

September 5, 2002

Cynthia Zuelow-Osborn, Project Review Assistant
Project Review Coordinator, State of Alaska
Office of Management & Budget, Division of Governmental Coordination
550 W. 7th Avenue, Suite 1660
Anchorage, AK 99501

**Re: Cooper Lake Hydroelectric Project (FERC No. 2170):
Request for ACMP Pre-Application Meeting**

Dear Cynthia:

The purpose of this letter is to request that the Division of Governmental Coordination (DGC) schedule a meeting with State agencies and Chugach Electric Association (Chugach) to discuss the Alaska Coastal Management Program (ACMP) application process for relicensing of the Cooper Lake Hydroelectric Project (Project). Chugach recently began the process to relicense the Project with the Federal Energy Regulatory Commission (FERC). The current 50-year license for the Project will expire at the end of April 2007, and the final license application must be submitted to FERC no later than April 30, 2005.

From our discussions with you, we understand that the ACMP application process would normally begin at the time a proposal is officially submitted — in this case, in conjunction with filing of the final license application with FERC in April 2005. However, as we have discussed, with respect to this relicensing there would be a great benefit to Chugach and State agencies if the information needed to support the ACMP application process can be identified sooner so the studies that must be conducted for development of the FERC license application can be designed to ensure that the information needs for the ACMP application process also are addressed.

In our previous discussions, you mentioned that DGC would be willing to coordinate an ACMP pre-application meeting to occur in the timeframe of a workshop that Chugach is planning to hold with relicensing participants this fall to discuss relicensing study requests and proposed study plans. Chugach has recently firmed up its plans for this workshop, which is now scheduled to be held on December 3, in Cooper Landing. If possible, we would like to have the ACMP pre-application meeting be scheduled for the following day, December 4, in Anchorage. Chugach can provide a room for this meeting, if this would be helpful.

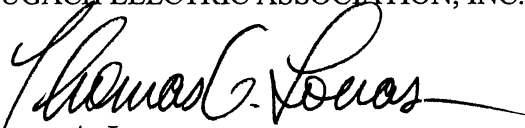
We are in the process of completing a draft "Coastal Project Questionnaire and Certification Statement" and plan to be able to provide this in draft form to DGC at least a month ahead of the requested December 4 pre-application meeting, for purposes of review and discussion with the State agencies at the meeting.

Chugach Electric Association, Inc.

Please let us know if you have any questions or concerns, or if we can provide any further information regarding the relicensing or our request to initiate the ACMP application process.

Sincerely,

CHUGACH ELECTRIC ASSOCIATION, INC.

A handwritten signature in black ink, reading "Thomas A. Lovas". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Thomas A. Lovas
Manager, System Development and Corporate Planning
Cooper Lake Relicensing Project Manager