

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY PROJECTS

In Reply Refer To:

TransCanada Alaska Company, LLC
Alaska Pipeline Project
Docket No. PF09-11-000

July 30, 2012
President Donald Adams
Native Village of Tetlin
P.O. Box 787
Tok, AK 99780

Dear President Adams:

I am writing to once more express my thanks to you and the Native Village of Tetlin for meeting with us as we consider the potential impact of the construction and operation an Alaska natural gas pipeline project. I also want to provide you an update on the status of the Alaska Pipeline Project (APP) and the Federal Energy Regulatory Commission's (FERC) related activities.

When we met for Government-to-Government Consultation on 5/22/2012, we discussed TransCanada/ExxonMobil's (TC Alaska) intention to build the APP, a natural gas pipeline from Prudhoe Bay to the Canadian border southeast of Tok, Alaska. The pipe would continue into Canada to connect with existing pipelines in Alberta. That project is called the Alberta Option by TC Alaska. However, in May 2012 the State of Alaska and TC Alaska agreed to amend the Alaska Gasline Inducement Act (AGIA) license to temporarily suspend work on the Alberta Option to allow time for the company to explore another option. That option would be a pipeline to deliver natural gas to a liquefied natural gas (LNG) facility in South Central Alaska to export gas to Asia. This alternative is called the LNG Option by TC Alaska.

The AGIA amendment allows TC Alaska to postpone filing their application with the FERC for two years until October 2014. As a result, we will also limit our analysis of the project and not move forward to the next step in preparing the environmental impact statement (EIS) until we have additional information from the company.

To summarize work to date, TC-Alaska filed draft environmental resource reports on the Alberta Option with the FERC on January 13, 2012. We have reviewed those reports and provided comments to TC-Alaska. We have also compiled and provided to TC Alaska the comments from the other federal agencies involved in the project. Our public scoping for the EIS on the project took place in January and February of this year, and we have compiled a table of scoping comments that would be addressed in our environmental impact statement.

We have met with all of the Alaska Native tribal governments that requested Government-to-Government Consultation. Each tribe has received the draft notes from their meeting with us, and had a chance to make changes or additional comments. If there were no changes, we did not send out a final version. During consultation, we received several requests to know about the concerns of other tribes. Therefore, we have compiled a general list of issues and concerns that we heard during government-to-government consultation, and are including it with this letter. We have omitted any references to specific sites or locations that could be sensitive.

We will provide this list to the other federal agencies that we are representing in government-to-government consultation. In addition, we are providing them with any comments and concerns that would need to be addressed by a specific agency (e.g. providing comments about native allotments to the BLM).

Many comments and concerns need to be addressed by the company, so we have provided those comments directly to TC-Alaska. We have met with TC-Alaska to discuss some of the issues that were raised at the consultation meetings and we expect that there will be additional discussions with the company in the future.

We will continue to provide periodic updates on the project. If TC-Alaska ultimately chooses to go with the LNG Option, we will contact you when we have new project information, and will inquire whether additional government-to-government consultation would be appropriate. If you have any questions, please contact Ellen Saint Onge at 202-502-6726 or me at 202-502-8839.

I appreciate your participation in this project, and look forward to talking to you again in the future.

Sincerely,

Michael J. Boyle, Deputy Director
Division of Gas – Environment
and Engineering

Enclosure

cc: Public File, Docket No. PF09-11-000 (w/o Enclosure)

Kristie Young (with Enclosure)
Tribal Administrator
P.O. Box 787
Tok, AK 99780

List of Issues Raised in Government-to-Government Consultation for the APP Project

Access/Trespass:

Concern that the pipeline construction will create an influx of trespassers

Some trespass has occurred by those doing survey work for the APP

Suggested Mitigations:

- APP should provide funding to police the use of the rights-of-way and waterways and prevent trespassers coming onto our land
- install and maintain no trespassing signs that identify private property at public boat ramps
- provide maps and information displays that make it clear which of the land is public and which is private
- ensure construction workers stay in camps

Air Pollution:

There should be post construction studies that look at the effect of the project on air pollution including what is in the rain

Allotments:

Would like BLM to finalize native allotments in the area

Issues with specific allotments

Do not like that the project is avoiding native allotments

Alternatives:

Do not like the alternative pipeline route that is designed to by-pass allotment and corporation lands

Do not like alternatives in RR10 that avoid Native lands

For the LNG option some tribes prefer Valdez to the Cook Inlet site

APP the Project Sponsor:

APP did not incorporate into the draft Resource Reports the comments and concerns that tribes had previously expressed to them

They have not effectively engaged in meaningful communications

APP has refused to pay for surveying access

APP has not followed through on offer for jobs or contracts

Survey workers have trespassed on allotment land

APP did not follow up after open houses. Communication was once and done.

Canada:

Concern that environmental studies for Canada were done 30-years ago and have not been updated

The elders were not consulted on the cultural site locations; historical use spanned the border.

The FERC has no jurisdiction in Canada so it cannot change what happens in Canada.

Tribes must communicate concerns about Canadian pipeline directly to TC-Alaska

Compliance/Restoration:

Would like local native peoples hired as construction monitors

Do not want chemical spraying of the right-of-way to kill vegetation

Concern about how APP will restore and re-vegetate the right-of-way

APP should use local seed mixes for revegetation

Compressor Stations:

Inquiries into the location of the compressor stations

Concern that noise from compressor stations could adversely affect animals and humans

Interest in learning whether they could use waste heat from the compressor station

Contamination:

Some of our waterways have been contaminated as a result of previous pipelines

Some soils are already contaminated and there is concern about the project disturbing them

Cultural Resources:

APP should hire local people for archaeology surveys

APP should take traditional knowledge into account

Would like to get the information from existing archaeology reports

Concern about location of pipeline relative to various known cultural sites

Requests for copies of cultural resources survey reports, when available

Request to be consulting party for section 106 issues

Cumulative Impacts:

Need to account for cumulative impacts for various projects including roads, and mines

Would like the EIS to discuss the socioeconomic impacts of TAPS in Cumulative Impacts section

Employment/Economic Opportunities:

There is high unemployment and a need for jobs

There should be quotas for native hire

Need to employ local people in the project

Labor agreements tend to exclude actual locals

Concern that the types of jobs require specific training and experience

Tribes have skilled people, businesses, and resources that APP should hire/use for construction (pipeyards, construction yards, camps, gravel, etc.)

Tribes are capable of doing their own subsistence studies

Hire natives for cultural resources surveys

Din e'h could function as a general contractor to coordinate survey efforts on native lands

Jobs should allow for some time off for subsistence activities

The purpose of ANCSA is to foster the economic development of the Alaskan Natives

Would like to benefit from the construction and operation of the pipeline through some avenue of revenue collection, similar to that done by other local governments

Suggest that APP could do purchasing through local suppliers

FWS Land Exchange:

Opposed to the proposed land exchange in the Tetlin NWR

Poor communication from the FWS to the tribe regarding the exchange, which is in violation of DOI Government-to-Government policies

Poor communication from APP regarding the land exchange

Why is the Tetlin NWF land exchange happening outside of the AGIA process?

FWS is bypassing ANILCA Title 11

An EIS should be done on the land exchange rather than an EA

Many of the tribes' comments on the Draft EA were not addressed; the document had significant data gaps

If the APP project dies there should be a clause in the agreement that the land reverts back to the refuge

Concern about the land appraisals for the parcels involved

Why would the U.S. Government allow APP to gain control of the border?

The corridor crosses a traditional use area, and would affect many resources

The tribe is prepared to litigate, if the exchange continues to move forward

Government-to-Government Consultation:

Will there be follow up consultation?

Keep us informed

It can be a hardship getting to consultation meetings so FERC should pay tribal council members an honoraria

How will the Commissioners know how much this means to us?

Request for a list of all the issues raised by all the tribes during FERC's consultation process

Land Use:

We have plans to build on land we have purchased, so the Planned Developments section in the draft resource report on Land Use needs to be updated

Concerns about protecting specific improvements tribes have made to lands

Several villages offered to provide a copy of their Land Use Plans

Laterals:

Many villages are interested in the possibility of a lateral pipeline to bring gas to their village

Multiple Projects:

There is confusion and frustration that the various projects require tribes to duplicate effort. This takes too much of their time.

NEPA/EIS:

NEPA analysis should take into account ancestral lands

The EIS should include Traditional Knowledge

Offer to participate as reviewers for the EIS (particularly Traditional Knowledge and subsistence sections of the document)

Found using the Resource Reports to be awkward

Would like to receive a 20-30 page Executive Summary, plus a CD for the DEIS

Many do not have good computer access – would like hard copies of everything

Complaints of data gaps in the resource reports because no survey has been done

General wildlife maps and data may not be up to date or specific

Argonne's contract to facilitate communications with the tribes should use a tribe or tribal member

Safety:

There were numerous concerns about leaks, leak detection, corrosion and safety

Would APP have Emergency Response Teams?

There were concerns about the safety of the pipeline in proximity to the TAPS pipeline

Concerns that construction workers will leave the project site and commit crimes in villages.

Soils:

Concerns about the permafrost include concern about thawing, frost bulbs, the affect on discontinuous permafrost, and the impact on vegetation

There were numerous concerns about soil contamination

Concern about dust control during construction and the impact on waterways

Socioeconomic Impacts:

What effect will the project have on subsistence uses?

All of the North Slope villages are remote, rural communities; cost of living is very high

Want worker integration into community

Concern that the jobs/money will pull people out of the village

Concern about crime and impacts from the influx of outside workers

The census data that APP used is not specific enough to natives to be accurate

The village government lacks a source of funding, which creates a problem for sustaining tribal operations or developing village infrastructure, i.e. no tribal court or tribal police

Suggested Mitigation

- The socio-economic section of the APP EIS will be very important, especially as it relates to mitigation measures needed to soften the effects
- One mitigation for harm to the environment and the subsequent impacts on subsistence is jobs and contracts for the people
- Local people should be allowed into the worker camps to sell goods (a village corporation coffee shop or store, for instance)
- Require APP to purchase a percent of their supplies through local suppliers
- APP could partner with existing programs as a way to provide mitigation to health impacts

Subsistence:

Subsistence is more than just food; it is spiritual, teaching, social; there is a spiritual connection between the land, the people and the environment

The federal definition of subsistence is geared toward rural lifestyle, and does not take into account the Native culture; the importance of sharing and potlatch is not considered

We want to keep our traditional lifestyle - our traditional hunting grounds

Do not want subsistence information to become part of the state's public database; may need a non-disclosure agreement for subsistence

Subsistence areas may be very large

Subsistence resources must be protected; the project construction and timing should not interfere with subsistence

Concern about no hunting zones near the pipeline

Comments about specific timing restrictions for various animals and subsistence activities

TAPS:

BLM refused to acknowledge the villages TAPS Section 30 (Subsistence Impacts) claims

Construction workers invaded village lands for hunting and fishing during construction and continue as their descendants continue to use our lands without permission or compensation

The TAPs Native hire stipulation was never fully implemented

No long term economic benefit like taxes, revenue generating avenues in the Village are limited,

Training:

Job training is an important issue

The State should start now to help people develop the skills needed

Company/State could use Ilisagvik College, Barrow for local job training since they already have a number of trade skills programs

Transportation:

Numerous concerns that access is not blocked to both permanent roads and seasonal ice roads

Concern about the impact of the project on ports

Concern about the impact of heavy traffic on the roads

Water Quality:

Concern about the impact of the project on water quality

Concern about the fish and game resources in the rivers

Questions and concerns about methods of crossing various waterbodies

Specific waterbodies were mentioned that were already either contaminated or were already endangered by pollution

Wildlife/Vegetation:

Specific concerns included: caribou, salmon, whales, moose

Suggested mitigations: no fly zones, construction timing

Concern about long term impacts on the sustainability of population

Concern about disruption to migrations

Concern about the impacts of noise (including the impact of undersea drilling on whales)

Concern about vegetation, berries, animal browse