

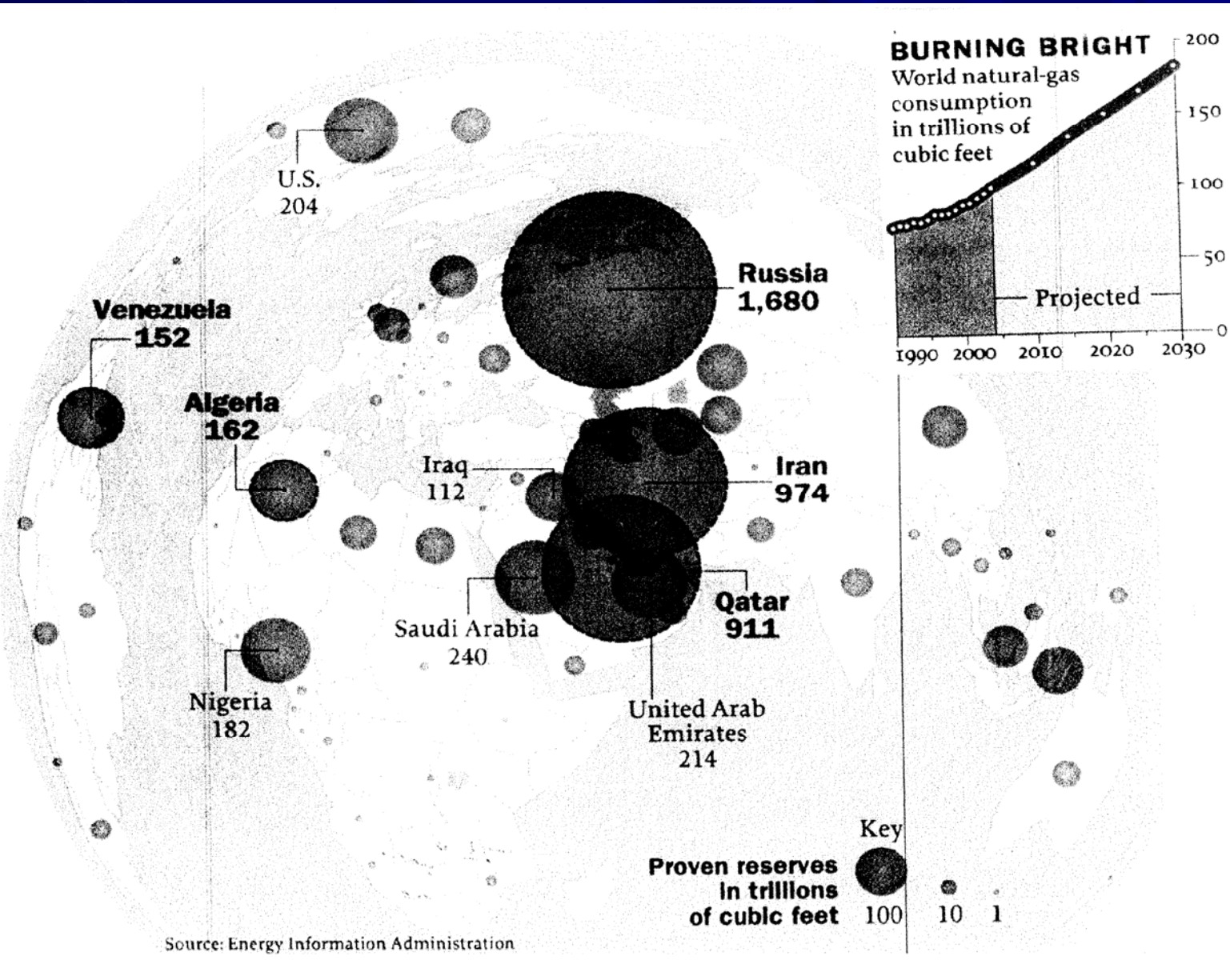


# **U.S Energy Policy Alaska Natural Gas Pipeline**

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Office of the Federal Coordinator  
Alaska Natural Gas Transportation Projects**

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# Proven World Gas Reserves



# North Slope Alaska Gas Resources

- Discovered conventional resources:  
Onshore - 35 TCF, (NPC, 2003)
- Undiscovered conventional resources:  
Onshore - 72 TCF, (NPC, 2003)  
Offshore - 97 TCF, (NPC, 2003)
- Nonconventional resources:  
Coal bed gas - 44 TCF, (NPC, 2003)  
Eileen gas hydrate in-place - 42 TCF, (Collett, 1993)  
Tarn gas hydrate in-place - 60 TCF, (Collett, 1999)
- Undiscovered hydrate in-place - 560 TCF, (Collett, 1995)

# Unprecedented in Size and Scope

- One Alaska Gas Pipeline configuration is approximately 450% longer than Trans-Alaska Pipeline
- International boundary crossing and cross-border coordination
- Much bigger than a typical large-diameter transmission pipeline (MAOP, diameter, etc.)
- Entirely buried along route except at certain river crossings

# Potential Alaska North Slope Gas Pipeline Project Facilities

## Upstream

- Prudhoe Bay
- Point Thomson
- Other gas

## Gas Treatment Plant

~4.5 billion cubic feet/ day

## Alaska to Alberta Pipeline

Buried pipeline  
52 inch, 2500 psi

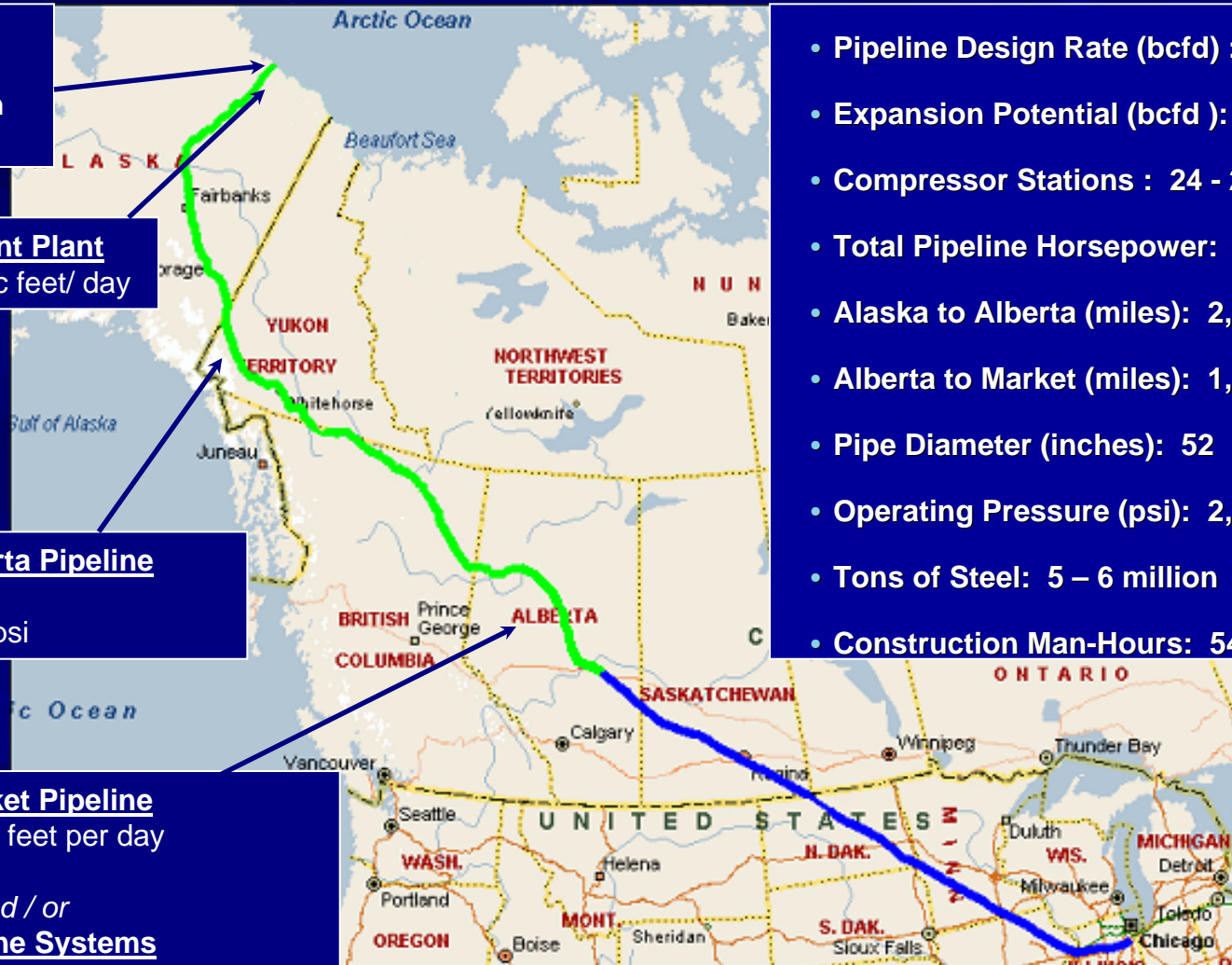
## Alberta to Market Pipeline

~4 billion cubic feet per day  
To Chicago

and / or

## Existing Pipeline Systems

- Pipeline Design Rate (bcfd) : 4.5
- Expansion Potential (bcfd) : 5.6
- Compressor Stations : 24 - 28
- Total Pipeline Horsepower: 1.2 – 1.4 million
- Alaska to Alberta (miles): 2,100
- Alberta to Market (miles): 1,500
- Pipe Diameter (inches): 52
- Operating Pressure (psi): 2,000 – 2,500
- Tons of Steel: 5 – 6 million
- Construction Man-Hours: 54 million+



# Alaska Natural Gas Transportation Act (ANGTA)

- Federal legislation passed in 1976 authorizing pipeline
- Project not developed due to high cost of project and insufficient economics
- Department of the Interior issued ROW in 1980
- ANGTS owned exclusively by TransCanada

# Alaska Natural Gas Pipeline Act

## Signed into Law on 10/13/04

- Establishes Federal Coordinator
- ANGTA Certificate Valid/NGA Applications OK
- No “Over-the-Top” Route
- Public Need & Downstream Capacity Presumed
- Loan Guarantee Program
- Alternate Construction Study
- FERC -- “Open-Season” Rules Completed
- FERC is Lead Environmental Agency



# Tax Bill Provisions

- Accelerated depreciation for the pipeline, but not the gas processing plant
- Enhanced Oil Recovery tax credit for a gas processing plant which also produces CO<sub>2</sub> for re-injection into the field

# Federal Coordinator

- Nominated by President: June 9, 2006
- Confirmed by Senate: August 3, 2006
- Sworn in by VP Cheney: December 13, 2006
- Heads the Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects established by section 106(a)
- All functions and authority of the Federal Inspector of Construction for the Alaska Natural Gas Transportation System vested in the Secretary of Energy under the Energy Policy Act of 1992, including all functions and authorities described in the Reorganization Plan No. 1 of 1979, EO No. 12142 of June 21, 1979, and section 5 of the President's decision transferred to the Federal Coordinator

# Federal Coordinator

- Federal Coordinator ensures the expeditious discharge (and compliance) of all related activities by federal agencies
  - Expedited reviews and actions
  - Prohibition of certain terms and conditions
  - Prohibition of certain actions
- Federal Coordinator shall have primary surveillance and monitoring responsibility for the Alaska Natural Gas Transportation Project on federal and private lands

# Federal Coordinator

- FERC NEPA “Pre-Filing Process” will be utilized to facilitate pre-application dialogue between all stakeholders, including permitting agencies
- Office of Federal Coordinator will assist FERC in expedited review by Federal agencies
- Existing May 2002 Interagency Agreement on early coordination of NEPA and Historic Preservation Reviews for interstate pipelines
- A Federal Interagency MOU specific to the implementation of this project, that includes all participating departments was signed in June 2006

# Federal Agencies

- **Office of Federal Coordinator**
- **Council on Environmental Quality**
- **Federal Energy Regulatory Commission**
- **Department of Interior**
  - Bureau of Land Management
  - Bureau of Indian Affairs
  - U.S. Fish and Wildlife Service
  - Minerals Management Service
  - National Park Service
  - U.S. Geological Service
- **Department of Energy**
- **Department of Transportation**
  - FHWA
  - PHMSA
  - FAA
- **Department of Treasury**
- **Department of Defense**
  - U.S. Army Corps of Engineers
- **Department of Commerce**
  - NOAA
  - NMFS
- **Department of Homeland Security**
  - U.S. Coast Guard
- **Department of Labor**
- **Environmental Protection Agency**
- **Department of State**
- **Department of Agriculture**
- **Advisory Council on Historic Preservation**
- **Department of Justice**
- **Federal Communications Commission**

# Summary of Federal Agency Permits and Approvals

- Federal Energy Regulatory Commission
  - Certificate of Public Convenience and Necessity
- U.S. Bureau of Land Management
  - Rights-of-Way
  - Archaeological Resources
- U.S. Fish & Wildlife Service
  - ESA Incidental Take Permit
  - Land Use
- U.S. Environmental Protection Agency
  - SPCC Plan
  - Storm Water Plans
  - RCRA Storage & Disposal
  - NPDES Permits
- U.S. Army Corps of Engineers
  - Section 404 Permit
  - Section 10 Permit
- U.S. Coast Guard
  - Navigable Waters Construction
- Department of Defense
  - Land Use
- Federal Communications Commission
  - Communications Towers
- Federal Aviation Administration
  - Airport Use & Operations

# Federal Interdepartmental MOU

- Establishes a project management framework, for cooperation among Participating Agencies with responsibilities related to the approval of an Alaska natural gas transportation project.
- Participating Agencies agree to use best efforts to achieve early coordination and compliance with deadlines and procedures established by relevant agencies.



# Planning with Uncertainties

- Legislative Basis –ANGTA, ANGPA and the Alaska Gasline Inducement Act (May 2007)
- Timing of Application (November 2007)
- Applicant Selection (January 2008)
- Alaska Legislative Resolution (February 2008)
- 2008 and 2009 Field Seasons

