

# United States Senate

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The Honorable Daniel K. Inouye, Chairman  
The Honorable Thad Cochran, Vice Chairman  
Senate Committee on Appropriations  
S-131, U.S. Capitol  
Washington, D.C. 20510

The Honorable Byron L. Dorgan, Chairman  
The Honorable Robert F. Bennett, Ranking Member  
Appropriations Subcommittee on Energy and Water Development  
186 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairmen, Vice Chairman, and Ranking Member,

As you develop the Fiscal Year 2011 Energy and Water Development Appropriations Bill, I respectfully request that you include funding for the following projects, which are of particular importance to the residents of my state:

**Project:** Denali Commission

**Amount Requested:** \$15 million

**Recipients(s)/Location:** Denali Commission; Anchorage, AK

**Agency, Account:** Independent Agencies, Denali Commission

**Purpose:** The Denali Commission was created by Congress in 1998 with the mission to promote and provide sustainable infrastructure improvement, job training, and other economic development services that improve health, safety, and economic self-sufficiency within rural communities in Alaska. In 2011, the Commission will continue to coordinate cost-shared utilities and infrastructure projects with a focus on the most distressed communities.

**Project Benefit to the Taxpayer:** The Denali Commission is an independent federal agency responsible for providing critical utilities, infrastructure, and economic support to some of the poorest areas of our country.

**Project:** Haines Boat Harbor

**Amount Requested:** \$500,000

**Recipients(s)/Location:** City of Haines; Haines, AK

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** The current harbor in Haines is overcrowded and cannot accommodate larger vessels. Its configuration exposes vessels to heavy winds from the south, which results in reduced

maneuverability and damage to the vessels and harbor infrastructure. In 2004, the Army Corps of Engineers issued a Chief of Engineers Report that recommended that the Haines harbor project move forward. The project was authorized through the Water Resources Development Act (WRDA) in 2007 (Section 1001(1)). Cost feasibility, field work, preliminary design and engineering, and planning funds have already been appropriated. FY11 appropriated funds would be used for final engineering, preparation of the bid package, and construction.

**Project Benefit to the Taxpayer:** The project is extremely important for the economic future of a small Alaska coastal community that is highly dependent on marine fisheries, water-borne tourism and trade. The Corps has estimated that the new harbor will generate \$1,500,000 annually in new economic and employment benefits.

**Project:** Alaska Coastal Erosion

**Amount Requested:** \$2,000,000

**Recipients(s)/Location:** Alaska Coastal Communities

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** The funding would be used by the Army Corps of Engineers to address erosion threats to coastal communities in Alaska. In several areas of the state, communities are experiencing severe erosion, which the General Accounting Office has noted in some cases "pose(s) imminent threats to lives, homes, and infrastructure."

**Project Benefit to the Taxpayer:** Several Alaska communities are experiencing severe erosion. This funding will be used to help mitigate the erosion, thereby providing for the life and safety of area residents.

**Project:** Petersburg North Harbor Dredging

**Amount Requested:** \$1,000,000

**Recipients(s)/Location:** City of Petersburg; Petersburg, AK

**Agency, Account:** Army Corps of Engineers, Operations and Maintenance

**Purpose:** The City of Petersburg has initiated a major upgrade of its North Harbor. The float system has exceeded its design life and must be replaced. The city has available \$8.5 million for the float system replacement. However, the project cannot move forward until the harbor navigation channels are dredged to the originally authorized depths.

**Project Benefit to the Taxpayer:** The improvements are critical to stabilizing Petersburg's marine economy.

**Project:** Hoonah IPEC Hydroelectric Project

**Amount Requested:** \$1,500,000

**Recipients(s)/Location:** Inside Passage Electric Cooperative; Hoonah, AK

**Agency, Account:** Department of Energy, Energy Efficiency and Renewable Energy

**Purpose:** Funds will be used to construct a 1.3 MW hydroelectric project on Chichagof Island servicing Hoonah and surrounding areas. The project consists of two diversion structures, approximately 8,700 feet of penstock, a power house with two turbines and generators, tailrace, substation, and approximately 4.5 miles of transmission line that will connect with the existing system. The project is a run-of-the river operation that will stabilize rates for Hoonah with a clean source of renewable electricity. The project will also enhance economic development, encourage growth and significantly reduce CO2 emissions. Avoided fuel costs over 30 years are estimated to be \$38,200,000.

**Project Benefit to the Taxpayer:** This project will supply 57% of Hoonah's current load with a clean, renewable energy resource. The project will also displace 211,000 gallons of diesel fuel consumption annually and reduce the fuel-cost portion of electricity by \$0.12/kWh. At today's fuel price of \$3.00 per gallon the combined savings equates to \$750,000 annually. The project will lower rates for 1,300 consumers in Hoonah, the Chilkat Valley, Kake, Angoon and Klukwan since IPEC is on a postage stamp rate.

**Project:** Bethel Bank Stabilization Project, Phase 2

**Amount Requested:** \$3,000,000

**Recipients(s)/Location:** City of Bethel; Bethel, AK

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** The requested funds would be used to purchase and install steel tiebacks to connect pipe piles that compose the seawall to anchors. The current tiebacks are corroded and in need of replacement. The seawall section targeted for this project is 1,200 feet long.

**Project Benefit to the Taxpayer:** This project will allow larger quantities of goods and larger items to be delivered to Bethel and river villages by barge, reducing shipping costs and the price of goods for village residents. Currently, many residents in the area are forced to rely on much more expensive air cargo service. The project will also protect the safety and property of residents on East Avenue inland from the seawall.

**Project:** Homer East Boat Harbor Feasibility and Design

**Amount Requested:** \$400,000

**Recipients(s)/Location:** City of Homer; Homer, AK

**Agency, Account:** Army Corps of Engineers, General Investigations

**Purpose:** The requested funds will be used for planning and to complete a feasibility study on the proposed development of a new boat harbor in Homer, Alaska. The new harbor will accommodate large commercial vessels that are currently congesting the harbor and stressing floats due to a shortage of moorage space; enable the harbor to accommodate up to 60 additional large commercial vessels that potentially would use Homer as a home port; and provide a long-term solution to mooring and security problems currently faced by the two Coast Guard cutters in Homer and other government vessels.

**Project Benefit to the Taxpayer:** The Port of Homer is a regional facility and a designated "place of refuge" for the Gulf of Alaska, Cook Inlet, and Kennedy Entrance.

**Project:** Unalaska Boat Harbor Construction

**Amount Requested:** \$6,000,000

**Recipients(s)/Location:** City of Unalaska; Unalaska, AK

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** The requested funds would be used by the Army Corps of Engineers to finish the construction of the two outer floating breakwaters as part of a project to construct a new boat harbor in Unalaska. The new harbor will house vessels in the 150 foot and under class for pollock, crab, cod and halibut fishing vessels.

**Project Benefit to the Taxpayer:** Unalaska is the largest commercial fishing port by volume in the United States. The Corps has revised the net national benefit score to 8.53 to 1.

**Project:** Snettisham Avalanche Mitigation

**Amount Requested:** \$2,000,000

**Recipients(s)/Location:** Alaska Industrial Development and Export Authority; Juneau, AK

**Agency, Account:** Department of Energy, Energy Efficiency and Renewable Energy

**Purpose:** The transmission line that connects the Snettisham Hydroelectric Power Plant, a state-owned facility, to the Juneau service area is located in an avalanche prone area. Previous avalanches have knocked out the line and caused severe disruption to electric transmission in the area. The requested funds would be used to construct new transmission towers that current modeling indicates will withstand future avalanches. These new structures would be built adjacent to the existing structures and without the negative consequences of installed conductor loading during an avalanche. In the event that an existing tower was damaged, these new towers would be readily available to reinstall conductor. The requested funding would be used to install a cold-standby transmission section to minimize impacts of future avalanche damage on the Snettisham transmission line.

**Project Benefit to the Taxpayer:** Completion of this project will provide long term diversified improvements, reduce nearly \$400,000 annually in avalanche control operating costs, and help secure readily available hydroelectric power delivery to Juneau.

**Project:** Valdez Boat Harbor Expansion

**Amount Requested:** \$1,300,000

**Recipients(s)/Location:** City of Valdez; Valdez, AK

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** Requested federal funding will be used to expand the small boat harbor in Valdez to address significant capacity and operational issues. Deficiencies with the current harbor include over capacity, poor water circulation, narrow channels, limited operations for large vessels, and inadequate launching capability. Project feasibility will be finalized summer of 2010. The requested fiscal year 11 funding would be used to complete plans and specifications, negotiate a construction agreement, and initiate construction surveys.

**Project Benefit to the Taxpayer:** Expanding the harbor would benefit recreational and commercial uses, emergency services, Coast Guard, state troopers and oil response vessels.

**Project:** Sitka Blue Lake Hydroelectric Expansion Project

**Amount Requested:** \$1,000,000

**Recipients(s)/Location:** City and Borough of Sitka; Sitka, AK

**Agency, Account:** Department of Energy, Energy Efficiency and Renewable Energy

**Purpose:** The requested funds will be used for construction of the Blue Lake Hydroelectric Expansion Project. The project will raise the height of the existing dam by 83 feet to 425 feet and construct a new intake structure and a new section of power tunnel to a new powerhouse. The new powerhouse will replace the existing two 4MW generators with three 6MW generators. This will increase installed capacity from 8MW to 18MW, with an increase in Sitka's average total annual hydroelectric energy production by about 35,400 MW, or 29 percent of system capacity. Sitka is aggressively engaged in the preliminary engineering and licensing phase of this expansion of its hydroelectric capability at Blue Lake. The goal is to complete the construction and bring this new hydroelectric capacity on line in 2015.

**Project Benefit to the Taxpayer:** The project will expand the use of clean, non-emitting energy.

**Project:** Port of Anchorage Construction Dredging

**Amount Requested:** \$3,300,000

**Recipients(s)/Location:** Port of Anchorage; Anchorage, AK

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** The requested federal funding would be used for the removal and disposal of sedimentation from the project construction site at the north end of the Port of Anchorage Intermodal Expansion Project. The project includes the construction of two new public barge berths; expanded industrial acreage to meet the growing industrial needs and the demands of the five military installations served by the port; and improved and efficient intermodal connections to road, rail, and river systems. The required dredging must be done as an initial activity to prepare areas of the project for fill, sheet pile, surfacing, and equipment.

**Project Benefit to the Taxpayer:** The Port of Anchorage is a Department of Defense designated "Strategic Seaport." The Port supports military deployments, redeployments, and cargo handling for Elmendorf Air Force Base, Fort Richardson, Fort Greely, Fort Wainwright, and Eielson Air Force Base. It is also home to the US Coast Guard's Marine Safety and Security Team (MSST).

**Project:** Sitka Harbor Breakwater Upgrade

**Amount Requested:** \$5,000,000

**Recipients(s)/Location:** City and Borough of Sitka; Sitka, AK

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** The Sitka Harbor Breakwater was completed in 1994 as a "Sitka Harbor of Refuge". It has never functioned effectively. Excessive harbor deterioration and vessel damage would be reduced by extending the breakwaters. The top priority is to close the 315 foot gap between the west stub and main breakwater. This portion of the project is estimated at \$15,000,000. This project will reduce wave energy entering Sitka inner harbor from the west.

**Project Benefit to the Taxpayer:** The Sitka Harbor is a harbor of refuge. This project will reduce ocean swell motion and deterioration of the breakwater.

**Project:** St. George Harbor Dredging and Harbor Reconfiguration

**Amount Requested:** \$5,000,000

**Recipients(s)/Location:** City of St. George; St. George, AK

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** Requested funding support would be used to complete harbor dredging in St. George harbor in the Pribilof Islands.

**Project Benefit to the Taxpayer:** St. George is one of the few locations capable of serving as a harbor of refuge in the Arctic and Subarctic region.

**Project:** Kenai River Bluff Erosion

**Amount Requested:** \$3,000,000

**Recipients(s)/Location:** City of Kenai; Kenai, AK

**Agency, Account:** Army Corps of Engineers, Construction

**Purpose:** The requested funding would be used to construct an erosion control structure along 5,000 feet of the north shore at the mouth of the Kenai River. The Army Corp of Engineers has already completed the preliminary conceptual design and over fifty percent of the required NEPA documentation. The structure would halt ongoing erosion, which is calculated by the Corps to be roughly 3 feet per year. This project would protect the heart of the City of Kenai as well as public and private infrastructure. The cost estimate for this project is approximately

\$29,800,000. The City of Kenai has already secured a local match of \$12.8 million (43%) for this project.

**Project Benefit to the Taxpayer:** This project is necessary to protect the life, safety, and property of the residents of Kenai. The cost benefit ratio is over 2:1 for this project.

**Project:** Lowell Creek Flood Control

**Amount Requested:** \$2,000,000

**Recipients(s)/Location:** City of Seward; Seward, AK

**Agency, Account:** Army Corps of Engineers, General Investigations

**Purpose:** The requested funding would be used to complete the feasibility stage of the project. The Lowell Creek Flood Diversion System was built by the Army Corps of Engineers in 1940 to divert the creek from its natural path to an outfall in Resurrection Bay. The system, however, has been badly damaged as a result of frequent flooding. A significant blockage caused by the collapse or obstruction of the tunnel structure during another major flood would create a floodway that would threaten many residences and the Seward Hospital. The last reauthorization of the Water Resources Development Act directed the Corps to study and develop an alternate flood control system. An Implementation Guidance Document prepared by the Corps recommends that the Corps' Alaska District conduct an initial reconnaissance study to determine whether feasible alternative flood control options exist.

**Project Benefit to the Taxpayer:** The project will provide flood control to protect the safety of the residents of Seward, Alaska.

**Project:** Reconnaissance Study of the Kuskokwim River

**Amount Requested:** \$100,000

**Recipients(s)/Location:** City of Bethel; Bethel, AK

**Agency, Account:** Army Corps of Engineers, General Investigations

**Purpose:** The requested funding would be used to conduct a reconnaissance study of the navigability of the Kuskokwim River from Steamboat Slough to the confluence of the Johnson River. The study will investigate the navigability of each type of watercraft using the river, from small aluminum skiffs to barges greater than 300 feet in length. Sandbars, floating debris, embedded obstacles, and changing river conditions will be considered. Navigation remedies will be identified, discussed, and evaluated in the study.

**Project Benefit to the Taxpayer:** This project aims to address navigation hazards on the river that pose a threat to the life and safety of area residents and economic development in the region.

**Project:** Dredging Small Boat Harbor and Channel Approach; Bethel, AK

**Amount Requested:** \$1,000,000

**Recipients(s)/Location:** City of Bethel; Bethel, AK

**Agency, Account:** Army Corps of Engineers, Operations and Maintenance

**Purpose:** The requested funding will be used to dredge the small boat harbor in Bethel, Alaska. The dredging will take place in November or December, when the ground is frozen. Heavy equipment will be used to remove frozen water in the basin and channel approach. The removed material will be deposited at an environmentally approved site near the harbor.

**Project Benefit to the Taxpayer:** The Bethel Small Boat Harbor Dredging Project should extend the life of the harbor basin by seven to ten years. The basin is almost totally unusable at present due to its shallow nature. A host of different users are affected, including subsistence

hunters, fishers, and gatherers; commercial fishermen; commercial tour boat operators; federal and state agency wildlife managers; university hydrographic researchers; and inter-village commuters and visitors.

**Project:** Kachemak Bay Tidal Power Feasibility

**Amount Requested:** \$250,000

**Recipients(s)/Location:** City of Homer; Homer, AK

**Agency, Account:** Department of Energy, Energy Efficiency and Renewable Energy

**Purpose:** The proposed funding will be used to help establish an Alaska-based renewable energy industry while providing clean power to Alaskans. The City of Homer proposes to work with multiple partners, including the National Oceanic and Atmospheric Administration, to assess the tidal energy potential and development feasibility within Kachemak Bay. The project will deploy stationary and roving Acoustic Doppler Current Profiling devices, conduct bathymetric mapping, and integrate other data to construct a comprehensive tidal, energetic, and circulation flow model of the entire Kachemak Bay region. A conceptual design for optimal tidal energy production will emerge from these studies.

**Project Benefit to the Taxpayer:** This project will help provide clean, renewable energy to the residents of Homer and help spawn a new industry and economic diversity on the Kenai Peninsula.

**Project:** Alaska Climate Center

**Amount Requested:** \$500,000

**Recipients(s)/Location:** University of Alaska, Fairbanks; Fairbanks, Alaska

**Agency, Account:** Department of Energy

**Purpose:** The requested funding will support ongoing research and modeling of climate- and weather-related changes in Alaska. Planning for future adaptation requires an accurate understanding of the likely environmental changes and the impact of those changes on the ecosystem, infrastructure, and individuals in the Arctic.

**Project Benefit to the Taxpayer:** The research will help policymakers gain a better understanding of the expected changes and then develop plans to mitigate the projected impacts.

**Project:** NANA: Community End-Use Energy Efficiency Measures

**Amount Requested:** \$300,000

**Recipients(s)/Location:** NANA Regional Native Corporation; Kotzebue, AK

**Agency, Account:** Department of Energy, Energy Efficiency and Renewable Energy

**Purpose:** Funding is requested to support efforts to retrofit public buildings throughout Northwest Alaska to LEED energy, safety and sustainability standards. Weatherization, insulation upgrades, installation of energy-efficient lighting, and other energy efficiency improvements will be part of this work.

**Project Benefit to the Taxpayer:** In addition to developing energy efficient, cost-effective, healthful places to work and learn, this project will create jobs for local people during the implementation and monitoring periods.

**Project:** Nushagak Area Hydropower Project

**Amount Requested:** \$1,500,000

**Recipients(s)/Location:** Nushagak Electric and Telephone Cooperative; Dillingham, AK

**Agency, Account:** Department of Energy, Energy Efficiency and Renewable Energy  
**Purpose:** Funding is requested for the reconnaissance and design of the Grant Lake hydropower facility. All electric power in the area is currently generated with diesel fuel by Nushagak Cooperative. The Grant Lake site will provide 75-80% of the utility's average 2 MW load.  
**Project Benefit to the Taxpayer:** Once completed, the project will greatly reduce the use of diesel fuel for electric generation and maximize the stability of local electric rates.

**Project:** Cordova Harbor Breakwater Feasibility Study

**Amount Requested:** \$500,000

**Recipients(s)/Location:** City of Cordova; Cordova, AK

**Agency, Account:** Army Corps of Engineers, General Investigations

**Purpose:** The requested funding will be used to complete a Feasibility Study by the Army Corps of Engineers on the proposed construction of an extension to the north breakwater at the entrance to the Cordova Small Boat Harbor.

**Project Benefit to the Taxpayer:** A new breakwater will provide protection from winter storms.

I certify that to the best of my knowledge neither I nor my immediate family has a pecuniary interest in any of the congressionally directed spending item(s) that I have requested for Fiscal Year 2011, consistent with the requirements of paragraph 9 of Rule XLIV of the Standing Rules of the Senate.

I further certify that I have posted a description of the items requested on my official website, along with the accompanying justification. Thank you for your consideration of these requests.

Sincerely,



Lisa Murkowski  
United States Senator