

REORGANIZATION PLAN NO. 1 OF 1979

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MESSAGE

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

A REORGANIZATION PLAN TO CREATE THE OFFICE OF THE  
FEDERAL INSPECTOR FOR THE ALASKA NATURAL GAS  
TRANSPORTATION SYSTEM AND ESTABLISH THE POSITION  
OF FEDERAL INSPECTOR, PURSUANT TO 5 USC 903



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Committee on Government Operations and ordered to be printed

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WASHINGTON : 1979

*To the Congress of the United States:*

I am submitting to you today Reorganization Plan No. 1 of 1979 to create the Office of Federal Inspector for the Alaska Natural Gas Transportation System and establish the position of Federal Inspector. Creation of this Office and the transfer of appropriate Federal enforcement authority and responsibility is consistent with my September 1977 *Decision and Report to the Congress on the Alaska Natural Gas Transportation System*. This decision was approved by the Congress November 2, 1977.

The Alaska Gas Transportation System is a 4,748-mile pipeline to be constructed in partnership with Canada. Canada completed legislation enacting a similar transfer last year and has already appointed an official to coordinate its activities prior to and during pipeline construction. The Northwest Alaska Pipeline Company has been selected to construct the pipeline, with completion scheduled in late 1984. Estimated construction costs are \$10-\$15 billion, to be financed by private investment.

Natural gas is among the Nation's most valuable fuels. It is in the national interest to bring Alaskan gas reserves to market at the lowest possible price for consumers. Construction of a gas pipeline from the Prudhoe Bay reserves in Alaska through Canada to points in the West and Midwest United States will provide a system which will deliver more Alaskan natural gas at less cost to a greater number of Americans than any alternative transportation system. Every effort must be made to ensure timely completion of the pipeline at the lowest possible cost consistent with Federal regulatory policies.

As a result of our experience in construction of the Trans-Alaska Oil Pipeline, we recognize the need for the Federal Government to be in a strong position to manage its own role in this project through prompt, coordinated decisionmaking in pre-construction approval functions and in enforcing the terms and conditions of the permits, certificates, leases, and other authorizations to be issued by various Federal agencies. We must avoid duplicating the delays and cost escalations experienced in the construction of the Trans-Alaska Pipeline System. The Plan I am submitting would establish clear responsibility for the efficient functioning of Federal enforcement activities by assigning the Federal Inspector authority to carry out these responsibilities.

The Alaska Natural Gas Transportation Act of 1976 only provided for monitoring the construction of the pipeline. The Plan transfers to the Federal Inspector the authority to supervise the enforcement of terms and conditions of the permits and other authorizations, including those to be issued by the Departments of Agriculture, Interior, Transportation, and Treasury, and the Environmental Protection Agency, the Federal Energy Regulatory Commission, and the U.S. Army Corps of Engineers. The Plan provides for the Federal Inspector to coordinate other Federal activities directly related to the pipeline project. Federal agencies retain their authority to issue permits

and related authorizations, but enforcement of the terms and conditions of these authorizations is transferred to the Federal Inspector. Transfer of enforcement authority from Federal agencies to the Federal Inspector is limited in scope to their participation in this project and in duration to the pre-construction, construction, and initial operation phases of the project.

The *Decision and Report* to the Congress recommended an Executive Policy Board with policy-making and supervisory authority over the Federal Inspector. I plan to sign an Executive Order upon approval of this Plan by the Congress which will create an Executive Policy Board which will be only advisory, but which will enhance communication and coordinate among Federal agencies and with the Federal Inspector. The Plan modifies the *Decision and Report* in that regard. The Federal Inspector will use the policies and procedures of the agencies involved in exercising the transferred enforcement responsibilities to the maximum extent practicable. The Board provides the opportunity for agencies to contribute to the policy deliberations of the Inspector and exercises an oversight role to insure that pipeline activities are carried on within existing regulatory policy. The Board is required to review the budget of the Office of the Federal Inspector and periodically report to me on the progress of construction and on major problems encountered. I am convinced that the Federal Inspector must have authority commensurate with his responsibilities.

Each of the provisions of this proposed reorganization would accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. The appointment and compensation of the Federal Inspector is in accordance with the provisions of the Alaska Natural Gas Transportation Act of 1976, and the Reorganization Act of 1977. The provisions for appointment and pay in this Plan are necessary by reason of a reorganization made by the Plan. The rate of compensation is comparable to rates for similar positions within the Executive Branch. This reorganization will result in a reduction in the cost of construction for the pipeline system and ultimately in savings to American consumers. A small increase in cost to the Federal government will result from the creation of the Office of the Federal Inspector. The Plan requires that the Office and the position of Federal Inspector will be abolished upon the first anniversary date after the pipeline becomes operational.

JIMMY CARTER.

THE WHITE HOUSE, April 2, 1979.

## REORGANIZATION PLAN NO. 1 OF 1979

Prepared by the President and transmitted to the Senate and House of Representatives in Congress assembled, April 2, 1979, pursuant to the provisions of Chapter 9 of Title 5 of the United States Code.

### OFFICE OF THE FEDERAL INSPECTOR FOR CONSTRUCTION OF THE ALASKA NATURAL GAS TRANSPORTATION SYSTEM

#### *Part I. Office of the Federal Inspector and Transfer of Functions*

*Section 101. Establishment of the Office of Federal Inspector for the Alaska Natural Gas Transportation System.*—(a) There is hereby established as an independent establishment in the executive branch, the Office of the Federal Inspector for the Alaska Natural Gas Transportation System (the "Office").

(b) The Office shall be headed by a Federal Inspector for the Alaska Natural Gas Transportation System (the "Federal Inspector") who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter prescribed by law for Level III of the Executive Schedule, and who shall serve at the pleasure of the President.

(c) Each Federal agency having statutory responsibilities over any aspect of the Alaska Natural Gas Transportation System shall appoint an Agency Authorized Officer to represent that authority on all matters pertaining to pre-construction, construction, and initial operation of the system.

*Section 102. Transfer of Functions to the Federal Inspector.*—Subject to the provisions of Section 201, 202, and 203 of this Plan, all functions insofar as they relate to enforcement of Federal statutes or regulations and to enforcement of terms, conditions, and stipulations of grants, certificates, permits and other authorizations issued by Federal agencies with respect to pre-construction, construction, and initial operation of an "approved transportation system" for transport of Canadian natural gas and "Alaskan natural gas," as such terms are defined in the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719 *et seq.*), hereinafter called the "Act", are hereby transferred to the Federal Inspector. This transfer shall vest in the Federal Inspector exclusive responsibility for enforcement of all Federal statutes relevant in any manner to pre-construction, construction, and initial operation. With respect to each of the statutory authorities cited below, the transferred functions include all enforcement functions of the given agencies or their officials under the statute as may be related to the enforcement of such terms, conditions, and stipulations, including but not limited to the specific sections of the statute cited. "Enforcement", for purposes of this transfer of functions, includes monitoring and any other compliance or oversight activities reasonably related to the enforcement process. These transferred functions include:

(3)

(a) Such enforcement functions of the Administrator or other appropriate official or entity in the Environmental Protection Agency related to compliance with: national pollutant discharge elimination system permits provided for in Section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342); spill prevention, containment and countermeasure plans in Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321); review of the Corps of Engineers' dredged and fill material permits issued under section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); new source performance standards in Section 111 of the Clean Air Act, as amended by the Clean Air Act Amendments of 1977 (42 U.S.C. 7411); prevention of significant deterioration review and approval in Sections 160-169 of the Clean Air Act, as amended by the Clean Air Amendments of 1977 (42 U.S.C. 7470 *et seq.*); and the resource conservation and recovery permits issued under the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 *et seq.*);

(b) Such enforcement functions of the Secretary of the Army, the Chief of Engineers, or other appropriate officer or entity in the Corps of Engineers of the United States Army related to compliance with: dredged and fill material permits issued under Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); and permits for structures in navigable waters, issued under Section 10 of the Rivers and Harbors Appropriation Act of 1899 (33 U.S.C. 403);

(c) Such enforcement functions of the Secretary or other appropriate officer or entity in the Department of Transportation related to compliance with: the Natural Gas Pipeline Safety Act of 1968, as amended (49 U.S.C. 1671, *et seq.*) and the gas pipeline safety regulations issued thereunder; the Federal Aviation Act of 1958, as amended (49 U.S.C. 1301, *et seq.*) and authorizations and regulations issued thereunder; and permits for bridges across navigable waters, issued under Section 9 of the Rivers and Harbors Appropriation Act of 1899 (33 U.S.C. 401);

(d) Such enforcement functions of the Secretary or other appropriate officer or entity in the Department of Energy and such enforcement functions of the Commission, Commissioners, or other appropriate officer or entity in the Federal Energy Regulatory Commission related to compliance with: the certificates of public convenience and necessity, issued under Section 7 of the Natural Gas Act, as amended (15 U.S.C. 771f); and authorizations for importation of natural gas from Alberta as predeliveries of Alaskan gas issued under Section 3 of the Natural Gas Act, as amended (15 U.S.C. 717b);

(e) Such enforcement functions of the Secretary or other appropriate officer or entity in the Department of the Interior related to compliance with: grants of rights-of-way and temporary use permits for Federal land, issued under Section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185); land use permits for temporary use of public lands and other associated land uses, issued under Sections 302, 501, and 503-511 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732, 1761, and 1763-1771); materials sales contracts under the Materials Act of 1947 (30 U.S.C. 601-603); rights-of-way across Indian lands, issued under the Rights of Way Through Indian Lands Act (25 U.S.C. 321, *et seq.*); removal permits issued under the Mate-

rials Act of 1947 (30 U.S.C. 601-603) ; approval to cross national wildlife refuges, National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd-668jj) and the Upper Mississippi River Wildlife and Fish Refuge Act (16 U.S.C. 721-731) ; wildlife consultation in the Fish and Wildlife Coordination Act (16 U.S.C. 661 *et seq.*) ; protection of certain birds in the Migratory Bird Treaty Act (16 U.S.C. 703 *et seq.*) ; Bald and Golden Eagles Protection Act (16 U.S.C. 668-668d) ; review of Corps of Engineers dredged and fill material permits issued under Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) ; rights-of-way across recreation lands issued under the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-4601-11) ; historic preservation under the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470-470f) ; permits issued under the Antiquities Act of 1906 (16 U.S.C. 432, 433) ; and systems activities requiring coordination and approval under general authorities of the National Trails System Act, as amended (16 U.S.C. 1241-1249), the Wilderness Act, as amended (16 U.S.C. 1131-1136), the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1271-1287), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), the Act of April 27, 1935 (prevention of soil erosion) (16 U.S.C. 590a-f), and an Act to Provide for the Preservation of Historical and Archeological Data, as amended (16 U.S.C. 469-469c) ;

(f) Such enforcement functions of the Secretary or other appropriate officer or entity in the Department of Agriculture, insofar as they involve lands and programs under the jurisdiction of that Department, related to compliance with : associated land use permits authorized for and in conjunction with grants of rights-of-way across Federal lands issued under Section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185) ; land use permits for other associated land uses issued under Sections 501 and 503-511 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761, 1763-1771), under the Organic Administration Act of June 4, 1897, as amended (16 U.S.C. 473, 474-482, 551), and under Title III of the Bankhead-Jones Farm Tenant Act of 1937, as amended (7 U.S.C. 1010-1012) ; removal of materials under the Materials Act of 1947 (30 U.S.C. 601-603) and objects of antiquity under the Antiquities Act of 1906 (16 U.S.C. 432, 433) ; construction and utilization of national forest roads under the Roads and Trails System Act of 1964 (16 U.S.C. 532-538) ; and system activities requiring coordination and approval under general authorities of the National Forest Management Act of 1976 (16 U.S.C. 1600 *et seq.*) ; the Multiple Use-Sustained-Yield Act of 1960 (16 U.S.C. 528-531) ; the Forest and Rangelands Renewable Resources Planning Act of 1974 (16 U.S.C. 1601-1610) ; the National Trails System Act, as amended (16 U.S.C. 1241-1249) ; the Wilderness Act, as amended (16 U.S.C. 1131-1136) ; the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1271-1287) ; the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460 *et seq.*) ; the Federal Water Pollution Control Act of 1972 (33 U.S.C. 1151 *et seq.*) ; the Fish and Wildlife Coordination Act and Fish and Game Sanctuaries Act (16 U.S.C. 661 *et seq.* and 694, 694a-b, respectively) ; the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470-470f) ; an Act to Provide for the Preservation of Historical and Archeological Data, as amended (16

U.S.C. 469-469c); the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*); the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001 *et seq.*); the Soil and Water Conservation Act of 1977 (16 U.S.C. 2001 *et seq.*); and the Act of April 27, 1935 (prevention of soil erosion) (16 U.S.C. 590a-f);

(g) Such enforcement functions of the Secretary or other appropriate officer or entity in the Department of the Treasury related to compliance with permits for interstate transport of explosives and compliance with regulations for the storage explosives, Title XI of the Organized Crime Control Act of 1970 (18 U.S.C. 841-848);

(h) (1) The enforcement functions authorized by, and supplemental enforcement authority created by the Act (15 U.S.C. 719 *et seq.*);

(2) All functions assigned to the person or board to be appointed by the President under Section 7(a)(5) of the Act (15 U.S.C. 719e); and

(3) Pursuant to Section 7(a)(6) of the Act (15 U.S.C. 719e), enforcement of the terms and conditions described in Section 5 of the *Decision and Report to the Congress on the Alaska Natural Gas Transportation System*, as approved by the Congress pursuant to Public Law 95-158 (91 Stat. 1268), November 2, 1977 (hereinafter the "*Decision*").

#### *Part II. Other provisions*

*Section 201. Executive Policy Board.*—The Executive Policy Board for the Alaska Natural Gas Transportation System, hereinafter the "Executive Policy Board", which shall be established by executive order, shall advise the Federal Inspector on the performance of the Inspector's functions. All other functions assigned, or which could be assigned pursuant to the *Decision*, to the Executive Policy Board are hereby transferred to the Federal Inspector.

*Section 202. Federal Inspector and Agency Authorized Officers.*—  
(a) The Agency Authorized Officers shall be detailed to and located within the Office. The Federal Inspector shall delegate to each Agency Authorized Officer the authority to enforce the terms, conditions, and stipulations of each grant, permit, or other authorization issued by the Federal agency which appointed the Agency Authorized Officer. In the exercise of these enforcement functions, the Agency Authorized Officers shall be subject to the supervision and direction of the Federal Inspector, whose decision on enforcement matters shall constitute "action" for purposes of Section 10 of the Act (15 U.S.C. 719h).

(b) The Federal Inspector shall be responsible for coordinating the expeditious discharge of nonenforcement activities by Federal agencies and coordinating the compliance by all the Federal agencies with Section 9 of the Act (15 U.S.C. 719g). Such coordination shall include requiring submission of scheduling plans for all permits, certificates, grants or other necessary authorizations, and coordinating scheduling of system-related agency activities. Such coordination may include serving as the "one window" point for filing for and issuance of all necessary permits, certificates, grants or other authorizations, and, consistent with law, Federal government requests for data or information related to any application for a permit, certificate, grant or other authorization. Upon agreement between the Federal Inspector and the head of any agency, that agency may delegate to the Federal

Inspector any statutory function vested in such agency related to the functions of the Federal Inspector.

(c) The Federal Inspector and Agency Authorized Officers in implementing the enforcement authorities herein transferred shall carry out the enforcement policies and procedures established by the Federal agencies which nominally administer these authorities, except where the Federal Inspector determines that such policies and procedures would require action inconsistent with Section 9 of the Act (15 U.S.C. 719g).

(d) Under the authority of Section 15 of the Act (15 U.S.C. 719m), the Federal Inspector will undertake to obtain appropriations for all aspects of the Federal Inspector's operations. Such undertaking shall include appropriations for all of the functions specified in the Act and in the general terms and conditions of the *Decision* as well as for the enforcement activities of the Federal Inspector. The Federal Inspector will consult with the various Federal agencies as to resource requirements for enforcing their respective permits and other authorizations in preparing a unified budget for the Office. The budget shall be reviewed by the Executive Policy Board.

*Section 203. Subsequent transfer provision.*—(a) Effective upon the first anniversary of the date of initial operation of the Alaska Natural Gas Transportation System, the functions transferred by Section 102 of this Plan shall be transferred to the agency which performed the functions on the date prior to date the provisions of Section 102 of this Plan were made effective pursuant to Section 205 of this Plan.

(b) Upon the issuance of the final determination order by the Director of the Office of Management and Budget for the transfers provided for by subsection (a) of this section, the Office and the position of Federal Inspector shall, effective on the date of that order, stand abolished.

*Section 204. Incidental transfers.*—So much of the personnel, property, records and unexpended balances of appropriations, allocations and other funds employed, used, held, available, or to be made available in connection with the functions transferred under this Plan, as the Director of the Office of Management and Budget shall determine, shall be transferred to the appropriate agency or component at such time or times as the Director of the Office of Management and Budget shall provide, except that no such unexpended balances transferred shall be used for purposes other than those for which the appropriation was originally made. The Director of the Office of Management and Budget shall provide for the terminating of the affairs of the Office and the Federal Inspector upon their abolition pursuant to this Plan and for such further measures and dispositions as such Director deems necessary to effectuate the purposes of this Plan.

*Section 205. Effective date.*—This Plan shall become effective at such time or times as the President shall specify, but not sooner than the earliest time allowable under Section 906 of Title 5 of the United States Code, except that the provisions of Section 203 shall occur as provided by the terms of that Section.

