

KASIDAYA CREEK HYDROELECTRIC PROJECT

PROJECT NO. 11588

MONTHLY CONSTRUCTION REPORT

FOR

FEBRUARY 2007



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KASIDAYA CREEK¹ HYDROELECTRIC PROJECT FERC PROJECT NO. 11588-AK

MONTHLY CONSTRUCTION REPORT FOR THE MONTH OF FEBRUARY 2007

PREPARED MARCH 14, 2007

The FERC authorized the start of construction for the Kasidaya Creek (formerly Otter Creek) Hydroelectric Project 3 miles south of Skagway, Alaska on April 5, 2006. Mobilization began April 11, 2006.

1. PROGRESS OF WORK

Weather during February was cold with significant snow accumulation, hampering access to the project at times due to strong winds and subzero temperatures from the wind chill. Construction of the right-of-way continued to be on hold due to freezing conditions. Progress however was made on the powerhouse foundation and powerhouse frame as described below. A 20-foot shipping container was brought over from Skagway to store the building materials for the powerhouse structure to keep them out of the weather. Cradles were built in Skagway for transport pipe to the project site. Needed vehicle maintenance was completed on-site, including oil changes and tune-ups.

Powerhouse Site

The powerhouse foundation was completed and the frame and exterior walls were installed, including the roof. More electrical conduit was installed around the powerhouse. All insulation for the powerhouse was brought to the site for installation.

Access Road

Construction of the access road has stopped until weather warms up to melt ice on the right-of-way. To speed up the ice melting, snow was removed up to Sta. 23+00. The Morooka cannot make it up the road with the ice.

2. STATUS OF CONSTRUCTION

56% Complete

The construction schedule is being revised to reflect the license amendment request, new road alignment and elimination of the tunnel. The new schedule will be included in next months report.

¹ Name change from Otter Creek Hydro was approved by FERC on June 26, 2006.

3. CONSTRUCTION DIFFICULTIES

Normal equipment issues requiring repairs on site or in Skagway have occurred. Ice on the right-of-way has stopped construction of the road until weather conditions warm up. Some winter storms have also hampered access of the project during the month of February. The labor force in February varied from 4 to 8 people employed full time.

4.0 CONTRACT STATUS

Completion N/A

Construction surveying is being provided by Pacific Contract Co. ECM is a joint effort shared by David Hunz of H&H who also contracted Molly Covenor to be part of the ECM team. Other contracts will be negotiated as the project progresses. At this time there is only the ECM contract.

4. CRITICAL EVENTS & DATES

Future critical events and dates are:

- March 6 submit revised Exhibits A, F-1 and F-2 to FERC.
- March 12 submit revised Erosion & Sedimentation Plans.
- March 15 begin 30 public notice for amendment if required (FERC)
- March 26 submit revised road and penstock design to FERC Portland
- April 5 submit revised design to USFS, COE, DNR for permitting
- April permission to begin penstock at powerhouse so excavation and thrust blocks can be completed
- May 1 target date to have license amendment approved
- June 1 target date to begin road extension on new alignment

5. IMPOUNDMENT FILLING

Not applicable at this time (Phase III)

6. FOUNDATIONS

Tailrace and powerhouse foundations are complete.

7. SOURCES OF MAJOR CONSTRUCTION MATERIALS

Vendors are: Gilkes (Turbine/Generator/Lube Unit)
Chief Buildings (Powerhouse structure)
H&H Construction (Concrete)

8. MATERIALS TESTING AND RESULTS

Concrete samples from each batch are being tested by R&M engineering of Juneau, AK. Test results are on file at the Skagway AP&T office. Concrete air entrainment testing has also been performed periodically.

9. INSTRUMENTATION

The only gauging at this time is continuation of stage measurement at Kasidaya Creek mouth.

10. PHOTOGRAPHS

Photographs in the Appendices show work on the powerhouse foundation forms and tailrace weirs.

11. EROSION CONTROL / OTHER ENVIRO MEASURES

No erosion was noted at any of the project activities. Soils encountered have been very sandy, mixed with boulders, or bedrock. The road and traveled parts of the staging area have been surfaced with rock to minimize erosion. This time of year the ground is frozen and covered with snow and ice. Weather conditions were generally cold with 9 cloudy or mildly wet days, 13 days of snow, and 6 days of sunshine or partial sunshine according to the Weather Underground website. The total precipitation for February was 0.07 inches. Snow does not appear to be recorded although the weather calendar indicates 13 days of snow. Average high temperature for the month was 25.5°F with a maximum of 41°F on February 1, 3, and 16. The average low temperature for the month was 18.6°F with the lowest temperature of 3°F occurring on February 22, 23, and 28. No turbidity measurements taken at this time because there is no activity near Kasidaya Creek. Soils dry out quickly due to good drainage from the sandy soils. A tiny stream north of the project is also being watched and has a hay bale placed in it just in case, but the water has remained clear and no sediment has been observed. Surface water has mostly been frozen and the ground covered with snow.

Summary of ECM Weekly Reports for January:

PROGRESS OF WORK

- More electrical conduit was installed around the powerhouse.
- The crew continues to bring more pipe from Skagway out to Kasidaya Creek. On average, 2 days a week are spent hauling pipe.

- The right-of-way is being cleared of snow to Sta. 23+00. Due to the large quantity of ice that has formed, the Morooka can't make it up the road. The crew is still working on snow removal so that the ice can melt.
- All insulation for the powerhouse has been brought out to Kasidaya.
- The east, west and north walls of the powerhouse are complete. The crew is currently working on the south wall and then will install the roof.
- All of the tin needed for roofing the powerhouse is on site and should start to be installed by the end of the week.

EROSION CONTROL

- The majority of the site is still iced over.
- Due to freezing winter conditions, the threat of erosion on site is minimal.

HAZARDOUS SUBSTANCES

- A light sheen was found on the ground under one of the vehicles on site. The crew was asked to clean it up and work on correcting the leak.
- All hazardous substances are being held in appropriate containers.
- There are adequate numbers of hazardous substance cleanup supplies on site.
- Fire hazard remains low due to wet and freezing conditions.

WILDLIFE OBSERVATIONS

- Surf Scooters, Seagulls, Harbor Seals, Sea lions and Crows are seen on and around the site.
- A Mountain Goat has been observed for multiple days about 1000 yards from the site.
- Fresh Wolf tracks were found on the right-of-way by the crew.

RECOMMENDATIONS

- Repair the leak in the large blue truck. After speaking with Roger Barger, Project Superintendent, he said repairs are already in the works.

12. OTHER ITEMS OF INTEREST

There have been no reportable accidents or incidents during this reporting period.

APPENDICES

SCHEDULE FOR CONSTRUCTION (being revised; will include next month)

PHOTOGRAPHS

Photo 1



Unloading the truck and pipe from the Landing Craft.

Photo 2



The truck driving off the Landing Craft.

Photo 3



Unloading the pipe in the Staging Area.

Photo 4



Stacked pipe on the south side of the jetty.

Photo 5



The Crew working on the south wall of the Powerhouse.

Photo 6



The southwest corner of the Powerhouse.



Photo 7

The north wall of the Powerhouse.



Photo 8

The southeast corner of the Powerhouse from the inside.



Photo 9

The beginning of the right-of-way east of the Staging Area.



Photo 10

INSIDE POWERHOUSE



Photo 11

CONSTRUCTION OF THE POWERHOUSE



Photo 12