

2 PROCESS PLAN, SCHEDULE, AND COMMUNICATION PROTOCOL

2.1. Overview of Licensing Approach and Early Consultation

The proposed Project is being investigated by TDX Power (TDX) under a preliminary permit pursuant to Section 4(f) of the Federal Power Act (FPA). For the licensing of the Project, TDX is proposing a modified Traditional Licensing Process (TLP) to provide the framework for its consultation with agencies, Indian tribes, Native corporations, Native villages and other stakeholders (stakeholders) during the period leading up to the filing of the license application. The Integrated Licensing Process (ILP) is the default process used by FERC; therefore, TDX must request approval from FERC to use the modified TLP.

The modified TLP is being proposed to address stakeholder concerns with the tight timeframes and perceived inflexibility of the ILP. Additionally, the Alaska Energy Authority (AEA) has initiated the development of a Regional Integrated Resources Plan (RIRP) which will result in a 50-year, long-range plan identifying possible combinations of generation and transmission (G&T) capital improvement projects in the Railbelt Region of Alaska. TDX Power anticipates that the results of the RIRP will play a significant role in determining the role of the Project in meeting the future power needs of the Railbelt.

TDX believes that use of the TLP will provide flexibility to make adjustments to the overall pre-filing schedule, as may be appropriate during the course of the study program, in an efficient manner; and is most appropriate for coordinating an environmental study program with the results of the RIRP. The ongoing RIRP process being conducted by the AEA creates an environment where a phased approach to environmental studies is warranted. TDX proposes that the formal study program to support the licensing process be conducted on two phases. Planning for Phase 1 will be initiated in 2009 and describe key baseline environmental studies that will be initiated in 2010. Planning for Phase 2 will be initiated in 2010, following completion of the RIRP and after gaining field experience and information from the Phase 1 efforts. Phase 2 will describe the balance of the formal environmental study program focused on impact assessment and development of PME measures. Such a two-phased approach with distinct opportunities for stakeholder comments and opportunities for participation in both phases of study requires a level of flexibility that would be difficult under the ILP.

TDX is committed to working with stakeholders to make adjustments to timeframes for such activities as review of proposed study designs and review and commenting on draft study reports to the extent possible without jeopardizing the overall Project schedule. As in the ILP, the enhanced TLP proposed here establishes specific criteria for study requests from stakeholders, provides for FERC's ultimate determination of study needs, and provides for FERC to conduct formal scoping at the beginning of the licensing process to fulfill its National Environmental Policy Act (NEPA) obligations. The intent of these enhancements is to meet the interests of stakeholders for a transparent, well documented process, to provide TDX with the ability to manage the study program and licensing schedule with appropriate flexibility, and to provide FERC with the information needed to allow it to process the license application efficiently and issue a timely licensing decision.

The filing of this Pre-Application Document (PAD) and accompanying Notice of Intent (NOI) to seek a new license for the Project by TDX initiates the formal licensing effort. Copies of the PAD and NOI, as filed with FERC, will be distributed to all known interested state and federal agencies, Indian tribes, Native corporations, Native villages, local governments, non-governmental organizations, and members of the public.

Since January 2008, TDX has engaged in informal consultation in preparation for initiating the licensing process. The objectives of this early engagement included:

- Gathering information from agencies and other potential stakeholders regarding their interest in the Project licensing and any concerns they might have with the available licensing approaches
- Gathering information on relevant resource management goals, potential issues, and potential information needs
- Developing contact information for stakeholders
- Identifying and obtaining relevant information to support the licensing effort
- Understanding key stakeholder questions concerning the proposed Project and its potential impacts on the existing environment
- Identifying an approach to study planning appropriate for the scale of the Project and Project area and taking into consideration the lack of existing information about the resources potentially affected

The effort to systematically identify and obtain all existing, reasonably available, relevant information related to the proposed Project and resources potentially affected by the Project as source material for this PAD, as required by the ILP regulations, was initiated by TDX in September, 2008. This effort was extensive and wide ranging and resulted in the acquisition of approximately 150 potentially relevant documents that are identified in the Information Library database located on TDX's licensing website (<http://www.chakachamna-hydro.com>). A subset of these documents was used in the actual development of this PAD, and these documents are identified in the reference list of this document.

The intent of the PAD is to provide as robust a foundation as possible upon which to base upcoming study planning for the licensing of the Project. With that purpose in mind, TDX elected to include in the PAD all reasonably available information that it deems to be relevant to the Project licensing, even if the information is not required for the PAD by FERC regulations. TDX also developed information through informal field reconnaissance to provide additional background on the Project vicinity for inclusion in the PAD. Notwithstanding TDX's due diligence in obtaining all reasonably available, relevant information, some information that is specified in the ILP regulations to be included in the PAD is not available; this reflects both the preliminary nature of the current Project design for which basic operational and facilities information are still being developed, as well as the large, diverse and remote project area that has never been extensively studied or monitored.

2.2. Process Plan and Schedule

TDX is requesting that FERC authorize the licensing of the Chakachamna Project to proceed under the TLP. As allowed under 18 CFR §4.38(e)(4), TDX is requesting as part of its proposal to use the TLP that FERC approve the addition of the following ILP elements into the Chakachamna licensing process:

- Early NEPA Scoping by FERC as described under 18 CFR §5.8;
- Study Criteria under 18 CFR §5.9;
- Study Plan Development (18 CFR §5.11);
- Stakeholder comments on study plans and revised study plans (18 CFR §5.12 through 18 CFR §5.13);
- Formal study dispute resolution process as described in 18 CFR §5.14; and
- Initial Study Report (ISR) and Updated Study Reports (USR) pursuant to 18 CFR §5.15.

With these modifications, TDX anticipates that the licensing process will proceed in a similar manner to an ILP, but with additional flexibility that is appropriate given the complex nature of the proposed Project and general lack of existing information on the environmental characteristics of the Project area, which may necessitate adjustments to study approach and schedule. TDX has included in this request a proposed Communications Protocol (Appendix 2-1), which has been developed through consultation with stakeholders as described in Section 6. Because this is not the relicensing of an existing licensed project, there is no license expiration date to dictate submittal of the license application. TDX is anticipating filing a license application in early 2014, contingent on satisfactory progress with the environmental study program.

As required under the ILP regulations, this PAD includes the following summary of TDX's proposed Process Plan and Schedule for the Chakachamna Project licensing effort. This plan and schedule reflect mandatory timeframes and deadlines in FERC's regulations, consultation with interested agencies and tribes, and, to the extent practicable, other related regulatory processes including the U.S. Fish and Wildlife Service (USFWS) Section 7 Endangered Species Act consultation and consultation pursuant to Section 106 of the National Historic Preservation Act. TDX will update and refine this process plan and schedule as needed throughout the course of the pre-filing consultation period.

Outlined below are the major steps for the various activities occurring throughout the licensing process during the preparation of TDX's Application for Original License for the Project. Also provided in this section is a proposed schedule and logistical information pertaining to the FERC scoping meetings and site visit and the first formal meetings following issuance of the PAD and NOI.

2.2.1. Summary of Licensing Milestones

The following information briefly summarizes the significant milestones within the proposed enhanced TLP and provides further detail regarding the timing of specific components of the TLP, including the formal study planning and study dispute resolution steps (elements of the ILP that are proposed to be included in this TLP).

The major framework of the enhanced TLP during the pre-filing period, in terms of significant steps, responsibilities, and timeframes, is summarized in Table 2.2-1. Figure 2.2-1 depicts the key process steps associated with the milestones listed in Table 2.2-1. In addition to the steps required by the ILP regulations that TDX has proposed for inclusion in its enhanced TLP, Table 2.2-1 and Figure 2.2-1 include additional major consultation points that TDX has undertaken and plans to undertake throughout the course of the pre-filing period; these additional consultation opportunities are noted as “voluntary” in Table 2.2-1.

Table 2.2-1. Milestones, responsible parties, dates, and applicable regulations associated with the pre-filing period of the enhanced TLP for the Chakachamna Project licensing.

| Significant Pre-filing Milestones | Responsible Party | Date [Required timeframe] | Applicable Regulations ¹ |
|---|-------------------|---|--------------------------------------|
| Initiate informal consultation with agencies, tribes, non-governmental organizations and public | TDX | January, 2008 | Voluntary |
| Hold first workshop for stakeholders ² | TDX | November 13, 2008 | Voluntary |
| Initiate due diligence in identifying and acquiring existing, reasonably available, relevant information for the PAD | TDX | September, 2008 | ILP, 5.6(b)(2) |
| Hold second workshop for stakeholders | TDX | February 19, 2008 | Voluntary |
| Hold third workshop for stakeholders | TDX | April 10, 2009 | Voluntary |
| Hold fourth workshop for stakeholders | TDX | May 12, 2009 | Voluntary |
| Issue public notice for NOI/PAD | TDX | July 16, 2009 | ILP, 5.3(d)(2) |
| Request designation as FERC’s non-Federal representative for Section 7 ESA and authorization to initiate consultation pursuant to Section 106 of the NHPA | TDX | July 16, 2009 | ILP, 5.5 |
| File NOI/PAD with FERC and distribute to appropriate Federal, state, and interstate resource agencies, Indian tribes, local governments and members of the public likely to be interested in the proceeding | TDX | July 16, 2009 | ILP, 5.5, 5.6 |
| Comments on use of TLP | stakeholders | August 16, 2009 [within 30 days from NOI] | ILP, 5.3 |
| Conduct tribal meeting(s) | FERC | NLT August 16, 2009 [within 30 days from NOI] | ILP, 5.7 |
| Issue public notice for NOI/PAD; Issue Scoping Document 1 (SD1) | FERC | NLT Aug 29, 2009 [within 60 days from NOI] | TLP, 4.38(e)(4) ILP, 5.8 |
| Scoping Meetings and Site Visit | FERC | September 17-19, 2009 | TLP, 4.38(e)(4) ILP, 5.8(b)(viii) |
| PAD/SD1 comments due, including any information gathering and study requests, due to FERC | stakeholders | October 19, 2009 [within 30 days from Scoping notice/Site Visit] | TLP, 4.38(e)(4) ILP, 5.9 |
| Issue Scoping Document 2 (SD2) (discretionary) | FERC | December 3, 2009 [within 45 days from SD1 comment due date] | TLP, 4.38(e)(4) ILP, 5.1 |
| <i>Phase 1 Proposed Study Plan Development</i> | | | |

| Significant Pre-filing Milestones | Responsible Party | Date [Required timeframe] | Applicable Regulations ¹ |
|--|-------------------|--|-------------------------------------|
| <i>(PSP-1)</i> | | | |
| File Phase 1 Proposed Study Plan (PSP-1) | TDX | December 3, 2009 [within 45 days from SD1 comment due date] | TLP, 4.38(e)(4) ILP, 5.11(a) |
| Hold PSP-1 meeting(s) | TDX | December 16-17, 2009 [initial meeting must be held within 30 days of deadline for filing PSP-1] | TLP, 4.38(e)(4) ILP, 5.11(e) |
| PSP-1 comments, including any revised information or study requests, due to FERC | stakeholders | March 4, 2010 [within 90 days of filing PSP-1] | TLP, 4.38(e)(4) ILP, 5.12 |
| File Revised Study Plan (RSP-1), including comments on the PSP-1, description of efforts to resolve differences and explanation of any study request not adopted | TDX | April 5, 2010 [within 30 days from due date for PSP-1 comments] | TLP, 4.38(e)(4) ILP, 5.13(a) |
| RSP-1 comments due | Agencies | April 20, 2010 [within 15 days from filing of RSP-1] | TLP, 4.38(e)(4) ILP, 5.13(b) |
| Director's Study Plan Determination (SPD-1), including any modifications determined necessary | FERC | May 5, 2010 [within 30 days from filing of RSP-1] | TLP, 4.38(e)(4) ILP, 5.13(c) |
| <i>Phase 2 Proposed Study Plan Development (PSP-1)</i> | | | |
| Phase 2 Study Requests | Stakeholders | October 19, 2010 | TLP, 4.38(e)(4) |
| File Phase 2 Proposed Study Plan (PSP-2) | TDX | December 3, 2010 | TLP, 4.38(e)(4) ILP, 5.11(a) |
| Hold PSP-2 meeting(s) | TDX | December 15-16, 2010 [initial meeting must be held within 30 days of deadline for filing PSP-2] | TLP, 4.38(e)(4) ILP, 5.11(e) |
| PSP-2 comments, including any revised information or study requests, due to FERC | stakeholders | March 2, 2011 [within 90 days of filing PSP-2] | TLP, 4.38(e)(4) ILP, 5.12 |
| File Revised Study Plan (RSP-2), including comments on the PSP-2, description of efforts to resolve differences and explanation of any study request not adopted | TDX | April 1, 2011 [within 30 days from due date for PSP-2 comments] | TLP, 4.38(e)(4) ILP, 5.13(a) |
| RSP-2 comments due | Agencies | April 18, 2011 [within 15 days from filing of RSP-2] | TLP, 4.38(e)(4) ILP, 5.13(b) |
| Director's Study Plan Determination (SPD-2), including any modifications determined necessary | FERC | May 2, 2011 [within 30 days from filing of RSP-2] | TLP, 4.38(e)(4) ILP, 5.13(c) |
| <i>Potential study dispute path – see Table 2.2-2</i> | | | |
| Conduct first study season | TDX | 2010 (Phase 1) or 2011 (Phase 2) | ILP, 5.15(a) |

| Significant Pre-filing Milestones | Responsible Party | Date [Required timeframe] | Applicable Regulations ¹ |
|---|-------------------|---|-------------------------------------|
| Issue initial study report (ISR-1 and ISR-2) | TDX | Pursuant to FERC approved study plan and schedule but no later than May 2011 (ISR-1), and May 2012 (ISR-2) [within 1 year after Study Plan Determination] | TLP, 4.38(e)(4) ILP, 5.15(c)(1) |
| Hold initial study report meeting | TDX | [within 15 days from initial study report] | TLP, 4.38(e)(4) ILP, 5.15(c)(2) |
| Issue initial study report meeting summary | TDX | [within 15 days from study report meeting] | TLP, 4.38(e)(4) ILP, 5.15(c)(3) |
| <i>Potential study plan amendment path (2011 season) – see Table 2.2-3</i> | | | |
| Conduct second study season | TDX | 2011 (Phase 1 study program) and 2012 (Phase 2 study program) | TLP, 4.38(e)(4) ILP, 5.15(a) |
| Issue updated study report | TDX | Pursuant to FERC approved study plan and schedule but no later than May 2012 (Phase 1) or May 2013 (Phase 2) [within 2 years from Study Plan Determination] | TLP, 4.38(e)(4) ILP, 5.15(f) |
| Hold updated study report meeting | TDX | [within 15 days from updated study report] | TLP, 4.38(e)(4) ILP, 5.15(f) |
| Issue updated study report meeting summary | TDX | [within 15 days from study report meeting] | TLP, 4.38(e)(4) ILP, 5.15(f) |
| <i>Potential study plan amendment path (2012 season, if applicable) – see Table 2.2-3</i> | | | |
| Conduct third study season | TDX | 2012/2013 | TLP, 4.38(e)(4) ILP, 5.15(a) |
| Issue 2 nd updated study report | TDX | Pursuant to FERC approved study plan and schedule but no later than May 2013 (Phase 1) or May 2014 (Phase 2) [within 3 years from Study Plan Determination] | TLP, 4.38(e)(4) ILP, 5.15(f) |
| Hold 2 nd updated study report meeting | TDX | [within 15 days from updated study report] | TLP, 4.38(e)(4) ILP, 5.15(f) |
| Issue 2 nd updated study report meeting summary | TDX | [within 15 days from study report meeting] | ILP, 5.15(f) |
| File draft license application (DLA) | TDX | August, 2013 | TLP, 4.38(c)(4) |
| Draft post-filing study plan | TDX | August 2013 | Voluntary |
| File Draft Biological Assessment (BA) and/or draft Historic Properties Management Plan | TDX | August, 2013 [assume will be filed with DLA] | ILP, 5.16(d) |
| Comments on DLA due | stakeholders | November, 2013 | TLP, 4.38(c)(5) |

| Significant Pre-filing Milestones | Responsible Party | Date [Required timeframe] | Applicable Regulations ¹ |
|--|-------------------|--|-------------------------------------|
| | | [within 90 days from DLA filing] | |
| Post-filing study plan comments due | stakeholders | November, 2013 | Voluntary |
| Joint Meeting | TDX | January, 2014 [within 60 days if substantive disagreement] | TLP, 4.38(c)(6) |
| Draft BA and/or draft Historic Properties Management Plan comments due | stakeholders | November, 2013 [to be submitted with DLA comments ² | |
| Written summary of agreements reached with the resource agencies, as well as remaining disagreements | TDX | February, 2014 | TLP, 4.38(c)(8) |
| Revised post-filing study plan due | TDX | March, 2014 | Voluntary |
| File License Application | TDX | April 2014 | TLP 4.38(c)(9) |
| File revised Draft BA | TDX | April 2014 [file with license application] | ILP 5.18(b)(3)(ii) |
| Tendering notice of license application | FERC | April 2014 [within 14 days from filing] | TLP 4.38(d)(2) |

Notes:

- 1 ILP = FERC regulations pertaining to the Integrated Licensing Process, found at Title 18, Chapter 1 of the Code of Federal Regulations (CFR), Part 5.
- 2 TLP= FERC regulations pertaining to the Traditional Licensing Process, found at Title 18, Chapter 1 of the Code of Federal Regulations (CFR), Part 4.
- 2 stakeholders = agencies, tribes, and other stakeholders

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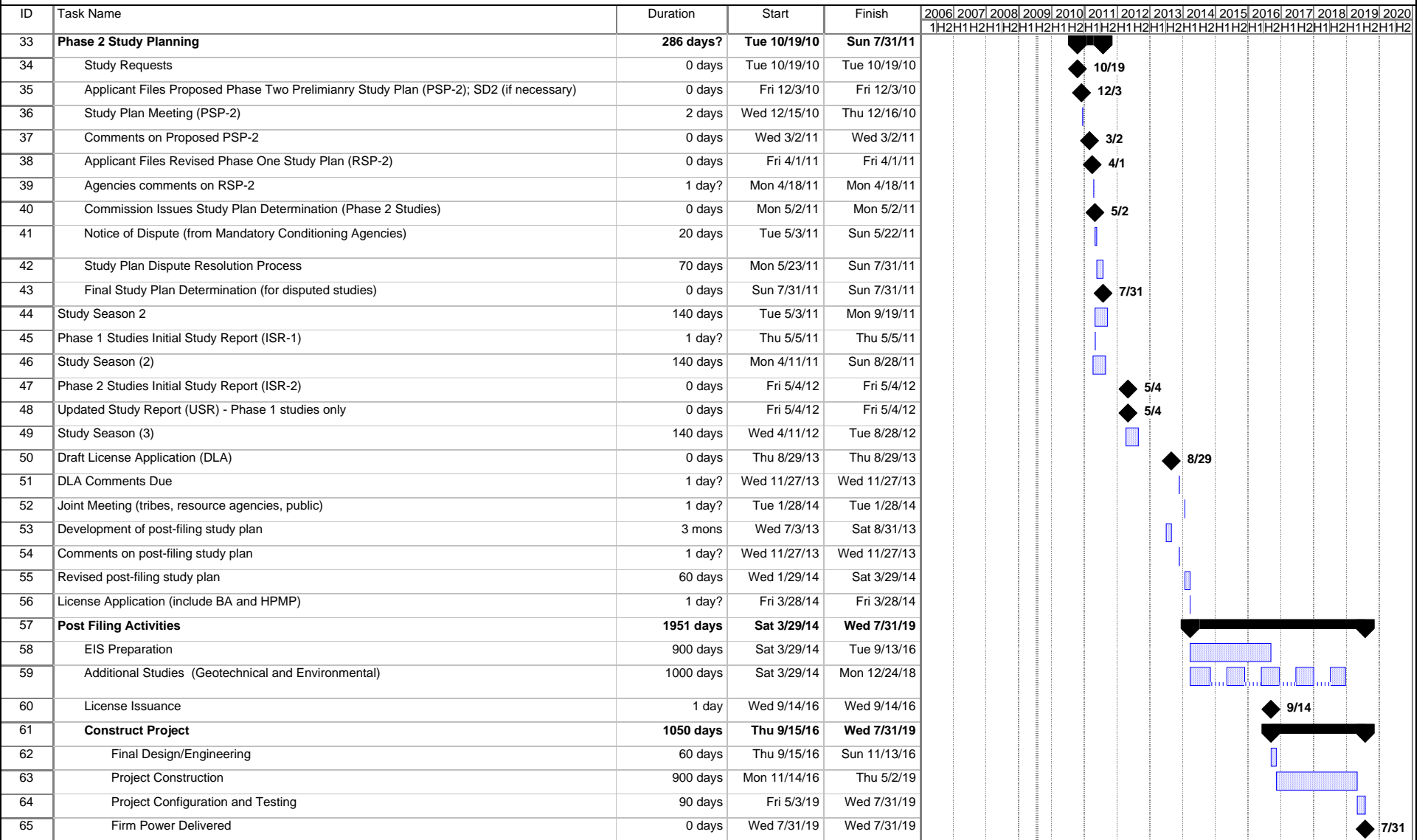
Figure 2.2-1: Project Dates for Key Pre-Filing Milestones

| ID | Task Name | Duration | Start | Finish | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|----|--|------------------|--------------------|--------------------|---------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 1 | Preliminary Permit | 2343 days | Wed 11/1/06 | Sun 3/31/13 | | | | | | | | | | | | | | | |
| 2 | Preliminary Permit Effective Date | 0 days | Wed 11/1/06 | Wed 11/1/06 | ◆ 11/1 | | | | | | | | | | | | | | |
| 3 | Expiration of first preliminary permit | 0 days | Fri 10/30/09 | Fri 10/30/09 | ◆ 10/30 | | | | | | | | | | | | | | |
| 4 | Effective date of 2nd Preliminary Permit (estimated) | 0 days | Thu 4/1/10 | Thu 4/1/10 | ◆ 4/1 | | | | | | | | | | | | | | |
| 5 | Expiration of 2nd preliminary permit (estimated) | 0 days | Sun 3/31/13 | Sun 3/31/13 | ◆ 3/31 | | | | | | | | | | | | | | |
| 6 | Pre-Application Activity | 512 days | Thu 1/3/08 | Fri 5/29/09 | | | | | | | | | | | | | | | |
| 7 | Pre-PAD/NOI | 512 days | Thu 1/3/08 | Fri 5/29/09 | | | | | | | | | | | | | | | |
| 8 | Initiate informal consultation with agencies, non-governmental organizations | 0 days | Thu 1/3/08 | Thu 1/3/08 | ◆ 1/3 | | | | | | | | | | | | | | |
| 9 | Initiate due diligence in identifying and acquiring existing, reasonably available, relevant information for PAD | 0 days | Tue 4/1/08 | Tue 4/1/08 | ◆ 4/1 | | | | | | | | | | | | | | |
| 10 | Reconnaissance Surveys | 180 days | Sun 6/1/08 | Thu 11/27/08 | | | | | | | | | | | | | | | |
| 11 | Hold first stakeholder workshop: stakeholder outreach and project orientation | 1 day | Thu 11/13/08 | Thu 11/13/08 | | | | | | | | | | | | | | | |
| 12 | Hold second stakeholder workshop: Conceptual Study Plan (CSP) development | 1 day | Thu 2/19/09 | Thu 2/19/09 | | | | | | | | | | | | | | | |
| 13 | Hold third stakeholder workshop: licensing process discussion | 1 day | Fri 4/10/09 | Fri 4/10/09 | | | | | | | | | | | | | | | |
| 14 | Hold fourth stakeholder workshop: Communication Protocol discussion (conference call) | 1 day | Tue 5/12/09 | Tue 5/12/09 | | | | | | | | | | | | | | | |
| 15 | Distribute revised Communication Protocol for final comments | 0 days | Fri 5/29/09 | Fri 5/29/09 | ◆ 5/29 | | | | | | | | | | | | | | |
| 16 | Applicant Issues NOI/PAD | 0 days | Thu 7/16/09 | Thu 7/16/09 | ◆ 7/16 | | | | | | | | | | | | | | |
| 17 | Initial Tribal Consultation Meeting | 0 days | Fri 8/14/09 | Fri 8/14/09 | ◆ 8/14 | | | | | | | | | | | | | | |
| 18 | Comments on use of TLP/ALP | 0 days | Fri 8/14/09 | Fri 8/14/09 | ◆ 8/14 | | | | | | | | | | | | | | |
| 19 | Commission Notices PAD/Issues SD1 | 0 days | Mon 8/31/09 | Mon 8/31/09 | ◆ 8/31 | | | | | | | | | | | | | | |
| 20 | Commission Holds Scoping Meeting & Site Visits | 3 days | Thu 9/17/09 | Sat 9/19/09 | | | | | | | | | | | | | | | |
| 21 | Comments on PAD, study requests | 0 days | Tue 10/20/09 | Tue 10/20/09 | ◆ 10/20 | | | | | | | | | | | | | | |
| 22 | Phase 1 Study Planning | 243 days? | Thu 12/3/09 | Tue 8/3/10 | | | | | | | | | | | | | | | |
| 23 | Applicant Files Proposed Phase One Preliminary Study Plan (PSP-1); SD2 (if necessary) | 0 days | Thu 12/3/09 | Thu 12/3/09 | ◆ 12/3 | | | | | | | | | | | | | | |
| 24 | Study Plan Meeting (PSP-1) | 2 days | Wed 12/16/09 | Thu 12/17/09 | | | | | | | | | | | | | | | |
| 25 | Comments on Proposed Phase One Study Plan | 0 days | Thu 3/4/10 | Thu 3/4/10 | ◆ 3/4 | | | | | | | | | | | | | | |
| 26 | Applicant Files Revised Phase One Study Plan (RSP-1) | 0 days | Mon 4/5/10 | Mon 4/5/10 | ◆ 4/5 | | | | | | | | | | | | | | |
| 27 | Agencies comments on RSP-1 | 1 day? | Tue 4/20/10 | Tue 4/20/10 | | | | | | | | | | | | | | | |
| 28 | Commission Issues Study Plan Determination (Phase 1 Studies) | 0 days | Wed 5/5/10 | Wed 5/5/10 | ◆ 5/5 | | | | | | | | | | | | | | |
| 29 | Notice of Dispute (from Mandatory Conditioning Agencies) | 20 days | Thu 5/6/10 | Tue 5/25/10 | | | | | | | | | | | | | | | |
| 30 | Study Plan Dispute Resolution Process | 70 days | Wed 5/26/10 | Tue 8/3/10 | | | | | | | | | | | | | | | |
| 31 | Final Study Plan Determination (for disputed studies) | 0 days | Tue 8/3/10 | Tue 8/3/10 | ◆ 8/3 | | | | | | | | | | | | | | |
| 32 | Study Season 1 (Phase 1 Studies) | 140 days | Thu 5/6/10 | Wed 9/22/10 | | | | | | | | | | | | | | | |

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|--|----------|--|-----------------|---|--------------------|---|
| Project: Figure 2.2-1 Date: Fri 7/17/09 | Task | | Milestone | ◆ | External Tasks | |
| | Split | | Summary | | External Milestone | ◆ |
| | Progress | | Project Summary | | Deadline | ↓ |

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Figure 2.2-1: Project Dates for Key Pre-Filing Milestones



| | | | | | | |
|--|----------|--|-----------------|--|--------------------|--|
| Project: Figure 2.2-1 Date: Fri 7/17/09 | Task | | Milestone | | External Tasks | |
| | Split | | Summary | | External Milestone | |
| | Progress | | Project Summary | | Deadline | |

Within the framework outlined above are several formal opportunities for dispute resolution pertaining to the following two general areas:

- Disputes related to the Director's Study Plan determination; these disputes can be filed by agencies with mandatory conditioning authority (e.g., USFWS and NOAA/NMFS).
- Disputes and/or requests to amend the approved study plan after each of the study seasons; such disputes and/or requests may be filed by any agency, or other stakeholder.

The process steps for resolving the first type of dispute opportunity — disputes related to FERC's determination regarding the scope of the study plan for the licensing studies program — are outlined in Table 2.2-2.

Table 2.2-2. Formal study dispute resolution process, within the enhanced TLP for the Chakachamna Project licensing.

| Formal Study Dispute Resolution Steps | Responsible Party | Date [Required timeframe] | Applicable Regulations ¹ |
|--|--------------------------|---|--|
| <i>Phase 1 Revised Study Plan (RSP-1)</i> | | | |
| Director's Study Plan Determination (DSP-1) | FERC | May 2010 [within 30 days from filing of RSP] | ILP, 5.13(c) |
| Notice of any study disputes, including contact information for panel member, due | USFWS, NOAA/ NMFS | May 2010 [within 20 days from Director's Study Plan Determination] | ILP, 5.14(a) |
| Dispute resolution panel (DRP) convenes with first two members | DRP | June 2010 [within 20 days from notice of study dispute] | ILP, 5.14(d) |
| Third dispute panel member selected | DRP | June 2010 [within 15 days from convening of panel] | ILP, 5.14(d)(3) |
| TDX comments on study disputes due | TDX | June 2010 [within 25 days from notice of study dispute] | ILP, 5.14(j) |
| DRP holds technical conference | DRP | Apr./May 2010 [prior to engaging in deliberative meetings] | ILP, 5.14(j) |
| DRP recommendations to Director | DRP | July 2010 [within 50 days from notice of study dispute] | ILP, 5.14(k) |
| Director issues study dispute determination (RSP-1), constituting amendment of the approved study plan | FERC | August 2010 [within 70 days from notice of study dispute] | ILP, 5.14(l) |
| <i>Phase 2 Revised Study Plan (RSP-2)</i> | | | |
| Director's Study Plan Determination (SPD-2) | FERC | May 2011 [within 30 days from filing of RSP] | ILP, 5.13(c) |
| Notice of any study disputes, including contact information for panel member, due | USFWS, NOAA/ NMFS | May 2011 [within 20 days from Director's Study Plan Determination] | ILP, 5.14(a) |
| Dispute resolution panel (DRP) convenes with first two members | DRP | June 2011 [within 20 days from notice of study dispute] | ILP, 5.14(d) |
| Third dispute panel member selected | DRP | June 2011 [within 15 days from convening of panel] | ILP, 5.14(d)(3) |
| TDX comments on study disputes due | TDX | June 2011 [within 25 days from notice of study dispute] | ILP, 5.14(j) |
| DRP holds technical conference | DRP | Apr./May 2011 [prior to engaging in | ILP, 5.14(j) |

| | | | |
|--|------|---|--------------|
| | | deliberative meetings] | |
| DRP recommendations to Director | DRP | July 2010 [within 50 days from notice of study dispute] | ILP, 5.14(k) |
| Director issues study dispute determination (RSP-2), constituting amendment of the approved study plan | FERC | August 2010 [within 70 days from notice of study dispute] | ILP, 5.14(l) |

Note:

1 ILP = FERC regulations pertaining to the Integrated Licensing Process, found at Title 18, Chapter 1 of the Code of Federal Regulations (CFR), Part 5.

As can be seen from the information in Table 2.2-2, engagement in the formal study dispute process on the FERC Director’s Study Plan Determination could jeopardize the timely initiation of any studies under dispute in the 2010 study season. For this reason, TDX is committed to working to resolve any mandatory conditioning agency concerns with its each of the Proposed Study Plans (PSP-1 and PSP-2) *prior* to filing the Revised Study Plan (RSP) with FERC to avoid, to the extent possible, such an adverse effect on the study program.

There will be two Initial Study Reports (ISR-1 and ISR-2) following the first field season of each study phase. Following the issuance by TDX of the ISR-1 and ISR-2 meeting summaries, all stakeholders have the opportunity to file a disagreement concerning TDX’s meeting summary, including any desired modifications to ongoing studies or new studies proposed by FERC staff or another participant. The steps to resolve this type of disagreement/request are shown in Table 2.2-3. ISR-2 will be issued jointly with the USR of Phase 1 studies.

Following TDX’s filing of the license application with FERC in 2014, FERC will evaluate TDX’s licensing proposal through its NEPA process. However, considering the lack of existing information and expressed concern from agencies over an adequate level of baseline data for the Project area, TDX anticipates that selected field studies will continue post-filing for the purpose of continuing to develop baseline information to be used in post-construction monitoring. The Project schedule includes a post-filing study plan that will be developed in consultation with stakeholders.

Table 2.2-3. Steps related to submitting and addressing disagreements regarding the initial study report meeting summary and requests to amend the approved study plan for the Chakachamna Project licensing.

| Disputes/Requests to Amend Approved Study Resolution Steps | Responsible Party | Date [Required timeframe] | Applicable Regulations |
|---|--------------------------|--|-------------------------------|
| Issue initial study report (ISR-1 or ISR-2) | TDX | [Within 1 year after study plan approval or per FERC-approved schedule, whichever comes first] | ILP, 5.15(c)(1) |
| Conduct meeting on study results and any proposals to modify study plan | TDX | [Within 15 days of issuance of initial study report] | ILP, 5.15(c)(2) |
| Issue initial study report meeting summary | TDX | [within 15 days from study report meeting] | ILP, 5.15(c)(3) |
| Disputes/requests to amend study plan due | stakeholders | [within 30 days from study report meeting summary] | ILP, 5.15(c)(4) |
| Responses to disputes/requests to amend study plan due | stakeholders and TDX | [within 30 days from dispute/request due date] | ILP, 5.15(c)(5) |
| Director's determination on study disputes/requests to amend plan | FERC | [within 30 days from response due date] | ILP, 5.15(c)(6) |
| Continue study program | TDX | 2011 (Phase 1) or 2012 (Phase 2) | |
| Issue updated study report | TDX | [No later than 2 years after FERC approval of the study plan and schedule] | ILP, 5.15(f) |
| Conduct meeting on updated study results and any proposals to modify study plan | TDX | [Within 15 days of issuance of updated study report] | ILP, 5.15(f) |
| Issue updated study report meeting summary | TDX | [within 15 days from updated study report meeting] | ILP, 5.15(f) |
| Disputes/requests to amend study plan due | stakeholders | [within 30 days from study report meeting summary] | ILP, 5.15(f) |
| Responses to disputes/requests to amend study plan due | stakeholders and TDX | [within 30 days from dispute/request due date] | ILP, 5.15(f) |
| Director's determination on study disputes/requests to amend plan | FERC | [within 30 days from response due date] | ILP, 5.15(f) |

Note:

¹ ILP = FERC regulations pertaining to the Integrated Licensing Process, found at Title 18, Chapter 1 of the Code of Federal Regulations (CFR), Part 5.

2.2.2. Chakachamna Project Licensing Site Visit and Scoping Meetings

It is anticipated that FERC will hold a site visit and two scoping meetings in September 2009. The first scoping meeting will solicit comments from resource agencies and tribes, while the second scoping session will solicit comments from the general public and non-governmental organizations (NGOs). All interested individuals, NGOs, resource agencies, and tribes are invited to attend one or both of the meetings as well as the site visit. Specific instructions for attending the scoping meetings and site visit will be posted on the Chakachamna Project licensing website at <http://www.chakachamna-hydro.com>. Additional information can also be obtained by contacting Patti Leppert with FERC at (202) 502-6034 or pattie_leppert@ferc.gov. A summary of the proposed times and dates for the site visit and scoping meeting information is provided below:

- Scoping Meetings:
 - Agency/Tribe Scoping Meeting
 - Date: September 17, 2009, (afternoon; specific time to be determined)
 - Location: Anchorage, Alaska
 - Public/Non-Governmental Organization Scoping Meeting
 - Date: September 17, 2009, (evening; specific time to be determined)
 - Location: Anchorage, Alaska
- Site Visit (aerial tour of Project area)
 - Date: September 18-19, 2009, (specific time to be determined)
 - Location: Aerial tours will leave from Anchorage; specific logistics to be determined and will be included in FERC's Notice of the PAD.
 - **Note:** because of the remote location and difficulty of access, site visits will be conducted via aerial tour. Because the ability to complete the tours is weather dependent, two days of site tours are being scheduled.

The scoping meetings will be recorded by a court reporter, and all statements, oral and written, will become part of FERC's official public record for this licensing. At the start of each meeting all individuals who attend will be asked to sign in. Anyone wishing to make a statement for the record will be asked to indicate this desire and to identify themselves and any organizations that they represent.

In addition to the opportunity to comment at the scoping meetings, all stakeholders may provide written comments to FERC by sending an original and eight copies of any written comments to:

The Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Please include the project name and project number, “Chakachamna Project, FERC No. 12660,” on the first page of any written comments. As noted in Table 2.2-1, the deadline for filing written comments on this PAD and FERC’s Scoping Document 1 will be 60 days from the date of FERC’s notice of issuance of the scoping document and consultation procedures.

2.3. Communications and Document Distribution

Pursuant to 18 CFR 5.4(c)(2)(ii) TDX developed a Communications Protocol to govern how TDX and other participants in the pre-filing consultation process may communicate with each other regarding the merits of TDX’s proposal and proposals and recommendations of interested entities. The Communications Protocol (attached as Appendix 2-1) was developed in consultation with the entities contacted by TDX that expressed interest in the pre-filing consultation process. As required by 18 CFR 5.4(c)(2)(iii) a copy of the request to use the TLP has been provided to all affected resource agencies, tribes, and members of the public that are likely to be interested in the proceeding.

2.3.1. Document Distribution by TDX

TDX will distribute licensing documents it generates in electronic format (primarily Portable Document Format [PDF]) to the extent practicable but may choose to distribute certain types of documents in hardcopy. The primary mode of document distribution will be through the Chakachamna Project licensing website (<http://www.chakachamna-hydro.com/>). TDX will maintain a current calendar of upcoming and past meetings and will post all meeting materials (including agendas, handouts, and summaries), study plans and reports, and other important licensing documents, such as the PAD and PSP-1/2, on the website to increase the availability of these materials to all interested parties. TDX will use email notifications to stakeholders to announce important new postings, which will help maximize review and comment opportunities, where applicable. Informal communications, such as those between TDX representatives and workgroup members, will be conducted primarily by email. Table 2.3-1 summarizes the general guidelines TDX will follow in determining the appropriate mode of distribution for licensing documents.

Table 2.3-1. Guidelines for mode of distribution of Chakachamna Project licensing documents from TDX to stakeholders.

| Document Type | Distribution Mode(s) |
|--|--|
| Informal communications | Email or regular mail |
| Meeting notices and agendas | Website with email notice |
| Meeting summaries | Website with email notice |
| Large licensing related documents (e.g., PAD, SD1, PSP, study reports, progress reports, PLP, license application) | Website and/or CD-ROM through regular mail |
| PAD reference documents | Website (scanned PDF files) |

2.3.2. Information Categories and Associated Distribution Protocols

Throughout the licensing, all of the information generated will be categorized into one of three key information classes, as defined and prescribed by FERC. These three information classes are as follows:

- Public information
- Critical energy infrastructure information (CEII)
- Privileged information

Given the preliminary nature of the proposed Project, this PAD will require only the public information category. As appropriate for future filings, TDX will file information in appropriate categories with FERC and provide public information to all stakeholders on its licensing contact list. CEII and privileged information can be obtained directly from FERC via written request. A short description of each category of information and contact information for obtaining CEII and privileged information is provided below.

2.3.2.1. Critical Energy Infrastructure Information (CEII)

CEII is information about proposed or existing critical infrastructure that (i) relates to the production, generation, transportation, transmission, or distribution of energy; (ii) could be useful to a person in planning an attack on critical infrastructure, (iii) is exempt from mandatory disclosure under the Freedom of Information Act (FOIA), and iv) provides detail beyond simply giving the location of the critical infrastructure. Anyone seeking this type of information from FERC must file a CEII request. Instructions for filing such a request are provided on FERC's website at www.ferc.gov/help/how-to/file-ceii.asp.

2.3.2.2. Privileged Information

This is information that is sensitive in nature, for example, information that could present a risk of harm or theft to archaeological or cultural resources. Anyone seeking this information from

FERC must file a FOIA request. Instructions for filing a FOIA request are located on FERC's website at www.ferc.gov/legal/ceii-foia/foia.asp.

2.3.2.3. *Public Information*

All remaining information not found in the above categories is classified as public information. In general, all documents filed with, and issued by, FERC that FERC deems appropriate for public availability can be found on FERC's website at www.ferc.gov (click on "Documents and Filing," "eLibrary," then "General Search," or access the eLibrary directly at www.ferc.gov/docs-filing/elibrary.asp; the website provides further instructions for obtaining documents). All public information is also available to be viewed at FERC's Public Reference Room (for location, hours of operation, and other information, go to www.ferc.gov/help/pub-ref-rm.asp).

2.3.3. Public Reference File

TDX will maintain electronic and/or hard copies of all relevant written communications, meeting summaries, reports and Project documents in a Public Reference File. The Public Reference File will be maintained until the Chakachamna Project licensing proceeding is terminated by FERC through the issuance of an order that is no longer subject to appeal on TDX's license application. CEII and Privileged documents in the Public Reference File may be restricted from public viewing in accordance with FERC's regulations (18 CFR 388.313; 18 CFR 388.112). All public information contained in the Public Reference File is available for public viewing during normal business hours at the following location:

TDX Power
4300 B St, Suite 402
Anchorage, AK 99503-5946

Alternatively, copies of the information in the Public Reference File that is available for public viewing may be requested by contacting Maxine Blake, Executive Assistant, as follows:

By regular mail:

TDX Power
4300 B St, Suite 402
Anchorage, AK 99503-5946

By phone:

(907) 762-8450

By email:

chakachamna@tdxpower.com

A fee, where permitted by applicable regulations, may be charged for extensive copying requests.

2.3.4. Providing Documents to TDX and FERC

To place a document in TDX's Public Reference File, send one hard copy and one electronic copy (in Microsoft Word, Excel, Access, or PDF) to:

Maxine Blake
TDX Power
4300 B St, Suite 402
Anchorage, AK 99503-5946

Please include the following information on the front cover sheet of any document you submit "Chakachamna Project, FERC No. 12660".

To place a document in FERC's official project file you may electronically file documents with FERC (see instructions at <http://www.ferc.gov/docs-filing/efiling/user-guide/userguide.pdf>) or send an original and eight hard copies to:

The Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Please include the following on the front cover of any document you file with FERC: "Chakachamna Project, FERC No. 12660."

2.4. Workgroup Structure for Pre-filing Technical Efforts

TDX will be responsible for coordinating licensing activities among stakeholders during the pre-filing period, and intends to form workgroups of interested stakeholders for this purpose. During the period leading up to issuance of this PAD, TDX held several workshops to engage with stakeholders in the identification of issues and questions related to the licensing of the Project.

With the issuance of this PAD, TDX plans to formalize the role of workgroups organized around major resource areas to work with TDX to implement the pre-filing licensing activities. Resource workgroups (RWGs) will consist of representatives of stakeholder organizations engaged with TDX in activities including:

- Development of study plan components
- Review of study work products

- Evaluation of Project effects
- Identification of potential protection, mitigation, and enhancement (PM&E) measures

These workgroup efforts will occur within the licensing context to assist TDX with developing and reviewing PSP-1 and PSP-2, implementing the approved study plans, reviewing draft study reports, and reviewing the draft License Application.

Membership in RWGs will be voluntary, although TDX encourages stakeholder organizations to assign representatives to participate regularly in the RWG activities of all resource areas in which they have interest. As noted above, TDX will communicate with stakeholders regarding RWG activities primarily through the Chakachamna Project licensing website and e-mail. Stakeholders' interest in participating in one or more RWGs may be communicated to TDX through one of several means:

- Sign-in sheets and attendance lists from workshops, scoping meetings, and other licensing-related meetings will be used to indicate resource-area interests of each participant. Attendance lists from the resource workgroup discussions at licensing workshops to date will serve as the preliminary lists of potential RWG members.
- Stakeholders can indicate which resource areas they are interested in through the licensing website (select the "sign-up" and indicate interest areas when providing contact information).

2.5. Development of Licensing Study Program

In the development of the PAD, TDX has collected and summarized the available information regarding the existing human and natural environments. The PAD also indicates areas where little or no information exists. Section 5 of the PAD outlines 18 broad potential impact types or information gaps and 43 discreet studies to form the basis for determining Project effects. In response to Stakeholder requests, TDX has also developed a conceptual framework for completing the formal study plan. The basis of the approach is to create a clear linkage between key questions posed by the proposed Project, and the identified studies. The framework is attached as Appendix 5-1.

Stakeholders may request additional studies or investigations to add to the knowledge regarding the potential effects of the Project. Consistent with the proposal to build an environmental study program in two phases, stakeholders will have additional opportunities to request studies between PSP-1 and PSP-2 (see Table 2.1-1). The modified TLP proposes to utilize the study development process, including study request criteria of the ILP. These criteria require specific information from parties requesting studies related to the licensing.

Study requests should follow the following format. As specified by 18 CFR 18 § 5.9(b) of FERC's ILP regulations, any study request must:

- Describe the goals and objectives of each study proposal and the information to be obtained;

- If applicable, explain the relevant resource management goals of the agencies or Indian tribes with jurisdiction over the resource to be studied;
- If the requestor is a not resource agency, explain any relevant public interest considerations in regard to the proposed study;
- Describe existing information concerning the subject of the study proposal, and the need for additional information;
- Explain any nexus between project operations and effects (direct, indirect, and/or cumulative) on the resource to be studied, and how the study results would inform the development of license requirements;
- Explain how any proposed study methodology (including any preferred data collection and analysis techniques, or objectively quantified information, and a schedule including appropriate filed season(s) and the duration) is consistent with generally accepted practice in the scientific community or, as appropriate, considers relevant tribal values and knowledge; and
- Describe considerations of level of effort and cost, as applicable, and why any proposed alternative studies would not be sufficient to meet the stated information needs.

Study requests should be filed electronically with FERC at www.ferc.gov citing the FERC project number P-12660. Alternatively, study requests can be emailed in MS Word or PDF format to chakachamna@tdxpower.com or mailed to:

Maxine Blake
TDX Power
4300 B St, Suite 402
Anchorage, AK 99503-5946