

Licensing Overview

**Grant Lake Hydroelectric Project (FERC No. 13212)
Natural Resource Studies Meeting**

December 12, 2012 – Anchorage, AK



In Association with



Background

- ✓ HEA begins licensing process – October, 2008 (1st PP)
- ✓ Environmental baseline studies conducted – 2009
- ✓ NOI/PAD Submitted to FERC – August, 2009
- ✓ FERC authorizes TLP & non-federal representative – September, 2009
- ✓ Joint meeting – November, 2009
- ✓ Environmental baseline study report distributed – March, 2010
- ✓ 2010 Study Plans distributed for stakeholder review – April/May, 2010

Background

- ✓ HEA receives formal stakeholder comments on draft study plans – April-July, 2010
- ✓ FERC issues Scoping Document 1 – May, 2010
- ✓ FERC issues Scoping Document 2 – August, 2010
- ✓ Natural resource studies suspended – August, 2010
 - After 2009 baseline studies, HEA developed a set of study plans believed to be commensurate with the size/scale of the Project. After stakeholder review/FERC scoping, it was evident that additional study would be needed so HEA suspended the 2010 studies until additional revisions to the plans could be made.
- ✓ 1st Preliminary Permit expires – September, 2011
- ✓ FERC approves 2nd Preliminary Permit – March, 2012

Meeting Intent

- ✓ Identify and change in Stakeholder contacts
- ✓ Introduce McMillen Team
 - Key individuals/contacts
- ✓ Natural resource centric
- ✓ Review studies, resource area by resource area:
 - What has been done to date
 - What is left to do
 - Associated schedules
 - Discussion of formal comments received by Stakeholders
 - How the comments were addressed
 - Permit needs
- ✓ Distribute final study plans

Natural Resource Studies

- ✓ HEA plans on completing the natural resource studies in 2013/2014
- ✓ Per the TLP, the Draft Grant Lake Natural Resource Study Plans were formally commented on in 2010
- ✓ HEA has integrated these comments into the Final Study Plans
 - Matrix created to document the effort
- ✓ Ken Hogan (FERC) has been consulted regarding HEA's general approach and confirms its applicability per TLP requirements

Natural Resource Studies

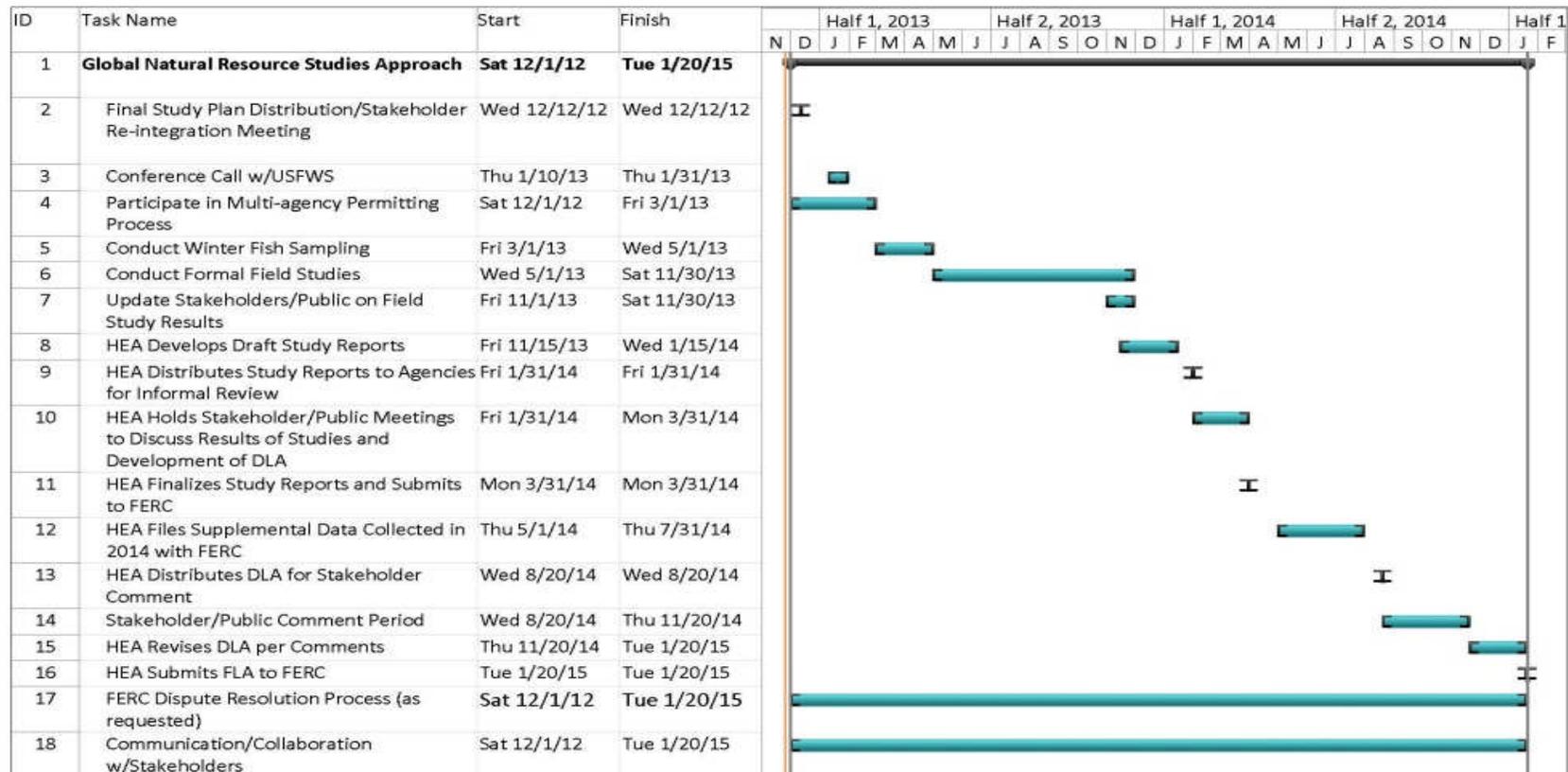
- ✓ Use this meeting as a mechanism to discuss how comments were incorporated to satisfy agency concerns
- ✓ Formal comments were clear and thorough
- ✓ HEA open to any clarifications Stakeholders may have

TLP

✓ Where we are:

- Beginning of 2nd stage
 - Conduct studies
 - Update Stakeholders on progress and results as they're developed
 - Provide study reports for review
 - Develop Draft License Application (DLA)
 - Submit DLA to Stakeholders for review
 - Hold meetings to discuss results, reports and DLA (as appropriate)

Natural Resource Studies Schedule



HEA Commitments

- ✓ Proactive
- ✓ Effective communication and collaboration
- ✓ Consistent points of contact
- ✓ High quality, scientifically defensible studies

Project Planning

- ✓ SharePoint Site:
 - Kenai Hydro Website
 - <http://www.kenaihydro.com/>
 - Mechanism for review and information sharing

- ✓ In early 2013, HEA will be choosing an engineering consultant to conduct feasibility work in preparation for the License Application

Owner



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