



STEVE COWPER
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

August 22, 1990

ADMINISTRATIVE ORDER NO. 121

The purpose of this Order is to establish the State Pipeline Coordinator's Office (SPCO), as oversight coordinator of the Trans-Alaska Pipeline Systems (TAPS), Alaska Natural Gas Transportation System (ANGTS) and the Trans-Alaska Gas System (TAGS), referred to in this order as the referenced common carrier pipelines, and designating the administrative procedures for processing and adjudicating applications for appropriate permits and leases and for monitoring design, construction, operations and closeout of these common carrier pipelines. This order defines responsibilities of State agencies and procedures the State will follow during the processing of the right-of-way leases and monitoring of preconstruction, construction, operations, closure and rehabilitation of referenced common carrier pipelines.

FINDINGS

1. It is in the best interest of the people of the State of Alaska that the expeditious transportation of Alaska's oil and gas to market be directed to make the maximum contribution to the development of the human resources of this state, to the increase in the standard of living for all of its residents, to the careful protection of its environment, and that the pipelines are designed, constructed and operated in a safe and environmentally sound manner consistent with applicable laws.
2. Application processing, preconstruction, construction, operation and maintenance of the referenced common carrier pipelines will involve many State agencies to review right-of-way lease applications, preconstruction documents and plans, construction monitoring, permitting, licensing, taxing, and offsetting the impacts on Alaska's environment, its economy and its people. For this reason, coordination among these agencies issuing authorizations is necessary.
3. The review, processing and monitoring of past pipeline project rights-of-way such as the Alaska Natural Gas Transportation System, Trans-Alaska Pipeline System, and Trans-Alaska Gasline System have been coordinated through a single point of contact established in the State Pipeline Coordinator's office. This Order supersedes and expands all previous orders for TAPS, TAGS and ANGTS relating to the office of the State Pipeline Coordinator.
4. The proposed construction of both ANGTS and TAGS will share the same corridor as the TAPS, except that the ANGTS alignment deviates at Delta Junction and follows the Alcan Highway to the lower 48 states.

5. Portions of the TAPS and TAPS Fuel Gas Pipeline are parallel or crossed by both TAGS and ANGTS routes and their integrity is vital to the State of Alaska. The President of the United States, through the Office of the Federal Inspector, (OFI), has established a single point of contact with the federal government for matters relating to ANGTS.

6. The Bureau of Land Management (BLM) is the lead federal agency to process the TAGS Environmental Impact Statement (EIS) and issue the federal grant of right-of-way to Yukon Pacific Corporation (YPC).

7. The BLM and the Department of Natural Resources have issued various rights-of-way with terms and conditions that relate to management of resources that affect federal and state land and water.

8. The BLM has established one group to coordinate and manage TAPS and TAGS issues.

9. It is desirable that the State have a single point of contact for referenced common carrier pipeline rights-of-way matters to ensure adequate coordination among State and federal authorizations and, where appropriate, develop substantially similar terms and conditions in these documents.

ORDER

In light of the foregoing, I, Steve Cowper, Governor of the State of Alaska, order and declare the following:

1. The State Pipeline Coordinator's office (SPCO) as established by Administrative Order No. 70 within the Department of Natural Resources will establish and maintain a joint office with the BLM to coordinate state management concerns for TAPS and TAGS to eliminate duplication of oversight costs. The SPCO will also be the state contact for ANGTS and the OFI.

2. Each State agency shall comply with applicable provisions of this Order to ensure that, where appropriate, substantially similar terms and conditions are developed, implemented and placed on all federal, State and local authorizations for the referenced common carrier lines on State and Federal land, and that a schedule is developed to implement this process on pipeline projects. This includes the federal EIS, U.S. Army Corps of Engineers (USACE) 404 permits, State 401 certifications, federal and State rights-of-way and associated stipulations, Alaska Coastal Management Program Consistency certifications, and all other permits and approvals issued by State agencies that affect state resources.

3. The Department of Natural Resources, through the State Pipeline Coordinator, shall be the lead agency for the State processing of the AS 38.35 right-of-way and the associated stipulations. In addition, the State Pipeline Coordinator will coordinate the monitoring of preconstruction, construction, operation and closeout of the referenced common carrier pipelines.

4. Each department will appoint one liaison officer who will be assigned to the SPCO in Anchorage and available to do necessary work to process State

right-of-way applications, Alaska Coastal Management Program (ACMP) consistency reviews, federal EIS's and other related State and Federal authorizations such as air, water, land and resources for referenced common carrier pipelines on a schedule established by the State Pipeline Coordinator. At present, these agencies include the Department of Natural Resources, Department of Fish and Game, Department of Environmental Conservation, Department of Transportation and Public Facilities, and the Department of Law. Other agencies that might assign a liaison officer, who have other duties as well, include the Department of Revenue, Department of Labor, Alaska Public Utilities Commission, Division of Governmental Coordination, and the Department of Community and Regional Affairs. Other agencies may need to appoint liaison officers in the future. Liaison officers shall represent their departments in matters relating to processing State right-of-way applications, issuance of respective authorizations and monitoring of the proposed and existing projects to assist the State Pipeline Coordinator and the State Pipeline Coordinator's staff in carrying out their responsibilities. Each liaison shall keep the State Pipeline Coordinator informed of authorizations they plan to issue for each referenced common carrier pipeline.

5. The State Pipeline Coordinator shall have the responsibility for coordinating the input and activities of the liaison agencies and their staff for purposes of processing State authorizations, inspecting pipeline construction, operation and maintenance and monitoring of field activities. If an agency's monitoring responsibilities expand to the point at which a full-time liaison officer is needed, it will appoint one, with the concurrence of the State Pipeline Coordinator as to budget matters under AS 38.35.140(b).

6. If a department's responsibilities require staff additional to the liaison officer, the department shall, with concurrence of the State Pipeline Coordinator as to budget, appoint additional staff. Staff hired by individual departments will be under the supervision of the liaison officer except for those cases where the liaison officer requests support from a department's regional or central office. Those staff will continue to work for their supervisor and accomplish the liaisons work request on a billable basis.

7. The Office of the Governor, Division of Governmental Coordination, shall coordinate the processing of the ACMP consistency determination(s) related to referenced common carrier pipelines as provided under AS 44.19.145 and 6 AAC 50.

8. All applications for construction, operations and termination permits and other authorizations which the State may require of the sponsor of a referenced common carrier pipeline shall be submitted by the sponsor to the State Pipeline Coordinator. The State Pipeline Coordinator shall forward the applications to the appropriate department liaison officers, who shall ensure that they are promptly and properly processed. The State Pipeline Coordinator shall receive a copy of the permit or other authorization issued.

9. To the maximum extent consistent with applicable law, departments shall delegate signatory authority to their liaison officers for permits and other authorizations. Liaison officers shall have final approval authority for those agency actions not requiring public notice, to the maximum extent consistent with applicable laws.

10. Except for routine or follow-up informational inquiries by or to departmental liaison officers or other department staffs, as may be mutually agreed upon by the respective commissioner and the State Pipeline Coordinator, all permit applications, permits and formal authorizations relating to pipeline monitoring between a department and the pipeline sponsor(s) or the United States government shall be routed through the Office of the State Pipeline Coordinator. This does not apply to agency liaison officer's communications with their respective agencies. The State Pipeline Coordinator and department commissioners may, if mutually agreeable, modify or amend this provision as it relates to that department's communications regarding pipeline monitoring.

11. Each department shall keep a full set of files in a central location on all aspects of its activities relating to referenced common carrier pipelines. SPCO will maintain records for DNR.

12. The State Pipeline Coordinator shall establish those field monitoring teams and activities pertaining to TAPS, TAGS and ANGTS and related facilities that the coordinator determines, with the concurrence of affected agencies, are in the best interests of efficiency and effectiveness. Such monitoring teams may be composed of staff from a number of agencies. Responsibilities and authorities of affected agencies may, consistent with law, be delegated to team members regardless of their department affiliation, and those team members will be responsible for coordinating field monitoring program of the agencies involved. The State Pipeline Coordinator shall appoint the team leader.

13. All departments identified in paragraph four (4) of this Order shall prepare and submit an annual budget request for all costs which are reimbursable under AS 38.35.140(b) and all other costs associated with the referenced common carrier pipeline projects, which are incurred through the Office of the State Pipeline Coordinator. These budget requests will be reviewed and will require approval by the State Pipeline Coordinator. All such budget requests will be submitted as a consolidated unit to the Division of Budget Review in a manner established by the Division. Costs, incurred through the SPCO, will not be reimbursable unless proposed budgets are approved by the State Pipeline Coordinator. The State Pipeline Coordinator shall have the authority to negotiate reimbursement agreements for referenced common carrier pipelines and ensure that reimbursement is secured promptly for costs incurred under approved budgets. This Order shall not be construed as attempting to create an independent right on the part of the State to obtain reimbursement from referenced common carrier pipeline companies, nor as limiting the right of State agencies to whatever reimbursement is available under law.

14. To the extent allowed by law, and whenever feasible, before taking enforcement action against the referenced common carrier pipeline project sponsor(s), their agents or contractors for violation of State law relating to design, preconstruction, construction, operation or termination of the pipeline, the department involved shall consult with the State Pipeline Coordinator or his designee and consider the Coordinator's advice. This provision is solely for coordination purposes and is not intended to limit the agency's enforcement authorities or the exercise of those authorities. Whenever feasible, and when the department involved and the State Pipeline Coordinator agree, such enforcement action may be undertaken under the right-of-way

lease issued by the Department of Natural Resources. 15. In the event of a dispute between departments regarding a matter covered under this Order, except matters involving annual budget requests, the departments involved will consult with the Department of Law, and (a) if the dispute involves a question covered by the Department of Natural Resources' statutory or regulatory right-of-way lease authority and the matter cannot be resolved between a department and the State Pipeline Coordinator, the affected department Commissioner should attempt to resolve this matter with the Commissioner of Natural Resources, and the decision of the Commissioner of Natural Resources shall be final; (b) if the dispute involves a question covered by a department's statutory or regulatory authority, the dispute will be resolved by the department responsible for administering that law, and the decision of that department Commissioner is final. In all such disputes, affected Commissioners shall seek the views of the State Pipeline Coordinator, and consider these views before making a decision; (c) in disputes between Commissioners other than in cases subject to (a) and (b) above, the Office of the Governor shall resolve the matter.

16. This Order is for administrative purposes only, and does not create any third party rights or modify the authorities of the participating agencies.

17. The State Pipeline Coordinator is the designee of the Commissioner of the Department of Natural Resources.

18. The State Pipeline Coordinator is required to submit to the Governor an annual progress report that contains accomplishments and goals and objectives for the next fiscal year.

This Order is effective immediately.

DATED at Juneau, Alaska, this 22nd day of August, 1990.

By: S/S Steve Cowper
Steve Cowper
Governor of the State of Alaska

