

Solutions for the Future Nushagak Electric & Telephone Cooperative, Inc.

Nushagak Electric & Telephone Cooperative, Inc. 557 Kenny Wren Road • P.O. Box 350 • Dillingham, AK 99576 Ph: 907-842-5251 • Fx: 907-842-2799 • <u>www.nushtel.com</u>

NUYAKUK RIVER HYDROELECTRIC PROJECT

FAQ



What is the Nuyakuk Hydroelectric Project (NHP)?

The Nuyakuk Hydroelectric project is a proposed run-of-river hydroelectric development that would provide distributed electric energy and broadband access to six northern Bristol Bay communities, Aleknagik, Dillingham, Ekwok, Koliganek, Levelock and New Stuyahok.

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requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W.,



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Where is the NHP located?

The project is located at Nuyakuk Falls approximately 4 miles downstream of Tikchik Lake on the Nuyakuk River in Wood Tikchik State Park.

What is the estimated cost of development for the NHP?

The studies are estimated at approximately \$6M over the next 3 years with the overall project cost, if developed, estimated at \$120M to \$140M.

How is the project being studied and licensed?

NETC has contracted with McMillen Jacobs Associates to help with initial feasibility studies (desktop), outreach and consulting during the licensing process. The Federal Energy Regulatory Commission (FERC) has licensing jurisdiction through their Integrated Licensing Process (ILP). Information on this process and links to the docket for this project ban be found on the project website under the FERC tab.

What is the power production potential of the NHP?

Modeling 60 years of flow data and 30% of the flow, the NHP would produce around 12MW at peak output with an average annual production of 58MWh.

How many miles of transmission would need to be built?

The project would build around 100 miles of new transmission line and utilize another 30 existing miles.

How will this change broadband access to the communities involved?

These communities currently have broadband access through either a microwave long haul network or satellite communications. This project would extend the fiber optic long haul network making significantly more bandwidth available.

What would be the effect on the cost of a KWH?

The cost of power production would depend on the cost of capitalization (cost of project development and construction) plus the cost of operations on a year to year basis. This would be compared to the cost of power production as it is currently in our communities. We believe the avoided costs, largely the cost of fuel, but also genset maintenance, reinvestment and regulatory compliance would be lessened, would equal the debt service of the capital cost.

Several factors to consider:

• Future cost of fuel

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- Possible grant funding lessening capital costs
- The term and interest rate of debt service
- The future cost of power production once debt is eliminated

Would power recipients become members of NETC?

If a power provider purchases power from NETC they will become a member of NETC. Individuals will remain customers/members of their community's service provider.

What would be the effect on jobs in the communities involved?

It is the intent of NETC to provide power, not to replace the existing power provider in the communities not in NETC's service area. The effect on jobs would depend on the existing providers operational needs. All existing operational needs would still be valid with the exception of day to day diesel genset operations. We also believe that stabilizing or lowering the energy costs coupled with increased broadband access in these communities will have a positive impact on job creation and new business opportunities.

How this would affect village travel and access to remote areas?

It is NETC's intent to build the transmission line with as little impact as possible, without building roads or trails; we do not intend to provide a transportation corridor. If communities decide they would like to pursue a transportation corridor and our right-of-way would assist, we would be willing to discuss and if a consensus on approach can be reached, participate at an appropriate level.

What does the project timeline look like?

The project is just starting the study plan development phase of the FERC ILP process. Every phase will be evaluated for project feasibility before moving to the next and have multiple opportunities for public input. A high level timeline:

- Present to late 2020 Study plan development, initial studies
- 2021 2023 Study seasons
- Late 2023 NETC files FERC License Application
- Early 2024 FERC issues Operating license
 - 2024 2026 NETC obtains all necessary operating permits and licenses including
 - Wood Tikchik State Park operating permit
 - Transmission line Right of Way
 - Water rights
 - 2026 2028 Construction

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Will this create jobs during studies and construction?

Most of the study and construction work will be contracted to qualified service providers. If you would like to provide information for contracting or employment please contact us using the <u>NHP@nushagak.coop</u> email contact. NETC will encourage local hire with our contractors.

Where can I get more information?

To request further information or to schedule a project presentation for your organization please contact us at <u>NHP@nushagak.coop</u>

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