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Brian Mills, Director, Permitting and Siting Office of Electricity Delivery and Energy Reliability (OE-20) U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

RE: OE Docket No. PP-387, Soule River Hydro Project Presidential Permit

Mr. Mills:

I write in response to the notice soliciting comments in support of Soule Hydro's application for a Presidential Permit for the construction of an electric transmission line. The proposed transmission line would connect the Southeast Alaska community of Hyder with the Canadian transmission system in British Columbia – transmission needed to permit the economic development of a 77.4 megawatt hydroelectric project on the Soule River, 9 miles southwest of Hyder, Alaska by Alaska Power & Telephone (AP&T) Company.

The Soule River project was first proposed a half century ago (Federal Power Project #P-13528). The Alaska-based project would provide for the exportation of renewable power to northern British Columbia.

A number of other approvals will be required before the project may go forward, and each should and will be judged on its merits. Nevertheless, as I understand it, prompt consideration of the Presidential Permit is necessary, as a practical matter, before the other required applications may be undertaken.

I have long supported the responsible development of hydroelectric power because it is the nation's largest source of renewable power and because, on a levelized-cost basis, it is one of the most affordable of all energy sources. Hydroelectric projects help the nation meet its stated goal of reducing greenhouse gas emissions and displace hundreds of tons of carbon dioxide.

The prompt consideration and issuance of the Presidential Permit will help U.S.-Canada relations by showing that America is interested in supporting closer energy cooperation, a key request of the British Columbia, Yukon Territory and Alaska State governments in recent years.

It is also my hope that Alaskan utilities may more rapidly finance small hydroelectric and other renewable energy projects that will cut the retail cost of power to Southeast Alaska communities. Currently, villagers in the communities pay an average of roughly 60 cents per kilowatt hour for electricity – nine times the national average, and at least eight times more than hydropower

generally. It is also necessary for the U.S. Forest Service to speed modification of its regulations – currently under review – to facilitate the construction of economically feasible renewable energy projects and required transmission systems throughout the Tongass National Forest. Alaska hydroelectric projects on the drawing board deserve careful and prompt consideration. This is especially true of projects with proximity to tidewater and relative proximity to the continental transmission system.

I hope the Department, in a manner consistent with all relevant laws, rules and regulations, will weigh the potential benefits of hydroelectric power as well as the potential international considerations and grant the Presidential Permit so that detailed study of the environmental impacts of the project and consideration of other necessary approvals can proceed in due course.

Thank you for your consideration.

Sincerely,

Lisa Murkowski

United States Senator