



Solutions for the Future

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May 30, 2019

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

- FILED ELECTRONICALLY -

**RE: Second Six-Month Preliminary Permit Progress Report for the Nuyakuk
Hydroelectric Project (Project No. 14873), December 11, 2018 – June 1, 2019**

Dear Secretary Bose:

Nushagak Cooperative (Cooperative) hereby submits its second six-month progress report for the period of December 11, 2018 through June 1, 2019 for the proposed Nuyakuk Hydroelectric Project (Project).

Over the course of the second six-month period associated with their Preliminary Permit, the Cooperative has continued to progress with respect to the internal phases of schedule development, study planning and the associated resource and financial planning for this multi-year effort. A bulk of this period has been spent working directly with the Alaska State Government to pass legislation that would amend the Wood-Tikchik State Park Plan and allow the Cooperative to conduct the comprehensive set of natural resources and engineering studies necessary. The Cooperative is pleased to report that both the Alaska State Senate and House recently passed the proposal unanimously and the legislation is currently awaiting signature by the Governor.

In addition to the legislative effort, the Cooperative has nearly completed internal development of the Notice of Intent (NOI) and Pre-Application Document (PAD) and anticipates filing it early during the next term of this Preliminary Permit. Finally, the Cooperative has continued its public outreach efforts to further inform the local public and relevant interest groups of their intent to move forward with formally assessing the feasibility of the Project.

ACTIVITIES DURING THE REPORTING PERIOD (December 11, 2018 – June 1, 2019)

Regulatory

- Advance internal development of the NOI/PAD.
- Worked collaboratively with the Alaska State Legislature, state agencies and the public to pass legislation allowing for the comprehensive study of the Project area within the Wood-Tikchik State Park.

Natural Resources and Engineering Feasibility

- In May 2019, the Cooperative conducted additional on-site surveying work to refine certain topographic analyses related to the conceptual layout of the proposed Project.

Administrative

- Refined internal and external cost estimates related to all phases of the licensing process in advance of Cooperative annual budget planning and grant application timing.
- Refined the conceptual schedule for all primary milestones associated with the licensing of the Project over the next 5 years.
- Continued the process of identifying potential subconsultants that will likely be necessary to supplement study efforts.
- Provided consistent updates to the Cooperative Board of Directors related to Project status, next steps, etc.

CONTINUING ACTIVITIES IN SUPPORT OF LICENSE APPLICATION DEVELOPMENT

Now that legislation is passed allowing for comprehensive studies inside of the State Park boundary and in anticipation of significant progress in 2019 and beyond, the Cooperative will intensify collaborative efforts with stakeholders and FERC and advance study planning and implementation efforts. Further itemized detail is provided below:

Stakeholder Outreach and Consultation

- Kick-off meeting with stakeholders to present Project concept and intent and begin dialogue related to licensing process, schedule, existing data, permitting, study planning, etc.
- Hold stakeholder meetings/calls related to study need identification, planning and implementation efforts.
- Secure appropriate subconsultants to conduct requisite natural resource studies identified after working collaboratively with stakeholders.
- Maintain comprehensive consultation record.

Regulatory

- Finalize development of NOI and PAD.
- Continue to develop collaborative relationships with stakeholders.
- Maintain and amplify integration with FERC related to Project development.

Natural Resources and Engineering Feasibility

- Apply for and secure all requisite permits necessary to conduct natural resource and engineering feasibility studies in 2020 and 2021.
- Work with stakeholders to identify key areas of study and begin development of comprehensive study plan package for all requisite resource areas.
- Begin study plan development for the natural resources and engineering feasibility studies to be conducted in 2020 and 2021.

Administrative

- Retain the services of necessary subcontractors to provide specialized natural resource study support.
- Provide consistent updates to the Cooperative's Board of Directors related to Project progress.

Please feel free to contact me (907.842.5251 or barmstrong@nushagak.coop) with any questions regarding this filing.

Sincerely,



Bob Armstrong
Electric Operations Manager
Nushagak Cooperative