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Nuvista Board Shelves Chikuminuk Dam Project

By [DAVE BENDINGER](#) [//PEOPLE/DAVE-BENDINGER](#)

Nuvista says it recognizes the political and economic hurdles in front of the project, and would rather shift focus towards more near-term solutions.

DILLINGHAM: On Wednesday, controversial house bill 77 will be back before the Senate Resources Committee.

It has undergone some revisions, but one thing that has not changed, at least yet, is language authorizing a feasibility study for a dam at Chikuminuk Lake in the Wood Tikchik State Park.

The Chikuminuk Dam project has itself been controversial since it was introduced to the public in the spring of 2012.

Many residents in the communities downstream of Chikuminuk have opposed it, citing its expected enormous costs and disruption to the park's ecosystem. But others, mainly upstream in the Yukon-Kuskokwim region, have said the dam could provide the cheap, renewable energy the region desperately needs.

But even though the Chikuminuk provision still remains in HB 77, Nuvista tells KDLG News that its board recently voted to shelve the project and turn the cooperative's focus towards more practical energy solutions.

"Nuvista's leadership still finds merit in the potential for hydroelectric generation at Chikuminuk Lake," said Executive Director Tiffany Zulkoskey Tuesday. "But we also understand the challenges in front of the state legislature with regards to capital funding for any project, small or large-scale."

Constructing the Chikuminuk Dam was estimated to cost half a billion dollars.

According to Zulkoskey, she drafted a proposal that Nuvista drop the project for now, and the board members voted unanimously to adopt it. A letter was sent to inform Sen. Lyman Hoffman from Bethel at the end of February.

Senator Hoffman said Tuesday that he would now support pulling the Chikuminuk language from the version of HB 77 in the Senate.

"Yes I would," said Hoffman, who is not on the Senate Resources Committee. "It's not coming to one of the committees I'm on, but I plan on working with members of the



<http://mediad.publicbroadcasting.net/p/kdlg/files/201403/chikuminuk.011.jpg>

The Allen River drains Chikuminuk Lake in the Wood Tikchik State Park. Developers eye that river as a source of hydroelectric energy, but political and economic hurdles have caused Nuvista to shelve the project for now.

Credit DNR

Senate to see what can be done there."

As written, the language in the bill would amend the Wood Tikchik State Park management plan only to allow for the feasibility study to occur. Building an actual dam would require further legislative approval. Still, opening the door to the nation's largest state park for even the study has not sat well with many area residents.

Zulkoskey said she and the board are now looking for the best way to now wind down the Chikuminuk Lake hydroelectric project. The legislature originally allocated ten million dollars for the study. Nuvista says about four million has been spent so far. The cooperative would like to redirect the remaining funds towards developing a comprehensive area energy plan, or investing in renewable energy projects with better near-term potential.

The legislature will have to agree to redirect the money. So far, Nuvista has reached out for support to Sen. Hoffman and Rep. Bryce Edgmon from Dillingham.

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The Honorable Lyman Hoffman
Alaska State Capitol
Room 11
Juneau, AK 99801

February 28, 2014

Dear Senator Hoffman, *Lyman*

Thank you for your leadership in funding alternative energy projects in our home region of western Alaska. As you are well aware, due to the expense of diesel-generated electricity, proposed alternative energy projects are imperative opportunities to pursue as we evaluate realistic energy solutions for the communities we serve.

Although Nuvista leadership continues to find merit in the potential of hydroelectric generation at Chikuminuk Lake, we understand the challenges before our Legislature with regards to the decline in State revenues and funding available for capital projects. We also recognize that in recent years, market conditions have resulted in affordable energy options changing significantly. We believe, through Nuvista, the YK region is well-positioned to move forward with the State.

Therefore, the Nuvista Membership and its Board of Directors proposes to re-appropriate the remainder of our FY11 appropriation to fund nearer term, less expensive, in-region energy projects. Enclosed you will find our proposed project alternatives. We believe under the leadership of our new Executive Director, our region's first non-profit energy consortium will find great success and implore that you keep the entirety of the re-appropriation within Nuvista.

Do not hesitate to contact us for clarification of our proposal or if you would like further information.

Sincerely,

George Guy
George Guy
Chairman, Nuvista Board of Directors

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