

## MUNICIPALITY OF SKAGWAY, ALASKA

### RESOLUTION NO. 12-11R

#### **A RESOLUTION OF THE MUNICIPALITY OF SKAGWAY, ALASKA, SUPPORTING GOAT LAKE HYDRO, INC. (GLH) IN THE USE OF THE TRADITIONAL LICENSING PROCESS FOR THE CONNELLY LAKE HYDROELECTRIC PROJECT (P-14229)**

**WHEREAS**, For over 110 years the Municipality of Skagway has been a proponent of hydro power for its residents and now encourages the residents of Haines Borough Alaska to support GLH's efforts to construct a hydro project within the Haines Borough by utilizing the Traditional Licensing Process (TLP); and

**WHEREAS**, The Upper Lynn Canal (ULC) does not currently have capacity to meet winter peak demands and the micro grid's only alternative is expensive diesel generation, which affects both communities, especially if Goat Lake Hydro is out of service; and

**WHEREAS**, The Municipality of Skagway wishes to support the development of the Connelly Lake Hydroelectric Project because it is large enough to meet the Upper Lynn Canal load on its own, including peak loads; and

**WHEREAS**, The Municipality of Skagway supports the use of the Traditional Licensing Process requested for use by GLH because the Federal Energy Regulatory Commission (FERC) or a third party selected by FERC will write the Environmental Assessment ensuring an impartial and scientific analysis for this project; and

**WHEREAS**, The Municipality of Skagway believes the Traditional Licensing Process would result in a timely license application; and

**WHEREAS**, The Municipality of Skagway does not believe the resource issues are overly complex, i.e., it is essentially about fish and what impacts the project may have on them; and

**WHEREAS**, The Municipality of Skagway believes the level of anticipated controversy is moderate, but vocal, because the main issue is about fish. Resolving that central issue should eliminate most of the concern; and


**WHEREAS**, The Municipality of Skagway believes the cost for the default Integrated Licensing Process would be significantly higher than the Traditional Licensing Process by possibly as much as \$500,000; and

**WHEREAS**, The Municipality of Skagway does not believe there will be significant disputes over studies because the Resource Agencies in Alaska are responsive and work closely with permit applicants; and

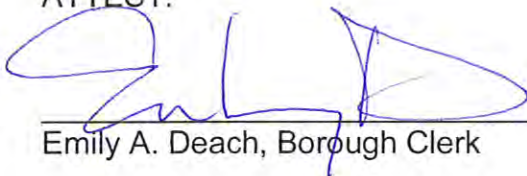
**WHEREAS**, The Municipality of Skagway believes that because this is a small Alaskan project, the Integrated Licensing Process is too burdensome and costly and that the Traditional Licensing Process will provide adequate meetings and public input.

**NOW THEREFORE BE IT RESOLVED**, that the Municipality of Skagway supports additional renewable energy at the Haines end of the power grid and that this resource should be large enough to handle the entire winter load for ULC should Goat Lake Hydro ever have a long term shutdown, and authorizes the administration to submit a resolution of support to FERC for GLH to use the Traditional Licensing Process.

**PASSED AND APPROVED** by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 5<sup>th</sup> day of July, 2012.

  
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Stan Selmer, Mayor

ATTEST:

  
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Emily A. Deach, Borough Clerk

(SEAL)

