

**Kenai Area Plan Amendment (SC-99-002A16)**  
**Kenai River Comprehensive Management Plan and Special Use Designation Amendment**  
**Issue Response Summary**

<b>Subject</b>	<b>Issue Summary</b>	<b>Response</b>	<b>Recommended Revision</b>
The Proposed Amendment to the Kenai Area Plan, SC-99-002A16, will Negatively Impact the Iditarod National Historic Trail (INHT)	The proposed 50-foot buffer (either side of centerline, 100 feet total easement) that allows for the placement of “roads, penstock and electric and communication cables” and other hydroelectric infrastructure adjacent to the Iditarod National Historic Trail (INHT) will be insufficient to prevent adverse effects on the recreational and historical experience of the trail and associated values. Any easement should be provided exclusively for the INHT and a mature-screening vegetated buffer, and not allow for built facilities with non-trail purposes. The 200-foot buffer (either side of centerline, 400 feet total) established in the Kenai Area Plan over 30 years ago for the INHT would provide minimum buffering in this situation. Therefore, it is recommended that the width of INHT easements in Unit 3800 of the Kenai Area Plan remain at a minimum of 400 feet, and ideally be established at 1,000 feet in order to maintain the trail experience and associated values. All this development within a 100’ corridor will not “protect” the INHT.	Minimal development is planned within the 100-ft corridor and visual screening will be required to protect the recreational and historical experience of the trail.	None.
The INHT is Important for the Future of Local Economies	The project crosses the Iditarod National Historic Trail, which is poised to become part of the Long Trail system, attracting even more tourism and support for the local economy of Moose Pass and Seward. Under the proposal, the 1000’ corridor for the historic Iditarod Trail would be dramatically reduced to 100’ without any protection or screening from development.	Minimal development is planned within the 100-ft corridor and visual screening will be required to protect the recreational and historical experience of the trail.	None.
The Public Notice Period Was Not Long Enough	The public was only given 30 days to comment on the amendments. This does not provide ample opportunity for all interested parties to digest and respond to the information.	As part of the FERC process, Kenai Hydro, LLC (KHL) has been engaging with stakeholders as far back as 2018. The project was discussed more recently at meetings of the Moose Pass Advisory Planning Commission, Kenai River Special Management Area Advisory Board, and Kenai Peninsula Borough meetings. Thirty days is the standard amount of time given for public review.	None.

<b>Subject</b>	<b>Issue Summary</b>	<b>Response</b>	<b>Recommended Revision</b>
The Project Will Benefit the Environment, HEA members, and the Entire Railbelt Electrical Grid	The Grant Lake project will add 18,600 MWh per year to Homer Electric Association's (HEA) renewable energy generation portfolio; will reduce dependence on natural gas; and will serve the interests of its members. The project will help HEA achieve its renewable energy goals and help the state of Alaska meet its goal of 50% of energy from renewable sources by 2025. Hydroelectric power provides a dispatchable renewable energy resource, the ability to follow intermittent renewables, spinning reserve, energy storage, voltage support and system resiliency. While generally capital intensive to build, hydro power inevitably ends up being most utilities low cost of power. The Railbelt electrical grid needs more renewable energy generation to diversify away from Cook Inlet natural gas, which is supply and price uncertain. The Grant Lake project would provide unique benefits to our power grid. Hydropower has a different season of availability than solar or wind, and the storage capacity of the lake allows some ability to schedule power production. The project would also lower the power grid's carbon emissions, which threaten our infrastructure and resiliency. The Swan Lake fire in 2019 cut the power between the Kenai Peninsula and Anchorage for around 6 months.	Acknowledged.	None.
The Project Would Have Minimal Ecological Impact	The EIS and FERC process shows that the project would have minimal impact on local ecologic resources. In fact, there are potential benefits. Grant Lake hydro is designed with multiple different intake levels to allow for a coordination of outflow water temperature to protect downstream fish populations from potential effects of the project, but also could be used to protect downstream fish populations from climate-change induced high temperature events in the creek.	Acknowledged.	None.

<b>Subject</b>	<b>Issue Summary</b>	<b>Response</b>	<b>Recommended Revision</b>
<p>Opposed to the Proposed Amendments and Changes to the Kenai Area Plan, The Kenai River Comprehensive Management Plan, and Special Use Designations</p>	<p>The original land designations were done for a well stated reason which is not aligned with the proposed future use. Undammed river systems and their biota do not usually fail due to a single event, but due to many others uses taking priority over a river system. The proposal seeks to remove from KRSMA not just riparian habitat but part of a lake system (Unit 608) which is part of the Kenai River headwaters. An adverse action in this lake will cause effects both downstream and upstream. The project could have avoided construction at the narrows by taking the high road.</p>	<p>None of the lands affected by these amendments are part of KRSMA. The entirety of the amendment area will continue to be managed to protect habitat and public recreation values. In order for any project to be authorized, the project must be consistent with the requirements of the Kenai Area Plan. Chapter Two of the Kenai Area Plan includes provisions for habitat mitigation when development occurs.</p>	<p>None.</p>
<p>Municipal Entitlement Amendments</p>	<p>To transfer the land from the state to the borough the state stated that the land needed to be classified as recreation as it was currently designated wildlife. Changing the land classification is contradictory to what the borough told the state what they were classifying the land as.</p>	<p>Amendment SC-99-002A16 to KEAP and the associated KRCMP and SUD amendment do not reclassify land for transfer to the Kenai Peninsula Borough. That was done under a different public process.</p>	<p>None.</p>
<p>The Project Will Endanger Fish &amp; Wildlife Habitat</p>	<p>Building a hydroelectric plant on Grant Lake is putting king salmon, steelhead, and other fish species spawning areas in Lower Trail Lake and Grant Creek in danger. The plant would also endanger bald eagles in the area. The natural stream flow in Grant Creek is very low in mid-to-late winter; reducing this flow even more will not be good for fish &amp; wildlife. Humans cannot hope to adjust water levels and temperatures to protect the amazing run of king and silver salmon, rainbow trout, Dolly Varden, and other fish that spawn, rear, and pass through the lower stretches of Grant Creek. The only sure way to prevent contamination or increased turbidity from impacting the stream is to not build this project.</p>	<p>The amendment does not change any provisions related to habitat protection or fish and wildlife protection. The land designations for the affected units remain unchanged. New unit 3800 will continue to be managed to protect habitat and public recreation values.</p>	<p>None.</p>

<b>Subject</b>	<b>Issue Summary</b>	<b>Response</b>	<b>Recommended Revision</b>
The Project Will Degrade Recreational and Scenic Values	Grant Lake, Grant Creek, Upper Middle and Lower Trail Lakes and the rivers that connect them are all prime, easily accessible recreation areas for the people in this area of the Kenai Peninsula. There is no justification to negatively alter this prime recreation area and its viewscape. The negative visual impacts of an access road, aerial transmission lines, and related development across this scenic landscape are impossible to conceal or mitigate. The project will be a visual eyesore and also introduce noise and light pollution if utilities are developed.	The land designations and classifications for the affected units remain unchanged. The entirety of new unit 3800 will continue to be managed to protect habitat and public recreation values. Visual screening of development in the area will be required to protect the recreational and historical experience.	None.
Opposed to the Proposed Amendments and Changes to the Kenai Area Plan, the Kenai River Comprehensive Management Plan, and Special Use Land Designations	What is the point of having any of these Plans or SUDs if parcels can simply be removed? The entire reason Parcels in Unit 380G are clearly defined in the Kenai Area Plan on page 3-45 as having “important Kenai River habitat and recreation values.” These findings have not changed. The only thing that has changed is a utility company wants to build on this land. In the Attachment to the KRCMP, the State says: “Comments regarding future uses: Nearby landowners were concerned with how KPB plans to use the land after the State conveys the land. There was not sufficient detail regarding their plans and how it might affect the nearby neighborhoods. DNR DMLW LCS Response: KPB has indicated these parcels would be managed under the same protections the KAP and KRCMP intended for recreation, scenic, and habitat uses. There is no foreseen impact on these resources in the area.” However, this is misleading and untrue, as evidenced with the concurrent KPB Proposed Classification changes: Portions of Parcel No. 12532101, 12532102, 12532315, 12532318, and 12532330 to be classified as Utility / Transportation.	This refers to a different amendment decision related to a municipal entitlement transfer. These amendments do not propose to transfer land to the KPB. The state will continue to be manage the project area to protect habitat and public recreation values.	None.
Developing Utilities in this Area will Negatively Impact the Appeal of Moose Pass	Excluding these parcels from the Kenai River Comprehensive Management Plan (KRCMP) and Special Use Land Designations (SUDs) and instead developing utilities (as proposed concurrently by the KPB and the State) will change the character and feel of our small rural town, harming locals and reducing appeal of the area to revenue-providing tourism. It also removes assurances that these parcels won't be changed yet again in the future, possibly excluding public access and resource protections entirely.	Economic and social conditions change over time and the plan must be flexible enough to change with them. Specific modifications may be made whenever conditions warrant them. The plan amendment process exists to respond to changing conditions.	None.

<b>Subject</b>	<b>Issue Summary</b>	<b>Response</b>	<b>Recommended Revision</b>
The Proposal Will Fragment Habitat	The proposal will remove the current recreation, scenic, and habitat protections for bisecting swaths, resulting in fragmentation of the parcels and allow for development that may alter wildlife habitat/travel routes, reduce opportunity/access for recreation or subsistence use of natural resources.	The amendment does not change any provisions related to habitat protection or fish and wildlife protection.	None.
HEA Should Further Develop Bradley Lake Instead of Developing Grant Lake Hydro	There is no need for Homer Electric Association (HEA) to destroy an intact ecosystem and scenic wonder far from Homer to only benefit Homer electric customers. Invest the money into the Dixon Diversion project to increase the energy produced by the existing Bradley Lake hydro project. The increase in the Bradley Lake capacity would supply the 4% of HEA's annual energy needs and be distributed to other utilities, including customers on the Eastern Peninsula, benefitting everyone.	The state will continue to be manage the project area to protect habitat and public recreation values. It is outside the scope of this decision to recommend that the applicant redirect funding to alternate projects.	None.
The Access Road Will Contribute to Environmental Degradation	Signs, gates, and fencing along the access road will not stop 4-wheelers and snow machines from ripping along the road and off-road through new habitat, disturbing the wildlife and terrain.	The state will continue to be manage the project area to protect habitat and public recreation values. Use of off-road vehicles with a curb weight up to 1,500 lbs. is currently allowable on these DNR-managed lands in the vicinity of the project area pursuant to 11 AAC 96.020. While construction of a road may facilitate additional motorized traffic to the area, off-road vehicle use off of the road easement is only allowable if such use does not cause or contribute to water quality degradation, alteration of drainage systems, significant rutting, ground disturbance, or thermal erosion.	None.