



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

December 23, 2002

Daniel Hertrich, PE

Project Manager

Polarconsult Alaska, Inc.

1503 West 33rd Avenue

Anchorage, Alaska 99503

Re: Chignik Hydropower Project

Initial Consultation Package

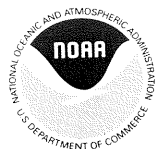
Project No. 620-007

Dear Mr. Hertrich:

Norquest Seafoods has issued a notice of intent to file for relicensing of the Chignik Hydropower Project on Indian Creek in Chignik, Alaska. Water for the project comes from a 20-acre reservoir created by a timber dam across Indian River. A 7,700-foot pipeline carries water from the reservoir to a 60kW generating unit located in the Norquest Plant. In addition to power generation, some of the water is used in the processing plant and some is used for the municipal water supply.

Section 10(j) of the Federal Power Act, (16 U.S.C. 803(j)), authorizes the National Marine Fisheries Service (NMFS) to recommend license conditions necessary to protect, mitigate damage to, and enhance fish and wildlife (including spawning habitat) affected by the development, operation, and management of a project. NMFS' general interest in the protection of marine, estuarine, and anadromous fishery resources also derives from the Anadromous Fish Conservation Act 16 U.S.C. 757(a), the Magnuson-Stevens Fishery Conservation and Management Act, 16 U.S.C. 1801 et seq, the National Environmental Policy Act, 42 U.S.C. 4321 et seq, and the Pacific Salmon Treaty Act of 1985, 16 U.S.C. 3631-3644.

The information on the Chignik Relicensing website constitutes the Initial Consultation Package for this project. NMFS has reviewed all the information on the website. Several key pieces of information are missing. Water rights have been issued for this project by the State of Alaska and these water rights are posted on the website. However, historical records of water usage on the website are not provided. NMFS requests



records of all water uses from this project for as many years as possible. The records should show monthly summaries for each of the three primary water users.

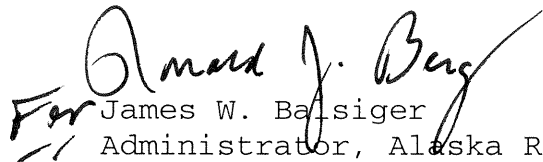
Historic instream flow data are also needed. This package of water usage and stream flows will help us determine the impact, if any, this project has on the anadromous fish resources of Indian Creek.

Detailed maps on the website that accurately portray the locations of all project components are not provided. NMFS requests that Norquest Seafoods provide a map that shows Indian Lake, Indian Creek, the pipeline, the city water line and treatment plant, the Norquest processing plant, the old Indian Creek slough, and the town. A good quality map is necessary to insure a full understanding of the project and the complexities of all the components.

In several of the documents provided, statements are made that indicate Indian Creek was diverted from its historic course through the slough and wetlands in town. NMFS requests a more detailed historic description of the diversion and a map showing what exactly happened. From this information, some anadromous fish production may have been lost by this diversion. NMFS is interested in possibly restoring this production and a full understanding of what happened is necessary to determine if restoration is an option.

We look forward to working with Norquest Seafoods as the licensing process moves forward. If you have any questions, please contact Mr. Larry Peltz in our Anchorage office at (907) 271-1332.

Sincerely,


For James W. Baisiger
Administrator, Alaska Region

cc: W. Dolezal, ADFG/H&R - Anchorage
G. Prokosch, ADNDR/DOW - Anchorage
T. Meyer, NOAA General Counsel
A. Rappoport, USFWS - Anchorage
Secretary Salas, FERC - Washington, DC
C. Hawkes, ADFG/H&R - Juneau