Proposed Action: On April 1, 2015, Alyeska Pipeline Service Company (APSC), agent for the Trans-Alaska Pipeline System (TAPS) lessees, requested an amendment to modify the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574, to add approximately 0.8 acres of State land along and within the floodplain of the Sagavanirktok River.

The lands proposed to be added to the right-of-way is a 150 foot by 225 foot area within the generally described location:

SE4SE4 Section 22, Township 1 South, Range 14 East, Umiat Meridian, Alaska, those lands below the Ordinary High Water Line of the Sagavanirktok River adjacent to the TAPS right-of-way boundary at Pipeline Milepost (PLMP) 67.7 Spur Dike.

The purpose of the request is to add lands for installation of a deep anode groundbed to enhance the existing groundbed and corrosion protection of the buried TAPS mainline. The anode groundbed will be composed of an 8-inch diameter drilled angle hole, cased with steel pipe, and will be approximately 300 feet in depth. This additional land will be necessary to support the existing pipeline system as defined in AS 38.35.230(7) and authorized by the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574. See drawings for more details (Attachments A and B).

Authority: AS 38.35.015 and Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574.

Administrative Record: Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574, and the associated Right-of-Way Lease Amendment case file.


Per AS 38.35.070, the following coordinate agencies were notified of the application: Alaska Department of Environmental Conservation, Department of Labor and Workforce Development, Department of Transportation and Public Facilities, and the Regulatory Commission of Alaska.
On April 9, 2015, the State Historic Preservation Office determined that no historic properties were affected by this proposed action and provided confirmation of its determination to the SPCO.

**Project Description:** The mainline PLMP 67.7 deep anode groundbed will be installed from a sparsely-vegetated gravel bar at the periphery of the Sagavanirktok River floodplain, just below the ordinary high water mark, adjacent to an existing TAPS Spur Dike. The anode groundbed is comprised of a drilled angle hole approximately 300 feet in depth, 8-inch diameter and cased with steel pipe. The inside of the steel casing will be filled with anodes (ground rods) and calcined petroleum coke (carbon). The coke column will extend from the bottom of the cased hole to about 30 feet from the surface and the top remainder of the casing filled with bentonite to seal that section of the ground bed assembly.

Each of the anodes will have a wire attached that will be routed to a junction box by direct burial. Along with the anode lead wires, a 1-inch diameter PVC vent pipe will be installed from the bottom of the drilled groundbed to the junction box. The junction box will be installed on the exiting spur dike.

A rubber tire rotary drill rig will be utilized for drilling the groundbed similar to that used for the drilling of conventional potable water wells. A boom truck will be used to load the anodes, and a backhoe will be used for trench excavations to route cables from the anode groundbed to the junction box. Other minor equipment common to Alyeska projects, including loaders, communication shacks and portable toilets may be temporarily placed on site.

The purpose of adding land under this proposed amendment, is to supplement the existing groundbed that has failed, and to accommodate the construction activities. The improvements will enhance the protection of the buried pipeline from corrosion.

**Title:** The State of Alaska received title to the lands in Section 22, Township 1 South, Range 14 East, Umiat Meridian, pursuant to tentative approval from the Bureau of Land Management on October 1, 1992 (GS-5305). The Department of Natural Resources transferred the lands via Quit Claim Deed on September 15, 2007, to the Board of Regents of the University of Alaska, Trustees for the University of Alaska. The University of Alaska transferred the land back to the Department of Natural resources by Statutory Quit Claim Deed (OSL 1425) on May 3, 2010.

**Planning and Classification:** The lands encompassed by this application were classified as Transportation Corridor (TRC) under classification, CL-NC-02-002; are subject to ADL 50666, North Slope Area Special Use Lands; and are within the Dalton Highway corridor (AS 19.40.010). The lands are closed to mineral entry by Mineral Order (MO) 1147, dated August 1, 2014.
A land classification establishes the apparent best use of an area, but all other uses are presumed as compatible unless otherwise prohibited. According to 11 AAC 55.205, land classified as Transportation Corridor land is identified for the location of easements and rights-of-way under AS 38.04.065(f), including transportation, pipeline, or utility corridor purposes, or is under consideration for a right-of-way lease. Classification (CL-NC-02-002) is for pipeline purposes, therefore the proposed use is compatible under the classification.

The North Slope Area Special Use Lands (ADL 50666) designation requires that in addition to permitting requirements under 11 AAC 96.010, a permit is required for motorized vehicle use, unless that use is for subsistence purposes or is on a graveled road. The requirement for a permit or authorization would be fulfilled through the issuance of this proposed right-of-way lease amendment. This requirement does not prohibit the development of lands within the Umiat Meridian and does not prohibit the construction of a deep anode groundbed.

The designated area for the Dalton Highway corridor (AS 19.40) does not prohibit the issuance of this right-of-way amendment for the construction of a deep anode groundbed. Pursuant to AS 19.40.200(a), the state may not dispose of state land under AS 38 that is within five miles of the highway right-of-way. However, AS 19.40.200(b)(4) states the prohibition on disposal of state land under (a) of this section does not apply to a disposal for lands necessary for exploration, development, production or transportation of oil or gas in this project area.

The purpose of the deep anode groundbed is to improve cathodic protection of the buried pipeline and protecting the integrity of TAPS and is consistent with the management intent of the area for resource management. There is nothing in the classification, special use designation, or the Dalton Highway corridor designation that prohibits the issuance of this right-of-way amendment for the installation of a deep anode groundbed.

**Public Notice:** Notice of this Analysis and Proposed Decision will be published in the Alaska Dispatch and Fairbanks Daily News-Miner on May 28, 2015. It will also be sent for posting in the Prudhoe Bay, Coldfoot and Fairbanks Post Offices and posted on the State of Alaska and SPCO On-Line Public Notice web pages.

If public comment indicates the need for significant changes in the proposed decision, additional public notice will be given on or after June 29, 2015. If no significant change is required, the proposed decision, including any minor changes, will be issued as the final decision of the Department of Natural Resources after June 26, 2015, without further notice.

**Analysis:** AS 38.35, the Alaska Right-of-Way Leasing Act, sets forth the procedures by which certain right-of-way leases are granted by the State of Alaska and the conditions under which they can be amended. As set out in AS 38.35.010, it is the policy of the state that development, use, and control of a pipeline transportation system make the maximum contribution to the development of the human resources of this state, increase the standard of living for all its
residents, advance existing and potential sectors of its economy, strengthen free competition in its private enterprise system, and carefully protect its incomparable natural environment.

Pursuant to AS 38.35.015, the Commissioner has the power to grant leases of state land for pipeline right-of-way purposes. The Commissioner found it to be in the best interest of the residents of the State of Alaska to issue the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574 on May 3, 1974, and the Renewal and Amendment of Right-of-Way Lease for the Trans-Alaska Pipeline and Associated Rights, ADL 63574 (effective on May 2, 2004). The terms, conditions, stipulations and reservations contained in the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574, will apply to these lands if added to the lease.

AS 38.35.020(a) requires the applicant to obtain a right-of-way lease on state land from the Commissioner. Although the authorization request to install a deep anode groundbed to enhance the existing groundbed is to improve the protection of the buried pipeline from corrosion and is consistent with the original purpose of the lease, the proposed amendment involves a disposal of an interest in state land beyond what was included during the original adjudication. An amendment to the lease is required when there is a need to dispose of an interest in state land or resources beyond what was issued under the original adjudication.

The requested action proposes to install a deep anode groundbed from a sparsely-vegetated gravel bar at the periphery of the Sagavanirktok River floodplain just below the ordinary high water mark adjacent to an existing TAPS Spur Dike. This activity will supplement the existing groundbed and enhance cathodic protection around the buried pipeline, which is defined by Stipulation 1.1.1.36(8) of the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574, as “Related Facilities,” the substantial and continuous use of which is necessary for the operation or maintenance of the TAPS pipeline.

Findings: The installation of a deep anode groundbed will improve TAPS integrity and is consistent with the management intent of the area for land classified as Transportation Corridor.

The installation of the deep anode is an activity governed by and administratively provided for in the lease. The installation of a deep anode groundbed will be a "Related Facility," as defined by the lease, and it will be managed under the lease. The proposal to add the above-described lands to the TAPS Right-of-Way Lease, ADL 63574, is consistent with the lease. The terms, conditions and stipulations contained in TAPS Right-of-Way Lease, ADL 63574, adequately address and protect the interest of the State of Alaska. The lessee is required to secure all necessary permits or authorizations required by other state and federal agencies.

The SPCO will examine the project area upon completion of the construction activities to ensure all lands are in a condition acceptable to the Commissioner. The Right-of-Way Lease Amendment will require an as-built survey that ties the deep anode to the pipeline centerline for review and acceptance by the Commissioner, pursuant to Section 1(e) of the Trans-Alaska
The addition of these lands to the lease does not constitute a significant amendment to the lease since the impact on State resources will be negligible and the project does not conflict with or significantly change existing use of the land. Approval of the request for the amendment for addition of the described lands is a function of the lease, and is consistent with state statutes and terms of the lease.

**Proposed Decision:** I find that the application to amend the Trans-Alaska Pipeline Right-of-Way Lease, ADL 63574, to include the lands described in this proposed decision is in the best interest of the State and does not constitute a significant amendment to the lease.

If no significant change is required as a result of public comment or objection, then the proposed decision, including any minor changes, will be issued as the final decision of the Department of Natural Resources after June 29, 2015, without further notice.

Jodi Delgado-Pijkat  
Natural Resource Specialist III  
Date: 5/27/15

Don Perrin  
Acting State Pipeline Coordinator  
Date: 5/27/15

Attachment A: Trans-Alaska Pipeline System, Deep Anode Groundbed PLMP 67.7 Location and Vicinity Map, Sheet 1 of 4, dated 02/16/15 (1 page)

Attachment B: Trans-Alaska Pipeline System, Deep Anode Groundbed PLMP 67.7 Site Plan, Sheet 2 of 4, dated 02/16/15 (1 page)
PUMP STATION 2
6.8 MILES

PUMP STATION 3
33.5 MILES

USGS SAGAVANIRKTOK (B-3), ALASKA QUADRANGLE: 63,360 SERIES
PROJECT LOCATION
69.3347° N 148.7156° W
SW 1/4 SE 1/4 SEC 22 T1S R14E
UMIAT MERIDIAN

APPROXIMATE QUANTITIES

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ADJACENT PROPERTY OWNER: STATE OF ALASKA
DEEP ANODE GROUND BED
LOCATION & VICINITY MAP

ALYESKA PIPELINE SERVICE CO.
TRANS ALASKA PIPELINE SYSTEM
DATE: 02-26-15
A-00-PER677

SCALE: AS NOTED
SHEET_1_ OF _4_