2011.

Please feel free to contact me with any questions regarding this report or for additional information as needed.

Sincerely,

Steve Gilbert
Manager
6921 Howard Avenue
Anchorage, AK 99504
(907) 333-0810

Document Content(s)

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