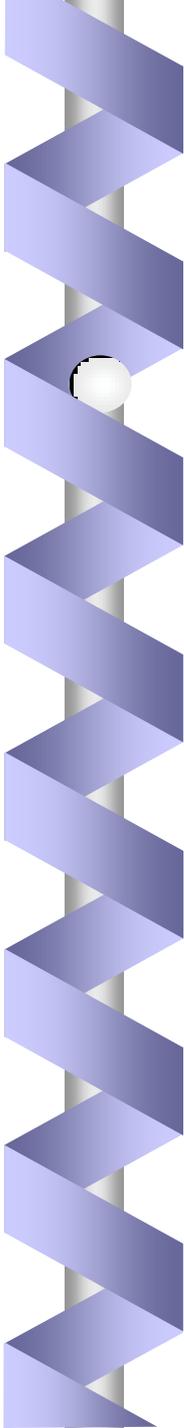


Reynolds Creek Hydroelectric Project

Project Status

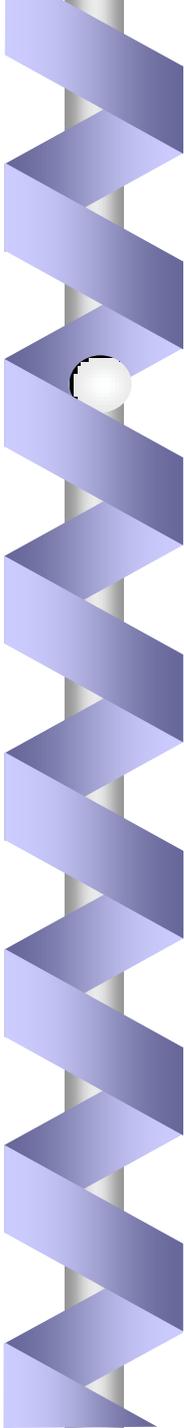
October 28, 2010

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



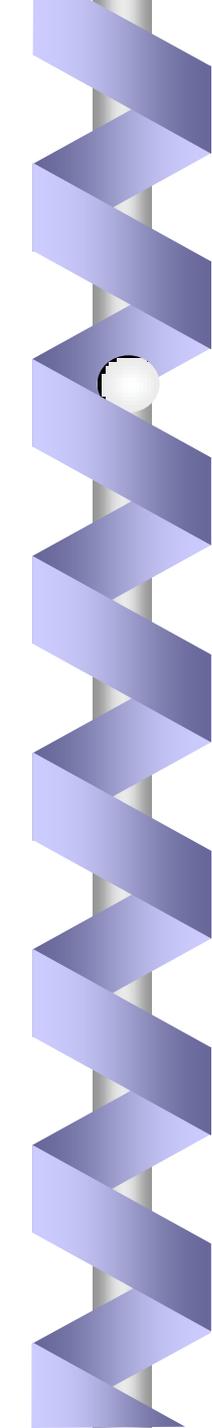
Haida Corporation

- ❧ **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.

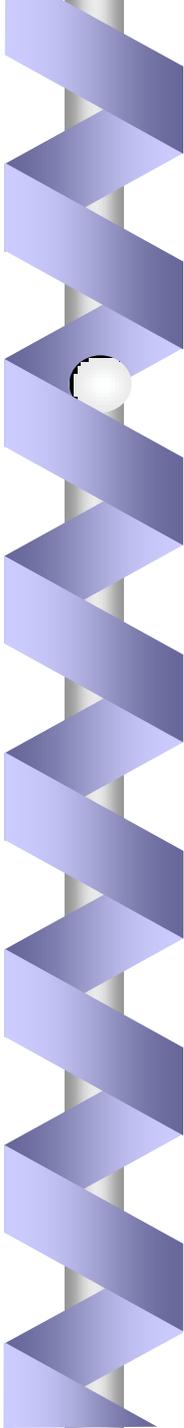
- ⌚ **Joint Venture**
- ⌚ **Incorporated October 15, 2009, in Alaska**
- ⌚ **Ownership: 75% Haida Corporation, 25% Alaska Power & Telephone Company (local utility)**



Reynolds Creek Project Team

- ∩ **Lead Consultant – HDR Engineering, Inc.**
- ∩ **Economic Feasibility/Financing – Financial Engineering Company**
- ∩ **FERC Licensing – GKRSE Law Firm, Washington, D.C.**
- ∩ **JV Agreements – Kemppe Huffman & Ellis, Anchorage**
- ∩ **Pentec – Fisheries**
- ∩ **Sentec – Surveying**
- ∩ **Shannon & Wilson – Geotechnical Studies**

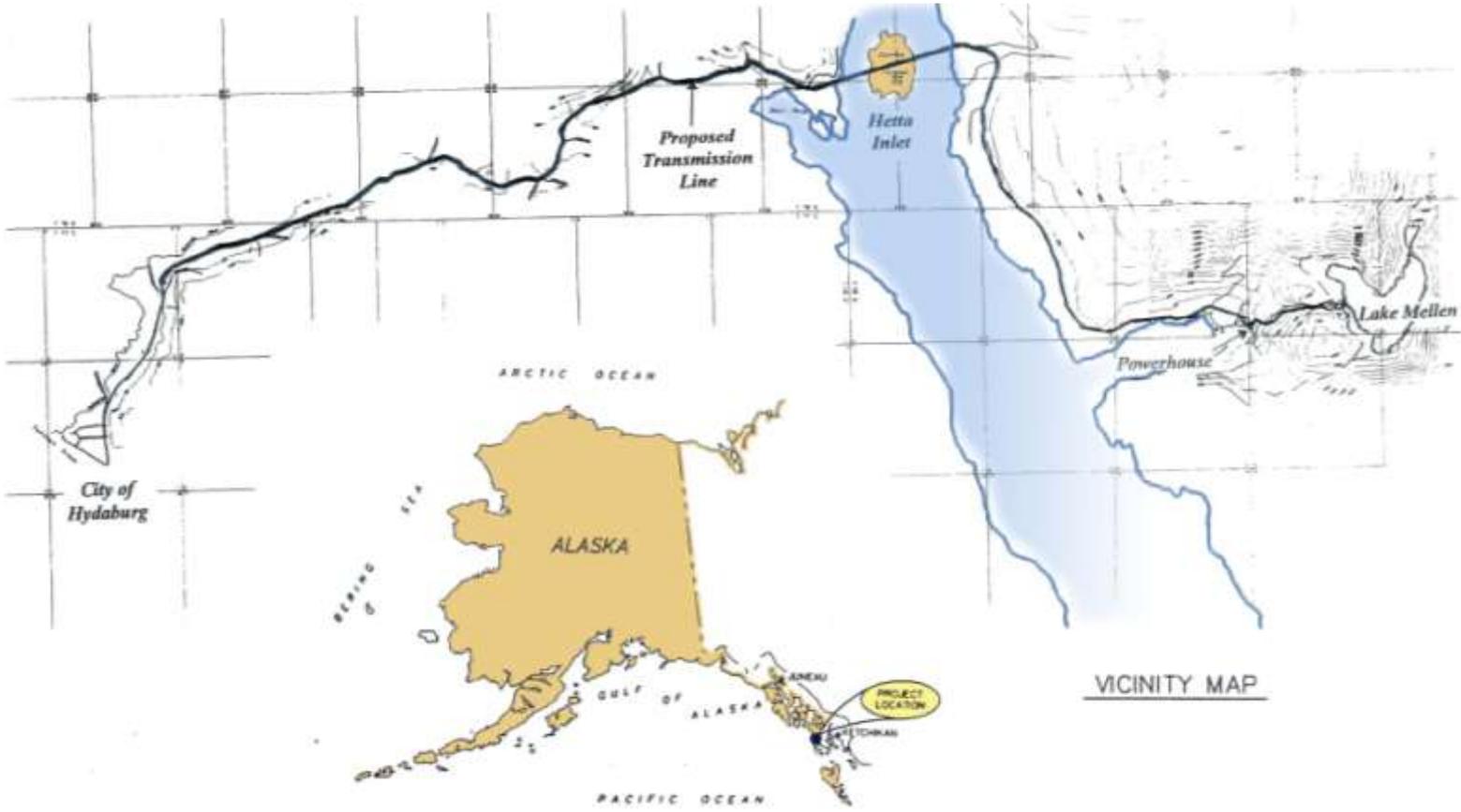
October 28, 2009



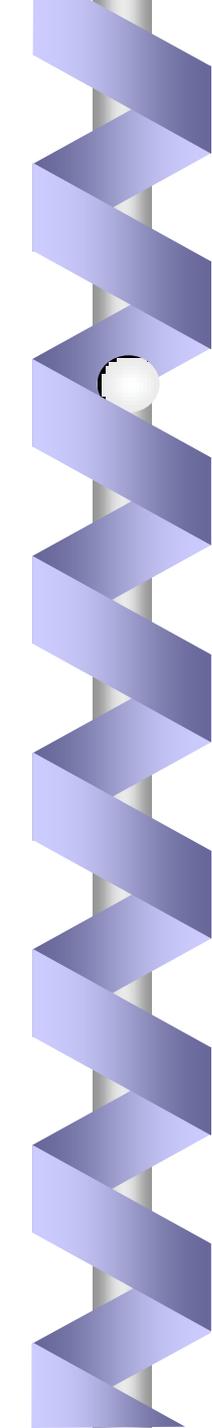
Prince of Wales Island

- ❧ **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



October 28, 2009



Principal Project Components

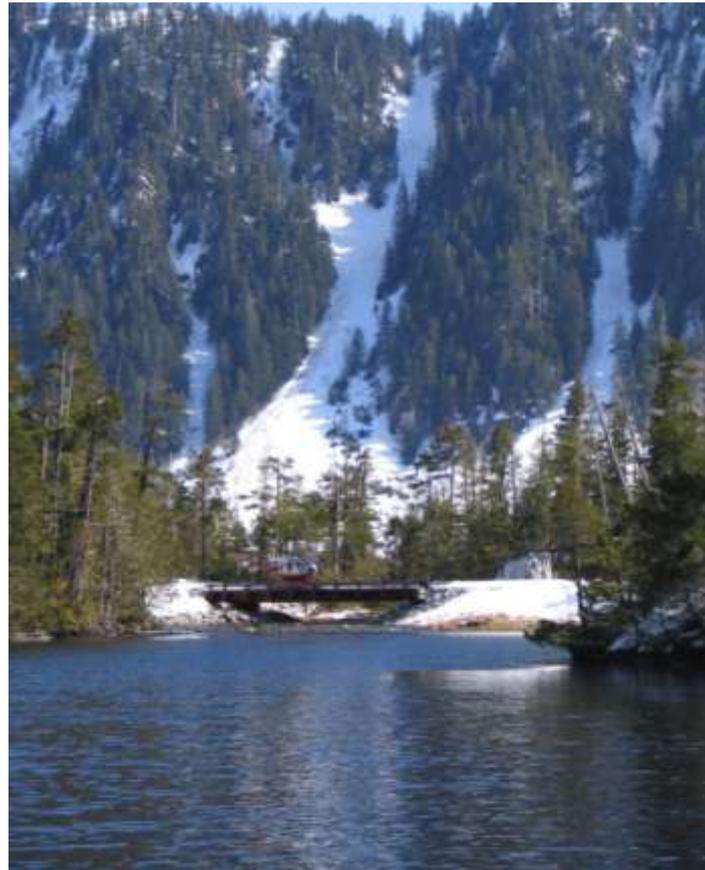
- ❧ **28-ft-long, 6-ft-high Diversion Structure at Outlet of Rich's Pond**
- ❧ **Lake Mellen/Rich's Pond provide 600 acre-feet of storage**
- ❧ **42-inch diameter, 3200-ft-long Penstock**
- ❧ **Powerhouse (One 5 Megawatt Unit)**
- ❧ **34.5 kV, 12-mile-long Transmission Line**

Lake Mellen Outlet



October 28, 2009

Rich's Pond Inlet



October 28, 2009

Rich's Pond



October 28, 2009

Rich's Pond Outlet



October 28, 2009

Grayling in Rich's Pond



October 28, 2009

Upper Reynolds Creek



Bypass Reach



October 28, 2009

Anadromous Barrier



October 28, 2009

Lower Reynolds Creek

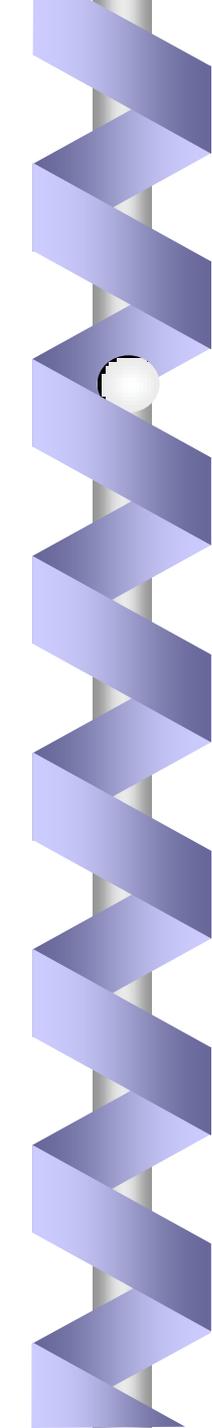


October 28, 2009

Copper Harbor

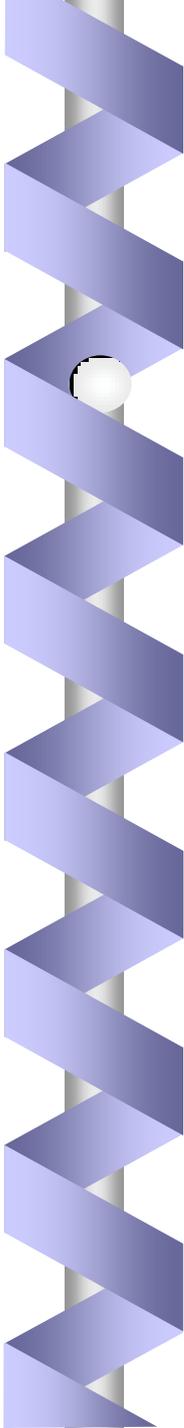


October 28, 2009



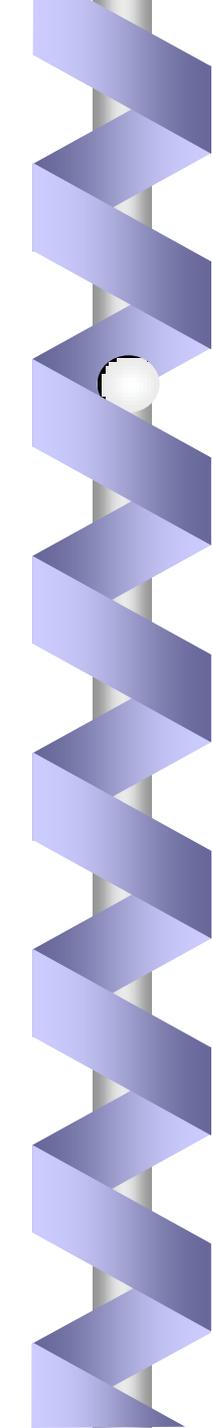
Project Characteristics

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



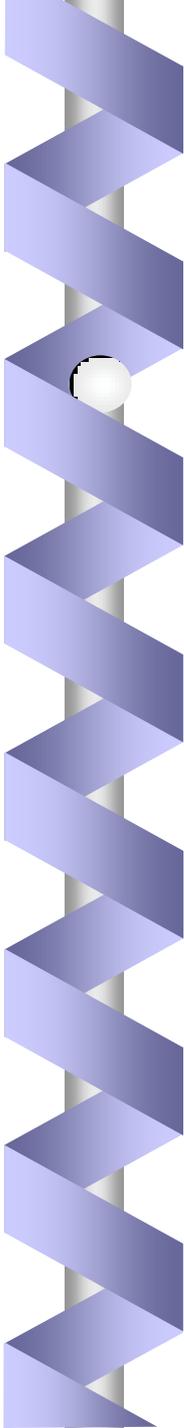
Project Characteristics (Continued)

- ∞ Minimal Environmental Impact**
- ∞ Utilizes Existing Logging Roads for Access**
- ∞ Fish in Reynolds Creek drainage = arctic grayling, Dolly Varden, cutthroat trout, pink and chum salmon, and steelhead**
- ∞ Terrestrial Species include Sitka black-tailed deer and black bear**



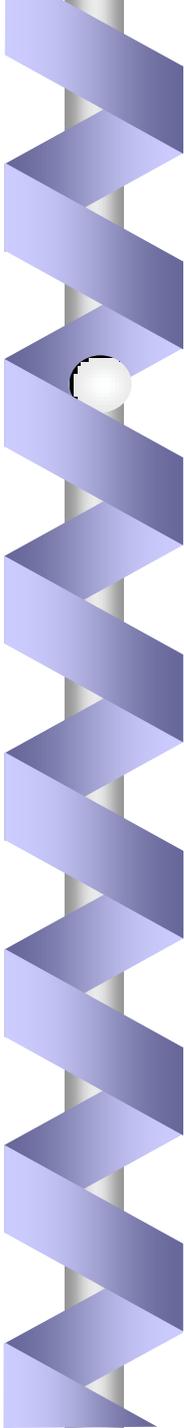
Major Approvals Received

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



Activities Completed Since 2009 Conference

- o **Final Design**
- o **Construction Planning**
- o **Transfer of FERC License and Permits to Haida Energy**
- o **Remaining Submittals Required by FERC License**
- o **Land Lease Agreements**
- o **Project Finance Plan**



Major Milestones

- ❧ **Completed Final Design – March 2010**
- ❧ **FERC Approved Finance Plan – October 2010**
- ❧ **Ordered Turbine/Generator – October 2010**
- ❧ **Began Construction – October 2010**
- ❧ **Begin Operation – Late 2012/Early 2013**