



# Office of the Federal Inspector

## Alaska Natural Gas Transportation System

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July 18, 1985

### MEMORANDUM

TO: The Files

FROM: J. Richard Berman *ARB*

SUBJECT: Consultations with Northern Pipeline Agency (NPA)/National Energy Board (NEB) in Ottawa

On July 3, 1985, Jack Rhett and I met with the following Canadian officials for formal consultations under Article 8 of the Agreement on Principles:

Mitchell Sharp, NPA  
Bruce McDonald, NPA  
Frank Gilhooly, Comptroller, NPA  
Barry Yates, Energy Mines & Resources  
Bill Scotland, NEB  
Ken Vollman, NEB  
Rolland Priddle, Energy Mines & Resources  
Brian Hambleton, External Affairs (Pipelines, etc.)

Patricia (Trish) Lortie, Privy Council's Office and Peter McKellar, External Affairs, joined us for lunch. Following is a brief summary of the matters discussed.

1. Jack Rhett briefed the Canadians on our plans to associate (administratively) with another Agency:
  - ° The OFI would remain a separate agency but obtain its support from the other agency.
  - ° Rhett will be leaving and a new Federal Inspector will be appointed (probably an existing appointee at the other agency who would then wear two hats).
  - ° OFI will be reduced to about five staff members, subject to adjustment based on Sponsor workload.
  - ° OFI will have sufficient funds to carry out its necessary functions.

Rhett also discussed the status of OFI approvals (all pre-remobilization approvals had been completed) and other related matters, including FOIA requests.

2. Mitchell Sharp briefed us on NPA's status:

- NPA will remain a separate agency with a budget for next year of about \$250,000 (Canadian), based on 1-5/6 people. The NEB will handle NPA's administrative arrangements and NPA will continue to occupy their Kent Street offices. Sharp will continue on a part time basis as needed.
- Prebuild responsibility has been transferred back to NEB (all related files will be transferred back shortly).
- Socio-economic terms and conditions have been approved for all but the Yukon. Yukon terms and conditions need to be evaluated in concert with certain employment rights' policies that are in the process of being worked out.
- All Phase II pipe specifications (size, pressure, etc.) are up for reconsideration. Jack stated that the same was true for the Alaska Leg.
- Bill Scotland no longer has any official connection with ANGTS (so as not to jeopardize his ability to act on any ANGTS related matters that might come before the Board). Therefore, any official actions requiring the NEB Designated Officer's approval would require reappointment of such an official (which may or may not be Scotland).