

**SEPTEMBER 16, 2026  
CITY COUNCIL MEETING  
ADDITIONAL MATERIAL/REVISIONS**

**REQUESTED ADDITIONS TO THE PACKET:**

| <b><u>ACTION</u></b> | <b><u>ITEM</u></b>                                                                                                                                                                                                                                        | <b><u>REQUESTED BY</u></b> | <b><u>PAGE</u></b> |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------|
| Add item H. 7.       | <b>Discussion</b> - Scheduling a Board of Adjustment Appeal Hearing.                                                                                                                                                                                      | Clerk                      | 1                  |
| Add item H. 8.       | <b>Action/Approval</b> - Scheduling a Special Meeting of the City Council.                                                                                                                                                                                | Administration             | 2                  |
| Add item P. 1.       | <b>Informational Item</b> - Alaska Commercial Fisheries Conservation Alliance: Motion to Intervene and Protest of the Alaska Commercial Fisheries Conservation Alliance   DeepGreen Cook Inlet SPV, LLC   Docket No. P-15423-000   Submission ID: 1791000 | Clerk                      | 3                  |

## MEMORANDUM

**TO:** Mayor Knackstedt and Council Members  
**FROM:** Shellie Saner, City Clerk  
**DATE:** September 10, 2026  
**SUBJECT:** **Appeal to the Board of Adjustment** - Appeal of a Planning and Zoning Commission Decision to Approve a Variance Permit to Build Into the Setback for Expanded Extraction of Natural Resources at 2817 Beaver Loop Road, Kenai, AK. Parcel No. 04911029.

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An application to appeal the above-referenced matter was received on September 10, 2026. KMC 14.20.290(f)(1), "Appeals - Board of Adjustment" in part provides:

- The Board of Adjustment shall ordinarily set a date for and hold a hearing on all appeals within 45 days of the filing of the appeal; the Board of Adjustment may for good cause hold the hearing up to 60 days after the filing of the appeal.
- Should the 45th day fall on a weekend or municipal holiday, the hearing may be scheduled for the next following weekday, which is not a municipal holiday.
- Notice of time and place of hearing shall be mailed to all parties interested and to all property owners within 300 feet of the property involved at least 15 days prior to the hearing.

The following information is provided to help in setting a Board of Adjustment hearing date:

- To Comply with the 15-day prior noticing requirements, the soonest a hearing could be scheduled would be Monday, October 5, 2026, with notices being sent on Friday, September 18, 2026.
- Forty-Five-Day End Date: **Sunday, October 25, 2026** per KMC 14.20.290(f)(1) extends to **Monday, October 26, 2026**.

**Meetings within the 45-days: Wednesday, October 7, 2026 and Wednesday October 21, 2026.**

- Sixty-Day End Date: **Monday, November 9, 2026** (KMC 14.20.290(f)(1) establishes the Board for good cause may hold the hearing up to 60-days after the filing of the appeal.)

**Meetings within the 60-days: Wednesday, November 4, 2026**

*Additional Information for Consideration:*

1. *October 19, 2026 - Recognized City Holiday.*
2. *October 20 - November 3, 2026 Absentee Voting in the area outside of Council Chambers.*
3. *November 3, 2026 Election Day.*
4. *November 5 - 6, Election Canvass Board will be meeting in Council Chambers.*

## MEMORANDUM

**TO:** Mayor Knackstedt and Council Members

**THROUGH:** Terry Eubank, City Manager

**FROM:** Lee Frey, Public Works Director

**DATE:** September 16, 2026

**SUBJECT:** **Action/Approval – Special Meeting Request**

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The Public Works Department is requesting City Council to conduct a Special Meeting on September 30, 2026. The City received design drawings for work to remediate the erosion issue on Mission Avenue and is releasing the project for bidding on a shortened time frame to give a contractor as much time as possible to complete the work before winter. The work will consist of relocation of a water service, installation of structures to stop stormwater from entering the eroded area and work to establish vegetation on the eroded slopes. The project will be advertised the minimum 2 weeks to meet procurement requirements, but will need bids filled in as a laydown to award on the shorter timeframe. The Resolution to award the work would be provided with blanks prior to the meeting and a laydown Resolution to substitute would be provided after bid opening to award.

# ALASKA COMMERCIAL FISHERIES CONSERVATION ALLIANCE

117 Deepwood Court, Kenai, Alaska 99611

EIN: 42-5019410 | acfca@acfcaadvocacy.org | 918-953-0039

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**FERC Submission ID: 1791000 | Filed September 14, 2026**

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September 14, 2026

Debbie-Anne A. Reese, Secretary  
Federal Energy Regulatory Commission  
888 First Street NE, Room 1A  
Washington, DC 20426

**Re: Motion to Intervene and Protest of the Alaska Commercial Fisheries Conservation Alliance | DeepGreen Cook Inlet SPV, LLC | Docket No. P-15423-000 | Submission ID: 1791000**

Dear Secretary Reese:

Pursuant to Rule 214 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214, the Alaska Commercial Fisheries Conservation Alliance (ACFCA) hereby submits its Motion to Intervene and Protest in the above-referenced proceeding regarding the preliminary permit application of DeepGreen Cook Inlet SPV, LLC for the proposed DeepGreen Cook Inlet Subsea-Compute and Infrastructure Hub Project.

This filing is submitted in response to the Notice of Preliminary Permit Application Accepted for Filing and Soliciting Comments, Motions to Intervene, and Competing Applications published in the Federal Register on September 4, 2026, 91 FR 56879. This filing is timely under the intervention deadline of November 2, 2026 established in that notice.

ACFCA is a nonprofit corporation incorporated under Alaska law on September 10, 2026, with Federal Employer Identification Number 42-5019410, representing the common commercial fishing business interests of Upper Cook Inlet commercial fishing permit holders. ACFCA respectfully requests that the Commission grant its Motion to Intervene, require supplementation of the application record, and add ACFCA to the service list for all future correspondence in Docket No. P-15423-000.

All communications should be directed to:

DeepGreen Cook Inlet SPV, LLC )  
*DeepGreen Cook Inlet Subsea-Compute &* )  
*Infrastructure Hub Project* )  
 ) Docket No. P-15423-000

Pursuant to Rule 214 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214, the Alaska Commercial Fisheries Conservation Alliance (ACFCA) hereby submits this Motion to Intervene and Protest in the above-captioned proceeding regarding the application for a preliminary permit filed by DeepGreen Cook Inlet SPV, LLC (DeepGreen or Applicant) on February 11, 2026, as supplemented on June 26, 2026, pursuant to Section 4(f) of the Federal Power Act (FPA), 16 U.S.C. § 797(f). This motion is filed in response to the Notice of Preliminary Permit Application Accepted for Filing and Soliciting Comments, Motions to Intervene, and Competing Applications published in the Federal Register on September 4, 2026, 91 FR 56879, Docket No. P-15423-000. This filing is timely under the November 2, 2026 intervention deadline established in that notice.

All communications, service of pleadings, and technical discovery documents relating to this proceeding should be addressed to:

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ACFCA requests that FERC Contact Christopher Brosman (Christopher.Brosman@ferc.gov | 202-502-8573) add ACFCA to the service list for all filings in Docket No. P-15423-000. ACFCA will file electronically through the Commission's eFiling system at [ferconline.ferc.gov/eFiling.aspx](http://ferconline.ferc.gov/eFiling.aspx).

## II. INTEREST OF THE INTERVENOR

The Alaska Commercial Fisheries Conservation Alliance is a nonprofit corporation incorporated under Alaska law on September 10, 2026, with EIN 42-5019410, organized as a business league under IRC Section 501(c)(6) to represent the common commercial fishing business interests of Alaska commercial fishing permit holders, including holders of Upper Cook Inlet drift gillnet (S03H) and set gillnet (S04H) limited entry permits issued by the Alaska Commercial Fisheries Entry Commission.

ACFCA members depend directly on the ecological health, biological productivity, and migratory integrity of wild salmon stocks in Upper Cook Inlet for their livelihoods. The proposed DeepGreen Cook Inlet Subsea-Compute and Infrastructure Hub Project encompasses a project footprint of approximately 1,650 acres of Cook Inlet seabed in the Upper Cook Inlet East Foreland Corridor, located west of Nikiski in the Kenai Peninsula Borough, in waters utilized by ACFCA's commercial fishing membership. The project proposes to install: (1) approximately 330 to 350 marine hydrokinetic turbines; (2) 66 modular subsea-compute hives functioning as data center pods powered by the turbine array and passively cooled by ambient seawater circulation; (3) an approximately 3.5-mile long, 115-kilovolt hybrid power and fiber-optic armored subsea cable; and (4) a cable landing site positioned within the Nikiski Industrial Corridor between the Agrium Kenai Nitrogen Operations facility and the Kenai Liquefied Natural Gas Plant. The estimated annual generation is 100 megawatts, utilized primarily to power the subsea data center infrastructure.

The installation of 330 to 350 marine turbines and 66 subsea data center pods across a 1,650-acre footprint in active commercial fishing grounds, in water ranging from 45 to 166 feet in depth, represents a direct, substantial, and immediate threat to commercial fishing gear, vessel navigation, salmon migration corridors, and the marine environment upon which ACFCA's membership depends. ACFCA has a distinct organizational interest in this proceeding that cannot be adequately represented by any existing party.

This motion is filed under the emergency regulatory action authority granted to ACFCA's President by Bylaws Section 7.4, which authorizes the President to file FERC interventions without prior Board approval when the intervention deadline requires immediate action. The Board of Directors will ratify this filing at its next scheduled meeting.

## III. STATEMENT OF PROTEST AND TECHNICAL DEFICIENCIES

ACFCA protests the DeepGreen preliminary permit application on the grounds that, as FERC itself has identified through deficiency correspondence, and as described below,

the application omits critical thermodynamic, hydrodynamic, structural, and fisheries impact data necessary for the Commission to evaluate environmental and operational risks to Upper Cook Inlet commercial fishing operations and marine resources.

#### **A. Thermal Load and Subsea Heat Dissipation.**

The proposed 100-megawatt subsea data center and associated power infrastructure will generate a continuous thermal load that must be dissipated into Upper Cook Inlet seawater through passive cooling of the 66 subsea-compute hive pods. This continuous heat output, derived from both the conversion losses of the marine hydrokinetic turbines and the computing load of the data center pods, is the equivalent of approximately 341.2 million BTUs per hour. Maintaining even a 1°C localized temperature rise in the surrounding water column requires continuous water exchange at a rate of approximately 380,000 to 387,000 gallons per minute, calculated using the specific heat capacity of Upper Cook Inlet seawater at prevailing temperature and salinity conditions. The application provides no thermal plume model, no dispersion analysis, and no heat budget for the project area under any operational scenario. Without this analysis, the Commission cannot evaluate the project's effect on salmon water temperature preference thresholds, migration timing, or habitat utilization in the East Foreland Corridor.

#### **B. Failure to Address Tidal Variation, Passive Cooling Collapse, and the Compounded Power-Cooling Failure.**

The proposed project's passive seawater cooling system relies entirely on natural tidal circulation to dissipate heat from the 66 subsea-compute hive pods. Upper Cook Inlet is characterized by mixed semi-diurnal tides with high diurnal inequality, producing up to four zero-velocity slack tide periods per day and reduced flow during neap tide cycles. During slack tide, the passive cooling mechanism collapses completely and the 100-megawatt continuous thermal load accumulates in the project area as a superheated thermal mass.

The application fails to address a compounded failure state that is inherent to the project design: the marine hydrokinetic turbines cease generating electricity during the same zero-velocity slack tide periods that eliminate passive cooling. ACFCA identifies this as a double failure condition: maximum thermal accumulation from continuous computing load occurring simultaneously with zero turbine power output. Any active cooling response during slack tide, such as electric pumps to force water circulation through the pod array, requires power drawn from battery storage or a grid interconnection that the application does not describe. The application contains no computational fluid dynamics modeling of heat accumulation during the combined power-cooling failure state, no thermal threshold analysis for salmon species present in the project area, and no assessment of the frequency and duration of these compounded failure periods.

Each available engineering solution to the passive cooling problem constitutes a materially different project than what was filed in February 2026 and supplemented June 26, 2026. Active cooling pumps require power infrastructure not described in the application. Thermal energy buffers sufficient to absorb 100 megawatts of heat through a

two-hour slack tide at depths of 45 to 166 feet would materially expand the project footprint. Variable computing load management: throttling capacity according to Cook Inlet tidal schedules: fundamentally undermines the commercial premise of a data center. Any of these solutions requires a substantially revised application with new environmental analysis. FERC cannot evaluate the feasibility or approvability of this project until DeepGreen describes its proposed solution to the power-cooling compound failure, the infrastructure required, and the resulting effect on net power output and environmental footprint.

### **C. Structural Deficiency Identified by FERC.**

FERC has already identified structural data deficiencies in the application. The application describes the project using generalized language about the turbine array and infrastructure without providing specific counts, power ratings, physical dimensions, anchoring systems, or sediment protection plans for individual turbine and data center pod units. As FERC's deficiency correspondence has noted, the application does not provide the specific number of proposed generators along with power ratings for each turbine and generator unit. Without this data, the Commission cannot evaluate turbine fish-strike risks, gear entanglement hazards for commercial fishing vessels, silt disturbance during installation and operation, organism entrainment in turbine intakes, or navigation safety in the 1,650-acre project footprint.

### **D. Omission of Commercial Fishing Impact Assessment.**

The application contains no assessment of impact on existing commercial fishing operations in the project area. Upper Cook Inlet supports over 1,300 active limited entry commercial fishing permits for drift gillnet, set gillnet, and other gear types, contributing to a fishery with historical annual revenues of approximately \$9.5 to \$10 million. The federal government has issued commercial fishery disaster declarations for Cook Inlet commercial salmon for the years 2018, 2020, 2021, 2022, and 2023. The proposed 1,650-acre project footprint overlaps directly with established commercial fishing grounds in the East Foreland Corridor. The cable landing site located between the Agrium Kenai Nitrogen Operations and the Kenai LNG Plant in the Nikiski Industrial Corridor adds a second zone of gear conflict. Section 4(e) of the Federal Power Act, 16 U.S.C. § 797(e), requires the Commission to consider the protection and utilization of established resource uses, including commercial fishing, in evaluating any license-related action. A preliminary permit proceeding that advances a project of this scale without any commercial fishing impact assessment fails that obligation.

### **E. Misrepresentation of Relationship with Alaska Energy Authority.**

ACFCA has reason to believe that the DeepGreen preliminary permit application misrepresented the applicant's relationship with the Alaska Energy Authority (AEA). A material misrepresentation to a federal agency in a FERC filing constitutes a violation of 18 U.S.C. § 1001. ACFCA requests that the Commission investigate and confirm the actual nature of any claimed relationship between DeepGreen Cook Inlet SPV, LLC and

AEA, and consider suspension of the preliminary permit review pending resolution of any misrepresentation findings.

#### IV. ADDITIONAL GROUNDS

##### **A. Applicant's Lack of Energy Development Experience.**

DeepGreen Cook Inlet SPV, LLC was incorporated in Delaware in January 2026, one month before filing its FERC preliminary permit application in February 2026. The applicant's parent company, DeepGreen Holdings LLC, is managed by Louis Wolfson of Needham, Massachusetts, whose professional background is in luxury real estate development. The Commission should consider whether the applicant has the technical competence and financial resources to conduct the environmental and engineering studies a preliminary permit authorizes, and should require evidence of technical qualifications as a condition of any permit issuance.

##### **B. Proximity to Existing Industrial Corridor.**

The proposed cable landing site in the Nikiski Industrial Corridor, sited between the Agrium Kenai Nitrogen Operations facility and the Kenai LNG Plant, introduces a second zone of commercial fishing gear conflict along the established Kenai Spur Highway industrial waterfront. ACFCA's members fish waters adjacent to this corridor. The cumulative impact of the turbine array and the cable landing zone on commercial fishing access has not been assessed.

#### V. REQUESTED RELIEF

ACFCA respectfully requests that the Commission:

1. Grant ACFCA's Motion to Intervene and designate ACFCA as a formal party to Docket No. P-15423-000 with full rights to participate in all proceedings, submit comments and protests, engage in discovery, and appeal Commission orders.
2. Require DeepGreen to supplement its preliminary permit application with: (a) a complete thermal load and plume model for the 66 subsea-compute pods under all tidal flow conditions including slack tide; (b) specific turbine counts, power ratings, and physical dimensions for all marine hydrokinetic turbines and data center pod units within the 1,650-acre project footprint; (c) a commercial fishing impact assessment covering all gear types, permit holders, vessel transit routes, and fishing seasons affected by both the turbine array and the cable landing zone; and (d) a full hydrodynamic model of project effects on salmon migration in the East Foreland Corridor.

3. Investigate and confirm the actual relationship between DeepGreen Cook Inlet SPV, LLC and the Alaska Energy Authority, and suspend further action on the preliminary permit application pending resolution of any material misrepresentation findings.
4. Require evidence of DeepGreen's technical and financial qualifications to conduct the engineering and environmental studies authorized by a preliminary permit before proceeding further.
5. Add ACFCA to the service list for all correspondence, orders, and filings in Docket No. P-15423-000.

## VI. CONCLUSION

The Upper Cook Inlet commercial fishing fleet has operated in the East Foreland Corridor for generations and represents a federally recognized fishery that has sustained Alaska coastal communities through five consecutive years of federal disaster declarations. The DeepGreen preliminary permit application, as filed, lacks the technical and environmental analysis necessary for the Commission to evaluate its compatibility with existing resource uses in Upper Cook Inlet. ACFCA urges the Commission to grant intervention, require the supplemental data identified above, and investigate the AEA relationship before any further administrative action.

Respectfully submitted,



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Russell Clark, President and Authorized Representative  
Alaska Commercial Fisheries Conservation Alliance  
EIN: 42-5019410  
117 Deepwood Court, Kenai, Alaska 99611  
918-953-0039 | acfca@acfcaadvocacy.org

**Dated this 14th day of September, 2026.**

*Filed pursuant to ACFCA Bylaws Section 7.4 (Emergency Regulatory Actions). The ACFCA Board of Directors will ratify this filing at its next meeting. This motion is timely under the November 2, 2026 intervention deadline established in 91 FR 56879.*