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FEDERAL ENERGY
REGULATORY COMMISSION

29 October 2007

The Secretary
Federal Energy Regulatory Commission
ATTN: DHAC, PJ-12.2
888 First Street, NE
Washington, DC 20426

RE: Chakachamna Hydroelectric Six Month Report
Project #12660-000 - Alaska

Dear Secretary:

Pursuant to Article 4 of the Preliminary Permit issued to TDX Power, Inc. on November 14, 2006, please find enclosed for this filing the second 6 Month Progress Report for delivery to the Director, office of Hydropower Licensing.

This report has been prepared by Nicholas Goodman, CEO, TDX Power, Inc. All questions can be directed to Mr. Goodman or Eric Yould, Project Director at (907) 762-8465.

Respectfully Submitted,

Nicholas Goodman
TDX POWER, INCORPORATED

Enc. (as stated)

Cc: Listed Interveners

CHAKACHAMNA HYDROELECTRIC PROJECT

SIX MONTH ~~FINAL~~ PROGRESS REPORT

26 October 2007

Project No. 12660-000 – Alaska

TDX Power, Inc.

1. General

The six month progress report is prepared in accordance with the requirements of Article 4 of the Preliminary Permit issued to TDX Power (TDX) by the Federal Energy Regulatory Commission on 14 November 2006.

2. Liaison Officer

The Commission Liaison Officer for the Chakachamna Hydroelectric Project is:

Nicholas Goodman
TDX Power, Inc.
4300 B Street, Suite # 402
Anchorage, AK 99503
(907) 278-2312

3. Schedule of Submitting License Application:

TDX anticipates that a license application for the project will be submitted on or before 1 November 2009.

4. Summary of Consultation during the Past Period

Consultation during this period focused on discussions with the general public in Alaska, the State of Alaska, and various Environmental groups including the Cook Inlet Keeper. Discussions focused on ways to address environmental concerns, primarily fish migration, and opportunities to consider shared resources and benefits from other proposed energy projects in the immediate project vicinity, including wind power and geothermal power.

5. Studies Conducted During the Past Period:

Efforts during this period have shifted to preliminary environmental and engineering analysis focused on ways of minimizing cost and environmental impact for the project. In support of this effort, TDX Power has completed assessments of fish migration issues, possible new mitigation technologies and preliminary analysis of potential engineering issues with glaciers in the project area.

Discussions continue with potential partners and possible project partners interested in working on the project. TDX Power has also been invited by the State of Alaska to look at potential overlap between a proposed geothermal project at neighboring Mt. Spurr. Initial analysis of a shared

transmission line and assessments of upgrades to existing transmission infrastructure into the rail belt market have also been completed.

Follow on market analysis and rate analysis was conducted to frame the anticipated market price for power from this project.

Initial project scoping in conjunction with Montgomery Watson Harza is in process to define the three year study requirements in preparation for submittal of a License Application.

The preliminary review of existing environmental and project costing data was used as a baseline for follow on studies summarized above to confirm existing data and resources.

A study to identify land not owned by TDX needed for both preconstruction studies and project development continues. The end product of this study will be a plan to confirm all land use requirements necessary for the project.

6. Outline of Engineering, Environmental, and Other Investigations to be Conducted During the Ensuing Six Month Period:

Determination of project feasibility, including market availability and preliminary costing will continue through this period. Once project feasibility is confirmed, site specific environmental studies will commence. During the summer of 2008, TDX Power anticipates the following on site assessments and studies:

1. Fish migration and habitat
2. Geotechnical aspects of the proposed power tunnel corridor
3. Stream Flow analysis in both the Chakachatna and McArthur Rivers
4. Glacier analysis of Shamrock Glacier and Barrier Glacier

7. Summary of Consultations That Will Take Place During the Ensuing Six Month Period:

Meetings with federal, state, and borough agencies with land use jurisdiction, as well as local land owners will be continue.

8. Assessment of the Feasibility of the Project

Economic and market analysis of the project continues as a final determination of project feasibility has not been confirmed yet.