

Cascade Creek LLC



July 30, 2010

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
ATTN: DHAC, PJ-12.2
888 First Street, N.E.
Washington, D.C. 20426

**Re: Project No. 12495-002 Alaska
Cascade Creek Hydroelectric Project
Cascade Creek, LLC
Sub: Fifth Six Month Progress Report**

Dear Secretary,

This letter is in compliance with Article 4 of the preliminary permit for the above referenced project.

During the fifth six-month project period Cascade Creek LLC completed the following:

Update & maintain stakeholder/contact list.

Drafted written responses to approximately 360 agency and public comments received on Scoping Document 1 throughout February.

Scheduled and completed an agency meeting March 16th in Petersburg to review fisheries and wildlife field study requirements for the upcoming season and to clarify the project description and operational intent.

Developed a project operations concept plan and circulated for review April 1 describing how the project would manage the water resources within the Cascade Creek basin so as to maintain the lake level of Swan Lake consistent with historical natural lake level fluctuations. The plan describes essentially a run-of-the-river type operation with regard to lake level sustainability.

Developed initial draft study plans for aquatic resources and wildlife/vegetation and circulated for review February 2nd. Circulated draft cultural resources study plan March 5th. Circulated draft Hydrology study plan on March 8th. Circulated draft Recreation plan for review on March 8th.

Contracted with Kleinschmidt Energy & Water Resource Consultants in May to develop the Preliminary Draft Environmental Assessment and provide license application development services including a strategic plan to complete the license application process.

Contracted with Mark Storm of Civil Science Inc. in May to provide hydrology consulting and field services. Mark serviced all four hydrology gages, rebuilt one gage station to repair storm

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damage, and built overhead cableway on Cascade Creek mouth gage, take discharge measurements.

Hired Oasis Environmental in May to provide fisheries, wildlife, vegetation and water quality study planning, field research and reporting services. Oasis drafted subsequent versions of both fisheries and wildlife study plans for circulation in July.

Complete first spring rainbow trout spawner survey and stream habitat mapping in May, initiated Northern Goshawk calling & preliminary wildlife survey first week of June.

Discussed joint telemetry study of Mountain Goats & Moose with Alaska Dept of Fish & Game. Budgeted to provide financial contribution to ADF&G for 2-3 year broad area study upon final agreement.

Paid \$10,000 for helicopter flight support to assist ADF&G with area Wolverine study within the Cascade Creek & Scenery Creek basins. Study flights occurred between March and end of July, all completed now.

Hired Paleo Logics to draft cultural resources study plan and provide inventory of existing known resources. Hired HRA consulting via Oasis in July to complete study plan and perform field research services as may be necessary.

Completed an inventory of existing known cultural resource sites and artifacts within the project area. Received consultant report April 2010.

Developed a scope of work in July for geology/geomorphology analysis of the project area, facilities construction footprints, and any relevant features that may pose feasibility challenge or stability risk to the project. Retained SADG, Inc to perform field investigation in August.

Retained Aqua Terre Systems Inc. in July to perform project wetland delineation and survey of project footprint areas in August.

Identified potential marine resources issues for study plan. Initiate discussion/negotiation w/ADF&G to reduce marine study requirements based on run-of-river operation. Received ADF&G comments on marine resources in May.

Reviewed the Tongass Forest Plan Handbook for Scenery Management requirements. Updating the Scenery resources study plan.

Researched Roadless Area issues, 2001 Roadless Area Rule, Tongass Forest Plan directives and issues as they may affect the project.

Order satellite mapping & aerial photos.

Purchase small boats and equipment to support Swan Lake & Falls Lake research and surveys.

Schedule agency meeting in Petersburg August 12th to review progress to date, seek closure on remaining study plans, review strategy to complete license application, seek memorandum of agreement with regard to handling pending study issues.

CCLLC completed agreements, audits, applications, registration, reporting and supporting requirements to place the Company on the Toronto Stock Exchange to facilitate the venture funding of the hydroelectric project. The Company is anticipated to be listed on the Toronto Stock Exchange in August 2010.

Submitted by:

Chris Spens
Licensing Manager for
Cascade Creek LLC

Distribution List of Interveners

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