Reynolds Creek Hydroelectric Project

Project Status
November, 2011

By: Alvin Edenshaw, President
Haida Corporation and Haida Energy, Inc.
Haida Corporation

- Located in Hydaburg on Prince of Wales Island in SE Alaska
- Hydaburg population = 350 people (called Kaigani Haida)
- Hydaburg is largest Haida Village in Alaska
- Subsistence and Commercial Fishing Lifestyle
- Substantial Timber Holdings
- Hydaburg has Excellent School System
Haida Energy, Inc.

- Joint Venture
- Incorporated October 15, 2009, in Alaska
- Ownership: 75% Haida Energy Corporation, 25% Alaska Power & Telephone Company (local utility)
Reynolds Creek Project Team

- Lead Consultant – HDR Engineering, Inc.
- Project Management – Hildenbrand Assoc. LLC
- Economic Feasibility/Financing – Financial Engineering Company
- Joint Venture Agreements – Kemppel Huffman & Ellis, Anchorage
Prince of Wales Island

- Third Largest Island in United States
- 135 miles x 45 miles
- Population = 6,000
- Economy Centers on Fishing, Timber, & Tourism
- 2008 Energy Consumption = 26,313 MWh
- Two Existing Hydro Projects: Black Bear Lake (4.5 MW) and South Fork (2.3 MW)
- Remainder of Generation is Diesel-fired
Project Location
Principal Project Components

- 28-ft-long, 6-ft-high Diversion Structure at Outlet of Rich’s Pond
- Lake Mellen/Rich’s Pond provide 600 acre-feet of storage
- 42-inch diameter, 3200-ft-long Penstock
- Powerhouse (One 5 Megawatt Unit)
- 34 kV, 12-mile-long Transmission Line
Lake Mellen Outlet

June 9, 2010
Rich’s Pond Inlet
Rich’s Pond
Rich’s Pond Outlet

June 9, 2010
Snorkeling
Grayling in Rich’s Pond
Upper Reynolds Creek
Anadromous Barrier
Lower Reynolds Creek
Copper Harbor
Powerhouse Access Road
Pioneering

October 4, 2011
Slide Repair Lake Mellen Road
New Storage Containers on Project Site
Copper Harbor Road Clearing
Copper Harbor Temporary Float

October 6, 2011
Pioneering on Powerhouse Road

October 6, 2011
Drilling for Blasting on Powerhouse Road

October 10, 2011
Area perspective from above Lake Mellen on access road

excavator is at start of dam access road

October 10, 2011
Overburden Removal on Dam Access Road

October 12, 2011
Overview of Powerhouse Road Construction

October 2011
Contractor salvaging rock from “1-Mile Pit”
Overview of 1-mile Pit

June 9, 2010
Hetta Inlet, Copper Harbor and Boat Ramp and Staging Area
Application of Straw Mulch and Fiber Log for Erosion Control

October 2011
Project Characteristics

- Approximately 750 feet of Head
- Average Annual Energy Production = 19.3 million kilowatt-hours
- Land Owned by Haida Energy Corporation and Sealaska – both Alaska Native Corporations
- Alaska Power Company will Operate, and Purchase Power From Project
- Will Allow All Interconnected Portions of Prince of Wales Island to be Supplied by Hydropower
Minimal Environmental Impact

Utilizes Existing Logging Roads for Access

Fish in Reynolds Creek drainage = artic grayling, Dolly Varden, cutthroat trout, pink and chum salmon, and steelhead

Terrestrial Species include Sitka black-tailed deer and black bear
Major Approvals Received

- FERC License (Project No. 11480)
- Corps of Engineers Permit
- Fish Habitat Permit
- Coastal Zone Consistency Determination
Current Activities

- Construction of Access Roads to Powerhouse & Dam
- Repair Logging Roads to Lake Mellan and Jumbo Island T-line Crossing
- Construction of First Mile of Transmission from End of Existing Line
- Completing Project Financing Plan
- Complete Geotech Investigations At Dam & Powerhouse for Final Design
# Project Cost Estimate

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare for Construction</td>
<td>$4,145,000</td>
</tr>
<tr>
<td>Construction &amp; Engineering</td>
<td>$24,000,000</td>
</tr>
<tr>
<td><strong>TOTAL COST</strong></td>
<td><strong>$28,145,000</strong></td>
</tr>
</tbody>
</table>
Major Milestones

- Began Construction – October 24, 2010
- Began Civil Access Work – September 2011
- Began Transmission Line Const. – August 2011
- Order Turbine/Generator – November 2011
- Project On-line – Summer 2014