

This issue updates the information that was provided in March 2013.

Permitting and preliminary design work continues for a new electrical transmission line intertie that is proposed to extend west across the Tongass National Forest, from the Petersburg area to Kake on Kupreanof Island. The **Kake - Petersburg Intertie (KPI)** would transmit power to Kake at either 69 or 138 kilovolts (kV) and consist primarily of single wood pole structures.

The U.S. Forest Service is the lead agency for the Environmental Impact Statement (EIS). Chapter 1 – Purpose and Need and Chapter 2 – Alternatives were submitted to the Forest Service for review and comment. Taking the Forest Service’s and others’ comments into consideration, a new alternative route has been developed and identified as SEAPA’s Proposed Action. We are hopeful this new alternative addresses the concerns expressed.

The new route alternative starts at the existing substation south of Petersburg, and goes north-northeast to the Sandy Beach area. From the Sandy Beach area the new route alternative, Figure 1, continues north, but underground, as indicated by the red line east of the airport and along Sandy Beach Road to Outlook Park.

Any existing overhead distribution lines along this route (the red line) would be placed underground as a part of the project. From Outlook Park to Prolewy Point, directional bore technology would be used to

install a conduit under Wrangell Narrows. The conduit would contain the transmission line, a distribution line should it be needed, and a fiber optic cable for communications. From Prolewy Point north, the line would follow the previously identified northern route.

The draft EIS will also consider two other previously identified alternatives: the Submarine Cable route that is also depicted on Figure 1 and the Center South route. Routing alternatives will use existing roads for much of the line construction. However, there are significant undeveloped sections that may necessitate use of helicopters and low impact shovel trails.

The alternative that would cross Petersburg Creek and behind the community of Kupreanof has been dropped from detailed consideration at this point.

Cost estimates for the three routes being considered in the draft EIS, assuming construction in 2015-2016 and including the additional required helicopter construction, are:

69-kV Route Alternatives			
(\$,000)			
Northern Route			Center South (Opt. 3)
Prolewy Pt. Dir. Bore (Opt. 1)	Petersburg Sub. Cable (Opt. 2)		
\$ 65,850	\$ 72,008		\$ 58,955

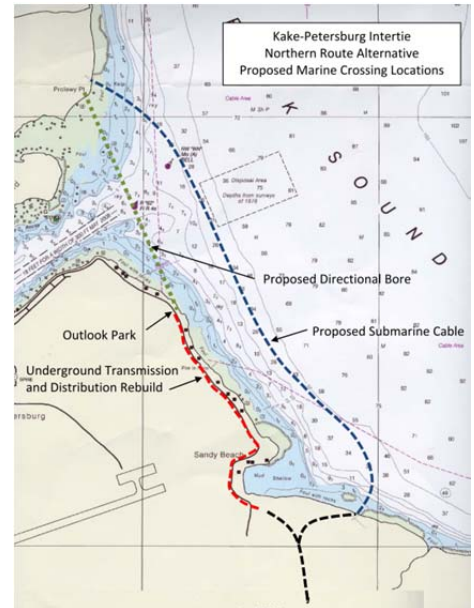


Figure 1

We are currently redrafting chapters 1 and 2 of the EIS and will resubmit them to the Forest Service for review.

Project Schedule

The current project schedule has been adjusted to:

- May 2010** - Notice of Intent to prepare an EIS published
- Apr/May 2010** - Public scoping meetings
- October 2013** - Draft EIS published
- November 2013** – Public meetings on draft EIS
- June 2014** – EIS complete with Record of Decision for routing