

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES**

ANALYSIS AND PROPOSED DECISION

**TRANS-ALASKA PIPELINE RIGHT-OF-WAY LEASE AMENDMENT, ADL 63574
EROSION CONTROL STRUCTURE ALONG SAGAVANIRKTOK RIVER AT
PIPELINE MILEPOST 48**

Proposed Action: The Department of Natural Resources (DNR) received a request from Alyeska Pipeline Service Company (APSC), agent for the Trans-Alaska Pipeline System (TAPS) lessees, to amend the TAPS Right-of-Way (ROW) Lease, ADL 63574 to add lands approximately 48 miles south of Pump Station 1 in Deadhorse, Alaska. Recent high erosion events along the Sagavanirktok (Sag) River have resulted in channel changes and increased bank erosion towards TAPS.

APSC requests adding lands to the ROW for the installation of an erosion control structure near TAPS Pipeline Milepost (PLMP) 48, between Spur Dikes 3 and 4 on the existing land buffer between TAPS and the Sag River. The erosion control structure would consist of a buried sill approximately 600 feet long between Spur Dikes 3 and 4. The proposed construction ROW will be approximately 885 ft. long by 348 ft. wide and located within the SW1/4SE1/4 of Section 23, Township 3 North, Range 14 East, Umiat Meridian; containing approximately 7.06 acres, more or less.

This amendment request is necessary to protect the integrity of TAPS from high water erosion events and further erosion as discussed in more detail in the Project Description section of this decision. Once construction activities are concluded, the added operational ROW land will be surveyed and may include less acreage than approved for construction.

The additional lands are necessary to support the existing pipeline system as defined in Alaska Statute (AS) 38.35.230(7) and authorized by the TAPS ROW Lease, ADL 63754. See the APSC 2020 Rivers and Floodplains Improvements, Lower Sagavanirktok River – Buried Sill drawings for more details (Attachments A, B and C).

Authority: AS 38.35.015 and TAPS ROW Lease, ADL 63574.

Administrative Record: TAPS ROW Lease, ADL 63574, and the associated ROW Lease Amendment casefile constitute the administrative record.

Background: Public Notice of the ROW amendment request was published in the Anchorage Daily News newspaper on May 18, 2020, and in the Arctic Sounder newspaper on May 21, 2020. The Public Notice was posted on the State of Alaska Online Public Notice and the Division of Oil and Gas Newsroom webpages and sent for posting in the Z.J. Loussac Library in Anchorage, and Tuzzy Consortium Library in Utqiagvik (Barrow), and in U.S. Post Offices in Prudhoe Bay and Utqiagvik (Barrow) on May 18, 2020.

Pursuant to AS 38.35.070, the following coordinate agencies were notified of the application and associated documents: Department of Labor & Workforce Development, Department of Transportation and Public Facilities, Department of Environmental Conservation, and the Regulatory Commission of Alaska. Additionally, the following agencies received the link to the application and associated documents: the Alaska Departments of Fish and Game, Public Safety, Revenue, and the Alaska Oil and Gas Conservation Commission.

The Office of History and Archaeology (OHA) State Historic Preservation Office (SHPO) reviewed the proposed buried sill project area. On June 8, 2020, OHA determined there are no known cultural resource sites in the proposed activity area. If inadvertent discoveries of cultural resources occur during project activities, OHA must be notified to evaluate whether the resource should be preserved in the public interest pursuant to AS 41.35.070(d). Examples of cultural resource sites that can be encountered include: historical cabin remains, adits, dredges, mining equipment, cultural depressions or pits, graves or cemeteries, tools, artifacts, and paleontological (fossilized) remains.

Project Description: The project site for the buried sill is located approximately 48 miles south of Pump Station 1, and 11 miles north of Pump Station 2, lying east of the Dalton Highway, and TAPS; and west of the Sag River. The Sag River is the second largest river on the North Slope of Alaska. In this area, the Sag River floodplain is over a mile wide. Soils consist of fine sands over thaw stable gravel overlain by Arctic tundra vegetations consisting of sedges, grasses, mosses and dwarf shrubbery. The Sag River is an anadromous fish stream containing Arctic Char, Arctic Grayling, Burbot, and White Fish.

Recent high-water events have caused channel changes which in turn have increased bank erosion towards TAPS. In the area between Spur Dikes 3 and 4, the erosion is more pronounced due to the channel's angle of attack. APSC proposes to construct an approximately 600-foot long buried sill made up of Class III and Class IV rip rap on the remaining land buffer between TAPS and the west bank of the Sag River.

Within the proposed construction ROW which is approximately 885 feet long by 348 feet wide, APSC proposes to remove and set aside the organics lying over the proposed buried sill location, then excavate a ditch and stockpile the non-organic spoils separately. Riprap will be installed; the excavation spoils will be used to fill voids and backfilled to the original grade. Excess fill will be

removed from the location and either stockpiled or spread on the nearby gravel pad. The previously set aside organics will be spread over the project area and track-walked with fertilizer, if appropriate.

Access to the site will be by tundra mats from the TAPS work pad or spur dikes. If spur dikes are used for temporary gravel ramps from the top to the dike to the surrounding terrain, the ramps will be removed after construction. All proposed work and the completed buried sill will be on the uplands; no instream work or impacts are planned.

Title: The State of Alaska applied for title to all lands within Townships 3 and 4 North, Ranges 13 and 14 East, Umiat Meridian through General Selection 1669 on December 6, 1968. On March 27, 1974, the state received title to all lands within Townships 3 and 4 North, Ranges 13 and 14 East, Umiat Meridian through Patent number 50-74-0096. On June 2, 1992, the U.S. Department on the Interior, Bureau of Land Management issued a Meanderable Water Acreage Credit to the State of Alaska, per amended plats of survey, as per Sec. 101 of the Submerged Lands Act Amendment of August 16, 1988, P.L. 100-395, 43 U.S.C. 1631. Although Patent 50-74-0096 will not be corrected; the State of Alaska has been credited 11528.12 acres under the General Purposes Grant entitlement for meanderable acreage within Patent No. 50-74-0096.

Planning and Classification: The proposed lands to be added to the TAPS ROW were classified as Resource Management under Surface Classification Order No. CL-617. The project area is located within and subject to the North Slope Special Use Area and lies within the legislatively designated Dalton Highway Corridor, per AS 19.40.010.

A land classification establishes the apparent best use of an area however all other uses are presumed as compatible unless otherwise prohibited. According to Title 11 of the Alaska Administrative Code (AAC) Chapter 55.200, land classified as Resource Management is either land that might have several important resources, but for which a specific resource allocation decision is not possible at that time, or land that contains one or more resource values, none of which is of sufficiently high value to merit a designation as a primary use. The classification of Resource Management does not prohibit the proposed use for the lands in the subject area and the proposed use is compatible under the classification.

ADL 50666, North slope Special Use Area, under 11 AAC 96.014(b)(1), designates all lands in the Umiat Meridian as “special use lands”. This designation requires a permit for motorized vehicle use, unless that use is for subsistence purposes, or is on a graveled road. The North Slope Special Use Area does not prohibit the development of land within the Umiat Meridian for the buried sill, nor the addition of that land to the TAPS ROW.

Pursuant to AS 19.40.200(a), the State of Alaska may not dispose of state land under AS 38 that is within five miles of the Dalton Highway ROW; however, AS 19.40.200(b)(4) states that the prohibition on disposal of state land under (a) does not apply to a disposal of land necessary for exploration, development, production, or transportation of oil or gas north of 68 degrees north latitude.

The proposed buried sill will provide essential bank erosion mitigation along the pipeline and is necessary for protecting the integrity of TAPS. This use is consistent with the management intent of the area. There is nothing in the classification, special use designation, or the Dalton Highway Corridor Designation that prohibits the proposed additional of lands to the TAPS ROW to protect the transportation of oil resources.

Public Notice: Notice of this Analysis and Proposed Decision for the lease amendment request will be published in the Anchorage Daily News and the Arctic Sounder newspapers on June 11, 2020. The Notice will be posted on the State of Alaska online Public Notice and the Division of Oil and Gas Newsroom webpages on June 11, 2020. This Notice will also be sent for posting in the Tuzzy Consortium Library in Utqiagvik (Barrow) and the U.S. Post Offices in Prudhoe Bay and Utqiagvik (Barrow).

If public comment indicates the need for significant changes in the proposed decision, additional public notice will be given on or after July 20, 2020. If no significant change is required, the proposed decision, including any minor changes, will be issued as the final decision of the Department of Natural Resources after July 20, 2020, without further notice.

Analysis: AS 38.35, the Alaska Right-of-Way Leasing Act, sets forth the procedures by which certain ROW leases are granted by the State of Alaska and the conditions under which they can be amended. Pursuant to AS 38.35.010, it is the policy of the state that development, use, and control of a pipeline transportation system make the maximum contribution to the development of the human resources of this state, increase the standard of living for all its residents, advance existing and potential sectors of its economy, strengthen free competition in its private enterprise system and carefully protect its incomparable national environment.

Pursuant to AS 38.35.015. The Commissioner has the power to grant leases of state land for pipeline ROW purposes. The Commissioner found it to be in the best interest of the residents of the State of Alaska to issue the TAPS ROW Lease, ADL 63574, on May 3, 1974, and the Renewal and Amendment of the ROW Lease on May 2, 2004. The terms, conditions, stipulations and reservations contained in the TAPS ROW Lease, ADL 63754, will apply to these lands if added to the Lease.

AS 38.35.020(a) requires the applicant to obtain a ROW lease for state land from the Commissioner when the proposed use is for an oil, products, or natural gas pipeline. The buried sill is to mitigate bank erosion and the potential exposure of the buried pipeline. The proposed activity is to protect the integrity of the pipeline and is consistent with the original purpose of the lease. The erosion control structure requires an additional disposal of interest in state land beyond what was included in the original terms of the TAPS ROW Lease, ADL 63574. An amendment to the lease is required when there is a disposal of an interest in state land or resources beyond what was reviewed and approved during the original adjudication.

The buried sill is to mitigate bank erosion and high-water erosion events which could expose the buried pipeline. Buried sills are addressed under Stipulation 1.1.1.36 of the TAPS ROW Lease, ADL 63574 that defines “Related Facilities”, as “... those structures, devices and improvements and sites, the substantially continuous use of which is necessary for the operation or maintenance of the Oil transportation pipeline [TAPS], including:(8) retaining walls, berms, dikes, ditches, cuts and fills, including hydraulic control structures; ...” .

Findings: The proposed project is integral to the protection of the pipeline. The erosion control project is considered a “Related Facility”, as defined by the lease, and will be managed under the lease. The proposal to add the above described lands to the Trans-Alaska Pipeline ROW Lease, ADL 3574, is consistent with the lease. The terms, conditions and stipulations contained in the TAPS ROW Lease, ADL 63574, adequately address and protect the interests of the State of Alaska. The buried sill will mitigate impacts from ongoing erosion or exposure of the buried pipeline during high water events.

DNR will examine the project area upon completion of the construction activities to ensure all lands are in a condition acceptable to the Commissioner. An as-built survey is required for the amendment to identify the additional ROW area and to depict the location of the buried sill in relation to the control line survey of the TAPS ROW. The as-built survey is to be submitted for review and acceptance by the Commissioner, pursuant to Section 1(e) of the TAPS ROW Lease, ADL 63574, as amended.

The addition of these lands to the lease does not constitute a significant amendment to the lease since the impact on state resources will be negligible and the project does not conflict with or significantly change existing use of the land. Approval of the request for the amendment to add the described lands is consistent with state statutes and the terms of the lease. The lessee is required to secure all necessary permits or authorizations required by other local, state, and federal agencies.

Proposed Decision: I find that the request to amend the Right-of-Way Lease for the Trans-Alaska Pipeline, ADL 63574, to include the lands described in this proposed decision is in the best interest of the state and does not constitute a significant amendment to the lease.

If no significant change is required due to public comment or objection, then the proposed decision, including any minor changes, will be issued as the final decision of the Department of Natural Resources after July 20, 2020, without further notice.

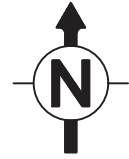
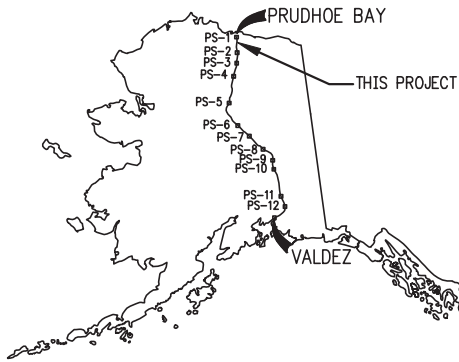
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Anthony Strupulis P.E.	
State Pipeline Coordinator	

Attachment A: 2020 Rivers and Floodplains Improvements, Lower Sagavanirktok River – Buried Sill Location and Vicinity Map

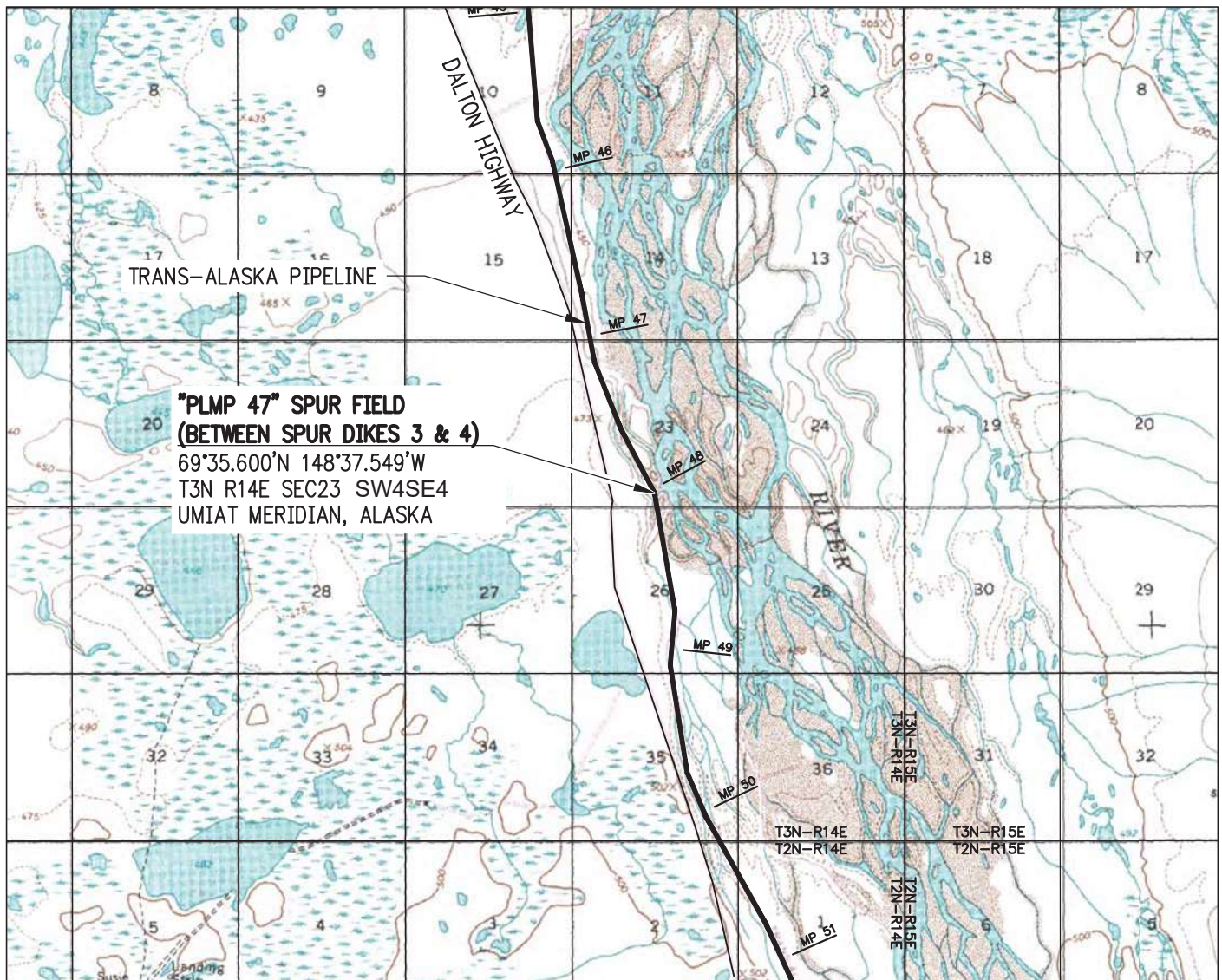
Attachment B: 2020 Rivers and Floodplains Improvements, Lower Sagavanirktok River – Buried Sill Plan

Attachment C: 2020 Rivers and Floodplains Improvements, Lower Sagavanirktok River – Buried Sill Section

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ADJACENT PROPERTY OWNER: STATE OF ALASKA

ALYESKA PIPELINE SERVICE CO.

2020 RIVERS AND FLOODPLAINS IMPROVEMENTS
LOWER SAGAVANIRKTOK RIVER – BURIED SILL
LOCATION AND VICINITY MAP

TRANS ALASKA PIPELINE SYSTEM

DATE: 04/20/20

PLATE 1

REV. B DWN. MTH/RJB CKD. AJN APPR. JPD

SCALE: AS NOTED

SHEET 1 OF 3

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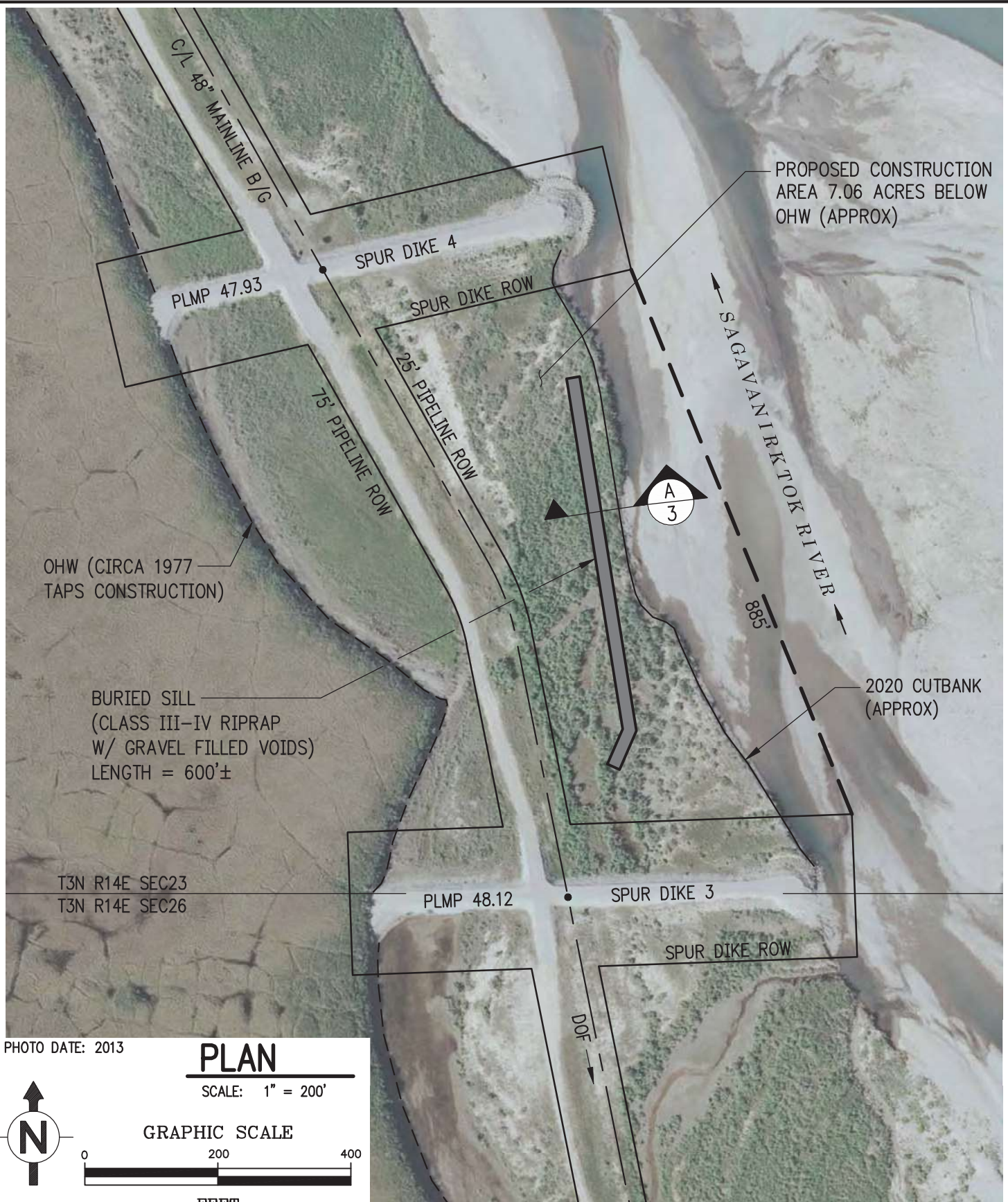


PHOTO DATE: 2013

PLAN

SCALE: 1" = 200'

GRAPHIC SCALE



FEET

ADJACENT PROPERTY OWNER: STATE OF ALASKA

ALYESKA PIPELINE SERVICE CO.

2020 RIVERS AND FLOODPLAINS IMPROVEMENTS
LOWER SAGAVANIRKTOK RIVER – BURIED SILL
PLAN

TRANS ALASKA PIPELINE SYSTEM

DATE: 04/20/20

PLATE 2

REV. B DWN. MTH/RJB CKD. AJN APPR. JPD

SCALE: AS NOTED

SHEET 2 OF 3

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