

**STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
STATE PIPELINE COORDINATOR'S OFFICE**

**ANALYSIS OF AMENDMENT APPLICATION  
AND PROPOSED DECISION**

**ADL 63574  
Trans-Alaska Pipeline System  
PLMPs 774.16 and 775.95  
Cathodic Protection Upgrades**

**Proposed Action:** Alyeska Pipeline Service Company (APSC), agent for the Trans-Alaska Pipeline System (TAPS) lessees, has requested an amendment to modify the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574 (TAPS Lease), to add 0.71 acres at two sites of State land near Thompson Pass. Site 1 is located at pipeline milepost (PLMP) 774.16 near the Alaska Department of Transportation and Public Facilities (ADOT&PF) Thompson Pass Maintenance Station. Site 2 is located at PLMP 775.95 near Richardson Highway milepost 20.3.

The lands proposed to be added to the right-of-way are generally described as:

**Site 1, PLMP 774.16:** Located within SW4 Section 27, Township 8 South, Range 3 West, Copper River Meridian, those lands within and adjacent to TAPS access road 6 APL-1A (ADL 206963) and extending from the TAPS right-of-way to a location within the ADOT&PF maintenance station (ADL 200032), containing approximately 0.6 acres.

**Site 2, PLMP 775.95:** Located within NE4 Section 4, Township 9 South, Range 3 West, Copper River Meridian, those lands adjacent to the TAPS right-of-way (ADL 63574) and the Richardson Highway right-of-way, containing approximately 0.11 acres.

The additional lands are needed to make cathodic protection (CP) improvements along the TAPS mainline pipe. Improvements include the installation of new Anodeflex alongside an approximate total of 6,569 feet of mainline pipe in the existing TAPS right-of-way. Drilled magnesium rods and junction boxes will be installed to support the Anodeflex and tie the systems into the new rectifier modules at each site. The proposed upgrades will protect the buried pipeline from corrosion. See Trans-Alaska Pipeline Project H113 project narrative and permit information (Attachments A, B & C) for more details. These CP improvements are necessary to support the existing pipeline system, as defined in AS 38.35.230(7), and authorized by the existing TAPS Lease.

**Authority:** AS 38.35.015 and the TAPS Lease are the authorities for this decision.

**Administrative Record:** The TAPS Lease and the ADL 63574 case file constitute the

administrative record used in making this decision.

**Background:** On May 9, 2013, the State Pipeline Coordinator's Office (SPCO) received an application from APSC to amend the lease to include the above-described lands.

Notice of the Right-of-Way Amendment Application was published in the Anchorage Daily News and on the State of Alaska and SPCO websites on May 20, 2013. Public notice of the application was posted in the Valdez post office. Notice was also published in the Valdez Star on May 22, 2013.

Per AS 38.35.070, the following coordinate agencies were notified of the application on May 20, 2013: Alaska Department of Environmental Conservation, Alaska Department of Labor and Workforce Development, Alaska Department of Transportation and Public Facilities, and the Regulatory Commission of Alaska.

**Title:**

**Site 1, PLMP 774.16:** The State of Alaska received title to the lands within Section 27, Township 8 South, Range 3 West, Copper River Meridian, pursuant to general grant selection (GS-1515) by Tentative Approval dated June 20, 1974.

**Site 2, PLMP 775.95:** The State of Alaska received title to the lands within Section 4, Township 9 South, Range 3 West, Copper River Meridian, pursuant to general grant selection (GS-1458) by Patent No. 50-76-0096 on January 5, 1976.

**Planning and Classification:**

**Site 1, PLMP 774.16:** These lands lie within Subunit 15A – Thompson Pass of the Copper River Basin Area Plan (CRBAP), dated December 1986. According to this Area Plan, Subunit 15A encompasses state land at Thompson Pass, Worthington Glacier and the Tsina Valley. The lands are classified as Public Use Recreation (PUR) under classification CL-SC-86-030. The Richardson Highway, which runs through Thompson Pass, is paralleled by TAPS in this area.

**Site 2, PLMP 775.95:** These lands lie with in Subunit 21S – Thompson Pass of the Prince William Sound Area Plan (PWSAP), dated December 1988. Subunit 21S contains the same designations and management guidelines as those in Unit 15 (Thompson Pass) of the CRBAP (as described above for Site 1.) The lands were classified as PUR under classification CL-SC-88-004.

According to 11 AAC 55.160, land classified PUR is suitable for recreation uses, waysides, parks, campsites, scenic overlooks, hunting, fishing or boating access sites, trail corridors, or greenbelts along bodies of water or roadways.

A land classification establishes the apparent best use of an area, but all other uses are presumed as compatible unless otherwise prohibited. The management intent for these areas state the lands

should be retained in public ownership and managed for multiple use. Both area plans list the primary use as public recreation. Prohibited uses include land offerings, remote cabins and grazing. Development in these subunits should minimize visual impacts on recreation resources. The limited size of the projects, as well as the locations adjacent to the existing TAPS right-of-way, should have little impact on recreational uses within these areas. A right-of-way lease is not a land disposal; therefore, it is not a prohibited action.

The Trans-Alaska Pipeline pre-dates the land classifications made under CL-510, CL-SC-86-030 and CL-SC-88-004, and both the CRBAP and PWSAP acknowledge the Trans-Alaska Pipeline as a part of the existing transportation network within the respective subunits. Additionally, per 11 AAC 55.260, no classification or reclassification affects valid rights existing before the classification or reclassification.

The proposed cathodic protection improvements will protect the integrity of TAPS and are compatible with the management intent of both areas for public recreation and wildlife habitat use. There is nothing in the classifications that prohibits the issuance of this right-of-way amendment for the installation of cathodic protection upgrades.

**Public Notice:** Notice of this Analysis and Proposed Decision was published in the Anchorage Daily News and the Valdez Star on June 19, 2013. Public notice of this Analysis and Proposed Decision was also posted at the Valdez post office.

If public comment indicates the need for significant changes in the proposed decision, additional notice will be given on or about July 23, 2013.

**Analysis:** AS 38.35, the Alaska Right-of-Way Leasing Act, sets forth the procedures by which certain right-of-way leases are granted by the State of Alaska and the conditions under which they can be amended. As set out in 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 natural environment. Pursuant to AS 38.35.015, the Commissioner has the power to grant leases of state land for pipeline right-of-way purposes. The Commissioner found APSC fit willing and able to perform all duties required by the present and future public interest when he issued the TAPS Lease on May 3, 1974, and the Renewal and Amendment of Right-of-Way Lease for the Trans-Alaska Pipeline and Associated Rights, ADL 63574 (effective on May 2, 2004). The terms, conditions, stipulations and reservations contained in the TAPS Lease will apply to these lands if added to the lease.

AS 38.35.020(a) requires the applicant obtain a right-of-way lease of state land from the Commissioner. Although the request for authorization to extend the right-of-way at PLMPs 774.16

and 775.95 is consistent with the original purpose of the lease, the proposed amendment requires a disposal of an interest in state land beyond what was included during the original adjudication. An amendment to the lease is required when there is a need for a disposal of an interest in state land or resources beyond what was reviewed and approved during the original adjudication.

The requested action proposes to install and maintain on state land several upgrades to the cathodic protection devices at PLMPs 774.16 and 775.95, which are defined by Stipulation 1.1.1.36(11) of the TAPS Lease as Related Facilities, the substantial and continuous use of which is necessary for the operation or maintenance of TAPS.

Access to Site 1 at PLMP 774.16 will be from the Richardson Highway along the existing TAPS Access Road 6 APL-1A through the ADOT&PF Thompson Pass maintenance station. Access to Site 2 at PLMP 775.95 will be directly from the highway at the TAPS crossing, and access south will be from TAPS access road 5 APL-6 and along the workpad.

On May 29, 2013, the State Historic Preservation Office determined that no historic properties were affected by this proposed action and provided confirmation of their determination to the SPCO.

**Findings:** The proposed cathodic protection upgrades at PLMPs 774.16 and 775.95 are integral to the protection of the pipeline. They will provide the buried pipeline protection against corrosion, enhancing the integrity of the below-ground pipeline in these areas.

The installation of these cathodic protection upgrades at PLMPs 774.16 and 775.95 is administratively provided for in the lease. The proposed projects are "Related Facilities," as defined by the lease, and will be managed under the lease. The proposal to add the above-described lands to the TAPS Lease is consistent with the lease.

The terms, conditions and stipulations contained in TAPS Lease adequately address and protect the interest of the State of Alaska. The lessee is required to secure all necessary permits or authorizations required by other state and federal agencies.


The Right-of-Way Amendment will require an as-built survey that ties the new lands and structures needed for the cathodic protection equipment to the pipeline centerline for review and acceptance by the Commissioner pursuant to Section 1(e) of the TAPS Lease, 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. The installation of cathodic protection equipment will minimize environmental impacts by involving a small footprint, and by restoring disturbed areas after construction. This construction project is considered protective of a vital state resource.

Approval of the request for the amendment for addition of the described lands is a function of the lease, and is consistent with state statutes and terms of the lease.

**Proposed Decision:** I find that the application to amend the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574, to add the lands described in this proposed decision is consistent with the original intent of the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574, and is necessary to protect the integrity of the pipeline. The applicant is not authorized to begin construction activities until the final decision of the Department of Natural Resources is issued and the lease amendment is signed by the Commissioner.

If no significant change is required as a result of 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 22, 2013, without further notice.

  
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Jodi Delgado-Plikat  
Natural Resource Specialist III

6-18/13  
Date

  
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Frederick M. Thompson  
State Pipeline Coordinator

6-18-13  
Date

- Attachment A: Trans-Alaska Pipeline Project H113 (portion near Thompson Pass) – 2013 Cathodic Protection Upgrades, Permit Plan (April, 2013) – (2 Pages)
- Attachment B: Trans-Alaska Pipeline System, H113 2013 CP Capital Improvement, MP 774.16 Permit Information, Sheets 1 - 4 (4 Pages)
- Attachment C: Trans-Alaska Pipeline System, H113 2013 CP Capital Improvement, MP 775.95 Permit Information, Sheets 1 - 2 (2 Pages)