



January 16, 2008

Representative Craig Johnson
State Capitol, Room 126
Juneau, Alaska 99801-1182

Dear Representative Johnson:

On behalf of Chugach Electric Association, I am writing to ask you to consider sponsoring legislation to authorize and fund a study of an appropriate Susitna hydroelectric project for Alaska's Railbelt region.

As I'm sure you are aware, a large Susitna hydro project received a great deal of study decades ago, ending in the mid-1980s. Chugach believes the time is right to take another look at the idea of a major hydro project for the Railbelt – but one that is sized appropriately for our grid. We suspect a project roughly half the size of the prior concept could be a viable and valuable project for our region. We also believe the best outcome would be achieved by having the Alaska Energy Authority lead the study effort, with collaboration and input from Railbelt electric utilities.

We suggest the following be considered in drafting a bill.

Purpose: Authorize and appropriate funds for a collaborative study of an appropriately sized Susitna hydroelectric project for the Railbelt.

Key points:

1. The effort should be collaborative. The Alaska Energy Authority should have the lead but be required to involve the Railbelt electric utilities.
2. The effort should include a review of prior studies and data.
3. The project should be of a size appropriate for the Railbelt grid.
4. The study should include estimated project costs.
5. \$1 million should be appropriated for the study.

Thank you for considering this request. If you would like to discuss this proposal in greater detail, please call Brad Evans, Acting Chief Executive Officer, at 762-4767.

Sincerely,

A handwritten signature in black ink that reads "E. Vazquez".

Elizabeth Vazquez,
Chair, Board of Directors