

Study of a Proposed Hydroelectric Project on the North Fork of the Snow River

Chugach Electric Association, Inc.

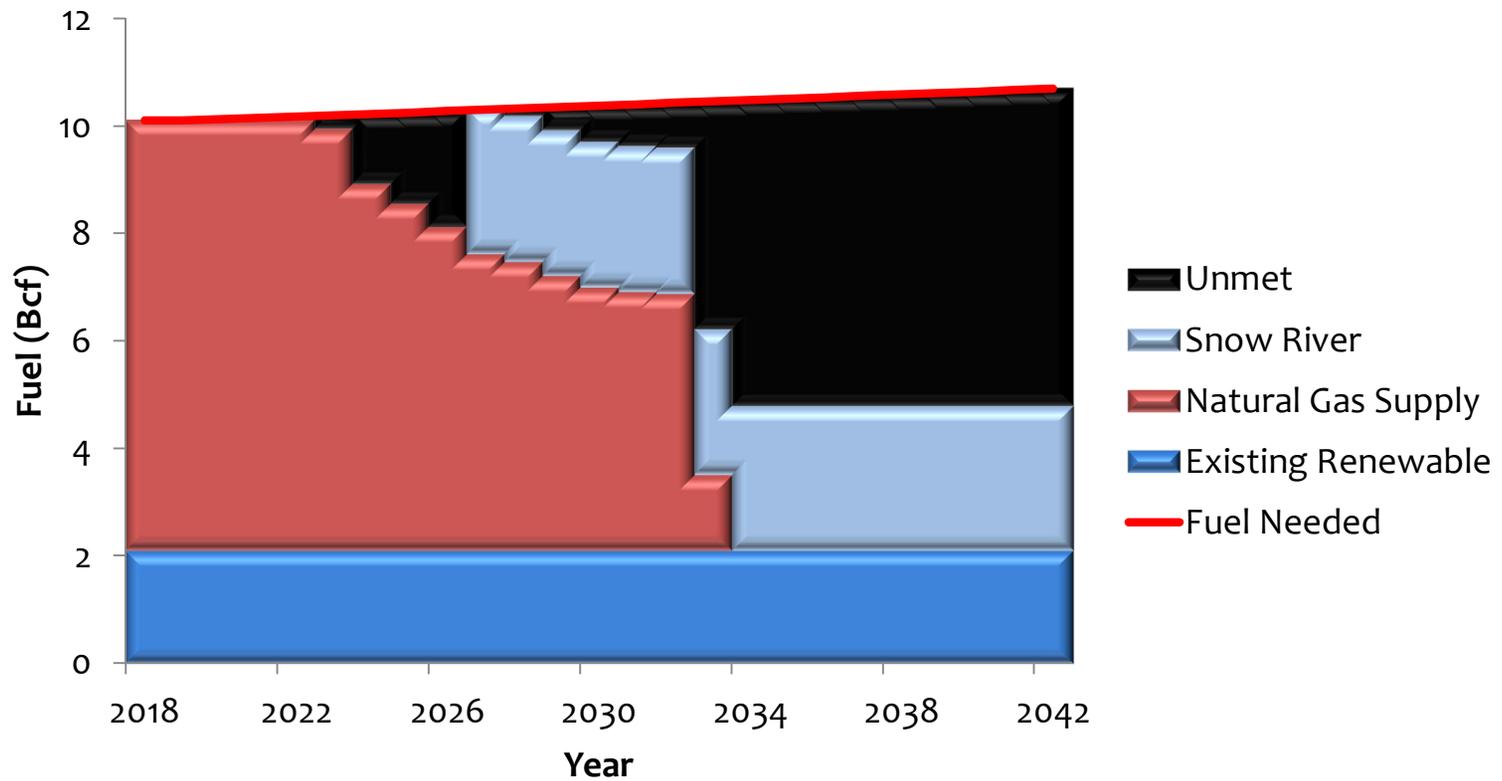


Why a hydro project?

- Sustainable
- Renewable
 - Reduces CO₂ emissions
- Dispatchable
- Long -term rate stability

Fuel sustainability

Chugach Electric Association
Fuel Requirements (Natural Gas and Hydro Equivalent)



Chugach's generation profile

- Gas-fired – 76%
 - Southcentral Power Project
 - Beluga
- Hydroelectric – 20%
 - Cooper Lake Power Project
 - Eklutna Power Project
 - Bradley Lake Power Project
- Wind – 4%
 - Fire Island

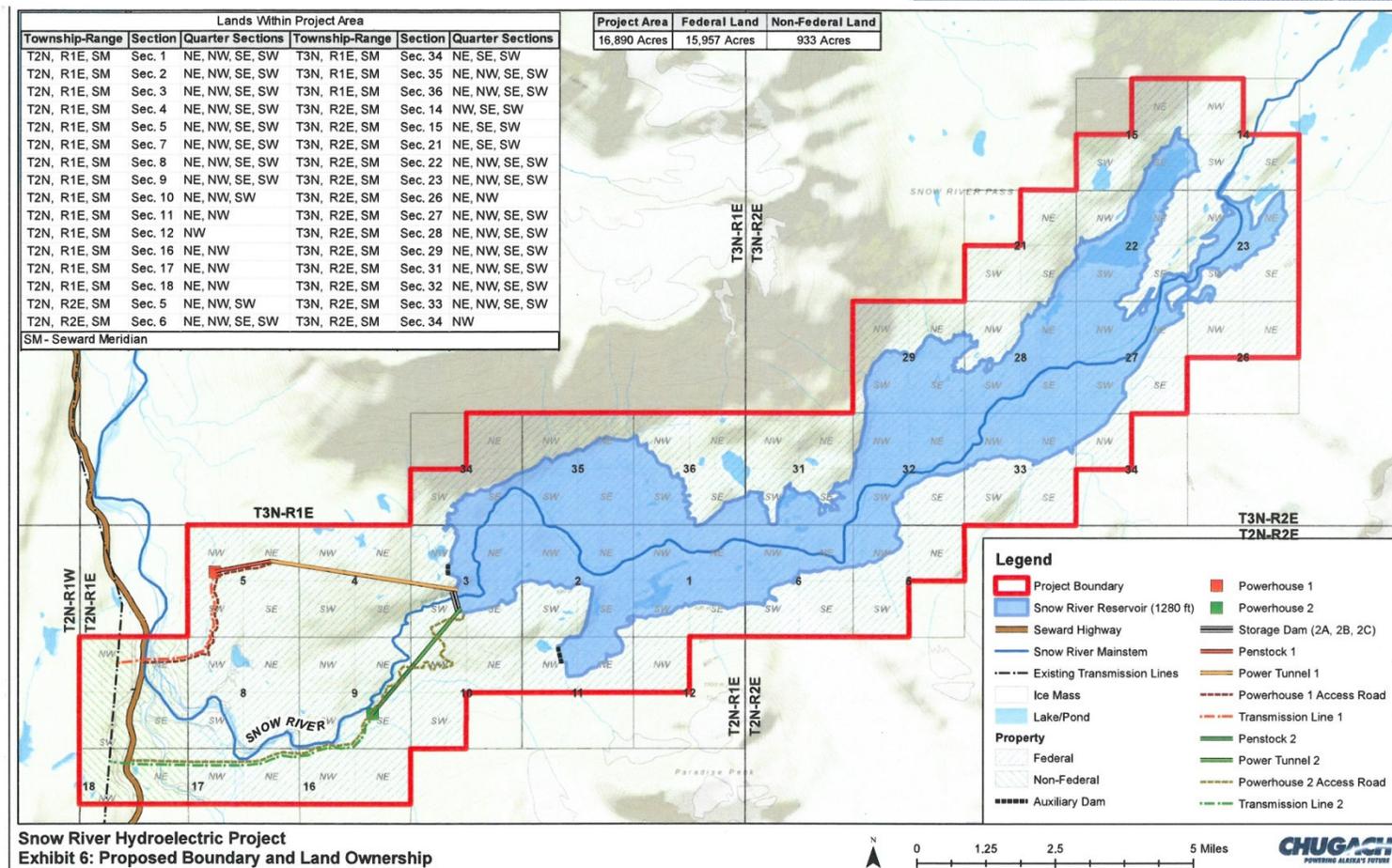
Future generation decisions

- Assurance of adequate generation and fuel resources
- Chugach uses Integrated Resource Planning
- Evaluation of resource options
- Long-term planning
 - 20+ year horizon
- Requires information on potential options

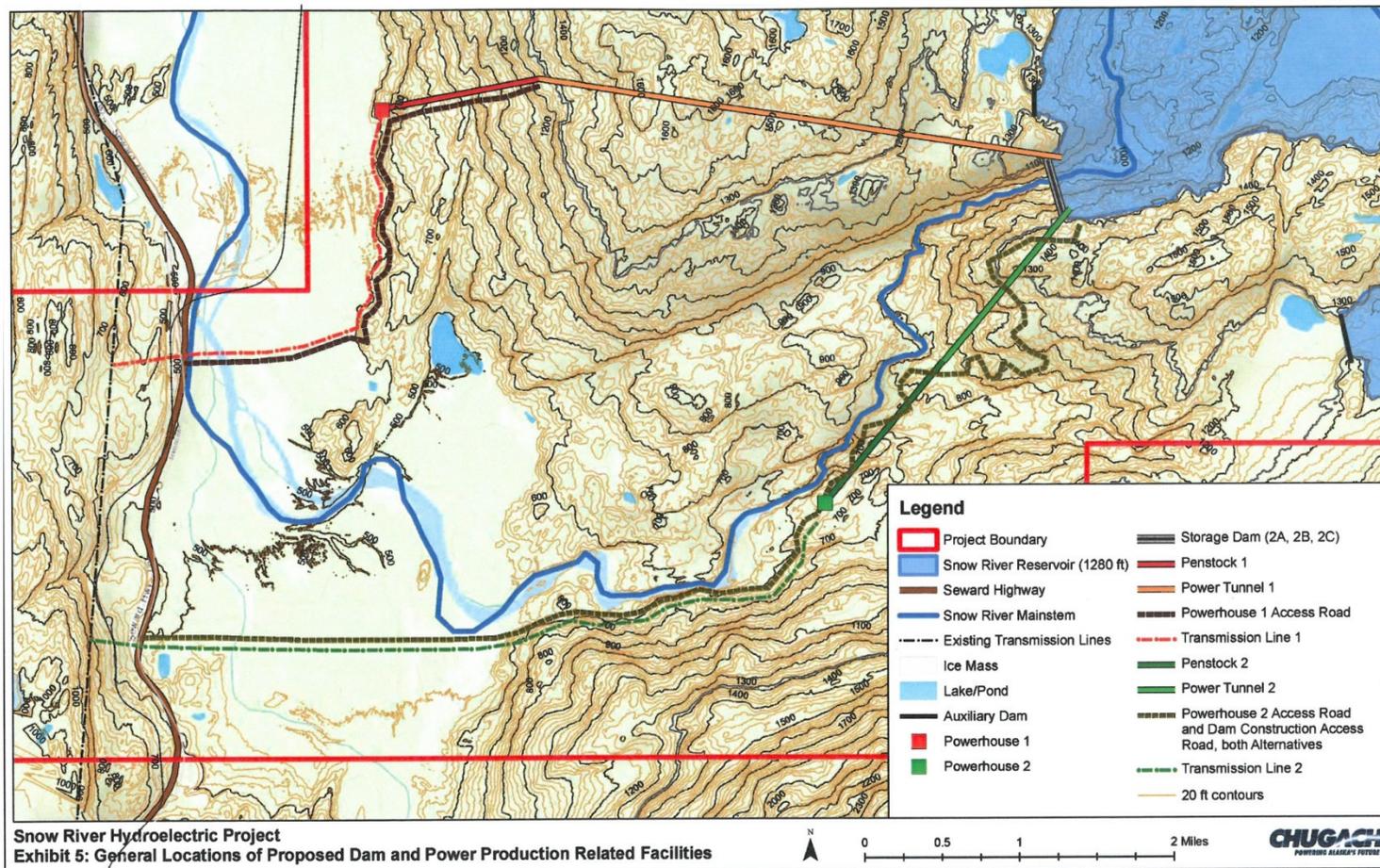
Why this site?

- Snow River hydroelectric project potential has been recognized for decades
 - USGS (1960's)
 - AEA (1980's)
- Basin has attractive hydro project characteristics
 - Water flow
 - Reservoir storage potential
 - Elevation difference
 - Near existing infrastructure
 - Port, highway, railroad, transmission line

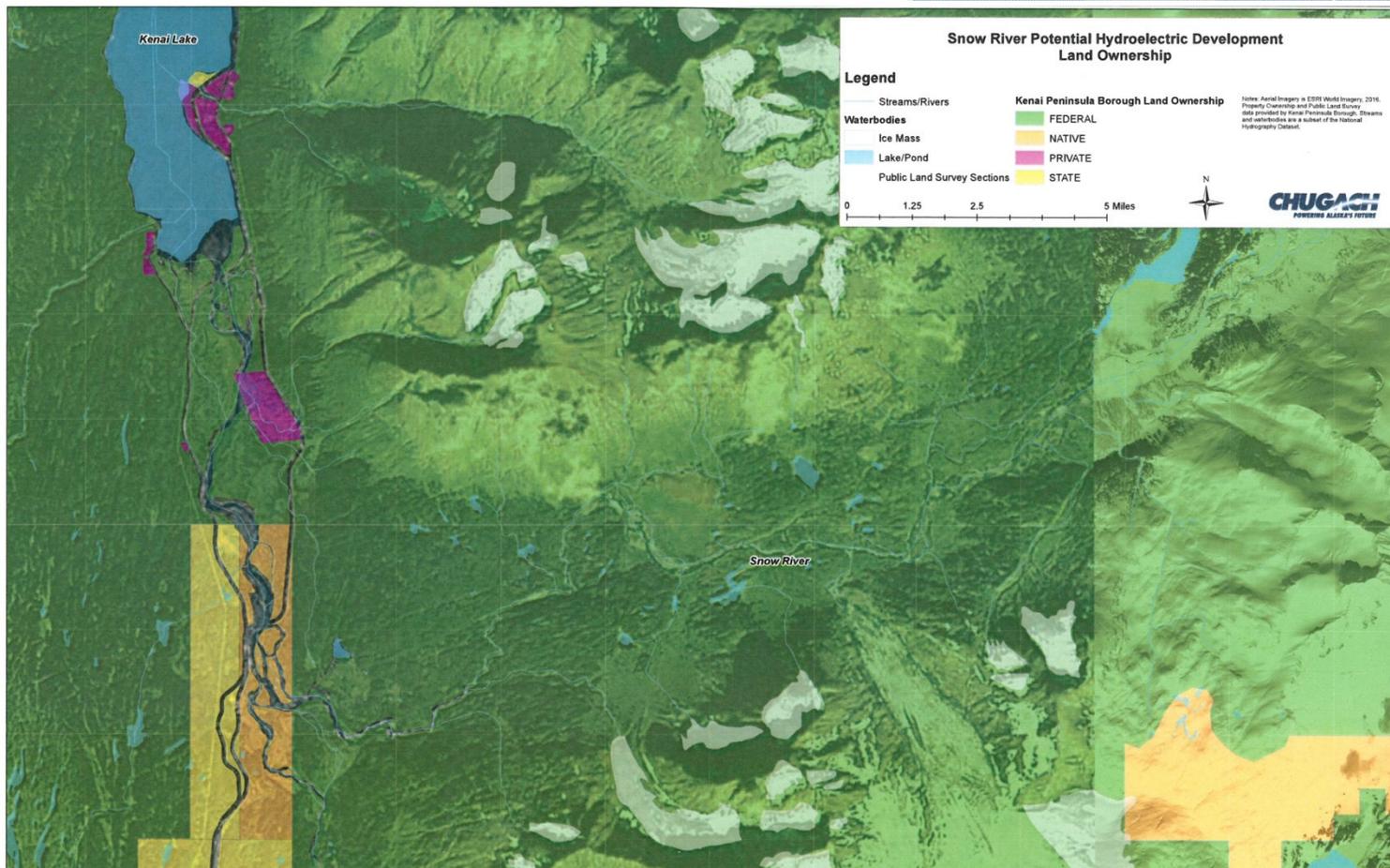
Watershed - reservoir



Proposed facilities (2 alternates)



Land ownership



FERC process

- **Secure FERC Preliminary Permit**
 - Provides 3 years to study concept
 - Can be extended
- **FERC License Application**
 - Supported by studies, engineering, proposed protection, mitigation and enhancement measures
- **FERC Review**
 - Comprehensive
 - Dam safety
 - Conditions
- **Construction**

Project needs to be feasible

- Can you license it?
- Can you finance it?
- Can you build it?
- Does it make financial sense?

Prospective timeline

- Preliminary Permit 3-5 Years
- License application 2-3 Years
- Construction 3 Years

Chugach decisions

- Those that have been made:
 - Secure a Preliminary Permit
 - Study the potential of the concept
 - Fund 2017 activities
- Those that have not been made:
 - Continue studying the concept past 2017
 - Whether to submit a license application
 - Whether to build the project

Key early activity

- Understand Forest Service wild and scenic classifications
- Gather existing resource information
- Field reconnaissance/site evaluation
- Evaluate effects of jokulhlaups
- Identify information needs

Questions?