

Tetlin National Wildlife Refuge Land Exchange Proposal

1) Who are we?

The U.S. Fish and Wildlife Service (Service) is the principal federal agency responsible for conserving, protecting, and enhancing fish and wildlife and their habitats for the continuing benefit of the American people. The Service manages the National Wildlife Refuge System, a network of 556 national wildlife refuges and more than 150 million acres. The mission of the National Wildlife Refuge System is to administer a national network of lands and waters for the conservation, management, and where appropriate, restoration of the fish, wildlife, and plant resources and their habitats within the United States for the benefit of present and future generations of Americans. The Tetlin National Wildlife Refuge (Tetlin Refuge) is one of 16 National Wildlife Refuges in Alaska.

2) What transpired?

During the summer of 2011, the Alaska Pipeline Project (APP) approached the Service about the possibility of a land exchange, one of many steps that would be necessary before building the APP's proposed natural gas pipeline from the North Slope of Alaska to Canada. To comply with long-standing contractual agreements in Canada, any pipeline corridor crossing the border from Alaska must first cross about 2 miles of Tetlin Refuge.

3) Why must the Alaska Pipeline Project go through the Tetlin Refuge?

The corridor must cross the Canadian border at a certain point to satisfy contractual agreements made during the 1970s between the First Nations of Canada, the Canadian government and TransCanada Corporation. To comply with these agreements, the route must cross the Tetlin Refuge.

4) Why are we considering this land exchange?

The land exchange was proposed and negotiated as a means of resolving a permitting conflict involving the Alaska Pipeline Project (APP) pipeline corridor. About 2 miles of the 745 mile pipeline route must cross the Tetlin Refuge before entering Canada at a specific site. To issue a pipeline right-of-way permit across Tetlin Refuge land, the Service must comply with the permitting process set forth in Title XI of the Alaska National Interest Conservation Lands Act (ANILCA Title XI). On the other hand, the license issued by the State of Alaska to TransCanada for the APP requires the project to comply with the statutory requirements of the Alaska Gasline Inducement Act (AGIA) and Alaska Natural Gas Pipeline Act (ANGPA). The Federal Energy Regulatory Commission (FERC) regulations also apply.

The problem is that these statutory and regulatory requirements conflict with the ANILCA Title XI timeline, deadlines and process. Consequently, obtaining an ANILCA ROW permit for the 2-mile segment of the project would likely prevent APP from meeting the application filing deadline necessary to obtain FERC certification and receive State of Alaska payments provided by AGIA. Essentially, the permitting for the last 2-mile segment of the project could prevent the development of the entire 745 mile natural gas pipeline project. The land exchange was proposed

by APP and negotiated as a solution to pipeline permitting conflict. It is an option that would provide benefits to the National Wildlife Refuge System, the Service, and the public.

5) What land are we proposing to exchange?

The Service would transfer to The Conservation Fund (TCF) a parcel containing approximately 400 acres of land from within the 932,000 acre Tetlin National Wildlife Refuge. The Tetlin parcel abuts the Canadian border to the east and the northern boundary is 300 feet from the Alaska Highway. The parcel contains the previously disturbed pipeline corridor of the former 'Haines to Fairbanks' pipeline, which is still visible. After receiving title to the land, TCF would issue an easement (comprising about 80 acres) for the Alaska Pipeline Project.

In exchange, TCF would:

- Set up a \$500,000 fund, financed by APP, to purchase additional lands for addition to the Tetlin Refuge or other National Wildlife Refuge in Alaska. These land purchases would be from willing sellers of property containing suitable wildlife habitat.
- Transfer about 515 acres to the Service through exchange and donation to the Neches River National Wildlife Refuge in Texas.

The land exchange would be an equal value exchange (dollar for dollar), based on the Fair Market Value determined by appraisals. The net gain of lands to the National Wildlife Refuge System, through exchange and donation, is valued at \$1.11 million.

6) What is The Conservation Fund (TCF)?

TCF is a national nonprofit, conservation organization that partners with government agencies, communities and businesses to achieve conservation goals. TCF's philosophy is defined in its mission statement:

The Conservation Fund forges partnerships to conserve America's legacy of land and water resources. Through land acquisition, community and economic development, and training and education, the Fund and its partners demonstrate balanced conservation solutions that emphasize the integration of economic and environmental goals.

TCF has expertise and experience in completing complex real estate transactions and has facilitated land acquisitions and exchanges between the Service and private parties throughout the United States. More information about TCF is available on its website at <http://www.conservationfund.org>

7) What would the Refuge System in Alaska gain from this exchange?

As part of the proposed land exchange, The Conservation Fund (TCF) would establish a \$500,000 fund to acquire additional lands for inclusion into the Tetlin Refuge or other Alaska refuge. The fund would be financed by the Alaska Pipeline Project.

8) Why does the proposed land exchange include land in both Texas and Alaska?

The National Wildlife Refuge System is a national network of habitats that benefit wildlife, provide outdoor opportunities for all Americans, and conserve habitats throughout the United States. There is at least one National Wildlife Refuge in each of the 50 states, and one within an hour's drive of most major U.S. cities. The Service strives to maintain the health and integrity of the entire system, which may include adding new lands to the system or exchanging others to meet conservation goals and objectives.

That said, there are many lands in Alaska that would have been suitable for exchange with the parcel in the Tetlin Refuge. The challenge in this case was finding suitable land that could be exchanged within the timeline imposed by the APP permitting process. The Conservation Fund owns the parcel in Texas and is poised to act very quickly. The Neches River National Wildlife Refuge in Texas had already begun negotiating with TCF for the purchase of the parcel. Because much of the preparatory work had already begun, the potential for an efficient and timely land exchange was higher. The decision was made at the national, rather than the local level.

9) How long would TCF own the Tetlin parcel? What happens if the gas pipeline is not built?

Within a few weeks of the land exchange, TCF would donate the parcel back to the Service subject to the pipeline easement. The land would be subject to the easement for a time period specified in the easement terms. These terms have not yet been negotiated.

10) Will I still be able to access and hunt on the Tetlin Refuge parcel after it is exchanged?

Yes. Hunting and public access on the parcel would remain unchanged. Since TCF would donate the land back to the Service within weeks of the exchange, the land would continue to be federal land and federal subsistence regulations would still apply. If a pipeline is eventually built within the easement, there would be a temporary disruption to the parcel during pipeline construction, as one would expect with any construction project.

11) How was the value of the Texas property determined?

The value of the Texas property and the Tetlin parcel were both independently appraised by professional appraisers according to the Uniform Appraisal Standards for Federal Land Acquisitions.

12) Can the public get a copy of the appraisal?

The Service is still negotiating the terms of the exchange. During the negotiation process appraisal reports are confidential and cannot be released to the public. Our policy on appraisals is to make a copy available for viewing in our office after an exchange is finalized. Although we

cannot release a copy of the appraisal report, the results of the appraisals (e.g. cost per acre) will be shared with the public.

13) Is it common for the Service to exchange lands in National Wildlife Refuges?

The Service has the authority to purchase or exchange land under a number of laws. In Alaska, we must offer to exchange lands prior to purchasing them outright (Public Law 105-277, Section 127). Nevertheless, exchanges are both expensive and time consuming. We only consider conducting an exchange proposal if it provides benefits to the refuge or the refuge system.

In Alaska, most exchange proposals come from Native corporations that either wish to consolidate their lands or acquire land closer to the village site. We may pursue a proposed exchange if it would also help us better fulfill the refuge mission or attain our conservation goals. At any one time we may be working on up to 10 land exchanges. Our goal is to complete exchanges within 2-3 years, but many take 5 or more.

14) Has the APP project been approved and permitted? When will the pipeline be built?

The project has not yet been approved or permitted. It is difficult to predict when or if the pipeline will be built. On January 13, 2012, APP filed drafts of Resource Reports 1-11 with the FERC. These reports will eventually form part of the project's application to FERC for a Certificate of Public Convenience and Necessity (CPCN), currently planned for October, 2012. Project timing will depend on regulatory approvals, commercial support from natural gas shippers, and project approval from the project sponsors.

15) Why is the land exchange being proposed at this time since the time for pipeline construction is uncertain?

Pipeline projects often pursue easements over old rights-of-way. In this case, APP is proposing to use the former Haines to Fairbanks pipeline easement that is now within Tetlin Refuge. APP is proactively planning to acquire the easement now to facilitate preparations for the filing of the project's CPCN in October, 2012.