



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

December 8, 2004

Burke Wick, PE
Cooper Lake Relicensing Project Manager
Chugach Electric Association, Inc.
5601 Minnesota Drive
P.O. Box 196300
Anchorage, Alaska 99519-6300

Dear Burke,

National Marine Fisheries Service (NOAA Fisheries) has reviewed the Draft Report: Cooper Creek Instream Flow Study and Preliminary Evaluation of Potential Aquatic Habitat Benefits. The report was not completed prior to our previous comments on the Draft License Application (DLA). We view this report to be a relevant component of the DLA and feel compelled to make a few additional comments.

The models in this report are large and complex. They were developed, tested and applied in a relatively narrow time frame. The US Forest Service hired a contractor (R2 Resource Consultants) to review the work performed by the Chugach Electric Association (CEA) consultant (HDR). R2 worked with HDR to refine the models and make improvements. The models used to produce this report are adequate for predicting general changes that could result from prospective mitigation. Minor refinements as suggested by the US Forest Service may be needed in the model if it is used to design final mitigation scenarios.

The report presents information that will become a focal point for the upcoming settlement negotiation meetings. The models indicate that releases of water from Cooper Lake into Cooper Creek would be adequate to raise water temperatures enough to reestablish use of Cooper Creek by several species of salmonids. The numbers of fish that could be produced as a result of increased water temperatures in Cooper Creek are conjecture. The numbers of fish estimated by HDR are based on comparisons to limited data in nearby systems. The models in this report were not used to produce these fish estimates. CEA's choice not to implement studies suggested by NOAA Fisheries and others that would have produced better fish abundance data on similar systems is unfortunate. Results from these studies would have been better suited to use for comparative purposes.

Early run chinook salmon is the fish species most likely to benefit from improved water temperatures in Cooper Creek. Early run chinook salmon are the least abundant salmon species in the Kenai River. The sport fishery for early run chinook salmon is extremely popular and stringently regulated. An increase of several hundred fish could mean the difference

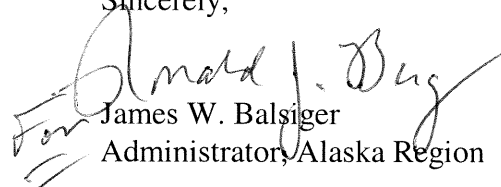


between an open or closed sport fishery. A few hundred or more early run chinook salmon in the Kenai River could be a significant number of fish. We are not aware of any other opportunities to create habitat that will produce several hundred early run chinook salmon in the Kenai River drainage.

Based on the content of the Instream Flow Study, we will continue to pursue the goals and objectives laid out in our earlier response to the Initial Consultation Package produced for this project. Restoration of Cooper Creek will remain the focal point for us in the relicensing of the Cooper Lake Hydroelectric Project. We will continue to work with other agencies, stakeholders and CEA as settlement negotiations and relicensing move forward.

If you have any questions regarding these comments, please contact Larry Peltz at (907)271-1332 or by email at lawrence.peltz@noaa.gov.

Sincerely,


For James W. Balsiger
Administrator, Alaska Region