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May 27, 2011

Frederick M. Thompson
State Pipeline Coordinator
Department of Natural Resources
State of Alaska
411 W. 4th Avenue
Anchorage, AK 99501

Re: Alaska Stand Alone Gas Pipeline (ASAP) Right-of-Way Lease Application,
ADL 418997

Dear Mr. Thompson

This letter is responding to the above-referenced right of way lease application ADL 418997. In reviewing the lease application, it appears that the proposed route of the 24-inch diameter pipeline deviates at Livengood from the currently federally permitted pipeline Right of Way from Prudhoe Bay to Valdez, parallel to the existing Trans-Alaska oil pipeline.

The Alaska Gasline Port Authority has for the past 12 years continued the efforts of Governors Egan, Hickel and Hammond towards advancing the All-Alaska gasline to tidewater utilizing the same route previously permitted and developed by the Yukon Pacific Corporation (YPC).

The purpose of this letter is to bring to your attention concerns about the new pipeline route which is currently being considered in the above referenced ADL 418997.

In obtaining the Trans-Alaska Gas System Final Environmental Impact Statement from the U.S. Department of Interior and U.S. Army Corps of Engineers in June of 1988, it was necessary for the YPC to consider alternative routes. The route that was permitted is the route from Prudhoe Bay south to tidewater at Valdez, running parallel to TAPS . As required by the permitting process, they had to put forth an alternate route for consideration. The alternative route they considered and was rejected by the permitting agencies was the same route that this ROW application ADL 41899 is now considering.

The permitting process in 1988 for the federal Right of Way permit took 19 months and the agencies involved in the process included Economic Regulatory Agency (ERA) and Federal Energy Regulatory Commission (FERC) plus the following state and federal agencies:

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Lead Agencies:

Bureau of Land Management

U.S. Army Corps of Engineers

Cooperating Agencies:

U.S. Forest Service

National Marine Fisheries Service

Economic Regulatory Agency

Bureau of Indian Affairs

Bureau of Mines

Fish and Wildlife Service

U.S. Geological Survey

Minerals Management Service

National Park Service

U.S. Coast Guard

Federal Highway Administration

Office of Pipeline Safety

Environmental Protection Agency

Federal Energy Regulatory Commission

Office of the Federal Inspector

Department of Fish & Game

Department of Natural Resources

Dept. of Transportation & Public Facilities

Dept. of Environmental Conservation

Division of Governmental Coordination

The DOE/FE opinion and order No. 350 to Yukon Pacific dated November 16, 1989, went through a thorough analysis of a Cook Inlet route versus one parallel TAPS to Valdez. In their order, it raised many concerns regarding the alternative route to Cook Inlet such as new disturbances in the Minto Flats and its subsistence use. It also raised concerns about crossing Denali National Park and Preserve and the impact it would have on travelers to and from the Park. The order concluded by stating: "Accordingly, the DOE disapproves of all sites other than the Valdez site".

In addition to Order 350, the Trans-Alaska Gas System Final Environmental Impact Statement, throughout its 750 plus page decisional document, dated June 1988, addressed many of the similar concerns and objections to a Cook Inlet route vs. a Richardson Highway route adjacent to the existing TAPS corridor to Valdez

One concern is that should this alternative pipeline route to Cook Inlet proceed, given that this very same route was rejected in 1988 after consideration by 22 federal and state agencies, much time and money will be expended without any reasonable expectation of a Right of Way for this route being granted. This effort to advance a previously rejected pipeline route while ignoring the previously permitted gas pipeline route along the Richardson highway will have the same result as a recently rejected Juneau road extension project. A federal appeals court just rejected proposals for the Juneau Access project that would have extended a road northwest of Juneau for 50 miles for a new ferry terminal for a shuttle to Skagway and Haines. The 9th U.S. Circuit Court of Appeals panel ruled that state and federal transportation officials failed to consider a key alternative to building the road.

We believe a much better option would be to proceed with the previously permitted route parallel to TAPS to Valdez, with a spur line from Glennallen, along the route already granted a ROW to the Alaska Natural Gas Development Authority(ANGDA)along the Glenn Highway gasline Right of Way to tie into the existing South Central gas grid.

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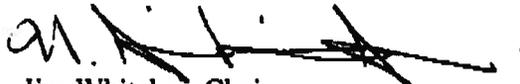
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In addition to the environmental concerns addressed for this proposed route in the Trans Alaska Gas System Final Environmental Impact Statement, there are significant socio-economic concerns that will not be elaborated in this letter, but will be reserved for a future time.

If we can provide any additional information to you regarding this, please do not hesitate to contact me.

Sincerely,

ALASKA GASLINE PORT AUTHORITY



Jim Whitaker, Chairman

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Mayor Dave Cobb, Secretary · Mayor Luke Hopkins · Dave Dengel