JAY S. HAMMOND, GOVERNOR

RDB2NPART THE STATE OF THE COMMISSIONER

SUBPORT BUILDING JUNEAU, ALASKA 99801

November 16, 1979

Dr. Charles E. Behlke State Pipeline Coordinator 1001 Noble Street, Suite 450 Fairbanks, Alaska 99701

Dear Dr. Behlke:

The Alaska Department of Fish and Game has prepared a position statement on mitigation/compensation for the Alaska Gas Pipeline Project. This statement is in response to Northwest Alaskan Pipeline Company's request for clarification of Draft Stipulation 1.8.2.2 to be attached to the Right-of-Way Lease for the gas pipeline. The policy has been coordinated with the U.S. Fish and Wildlife Service. We ask that our position statement, which is enclosed with this letter, be transmitted to Northwest and we hope that it will aid them in understanding the resource agencies' view of the requirements of Stipulation 1.8.2.2.

Sincerely, 10-2422

Ronald O. Skoog Commissioner

Enclosure

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The Alaska Department of Fish and Game (ADF&G) would like to apprise Northwest Alaskan Pipeline Company of their position regarding the need for compensation of fish and wildlife resources or habitat losses which may result from project activities. This document states the position of ADF&G onlyfor ANGTS.

The clarification of position specifically addresses NAPLINE concerns regarding the intent of Draft Stipulation 1.8.2.2 which states that the quality assurance program shall include "Procedures for the relocation, repair or replacement of improved or tangible property and the rehabilitation of natural resources (including but not limited to REVEGETATION, restocking fish or other wildlife populations, and reestablishing their habitat) seriously damaged or destroyed if the immediate cause of the damage or destruction ... results from construction, operation, maintenance, or termination of all or any part of the PIPELINE SYSTEM."

In Stipulation 1.8.2.2, NAPLINE must be prepared to relocate, repair, or replace property which becomes damaged or destroyed. They are also required to rehabilitate fish and wildlife populations and their habitat. Does this rehabilitation include compensation? If not, what will it include, in the view of ADF&G?

The Alaska Department of Fish and Game advocates mitigation for the entire pipeline system, including the permanent facilities. Mitigation can take several forms and one of these is compensation. The definition of mitigation is found in NEPA 40 CFR 1508.20:

- (a) Avoiding the impact altogether by not taking a certain action or parts of an action.
- (b) Minimizing impacts by limiting the degree or magnitude of the action and its implementation.
- (c) Rectifying the impact by repairing, rehabilitating, or restoring the affected environment.
- (d) Reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action.
- (e) Compensating for the impact by replacing or providing substitute resources or environments.

For the Alaska natural gas pipeline, ADF&G considers that avoidance (see a above) is the primary method of preserving critical habitats and populations. The pipeline should be aligned and its related facilties located away from areas of important habitat. Construction can be timed so that it will not interfere with populations during sensitive life stages. Determination of areas and times of critical concern can be made only if 1) adequate data exists to identify the areas and populations and 2) the data is used in comprehensive front-end planning. ADF&G has been actively trying to work with NAPLINE in establishing studies which would provide these kinds of data. In less important areas, or in important areas which cannot be avoided, the adverse impacts must be <u>minimized</u> (see b above) or <u>rectified</u> (see c above). The example of a sensitive marsh through which the pipeline is aligned can be used to demonstrate minimization. Perhaps, due to engineering or geotechnical constraints, the pipeline cannot be relocated out of the marsh. However, it may be possible to adjust the alignment so that only a small portion or the least important part of the marsh is affected. Bridging streams is another way of minimizing impact.

Rectification of impact can be achieved by a number of methods. Employing adequate buffer strips between the pipeline system and streams, lakes, ponds, and wetlands is one method. Contouring and revegetating disturbed areas such as material sites, temporary camp sites, etc. is another.

It is expected that preservation and maintenance operations (see d above) will be an integral part of NAPLINE's surveillance and maintenance program. Drainage structures installed in fish streams must be maintained properly and erosion must be corrected when it occurs. Revegetated areas in which seeds do not sprout for whatever reason, must be revegetated until they have established themselves. In these ways, adverse impacts will be reduced or eliminated over time.

Compensation (see e above) is a form of mitigation which, in the opinion of ADF&G, should be employed only when the preceding types of mitigation (a,b,c,d) are impossible or have failed. For example, if, despite all efforts to the contrary, a salmon run in a particular stream is damaged due to pipeline construction, it would be necessary for NAPLINE to re-establish the population. Or if some specific type of habitat for an isolated population of animals is obliterated in one locality, it may be necessary to increase carrying capacity of adjacent habitat through appropriate wildlife management techniques. As can be seen these types of measures are drastic and costly. This is the reason why ADF&G feels strongly that mitigative measures other than compensation should be used whenever possible.

In summary, "rehabilitation" (Stipulation 1.8.2.2) includes both mitigation and compensation as defined in this document. We wish to emphasize four points. First, ADF&G considers that mitigation, in an appropriate form, will be required for both predicted and unforeseen adverse impacts to habitat or populations attributable to construction, operation, maintenance or termination of the pipeline system. Second, it is imperative that NAPLINE begin a sincere environmental data gathering program so that information which can be utilized in mitigating the pipeline system can be produced in a timely manner and interjected into NAPLINE's planning and design efforts. The third point is that mitigation will be required for all areas within the pipeline right-of-way and may be required for areas outside the right-of-way if damage or loss to habitats or populations occurred as a result of pipeline construction, operation, maintenance or

termination. Fourth, if key fish and wildlife populations or habitat are lost or damaged through placement of permanent pipeline facilities, compensation through provision of substitute environments or replacement of populations may be required on a site specific basis. Compensation will be considered only after it is clear that all other forms of mitigation are impossible or have failed.

We believe that the preceding discussion has clarified our positions regarding mitigation and compensation in relation to the Alaska portion of the gas pipeline project. ADF&G believes that NAPLINE must design this project with maximum concern for the protection of environmental values. To this end we are most anxious to cooperate with the Northwest Alaskan Pipeline Company.