

**Alaska Energy Cost Reduction Program  
Progress Report**

**Grantee:** Alaska Power Company (a/k/a Alaska Power and Telephone Company)

**Project Name:** APC South Fork Hydro Project

**Grant #** 2195156

**Period of Report** August 1 to August 31, 2005

**Project activities completed:**

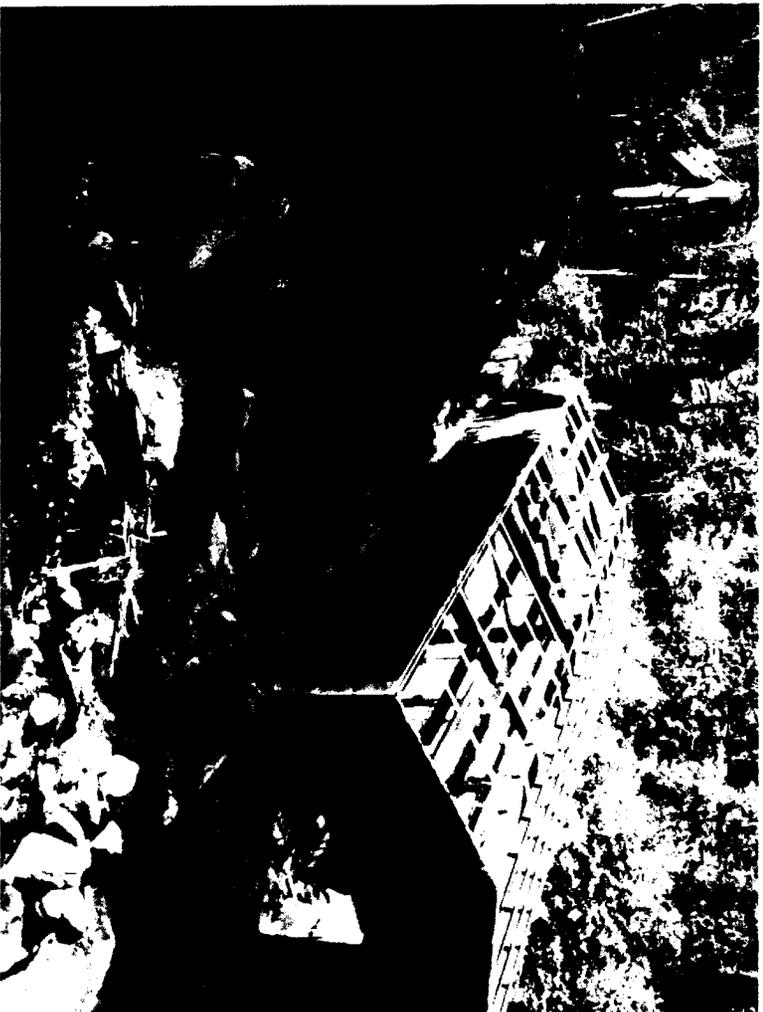
- Powerhouse building and bridge crane were completed.
- Generator was set aligned and grouted.
- Powerhouse equipment was moved into powerhouse from storage.
- Powerhouse equipment installation was started.
- The penstock was inspected internally.
- A walk through of the project with the ECM was completed and a punch list of remaining environmental tasks was been developed.

**Project existing or potential problems:**

The promised USFS bridge still has not been received. Inspection of the buried penstock located two pipe sections with joint deflection greater than recommended by the manufacturer. These will be excavated and corrected. The project was broken into and tools stolen on late in the month. This will create delays on some project tasks.

**Activities targeted for the Next Reporting Period, September 2005:**

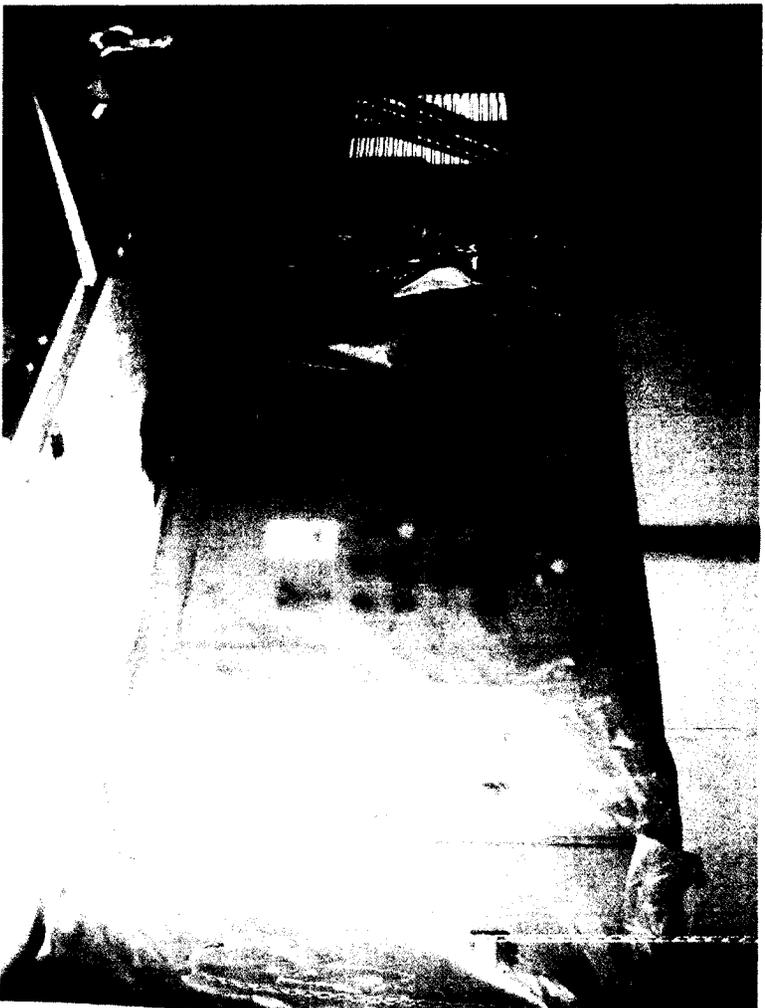
- Complete the environmental task list.
- Procure and install access road bridge.
- Complete the powerhouse equipment installation.
- Complete the equipment installation at the diversion valve house.
- Complete the transmission and communications lines to the powerhouse.
- Energize the substation.
- Make penstock adjustments, water up and pressure test.
- Begin systems testing.



Power house nearing completion on August 10, 2005



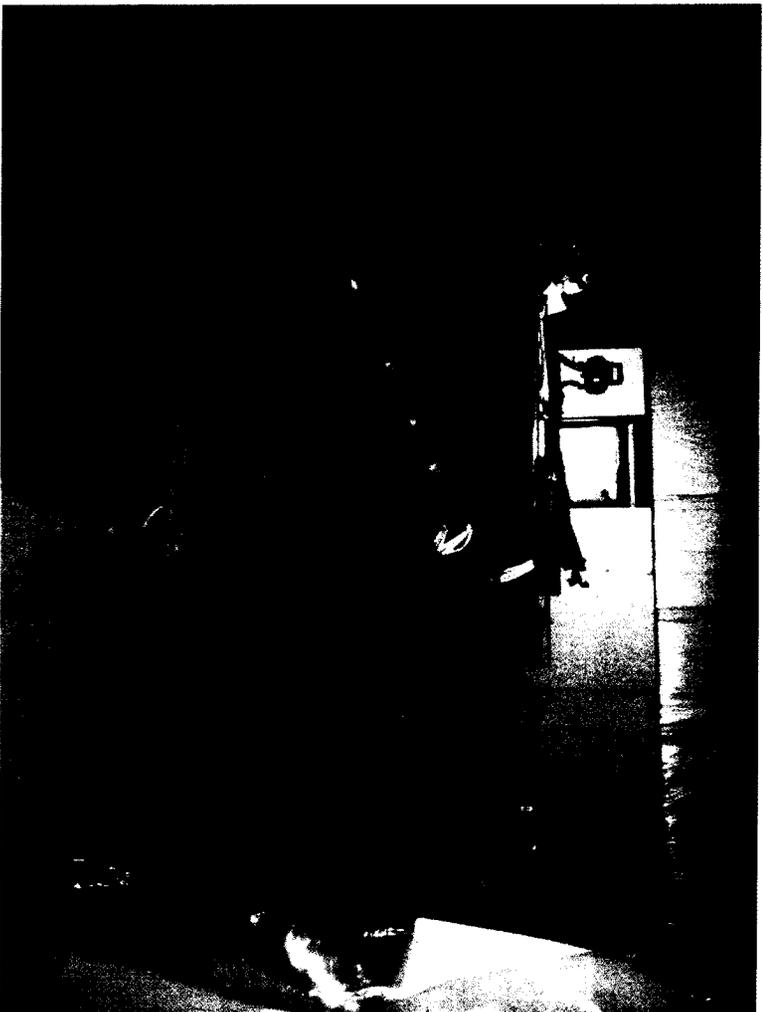
Completed Power house as of August 19, 2005



Switchgear and control board in place August 19, 2005.



Generator set in place August 19, 2005



August 26, 2005, final placement of generator, turbine and hydraulic unit