

Kenai Hydro, LLC

3977 Lake Street
Homer, AK 99603

March 31, 2011

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

- FILED ELECTRONICALLY -

RE: Petition to Surrender the Falls Creek Project Preliminary Permit, FERC Project No. 13211

Dear Secretary:

Pursuant to 18 CFR §4.84, Kenai Hydro, LLC (KHL) hereby submits this petition to voluntarily surrender the preliminary permit for the Falls Creek Project, FERC Project No. 13211. As stated in KHL's fifth six-month progress report for the Falls Creek Project, dated March 31, 2011, investigations have determined the Project to be infeasible. KHL intends to continue pursuing evaluation of the Grant Lake Project (FERC No. 13212), as stated in the progress report.

Please feel free to contact me (907.283.2375 or msalzetti@homerelectric.com) with any questions regarding this filing.

Sincerely,

/s/ Mike Salzetti

Mike Salzetti
Project Manager
Kenai Hydro, LLC
6921 Howard Avenue
Anchorage, AK 99504

cc: Service List and Mailing List for Project No. 13211 (electronically)