

Kenai Hydro, LLC
2525 C Street, Suite 500
Anchorage, AK 99503

6 August 2009

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

FILED ELECTRONICALLY

Subject: Grant Lake/Grant Creek (FERC Project No. 13212) and Falls Creek (FERC Project No. 13211) Notice of Intent and Pre-Application Document and Request to Use the Traditional Licensing Process

Dear Ms. Bose,

Kenai Hydro, LLC (KHL) is pleased to submit its Notice of Intent (NOI) and Pre- Application Document (PAD) for the Grant Lake/Grant Creek (Project No. 13212) and Falls Creek (Project No. 13211) combined “Grant Lake/Falls Creek Project” (Project). The proposed Project would be located near the community of Moose Pass, Alaska (pop. 206), approximately 25 miles north of Seward, Alaska (pop. 3,016), and just east of the Seward Highway (State Route 9). The proposed Project location is in the Kenai Peninsula Borough.

In conjunction with this filing, KHL is requesting that the Commission designate it as the Commission’s non-federal representative for the purposes of consultation, pursuant to Section 7 of the Endangered Species Act and the joint agency regulations thereunder at 50 CFR Part 402, Section 305(b) of the Magnuson-Stevens Fishery Conservation and Management Act and the implementing regulations at 50 CFR 600.920 and Section 106 of the National Historic Preservation Act and the implementing regulations at 50 CFR § 600.920.

This submittal is being electronically filed with the Commission. As required, two courtesy copies are being mailed, simultaneously, to the Commission.

In accordance with 18 CFR § 4.32, we are also submitting copies of this NOI and PAD to the entities on the attached Distribution List (if paper copy service is required), or notifying entities by email (or mail if email is unavailable) that the NOI and PAD are available for download on the licensing website, www.kenaihydro.com. The entities include those resource agencies, Indian tribes, Native corporations, Native villages, non-governmental organizations, and members of the public that have participated in KHL’s pre-formal consultation or have otherwise been identified as having potential interest in the licensing proceedings by KHL. Also pursuant to the Commission's regulations, a notice was published in local newspapers (Anchorage Daily News, Peninsula Clarion, Seward Phoenix Log, and the Homer News) on or prior to the filing date of this letter. The public portions of the PAD will be made available at our licensing website, www.kenaihydro.com, and copies are available for review at Kenai Hydro, LLC offices in Kenai and Anchorage, Alaska, as well as at public sites near the proposed Project location, the Moose Pass Public Library and the Cooper Landing Community Library.

Also included within this NOI is KHL's request to the Commission for authorization to use the Traditional Licensing Process (TLP). Beginning in late 2008 after FERC issued preliminary permits for the proposed Grant Lake/Grant Creek Project and Falls Creek Project, KHL conducted an outreach effort regarding its pre-formal study efforts, and its desire to use a TLP for this Project. Documentation of these efforts, along with a proposed communications protocol for future consultation efforts proposed while using the TLP, is located in the PAD.

Interested organizations and members of the public can file comments regarding KHL's request to utilize the TLP directly with FERC and copied to KHL within 30 days of the filing date of this request, and should reference the Grant Lake/Falls Creek Hydroelectric Project (FERC No. 13211/13212).

If you have any questions regarding this filing please contact Steve Gilbert (SteveG@enxco.com or 907-333-0810).

Sincerely,

A handwritten signature in black ink that reads "Steven Gilbert". The signature is written in a cursive style with a large, sweeping initial "S".

Steve Gilbert
Manager, Kenai Hydro, LLC

cc: Joe Adamson, FERC
FERC Office of Energy Projects (OEP Room 61-02)
FERC Office of General Counsel-Energy Projects (OGC-EP Room 101-56)
Distribution List

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Kenai Hydro, LLC

Project No. 13211/13212

NOTICE OF INTENT OF KENAI HYDRO, LLC TO FILE AN APPLICATION FOR AN ORIGINAL LICENSE FOR THE GRANT LAKE/FALLS CREEK HYDROELECTRIC PROJECT (FERC NO. 13211/13212) AND REQUEST TO USE THE TRADITIONAL LICENSING PROCESS

Pursuant to 18 CFR § 5.5, Kenai Hydro, LLC (KHL) hereby notifies the Federal Energy Regulatory Commission (Commission) of its intent to file an application for an original license for the Grant Lake/Falls Creek Hydroelectric Project (Project No. 13211/13212).

Simultaneously KHL is filing its Pre-Application Document (PAD) with the Commission. KHL proposes to license the Project utilizing a Traditional Licensing Process (TLP), following the accompanying communications protocol as included in the PAD.

KHL requests that all correspondence and service of documents related to this notification and subsequent proceedings be addressed to:

Steve Gilbert
Manager
Kenai Hydro, LLC
6921 Howard Ave.
Anchorage, Alaska 99504
907-333-0810
SteveG@enxco.com

Brad Zubeck
Project Engineer
Kenai Hydro, LLC
280 Airport Way
Kenai, Alaska 99611
907-335-6204
BZubeck@HomerElectric.com

With a copy sent to:
Jenna Borovansky
Long View Associates, Inc.
P.O. Box 3844
Coeur d'Alene, ID 83816
Or by email to comments@kenaihydro.com

The following information is provided consistent with the regulations of 18 CFR § 5.5.

Applicant's name and address:

Kenai Hydro, LLC
6921 Howard Ave.
Anchorage, Alaska 99504

Project number:

P-13211/P-13212

License expiration date, if any:

Not applicable. Project does not possess a license and involves the construction of new facilities.

An unequivocal statement of the applicant's intention to file an original license:

Kenai Hydro, LLC unequivocally intends to file an application for an original license for this proposed project.

Type of principal project works licensed, if any, such as dam and reservoir, powerhouse, or transmission lines:

Not applicable. This is a NOI for an unconstructed project.

Project location by state, county and stream, and when appropriate, by city or nearby city:

State: Alaska

County: Kenai Peninsula Borough

Stream: Grant Creek, Grant Lake, and Falls Creek

City: The proposed Grant Lake/Falls Creek Hydroelectric Project would be located near the community of Moose Pass, Alaska (pop. 206), approximately 25 miles north of Seward, Alaska (pop. 3,016), just east of the Seward Highway (State Route 9).

Installed plant capacity (if any):

Not applicable. Proposed installed capacity is 4.5 megawatts.

Names and addresses of:

- (1) Every county in which any part of the project is located, and in which any federal facility that is used by the project is located:**

Kenai Peninsula Borough

- (2) Every city, town, or similar local political subdivision:**

- i. In which any part of the project is to be located and any federal facility that is or is to be used by the project is located, or**
- ii. That has a population of 5,000 or more people and is located within 15 miles of the proposed project dam,**

There are no cities, towns, or subdivisions with population sizes of 5,000 or more within 15 miles of the proposed Project.

- (3) Every irrigation district, drainage district, or similar special purpose political subdivision:**
- i. In which any part of the project is located and any federal facility that is or is proposed to be used by the project is located, or**
 - ii. That owns, operates, maintains, or uses any project facility or any federal facility that is or is proposed to be used by the project; and**

None

- (4) Every other political subdivision in the general area of the project that there is reason to believe would be likely to be interested in, or affected by, the notification; and**

None

- (5) Affected Indian tribes.**

The following Indian tribes were identified by Kenai Hydro, LLC through consultation efforts as having potential interests with the Project region. Additional tribes that were contacted, but have not identified an interest in the area to date are identified in the PAD and related consultation documentation.

Kenaitze Indian Tribe

Salamatof Native Association

Request to Use the Traditional Licensing Process

KHL is requesting Commission approval to use the Traditional Licensing Process (TLP). The regulations in 18 CFR § 5.3 require that an application for authorization to use the TLP include justification for the request and any existing written comments on the potential applicant's proposal and a response thereto.

The proposed Grant Lake/Falls Creek Project is a new, relatively small (4.5 MW) conventional hydropower project. As proposed the Project would affect flows in less than one mile of Grant Creek and less than two miles of Falls Creek and would change water levels in existing Grant Lake. The overall footprint of the proposed Project is a relatively small geographic area. The licensing process should be scaled appropriately to the potential impacts of the proposed Project and size of the proposed Project area. Based on feedback received from an outreach effort to agencies and other interested stakeholders and its own evaluation of the ILP, KHL believes that a TLP, enhanced by a number of provisions designed to address specific concerns identified in its outreach efforts, is the preferred process for the pre-filing consultation and study efforts for the Project. The following information addresses the specific considerations found in 18 CFR § 5.3(c)(1)(ii):

A. Likelihood of timely license issuance

Unlike a relicensing effort for an existing project, there is no regulatory deadline for the filing of the license application for the Project. Instead KHL must effectively manage the schedule of its licensing, studies and engineering/design efforts to allow the Project to be constructed and power brought on line in an expeditious and cost effective fashion. Flexibility in the regulatory requirements is necessary to allow KHL, in consultation with agencies and other stakeholders, to make adjustments to the timeframes of various components of the licensing process to best utilize available time prior to expiration of the preliminary permit. This flexibility is lacking in the ILP, which is generally designed to complete pre-filing consultation within the window of time from the NOI to the expiration of an existing license. The TLP and communications protocol proposed by KHL for the Project allows for this flexibility, and acknowledges the need to take advantage of the relatively short windows of time for field work in the Project area, while still allowing for timely filing of a license application.

B. Complexity of the resource issues

As noted in the PAD, there is some existing resource information available for the study area. In addition, KHL has initiated reconnaissance level studies, and developed these study plans in consultation with agencies and stakeholders. Grant Creek, where the Project generating facilities will be located, is approximately one mile in length from the lake outlet to its mouth. Similarly, the potentially impacted portion of Falls Creek is approximately 1.4 miles long. Due to the limited geographic scope of the potential Project impacts, a relatively straight forward study program is envisioned to generate the needed information to support the development of the license application. A complete list of identified resource issues and how these would be addressed in the study program is included in Section 5 of the PAD.

C. Level of anticipated controversy

A significant level of public interest is anticipated during the pre-filing consultation period. During the outreach effort conducted by KHL regarding the use of the TLP and preliminary study efforts, agencies and other stakeholders have identified the need for significant public and agency involvement in the study program to develop the information needed for impact assessment as well as to provide the baseline for evaluating post-construction protection, mitigation and enhancement measures that may be required. Concerns have been expressed regarding the ability of agencies and stakeholders to meet the strict timeframes of the ILP. KHL believes that the flexibility that will be available in the TLP for making adjustments to review time frames, when appropriate, while not endangering the overall project schedule and effective use of available field time, will provide an important tool for making engagement in the study program and license application development as effective as possible. While KHL understands that there is significant public interest in the Project and that there are some parties who do not support hydroelectric power development in the area overall, consultation to date has not indicated that the study program or impact assessment itself will be controversial or overly complex.

D. Relative cost of the traditional process compared to the integrated process

KHL anticipates that it will continue to engage agencies and other stakeholders in a consultation process and conduct a comprehensive study program under either licensing process. However, substantial efficiencies are expected from utilizing the TLP with the communications protocol that is proposed due to the flexibility that will exist for KHL, in consultation with agencies and other stakeholders, to make adjustments to deadlines and timeframes where possible to accommodate differences among resource areas and study proposals. The TLP allows KHL and stakeholders to focus on gathering and reviewing field data in the most efficient manner during the short study seasons available in Alaska, rather than being tied to the strict timelines of the ILP. Thus, in terms of effective use of available time, KHL believes that the TLP provides advantages over the ILP that will allow for a more efficient study program, and a timely license application filing. KHL anticipates realizing some cost savings utilizing the TLP as proposed, given the relatively straight forward anticipated study program, and the ongoing reconnaissance study efforts and pre-filing consultation already occurring that allow for public and agency consultation without the significant process related time burden of the ILP.

E. The amount of available information and potential for significant disputes over studies

Some resource information is available for the Project area from studies conducted in the 1980s, with some additional, updated information available from resource agencies. KHL plans to take full advantage of this information in designing its study program, and is currently conducting reconnaissance level data collection in Grant Lake, Grant Creek, and Falls Creek. It is KHL's intent to conduct its pre-filing consultation in a manner that addresses and resolves, to the extent possible, any differences of opinion with regard to the design and implementation of the study program. Due to the relatively small geographic area of impact, needed field information can be collected in a relatively short amount of time. Given the productive exchange and agreement from agencies and stakeholders to date on the reconnaissance level studies and the collective understanding of the relative scope of potential impacts that need to be studied, KHL does not anticipate significant disputes over studies.

F. Other factors believed by the applicant to be pertinent

KHL has made an effort to consult with those agencies, tribes, native corporations, and non-governmental organizations who have been actively involved in the process to date regarding the proposed Project, and its desire to utilize the TLP. Documentation of the public meetings, conference calls and other communications is included in the PAD.

As part of its outreach efforts, KHL drafted a proposed communications protocol to guide its interactions with agencies and other stakeholders under its proposal to use the TLP. The protocol was distributed to agencies and other stakeholders actively involved to date via email on July 13, 2009. Attachment A includes correspondence and a list of parties who were solicited for preliminary comment on use of the TLP; these parties are a subset of the full distribution list that is attached. Several comments were received from additional parties on KHL's proposal to use the TLP and draft communications protocol, and preliminary comments from the Alaska Department of Fish and Game were provided. These comments are included as Attachment B.

KHL understands that there is public interest in the proposed Project area and that there are some parties who do not support hydroelectric power development in the area overall. KHL believes that use of the TLP as outlined above, allowing for consultation per the consultation protocol outlined in the PAD, will provide for the most effective process for engaging interested parties and agencies in analysis of the proposed Project.

DISTRIBUTION LIST FOR PAD AND NOI (FERC NO. 13211/13212)

Office of the Solicitor**
Department of the Interior
4230 University Drive, Suite 300
Anchorage, AK 99508

Mike Adams
bluewagon82@yahoo.com

Jason Aigeldinger
jasonaigeldinger@mac.com

Laura Aigeldinger
Po Box 207
Moose Pass, AK 99631
berungia@yahoo.com

Dave Atcheson
Renewable Resources Foundation
605 West 2nd Avenue
Anchorage, AK 99501
dave@renewableresourcescoalition.org

Gary Baker
PO Box 144
Moose Pass, AK 99631
gbaker2@arctic.net

Robert Baldwin
Friends of Cooper Landing
PO Box 815
Cooper Landing, AK 99572
kenailake@arctic.net

Bob Barnwell
PO Box 2611
Seward, AK 99664
rwbarnwell@yahoo.com

Robert Begich
Alaska Dept. of Fish & Game
43961 Kalifornsky Beach Rd, Ste B
Soldotna, AK 99669
robert.begich@alaska.gov

John Belcik
Prospector John
PO Box 604
Cooper Landing, AK 99572
jhpbt@yahoo.com

Max Best
KPB Planning Dept.
144 N. Binkley
Soldotna, AK 99669
mbest@borough.kenai.ak.us

Roger Birk
USDA Forest Service
PO Box 21628
Juneau, AK 99802
rbirk@fs.fed.us

Dave Bond
Kingfisher Roadhouse
PO Box 637
Cooper Landing, AK 99572
broncobw1@yahoo.com

Jenna Borovansky
Long View Associates
PO Box 3844
Coeur d'Alene, ID 83816
jborovansky@longviewassociates.com

Tim Bristol
Trout Unlimited
419 Sixth Street Suite 200
Juneau, AK 99801
tbristol@tu.org

Mike Brittain
PO Box 1836
Seward, AK 99664
mlbrittain@ak.net

Philip Brna
USFWS Region 1
605 West 4th Ave Rm G-61
Anchorage, AK 99501
phil_brna@fws.gov

Margaret Brown
CIRI (Cook Inlet Region Inc)
PO Box 93330
Anchorage, AK 99509
info@ciri.com

US Bureau of Land Management+
6991 Abbott Loop Road
Anchorage, AK 99507

Dusty Byrd
Troutfitters
PO Box 632
Cooper Landing, AK 99572
info@troutfitters.com

Dawn Campbell
Moose Pass Resident
nwad20@yahoo.com

Thomas Cappiello
ADF&G
thomas.cappiello@alaska.gov

Penny Carty
Salamatof Native Association, Inc.
100 North Willow Street
Kenai, AK 99611
info@salamatof.com

Dave Casey
US Army Corps of Engineers
805 Frontage Road, Suite 200C
Kenai, AK 99611
dave.c.casey@usace.army.mil

Moose Pass Chamber of
Commerce⁺
PO Box 558
Moose Pass, AK 99631

Susan Chihuly
Alaska, Dept. of Fish & Game
514 Funny River Road
Soldotna, AK 99669
susan.chihuly@alaska.gov

Valerie Connor
Alaska Center for the Environment
807 G Street Suite 100
Anchorage, AK 99501
valerie@akcenter.org

Mike Cooney
Moose Pass, AK
mcooney@arctic.net

John Czarnecki
KPB Kenai River Center
514 Funny River Road
Soldotna, AK 99669
jczarn@borough.kenai.ak.us

Douglas Mutter⁺
Office of Environmental Policy
1689 C Street Room 119
Anchorage, AK 99501
Douglas_mutter@ios.doi.gov

Jerry Dixon
PO Box 1058
Seward, AK 99664
js2dixon@hotmail.com

Keith Doroff
Kenai Princess Lodge
PO Box 642
Cooper Landing, AK 99572
kdoroff@princesstours.com

John Eavis
USFS
PO Box 390
Seward, AK 99664
jeavis@fs.fed.us

Jack Erickson
ADF&G
jack.erickson@alaska.gov

Terry Estes
Po Box 173
Moose Pass, AK 99631
jletma@arctic.net

Gary Fandrei
Cook Inlet Aquaculture
Association
gfandrei@ciaanet.org

Jim Ferguson
Alaska, Dept. of Fish & Game
333 Raspberry Road
Anchorage, AK 99518
jim.ferguson@alaska.gov

Erick Fish
CLFC
PO Box 628
Cooper Landing, AK 99572
epfishheads@yahoo.com

Jane Gabler
KPB Kenai River Center
514 Funny River Road
Soldotna, AK 99669
jgabler@borough.kenai.ak.us

Ricky Gease
Kenai River Sportfishing Association
224 Kenai Avenue, Suite 102
Soldotna, AK 99669
ricky@kenairiversportfishing.com

US Geological Survey⁺
1209 Orca Street
Anchorage, AK 99501

Dawn Germain
Forest Service
PO Box 21628
Juneau, AK 0
dawn.germain@ogc.usda.gov

Steve Gilbert^{**}
Kenai Hydro, LLC
6921 Howard Ave.
Anchorage, AK 99504
SteveG@enxco.com

Kate Glaser
32262 Lakestor
Seward, AK 99664
glaser@seward.net

Jolie & Marion Glaser
Mi 20 Seward Hwy
Seward, AK 99664
jglaser@stanford.edu

Matt Gray
RBCA
909 3rd Ave, Suite 6
Seward, AK 99664
mgrayrbca@gmail.com

Lance Hankins
Alaska Fly Fishers
200 W 34th Ave #1233
Anchorage, AK 99503
lance@lancehankins.com

Nick Hardigg
Alaska Conservation Foundation
441 W 5th Ave #402
Anchorage, AK 99501
nhardigg@akcf.org

Jen & Mike Harpe
PO Box 653
Cooper Landing, AK 99572
info@riverwranglers.com

Alli Harvey
Alaska Center for the Environment
alli@akcenter.org

Keith Helgren
Kenai Princess Lodge
PO Box 853
Cooper Landing, AK 99572
khelgren@princesstours.com

Jeff & Rose Hetrick
Inn at Tern Lake
jjh@seward.net

Caitlin Higgins
ACA
830 N St., Suite 203
Anchorage, AK 99501
caitlin@akvoice.org

Julie Hollon
New Horizons Telecom, Inc
901 Cope Industrial Way
Palmer, Alaska 99645
jhollon@nhtiusa.com

Sondra Holsten
PO Box 790
Cooper Landing, AK 99572
sondrakey8@msn.com

Ed Holsten
PO Box 790
Cooper Landing, AK 99572
hgrandella@hotmail.com

DeAnna Hoy
PO Box 628
Cooper Landing, AK 99572
hotbanana76@hotmail.com

Ben Ikerd
KPB Area Planning
PO Box 8
Moose Pass, AK 99631
ikerdhome@gmail.com

Bruce & Carole Jaffa
Jaffa Construction
P.O. Box 107
Moose Pass, AK 99631
jaffa@eagle.ptialaska.net

P. Joe Klein
Alaska Dept. of Fish & Game
333 Raspberry Road
Anchorage, AK 99501
joe_klein@fishgame.state.ak.us

Eric Johansen
USDA Forest Service
ejohansen@fs.fed.us

Tim Johnson⁺
PO Box 3633
Seward, AK 99664

Lynnda Kahn
US Fish & Wildlife Service
43655 Kalifornsky Beach Road
Soldotna, AK 99669
lynnda_kahn@fws.gov

Jason Kent
HDR
jason.kent@hdrinc.com

Mary King
AK Dept of Fish and Game
43961 Kalifornsky Beach Rd. Ste B
Soldotna, AK 99669
Mary.King@alaska.gov

Erin Knotek⁺
PO Box 83
Moose Pass, AK 99631

Kyle Kolodziejski
PO Box 166
Moose Pass, AK 99631
kolodziejski@yahoo.com

Jan Konigsberg
National Heritage Institute-HRC
7511 Labrador Cr
Anchorage, AK 99502
hydro@gci.net

Caesar Kortuem
Kiewit Pacific Co.
caesar.kortuem@kiewit.com

Dwight Kramer
Kenai Area Fisherman's Coalition
P.O. Box 375
Kenai, Ak. 99611
dwimar@gci.net

Karen Kromrey
USFS - Seward Ranger District
PO Box 390, 334 Fourth Ave
Seward, AK 99664
kkromrey@fs.fed.us

Mark Kromrey
PO Box 68
Moose Pass, AK 99631
mk21@arctic.net

Pat Lavin
National Wildlife Federation
750 W 2nd Ave #200
Anchorage, AK 99501
lavin@nwf.org

Stephan Lipscomb⁺
Sunrise Inn
PO Box 792
Cooper Landing, AK 99572

W MacFarlane
USDA Forest Service
wamacfarlane@fs.fed.us

Mary & Shawn McDonald
PO Box 74
Moose Pass, AK 99631
akbronze@arctic.net

Dan Michels
Kenai Princess Lodge
P.O. Box 676
Cooper Landing, Alaska 99572
dmichels@princesstours.com

Travis Moseley
USFS - Seward Ranger District
PO Box 390, 334 Fourth Ave
Seward, AK 99664
tmoseley@fs.fed.us

Dan Nelson
KPB Kenai River Center
514 Funny River Road
Soldotna, AK 99669
dnelson@borough.kenai.ak.us

Michael Novy
Forest Service - Chugach SO
3301 C St., Suite 300
Anchorage, AK 99503
mnovy@fs.fed.us

Adele Lee
ADNR DMLW
550 W 7th Ave
Anchorage, AK 99501
adele.lee@alaska.gov

Ginny Litchfield
Alaska, Dept. of Fish & Game
514 Funny River Road
Soldotna, AK 99669
ginny.litchfield@alaska.gov

Daniel Mahalak
KPB Capital Project/Hydrology
PO Box 2646
Seward, AK 99664
DMahalak@borough.kenai.ak.us

Lee McKinley
Alaska, Dept. of Fish & Game
514 Funny River Road
Soldotna, AK 99669
lee.mckinley@alaska.gov

John Mohorcich
KPB Kenai River Center
514 Funny River Road
Soldotna, AK 99669
jmohorci@borough.kenai.ak.us

Jason Mouw
AD&G
jason.mouw@alaska.gov

Jenny Neyman
Redoubt Reporter
155 Smith Way, 205C
Soldotna, AK 99669
redoubtreporter@alaska.net

Mike O.Meara
mikeo@cosmichamlet.net

Julie Lindquist
31087 Seward Hwy
Seward, AK 99664
jraelindquist@hotmail.com

Mark Luttrell
RBCA
Box 511
Seward, AK 99664
prufrock@arctic.net

Katherine McCafferty
U.S Army Cops of Engineers
805 Frontage Road, Suite 200C
Kenai, AK 99611
katherine.a.mccafferty2@usace.army.mil

Paul McLarnon
HDR Alaska, Inc.
paul.mclarnon@hdrinc.com

Mary Louise Molenda
Sunrise Inn
PO Box 832
Cooper Landing, AK 99572
sunrise@arctic.net

Gerald & Kim Neis
PO Box 595
Cooper Landing, AK 99572
niceinalaska@yahoo.com

Phil North
EPA
514 Funny River Road
Soldotna, AK 99669
north.phil@epamail.epa.gov

Judith Odhner
PO Box 176
Moose Pass, AK 99631
jjodhner@arctic.net

Melinda O'Donnell
ADNR DCOM
550 W 5th Ave, Suite 705
Anchorage, AK 99501
melinda.odonnell@alaska.gov

Karen O'Leary**
Forest Service - Chugach SO
3301 C St., Suite 300
Anchorage, AK 99503
kaoleary@fs.fed.us

Doug Ott
AIDEA-AEA
813 West Northern Lights Blvd
Anchorage, AK 99501
DOtt@aidea.org

Steve Padula
Long View Associates, Inc.
2705 NE 163rd Street
Ridgefield, WA 98642
spadula@longviewassociates.com

Mona Painter
Cooper Landing Community Club
PO Box 711
Cooper Landing, AK 99572
painter@arctic.net

Doug Palmer
US Fish & Wildlife Service
43655 K-Beach Road
Soldotna, AK 99669
douglas_palmer@fws.gov

Jason Pawluk
Alaska Dept of Fish & Game
Box 847
Soldotna, AK 99669
jsaon.pawluk@alaska.gov

Heather Pearson
Kenai River Float n Fish
PO Box 568
Cooper Landing, AK 99572
mightykenai@arctic.net

David Pearson⁺
PO Box 44
Moose Pass, AK 99031

L.A. Perkerson
PO Box 772
Cooper Landing, AK 99572
alecl@arctic.net

Todd Petersen
11694 Seward Hwy
Seward, AK 99664
todd@sewardrealestate.com

Alaska Dept. Env't Conservation⁺
555 Cordova Street
Anchorage, AK 99501

Gary Prokosch
ADNR DMLW Water
550 W 7th Ave
Anchorage, AK 99501
gary.prokosch@alaska.gov

Ron Rainey
Kenai River Sportfishing Assoc.
224 Kenai Avenue, Suite 102
Soldotna, AK 99669
ronaklo@att.net

Monte Roberts
Kenai River Professional Guides
Association
montesfishing@alaska.net

Trish Rolfe
Sierra Club
333 W 4th Ave #307
Anchorage, AK 99501
trish@sierraclubalaska.org

Robert Ruffner
Kenai Watershed Forum
PO Box 2937
Soldotna, AK 99669
robert@kenaiwatershed.org

Pamela Russell
ADNR State Parks
514 Funny River Road
Soldotna, AK 99669
Pamela.Russell@alaska.gov

Kimberly Sager
ADF&G
kimberly.sager@alaska.gov

Gyda Sears
AK Photo
PO Box 691
Cooper Landing, AK 99572
gydaric@yahoo.com

John Seebach
American Rivers / HRC
1025 Vermont Ave
Washington, DC 20005
jseebach@americanrivers.org

Bob Shavelson
Cook Inlet Keeper
PO Box 3269
Homer, AK 99603
keeper@inletkeeper.org

Claire Shipton
PO Box 44
Moose Pass, AK 99631
benbo61@gmail.com

Alaska SHPO**
550 W. 7th Avenue, Suite 1310
Anchorage, AK 99507

Bob Simmons
Forest Service - Chugach SO
3301 C St., Suite 300
Anchorage, AK 99503
rlsimmons@fs.fed.us

Jack Sinclair
State of Alaska
PO Box 1247
Soldotna, AK 99669
jack.sinclair@alaska.gov

Bobbie Jo Skibo
PO Box 166
Moose Pass, AK 99631
bobbiejaskibo@yahoo.com

Toby Smith
Alaska Center for the Environment
807 G Street Suite 100
Anchorage, AK 99501
ace@akcenter.org

Leah Smith
Kenai Lake Sea Kayak Adventures
PO Box 801
Cooper Landing, AK 99572
info@kenailake.com

Rob Spangler
Forest Service - Chugach SO
3301 C St., Suite 300
Anchorage, AK 99503
rspangler@fs.fed.us

Vernon Stanford⁺
Kenai Natives Association
215 Fidalgo Ave., Suite 101
Kenai, AK 99611

Mark & Kathleen Stauble
PO Box 156
Moose Pass, AK 99631
stauble@arctic.net

Melanee Stevens
Qutekcak Native Tribe
PO Box 1467
Seward, AK 99664
youth@qutekcak.net

Bill Stockwell
Friends of Cooper Landing
PO Box 721
Cooper Landing, AK 99572
bstock@arctic.net

Rose Sutphin
PO Box 163
Moose Pass, AK 99631
moosepassrosie@yahoo.com

Lisa Sweeney⁺
PO Box 647
Cooper Landing, AK 99572

David Tarly
pdt205@nyu.edu

Kate Thomas
Cooper Landing Community Crier
PO Box 776
Cooper Landing, AK 99572
qenqay@arctic.net

Cassie Thomas
National Parks Service
240 W 5th Ave
Anchorage, AK 99501
cassie_thomas@nps.gov

John Thomas
PO Box 670
Cooper Landing, AK 99572
jmtjohnt@yahoo.com

Brenda Trefon
Kenaitze Indian Tribe
PO Box 988
Kenai, AK 99611
btrefon@kenaitze.org

Kate Troll
Alaska Conservation Alliance
PO Box 100660
Anchorage, AK 99501
kate@akvoice.org

Susan Walker
NOAA Fisheries
susan.walker@noaa.gov

Phil Weber
Cooper Landing Community Club
PO Box 738
Cooper Landing, AK 99572
rebew@att.net

Mike Welemin
PO Box 823
Cooper Landing, AK 99572
willie9470@hotmail.com

Gary Williams
KPB Kenai River Center
514 Funny River Road
Soldotna, AK 99669
gwilliams@borough.kenai.ak.us

Bob Wilson
PO Box 808
Cooper Landing, AK 99572
russianriv@yahoo.com

Sherry Wright
Anchorage Fish & Game Advisory Comm.
333 Raspberry Rd
Anchorage, AK 99518
sherry.wright@alaska.gov

Becah Yoder
Hunter Projects
PO Box 574
Cooper Landing, AK 99572
zengobys@hotmail.com

Brad Zubeck
Kenai Hydro, LLC
280 Airport Way
Kenai, AK 99611
bzubeck@homerelectric.com

Kenai River Special Management
Area Advisory Board
PO Box 1247
Soldotna, AK 99669
kenairivcenter@borough.kenai.ak.us

Ann Rappoport**
USFWS
605 W. 4th Suite G61
Anchorage, AK 99501

NOTE: Notice of PAD filing and its availability at www.kenaihydro.com was sent via email to all parties on the distribution list above, if an email address is available. Parties that are on the FERC Service or Mailing List who requested a paper copy of filings are marked (**), and service was completed as requested. Parties that do not have an email address, but have expressed interest in the Project were mailed a letter via the US Postal Service informing them of the availability of the PAD, and are marked (+).

**ATTACHMENT A: Email Soliciting Comments on Request to Use TLP and
Communications Protocol**

Zubeck, Brad

From: Zubeck, Brad
Sent: Monday, July 13, 2009 11:17 AM
Subject: Request for Comments on Proposed Communications Protocol
Attachments: Grant_Falls_Communication_Protocol07-09-09.pdf
Bcc: jborovansky@longviewassociates.com; spadula@longviewassociates.com; Zubeck, Brad; dave.c.casey@usace.army.mil; mcooney@arctic.net; gfandrei@ciaanet.org; jim.ferguson@alaska.gov; ricky@kenairiversportfishing.com; jjh@seward.net; lynnda_kahn@fws.gov; lee.mckinley@alaska.gov; north.phil@epamail.epa.gov; douglas_palmer@fws.gov; gary.prokosch@alaska.gov; ronaklo@att.net; robert@kenaiwatershed.org; rspangler@fs.fed.us; ejohansen@fs.fed.us; wamacfarlane@fs.fed.us; thomas.cappiello@alaska.gov; susan.walker@noaa.gov; kimberly.sager@alaska.gov; jason.kent@hdrinc.com; paul.mclarnon@hdrinc.com; jason.mouw@alaska.gov; jack.sinclair@alaska.gov; dawn.germain@ogc.usda.gov; rbirk@fs.fed.us; kenailake@arctic.net; kaoleary@fs.fed.us; btrefon@kenaitze.org; Dwight Kramer (dwimar@gci.net); 'montesfishing@alaska.net'; Penny L. Carty (info@salamatof.com); O'Donnell, Melinda J (DNR); Steve Gilbert

TO: Grant Lake/Grant Creek and Falls Creek Hydroelectric Project Stakeholders

SUBJECT: Proposed Communications Protocol and Use of the Traditional Licensing Process

In January 2009, Kenai Hydro, LLC (Kenai Hydro) met with stakeholders to introduce the Grant Lake/Grant Creek and Falls Creek proposed Hydroelectric Projects (Project). During those meetings, Kenai Hydro proposed a timeline for license filing and use of the Traditional Licensing Process (TLP). Subsequently, we have met on several occasions with interested stakeholders to discuss 2009 reconnaissance data needs for fish and aquatics, hydrology, and the instream flow studies, in order to inform the formal study process that will begin once the Pre-Application Document (PAD) is filed with FERC in early August. In conjunction with the PAD filing, Kenai Hydro will be requesting FERC approval for use of the TLP. Absent approval of the TLP, Kenai Hydro will proceed with consultation through FERC's default process, the Integrated Licensing Process (ILP).

Kenai Hydro believes that the TLP will provide the most efficient process for public and agency review of studies and licensing documents, while still allowing for timely filing of a license application for the Grant Lake/Grant Creek and Falls Creek combined Project. The TLP allows for flexibility in review timelines not afforded by the ILP that Kenai Hydro believes will benefit all parties involved in the review and development of the Project. In order to address concerns and questions expressed by stakeholders, in particular in regard to public participation and opportunities for agency review and involvement in the issue identification and study development phases of the TLP, Kenai Hydro has developed a proposed communications protocol to be included with the PAD and request for TLP.

We understand that the TLP has a mechanism, described in §4.38(e)(4), to enhance the TLP with ILP elements that could address these concerns. This provision allows for a potential licensee to request that FERC incorporate into pre-filing consultation elements of the ILP provided for under 18 CFR 5, *et. seq.* Kenai Hydro is willing to request that FERC include additional consultation requirements as discussed in the attached communications protocol.

We would appreciate your review and feedback on this protocol, and an indication of your preference for either the TLP or ILP. Comments received by July 23 will be incorporated into the PAD filing with FERC in early August. You will also have a formal opportunity to comment on use of the TLP with FERC for 30-days following filing of the PAD and Notice of Intent to file a license application. Thanks in advance for your attention and response to this request.

Sincerely,
 Brad Zubeck

Project Engineer
 Kenai Hydro, LLC

Homer Electric Association, Inc. - Kenai Office
 Tel: 907-335-6204
 Fax: 907-335-6213

From: Zubeck, Brad [BZubeck@HomerElectric.com]
Sent: Tuesday, July 14, 2009 5:44 PM
To: Valerie Connor (valerie@akcenter.org)
Cc: Jenna Borovansky
Subject: RE: PAD
Attachments: Grant_Falls_Communication_Protocol07-09-09.pdf

Hi Valerie,

Thanks for your interest in providing feedback on our draft communications protocol for use with the TLP. I am attaching a copy of the document for your review along with a copy of the text from the email that was sent out yesterday (pasted below). Please note that we are asking for these early, informal comments by July 23rd. If for some reason you are unable to provide early comments to us by the 23rd, you will have another formal 30-day opportunity to comment with FERC following Kenai Hydro's filing of the NOI & PAD. All stakeholders on the email list will be provided notice via email when the PAD and request to utilize the TLP is filed with FERC and available for download.

I am sorry if you were surprised by Kenai Hydro, LLC's intent to file the NOI & PAD in August and our preference to use the TLP. Our schedule and license process preference remains unchanged from that communicated to you in our earliest information packet distributed in January 2009. Our website also provides information on our intent to utilize the TLP.

I look forward to receiving your comments. Thanks!

Regards,
Brad Zubeck

TO: Grant Lake/Grant Creek and Falls Creek Hydroelectric Project Stakeholders

SUBJECT: Proposed Communications Protocol and Use of the Traditional Licensing Process

In January 2009, Kenai Hydro, LLC (Kenai Hydro) met with stakeholders to introduce the Grant Lake/Grant Creek and Falls Creek proposed Hydroelectric Projects (Project). During those meetings, Kenai Hydro proposed a timeline for license filing and use of the Traditional Licensing Process (TLP). Subsequently, we have met on several occasions with interested stakeholders to discuss 2009 reconnaissance data needs for fish and aquatics, hydrology, and the instream flow studies, in order to inform the formal study process that will begin once the Pre-Application Document (PAD) is filed with FERC in early August. In conjunction with the PAD filing, Kenai Hydro will be requesting FERC approval for use of the TLP. Absent approval of the TLP, Kenai Hydro will proceed with consultation through FERC's default process, the Integrated Licensing Process (ILP).

Kenai Hydro believes that the TLP will provide the most efficient process for public and agency review of studies and licensing documents, while still allowing for timely filing of a license application for the Grant Lake/Grant Creek and Falls Creek combined Project. The TLP allows for flexibility in review timelines not afforded by the ILP that Kenai Hydro believes will benefit all parties involved in the review and development of the Project. In order to address concerns and questions expressed by stakeholders, in particular in regard to public participation and opportunities for agency review and involvement in the issue identification and study development phases of the TLP, Kenai Hydro has developed a proposed communications protocol to be included with the PAD and request for TLP.

We understand that the TLP has a mechanism, described in §4.38(e)(4), to enhance the TLP with ILP elements that could address these concerns. This provision allows for a potential licensee to request that FERC incorporate into pre-filing consultation elements of the ILP provided for under 18 CFR 5, *et. seq.* Kenai Hydro is willing to request that FERC include additional consultation requirements as discussed in the attached communications protocol.

We would appreciate your review and feedback on this protocol, and an indication of your preference for either the TLP or ILP. Comments received by July 23 will be incorporated into the PAD filing with FERC in early August. You will also have a formal opportunity to comment on use of the TLP with FERC for 30-days following filing of the PAD and Notice of Intent to file a license application. Thanks in advance for your attention and response to this request.

From: Valerie Connor [mailto:valerie@akcenter.org]
Sent: Tuesday, July 14, 2009 2:24 PM
To: Zubeck, Brad
Subject: PAD

Hello Brad,

I have heard that HEA is planning on filing their PAD and request for the TLP licensing process in early August. I have not received any notice about this and it is absent on the Kenai Hydro website. I believe it is a significant enough step that all stakeholders should be advised of your intent. I've written to Jenna asking her to update the website and send an alert out to all those who have signed up.

Thank you,

Valerie Connor
Forest Conservation Director
Alaska Center for the Environment
807 G Street, Suite 100
Anchorage, Alaska 99501
*(907)274-3632*** NEW PHONE NUMBER*
valerie@akcenter.org

Kenai Hydro, LLC Draft Communications Protocol

For Stakeholder Review (July 9, 2009)

Kenai Hydro, LLC was issued two preliminary permits effective October 1, 2008 to investigate hydropower projects at Grant Lake/Grant Creek (FERC Project No. 13211) and Falls Creek (FERC Project No. 13212). This Pre-Application Document describes a combined Grant Lake/Falls Creek Hydroelectric Project that includes a proposed Grant Lake/Grant Creek development, and a Falls Creek development to divert water from Falls Creek to supplement generation capacity at the Grant Lake/Grant Creek development.

1 PROCESS PLAN, SCHEDULE, AND COMMUNICATION PROTOCOL

1.1. Overview of Licensing Approach and Early Consultation

In conjunction with its Notice of Intent (NOI) to file for a new license, Kenai Hydro, LLC is seeking FERC approval to use the Traditional Licensing Process (TLP) for the licensing of the Grant Lake/Falls Creek Hydroelectric Project (Project) in order to complete pre-filing consultation and file a license application within the timeframes of the preliminary permits issued by FERC. KHL initiated informal consultation with potentially interested parties with an outreach effort that began in 2008. KHL is initiating formal consultation with issuance of the NOI and this Preliminary Application Document (PAD). The TLP, if approved, will require a Joint Meeting with the agencies, Tribes and public and will provide opportunities for the Participants to provide comments on the PAD and to make study requests.

1.2. Process Plan and Schedule

Table 2.2-1 summarizes milestones in the TLP along with dates pursuant to timelines identified in 18 CFR § 4.38. In the interest of offering a site visit during the field season, prior to study design feedback from agencies and interested parties, KHL has proposed a site visit prior to the FERC required timeframe, and requests of the Commission that this site visit serve as the required opportunity for a site visit. In addition agencies were apprised of field schedules between June and September 2009, and were offered the opportunity to join field crews in the proposed Project area.

Table 2.2-1. Milestones, responsible parties, and proposed dates for pre-licensing activities, assuming approval of the TLP.

Pre-Filing Milestone	Responsible Party	Date [Required Timeframe]
Initiate informal consultation with agencies, non-governmental organizations and public	KHL	Fall 2008

Pre-Filing Milestone	Responsible Party	Date [Required Timeframe]
Informational Meeting	KHL	January 21, 2009
Fish, Instream Flow, Hydrology, and Water Quality Workgroup Meeting	KHL	March 24, 2009
Instream Flow Technical Workgroup Meeting	KHL	April 21, 2009
Instream Flow Technical Workgroup Meeting	KHL	May 19, 2009
Instream Flow Technical Workgroup Conference Call	KHL	July 17, 2009
File NOI and PAD with FERC and distribute (via email notice) to appropriate Federal, state, and interstate resource agencies, Indian tribes, local governments and members of the public likely to be interested in the proceeding	KHL	August 4, 2009
Conduct Tribal meeting(s)	FERC	September 2, 2009 [within 30-days of the NOI]
Comments on use of the TLP	Interested Parties, Agencies, and Tribes	September 2, 2009 [within 30-days of the NOI and request to use TLP]
Instream Flow Technical Workgroup Meeting and Agency Site Visit	KHL	September 22-24, 2009
Commission issues decision on use of TLP	FERC	October 5, 2009 [within 60-days of NOI and request to use TLP]
Consultation with agencies and Tribes to schedule a joint meeting	KHL	October 5 – November 3, 2009 [within 30-days of TLP decision]
Advance notice to FERC of Joint meeting	KHL	November 4, 2009 [at least 15-days prior to Joint Meeting]
Hold Joint Meeting with agencies and Tribes	KHL	November 19 – 30, 2009 [between 30 and 60 days of TLP decision]
Parties provide study determinations and	Interested	November 30, 2009 – January 28,

Pre-Filing Milestone	Responsible Party	Date [Required Timeframe]
information requests	Parties, Agencies, and Tribes	2010 [Within 60-days of Joint meeting, unless extension is granted upon request of agencies]
<i>Dispute resolution steps (if necessary)</i>	<i>KHL, interested parties, FERC</i>	<i>January 29 – April 13, 2010</i>
Additional Study Plan Development and Review Meetings Proposed by Kenai Hydro to gain agency feedback during the study implementation phase, and timeframes and meeting dates will be agreed to by agencies and KHL according to the consultation protocol outlined below. [Draft Schedule]		
Provide technical memorandum outlining 2009 reconnaissance study results and proposed draft study plans	KHL	January 2010 and follow-up as needed
Proposed Meeting to discuss 2010 study plans	KHL	April 14 – April 16, 2010
Issue 2010 Study Plans for Agency review	KHL	May 8-12, 2010
Conduct Studies per Study Plans and provide periodic agency updates as agreed	KHL	May 2010 – January 2011 (or later as agreed in Study Plans)
Issue Draft License Application	KHL	May 3, 2011
Submit Final License Application	KHL	September 29, 2011
Expiration of Preliminary Permit	KHL	September 30, 2011

1.3. Communications and Document Distribution

This Communication Protocol (Protocol) is intended to facilitate communication and cooperation among KHL, federal and state agencies, Indian tribes, native corporations other interested organizations and members of the public (collectively, Participants) during the preparation of KHL's Application for Original License for the Project. This Protocol is structured based on the assumption that FERC will approve the use of the Traditional Licensing Process (TLP) for the pre-filing consultation period for the Project. Given KHL's understanding based on its outreach efforts that agencies and others are concerned with the rigid timeframes and deadlines of the Integrated Licensing Process (ILP) it believes that the TLP, as modified by the provisions

outlined below, would be the most effective process for completing the necessary pre-filing work while providing for meaningful participation by agencies and other interested organizations.

KHL conducted a successful pre-formal consultation with agencies and other interested stakeholders regarding informal study efforts in 2009. These efforts included face to face meetings, conference calls and field visits, where scheduling of interactions and review periods were worked out in a collaborative fashion. As a result of this collective effort, draft study plans were developed, reviewed, comments provided and revised plans issued in an efficient and effective fashion. KHL hopes to emulate this success utilizing the modified TLP for the formal licensing consultation.

Should the TLP not be approved for use, KHL will continue with consultation utilizing the default ILP and follow the applicable regulations.

This Protocol will govern communications among all Participants and provide public access to information regarding the consultation activities related to the licensing of the Project. The Protocol also applies to communications made by contractors or consultants on behalf of KHL or any of the Participants. This Protocol does not apply to communications solely between Participants, or to any Participant's internal communications.

1.3.1. Participation in the Licensing Process

The licensing process for the Project is open to the general public and interested parties are encouraged to participate. A contact list, compiled by KHL, will be maintained to identify those agencies, organizations, individuals or groups that have been identified as interested parties or who have requested to be included as Participants. The contact list will be used to provide notice of any public meetings, as well as notice of the availability of information for public review. The contact list will be updated periodically by KHL and inactive Participants will be asked annually to re-affirm their interest in participating in the process.

In response to concerns with the TLP identified by agencies and other interested parties, KHL proposes to supplement the TLP process with additional consultation steps to provide an enhanced level of engagement and transparency. These enhancements include:

- Working with agencies and other stakeholders on the scheduling of meetings and conference calls,
- Providing opportunities for the review of draft study plans and study reports and addressing those comments in final plans/reports,
- Allowing for more than the minimum 30 days for review of significant documents when possible without jeopardizing the overall project schedule.

To the extent possible KHL is committed to working with agencies and other Participants to identify opportunities to make adjustments to timeframes throughout the pre-filing period. Given that this licensing effort will occur within a TLP, these decisions regarding adjustments to timeframes can be made by KHL in coordination with Participants.

1.3.2. Maintenance of the Public Reference File

KHL has developed and will maintain a public reference file at KHL's offices. The public reference file will include copies of all written correspondence (including e-mails), documentation of phone conversations, meeting notices, agendas and summaries, study plans, study reports, status reports, and other documents developed during consultation or submitted for inclusion in the public reference file. All documents in the public reference file will be submitted to FERC as part of the formal licensing record.

KHL will also maintain a website (www.kenaihydro.com) for access to key documents developed during the course of the licensing consultation, such as the PAD and NOI, meeting notices, meeting summaries, study plans and study reports. The licensing website will also have an information library that allows stakeholders to access relevant information that KHL has gathered through its due diligence process.

For the duration of the licensing proceeding KHL will also make available to the public for inspection in a form that is readily accessible, reviewable and reproducible during regular business hours, the PAD, materials referenced in the PAD and other information that will make up the complete application for license, including all exhibits, appendices, and any amendments, pleadings, supplementary or additional information, or correspondence filed by KHL with the Commission in connection with the application.

1.3.3. Meetings

KHL shall be responsible for scheduling all consultation meetings involving KHL and Participants. For the meeting specified in 18 CFR Section 4.38(b)(3), KHL will provide the required notice in appropriate locale and other forums. KHL will solicit input from Participants on meeting agendas and objectives and will seek to locate meetings to facilitate Participant attendance to most effectively accomplish those objectives.

KHL will notify all Participants of meetings scheduled by KHL at least 30 days prior to the meeting date. This notification may be made in writing, via fax, via email, or by telephone conversation. Under special circumstances, KHL may hold a meeting with less than 30 days notice.

KHL shall propose the meeting agenda and will strive to provide a written meeting agenda to all Participants at least two weeks prior to a scheduled meeting. Participants may submit comments on the agenda to KHL up to one week before the scheduled meeting. KHL will address any

proposed changes to the agenda and will distribute a final agenda at the meeting. In addition, the agenda may be modified at the beginning of the meeting.

KHL and all Participants will endeavor to make available all documents and other information necessary to prepare for a consultation meeting at least two weeks prior to the scheduled meeting. In the alternative, materials can be provided at the meeting.

1.3.4. Documentation

All of the documentation requirements described below apply to substantive communications regarding the licensing of the Project; communications related to procedural matters (e.g., responding to inquiries regarding meeting scheduling) are not subject to the same documentation requirements.

Meeting Summaries

KHL will be primarily responsible for providing a written summary of the matters addressed at all meetings involving KHL and Participants. A draft meeting summary will be distributed to all meeting attendees within 15 days of the meeting. Any corrections to the draft meeting summary should be submitted to KHL within 15 days. KHL will finalize the meeting summary within 30 days after receiving corrections. If no corrections are submitted, the meeting summary will become final 30 days after the date of the meeting. Final meeting summaries will be posted on the licensing website.

Oral Communications

Any oral communication (i.e., telephone conversations) between KHL and any Participant regarding any substantive aspect of the Project licensing shall be documented in writing by KHL and included in the public reference file, with a copy provided to those participating in the oral communication.

Technical Documents

A variety of technical documents will be produced during the course of licensing consultation, including the Preliminary Application Document (PAD), study plans, study reports, and draft and final license applications. Whenever comments are solicited on documents, review periods will be established and communicated to Participants. Review periods will typically be 30 days, unless longer periods are required by FERC regulations (e.g., 90 day comment period on the draft application). Participants will strive to provide comments to KHL within the timeframes specified for comment periods. KHL will consider adjusting comment periods, making them either longer or shorter, to better utilize available time within the course of pre-filing consultation, without jeopardizing the overall project schedule. Any such adjustments will be made with the concurrence of the Participants.

Written Correspondence

Any written correspondence (including e-mails) regarding the licensing of the Project between KHL and Participants will become part of the public reference file.

All written correspondence should be sent to KHL at the following address:

Kenai Hydro, LLC
Attn: Steve Gilbert
2525 C Street
Suite 500
Anchorage, AK 99503

With a copy sent to:
Jenna Borovansky
Long View Associates, Inc.
P.O. Box 3844
Coeur d'Alene, ID 83816

Or by email: SteveG@enxco.com and jborovansky@longviewassociates.com

1.3.5. Distribution of Licensing Documentation

Distribution of licensing documents will be accomplished primarily by email notice and availability on the KHL web-site (www.kenaihydro.com). If a Participant has indicated a preference to receive hard-copy mailings, KHL will send paper documents through regular mail. A Participant may also request to receive a paper copy of any specific licensing document by contacting Jenna Borovansky at jborovansky@longviewassociates.com. Fees in accordance with regulations may apply.

In addition to distribution to all Participants, all licensing documents will be posted on the licensing website (www.kenaihydro.com). Distribution of licensing documents (aside from brief letters, notices, etc.) will include a copy of the distribution list.

1.4. Revisions to the Communications Protocol

This protocol may be revised at any time upon general agreement of KHL and the Participants.

1.5. Duration of the Communication Protocol

This Communications Protocol will remain in effect until FERC notices that the License Application is accepted for filing.

**ATTACHMENT B: Comments Received on KHL's Request to Use the TLP and
Communications Protocol**

-----Original Message-----

From: Jason Aigeldinger [mailto:jasonaigeldinger@mac.com]

Sent: Friday, July 17, 2009 10:23 PM

To: SteveG@enxco.com; Zubeck, Brad

Subject: In regards to your FERC permitting of hydro projects on Grant Lake and Falls Creek,

Project Manager Gilbert and Project Engineer Zubeck, In regards to your FERC permitting of hydro projects on Grant Lake and Falls Creek, I strongly feel that public input should be allowed before these projects go any further. I do not support the use of the TLP or the communications protocol proposed by HEA/KHL.

Thank you,

Jason Aigeldinger

2009-07-21TLPcomment_I Prill

From: Louis Prill [mailto:potato@arctic.net]
Sent: Tuesday, July 21, 2009 11:25 AM
To: Contact_us
Subject: Contact Form information from Homer Website - Reg.

Inquiry and Request Form

Name:
Louis Prill
E-mail:
potato@arctic.net
Phone #:
907-288-5723
Date:
7-21-09
City of Residence:
Moose Pass
Account #:

Comments / Questions:

To whom it may concern, With regards to the future hydro project for the Trail Lake/ Kenai Lake drainage area. I, as a resident of the Moose Pass area and user of the National Forests that surround us am opposed to the current project proposal. I do not support use of the TLP or the communications protocol proposed by HEA/KHL. Please take heart in the voices of our community and not exploit our dwindling natural resources.
Thank You, Louis Prill

From: jason aigeldinger [mailto:jasonaigeldinger@mac.com]
Sent: Wednesday, July 22, 2009 8:07 PM
To: Zubeck, Brad
Subject: Re: Comments on Proposed Communications Protocol

To Kenai Hydro, LLC Brad Zubeck,
In regards to the use of the TLP licensing process for Grant Lake and Falls Creek;
We do not support the use of TLP or the use of the communications protocol listed by HEA and KHL.

On Jul 13, 2009, at 11:16 AM, Zubeck, Brad wrote:

TO: Grant Lake/Grant Creek and Falls Creek Hydroelectric Project Stakeholders
SUBJECT: Proposed Communications Protocol and Use of the Traditional Licensing Process

In January 2009, Kenai Hydro, LLC (Kenai Hydro) met with stakeholders to introduce the Grant Lake/Grant Creek and Falls Creek proposed Hydroelectric Projects (Project). During those meetings, Kenai Hydro proposed a timeline for license filing and use of the Traditional Licensing Process (TLP). Subsequently, we have met on several occasions with interested stakeholders to discuss 2009 reconnaissance data needs for fish and aquatics, hydrology, and the instream flow studies, in order to inform the formal study process that will begin once the Pre-Application Document (PAD) is filed with FERC in early August. In conjunction with the PAD filing, Kenai Hydro will be requesting FERC approval for use of the TLP. Absent approval of the TLP, Kenai Hydro will proceed with consultation through FERC's default process, the Integrated Licensing Process (ILP).

Kenai Hydro believes that the TLP will provide the most efficient process for public and agency review of studies and licensing documents, while still allowing for timely filing of a license application for the Grant Lake/Grant Creek and Falls Creek combined Project. The TLP allows for flexibility in review timelines not afforded by the ILP that Kenai Hydro believes will benefit all parties involved in the review and development of the Project. In order to address concerns and questions expressed by stakeholders, in particular in regard to public participation and opportunities for agency review and involvement in the issue identification and study development phases of the TLP, Kenai Hydro has developed a proposed communications protocol to be included with the PAD and request for TLP.

We understand that the TLP has a mechanism, described in §4.38(e)(4), to enhance the TLP with ILP elements that could address these concerns. This provision allows for a potential licensee to request that FERC incorporate into pre-filing consultation elements of the ILP provided for under 18 CFR 5, *et. seq.* Kenai Hydro is willing to request that FERC include additional consultation requirements as discussed in the attached communications protocol.

From: Laura Aigeldinger [mailto:berungia@yahoo.com]
Sent: Wednesday, July 22, 2009 8:56 PM
To: Zubeck, Brad
Subject: Re: Fwd: Request for Comments on Proposed Communications Protocol

To Kenai Hydro, LLC Brad Zubeck,
In regards to the use of the TLP licensing process for Grant Lake and Falls Creek;
I do not support the use of TLP or the use of the communications protocol listed by
HEA and KHL.
thank you for the opportunity to comment.
Laura Aigeldinger

From: "Zubeck, Brad" <BZubeck@HomerElectric.com>
Date: July 13, 2009 11:16:55 AM GMT-08:00
To: Undisclosed recipients:;
Subject: Request for Comments on Proposed Communications Protocol

TO: Grant Lake/Grant Creek and Falls Creek Hydroelectric Project Stakeholders
SUBJECT: Proposed Communications Protocol and Use of the Traditional Licensing Process

In January 2009, Kenai Hydro, LLC (Kenai Hydro) met with stakeholders to introduce the Grant Lake/Grant Creek and Falls Creek proposed Hydroelectric Projects (Project). During those meetings, Kenai Hydro proposed a timeline for license filing and use of the Traditional Licensing Process (TLP). Subsequently, we have met on several occasions with interested stakeholders to discuss 2009 reconnaissance data needs for fish and aquatics, hydrology, and the instream flow studies, in order to inform the formal study process that will begin once the Pre-Application Document (PAD) is filed with FERC in early August. In conjunction with the PAD filing, Kenai Hydro will be requesting FERC approval for use of the TLP. Absent approval of the TLP, Kenai Hydro will proceed with consultation through FERC's default process, the Integrated Licensing Process (ILP).

Kenai Hydro believes that the TLP will provide the most efficient process for public and agency review of studies and licensing documents, while still allowing for timely filing of a license application for the Grant Lake/Grant Creek and Falls Creek combined Project. The TLP allows for flexibility in review timelines not afforded by the ILP that Kenai Hydro believes will benefit all parties involved in the review and development of the Project. In order to

FOCL

Established in 1996

Friends of Cooper Landing, Inc.
P.O. Box 815
Cooper Landing, Alaska 99572-0815

907-595-2129
kenailake@arctic.net

July 22, 2009

Kenai Hydro, LLC
Attn: Steve Gilbert
2525 C Street, Suite 500
Anchorage, Alaska 99503

Subject: Comments on proposed Communications Protocol and use of the TLP,
relative to Grant Lake and Creek, and Falls Creek Hydropower Proposals

Dear Mr. Gilbert:

The Friends of Cooper Landing are very disappointed that Kenai Hydro LLC, Homer Electric Association, and CIRI have announced the intention to proceed with plans to dam, divert, and otherwise develop Grant Lake and Creek, and Falls Creek. These are 2 of 5 miniscule, seasonal hydropower projects proposed on tributaries of the Kenai River.

Industrializing the natural state of the Kenai River and its surroundings is contrary to two decades of protective public policy we have helped to establish and enforce. The irreversible impacts of new dams are tipping points that will degrade this river like so many American rivers. Is it even realistic to believe the public will tolerate the huge costs of these proposals? The integrity of our world class Kenai River is much too important to be compromised.

Sincerely,



Robert L. Baldwin
President

cc: Long View Associates

From: Zubeck, Brad [BZubeck@HomerElectric.com]
Sent: Tuesday, July 28, 2009 10:01 AM
To: Ferguson, Jim M (DFG)
Cc: Maclean, Scott H (DFG); Klein, Joseph P (DFG)
Subject: RE: Request for Comments on Proposed Communications Protocol

Hi Jim,

Thanks for the note and your thoughts. We'll look for your comments during the formal comment period.

I am not aware of FERC's determination on the Chakachamna licensing process. I'll take some time to research it today. Thanks for making note of it.

Except for the rigid schedule, I would be content with the ILP process. Thanks for your participation in our earlier efforts to shape baseline studies. If we end up using the ILP, I am sure that these early efforts will have helped us tremendously.

Best wishes to you for a successful transition into "retirement" as a consultant, and to Scott as he assumes your Hydropower Coordinator position. I look forward to working with you both. I am out of town this week, but will try to give you both a call next week.

Regards,
Brad Zubeck

From: Ferguson, Jim M (DFG) [mailto:jim.ferguson@alaska.gov]
Sent: Tuesday, July 28, 2009 8:37 AM
To: Zubeck, Brad
Cc: Maclean, Scott H (DFG); Klein, Joseph P (DFG)
Subject: RE: Request for Comments on Proposed Communications Protocol

Brad:

I wanted you to know that I am aware of your request. Currently, I am transitioning out of the Hydropower Coordinator position, and Scott Maclean is transitioning in. Therefore, we may not be able to respond formally to you until mid-August, or after the PAD is released. FYI, Scott will be the Hydropower Coordinator effective August 4th. I will be staying on in a part-time advisory capacity for the next year.

I also wondered if you might be reconsidering your request in light of FERC's recent determination on the Chakachamna licensing process. If so, please let us know.

Granted, this project has high public interest, as well as important fisheries resources in the project area. However, the project is a relatively small and simple design as hydro projects go and, based on my experience, I feel that either the ALP or the ILP would probably work well in this case. The ILP has tight time lines, especially regarding study planning. However, as you know, we have made some progress on probably the most time-intensive study plans, the instream flow and fisheries/fish habitat studies. That progress could make ILP approach feasible to the agencies.

Food for thought, anyway. I'd be happy to discuss this with you over the phone any time you'd like. I'd like to get Scott in on the conversation, so if you'd like to talk I'd prefer to set a time when both of us can be on the line.

Regards,

Jim

Jim Ferguson, PhD
Statewide Hydropower Coordinator
Alaska Department of Fish and Game
Sport Fish Division - RTS
333 Raspberry Road
Anchorage, AK 99518-1565
907-267-2312 Fax: 267-2422



~~~~~ ><{{{°>

---

**From:** Zubeck, Brad [mailto:BZubeck@HomerElectric.com]  
**Sent:** Monday, July 13, 2009 11:17 AM  
**Subject:** Request for Comments on Proposed Communications Protocol

**TO:** Grant Lake/Grant Creek and Falls Creek Hydroelectric Project Stakeholders

**SUBJECT:** Proposed Communications Protocol and Use of the Traditional Licensing Process

In January 2009, Kenai Hydro, LLC (Kenai Hydro) met with stakeholders to introduce the Grant Lake/Grant Creek and Falls Creek proposed Hydroelectric Projects (Project). During those meetings, Kenai Hydro proposed a timeline for license filing and use of the Traditional Licensing Process (TLP). Subsequently, we have met on several occasions with interested stakeholders to discuss 2009 reconnaissance data needs for fish and aquatics, hydrology, and the instream flow studies, in order to inform the formal study process that will begin once the Pre-Application Document (PAD) is filed with FERC in early August. In conjunction with the PAD filing, Kenai Hydro will be requesting FERC approval for use of the TLP. Absent approval of the TLP, Kenai Hydro will proceed with consultation through FERC's default process, the Integrated Licensing Process (ILP).

Kenai Hydro believes that the TLP will provide the most efficient process for public and agency review of studies and licensing documents, while still allowing for timely filing of a license application for the Grant Lake/Grant Creek and Falls Creek combined Project. The TLP allows for flexibility in review timelines not afforded by the ILP that Kenai Hydro believes will benefit all parties involved in the review and development of the Project. In order to address concerns and questions expressed by stakeholders, in particular in regard to public participation and opportunities for agency review and involvement in the issue identification and study development phases of the TLP, Kenai Hydro has developed a proposed communications protocol to be included with the PAD and request for TLP.

We understand that the TLP has a mechanism, described in §4.38(e)(4), to enhance the TLP with ILP elements that could address these concerns. This provision allows for a potential licensee to request that FERC incorporate into pre-filing consultation elements of the ILP provided for under 18 CFR 5, *et. seq.* Kenai Hydro is willing to request that FERC include additional consultation requirements as discussed in the attached communications protocol.