

January 25, 2016

Federal Energy Regulatory Commission US Army Corps, Alaska Region

RE: Sweetheart Lake Hydroelectric Project. P-13563-003. Need for immediate power

To whom it may concern,

The Kensington mine, located in the Borough of Juneau, Alaska, is owned and operated by Coeur Alaska. The site directly employs 330 people along with approximately 50 contractors. The annual operating budget for Kensington Mine is approximately \$120 million with diesel power generation being second only to payroll as the single largest operating expense. Low cost, reliable hydropower electricity has the potential to have a significant positive impact on Kensington's operating margin as well as the stability and longevity of the project. The immediate demand for low cost hydropower electricity at the Kensington Mine already exists, the more expeditiously it is made available, the sooner it can begin to yield positive benefits to the operations and sustainability of the mine project.

Sincerely,

Wayne Zigarlick

VP & General Manager Coeur Alaska