



US Army Corps
of Engineers
Alaska District

Public Notice of Application for Permit

FAIRBANKS FIELD OFFICE
Regulatory Division (1145)
CEPOA-RD
2175 University Avenue, Suite 201E
Fairbanks, Alaska 99709-4927

PUBLIC NOTICE DATE: November 4, 2013

EXPIRATION DATE: December 3, 2013

REFERENCE NUMBER: POA-2007-964-M1

WATERWAY: Tanana River

Interested parties are hereby notified that a Department of the Army permit application has been received for work in waters of the United States as described below and shown on the enclosed project drawings.

Comments on the described work, with the reference number, should reach this office no later than the expiration date of this Public Notice to become part of the record and be considered in the decision. Please contact Greg Mazer at (907) 474-2166, or by email at Gregory.j.mazer@usace.army.mil if further information is desired concerning this notice.

APPLICANT: Fairbanks Natural Gas, LLC, Mr. Doug Smith, 3408 International Street, Fairbanks, Alaska 99701

AGENT: URS Corporation, Mr. Bill Craig, 3201 C Street, Suite 200, Anchorage, Alaska 99503

LOCATION: The project site is located within Section 29, T. 1 S., R. 1 W., Fairbanks Meridian; USGS Quad Map Fairbanks D-2; Latitude 64.8041° N., Longitude 147.8006° W.; Tanana Levee Industrial Park, Tax Lot 2906, Tracts C and D; Fairbanks, Alaska.

PURPOSE: The applicant's stated purpose is to augment the storage and supply of liquefied natural gas (LNG) available for consumption in the Fairbanks area. The proposed project would eliminate the need for customers to interrupt their service and

switch to an alternative heat source such as oil. The project would reduce the high cost of space heating for customers and reduce the generation of PM_{2.5} particulates, which degrades air quality.

PROPOSED WORK: The applicant proposes to place gravel fill in 7.66 acres of jurisdictional wetlands to construct a 5.5 million gallon LNG storage tank at the existing facility on Tria Road. All work would be performed in accordance with the enclosed plan, (sheets 1-5), dated October 28, 2013.

ADDITIONAL INFORMATION: The original permit for this project, issued June 7, 2007, authorized placement of fill in 5.2 acres of jurisdictional wetland for the construction of the gravel pad and the existing facility located in the eastern part of the site. The existing pad, which is 3.7 acres in size, supports facility owned and managed by Fairbanks Natural Gas (FNG) for the storage and vaporization of LNG. The proposed project would allow FNG to expand its distribution system, which currently serves over 1,100 commercial and residential customers.

APPLICANT PROPOSED MITIGATION: The applicant proposes the following mitigation measures to avoid, minimize, and compensate for impacts to waters of the United States from activities involving discharges of dredged or fill material.

a. Avoidance: According to the applicant, avoidance of wetland impacts is not feasible because the undeveloped part of the property is almost entirely wetlands. Constructing the proposed tank at a different property is not practicable because the existing property is currently owned by the applicant, zoned for industrial use, has adequate room for expansion, and connected to roads adequate for truck transport.

b. Minimization: The existing facility must remain in operation during the proposed construction and therefore only a small portion of it would be used to support the proposed LNG tank. The proposed tank and associated gravel pad would be constructed immediately west and adjoining the existing facility. The existing gravel pad would be used for accessing the proposed facility, minimizing the extent of fill that would be needed for that purpose. The 8.6-acre portion of the property not proposed for construction would remain undisturbed as much as reasonably possible.

c. Compensatory Mitigation: The applicant proposed to pay an In-Lieu Fee to The Conservation Fund for the unavoidable impacts to 7.66 acres of wetlands.

WATER QUALITY CERTIFICATION: A permit for the described work will not be issued until a certification or waiver of certification, as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Alaska Department of Environmental Conservation.

CULTURAL RESOURCES: The latest published version of the Alaska Heritage Resources Survey (AHRs) has been consulted for the presence or absence of historic properties, including those listed in or eligible for inclusion in the National Register of Historic Places. There are no listed or eligible properties in the vicinity of the worksite. Consultation of the AHRs constitutes the extent of cultural resource investigations by

the District Commander at this time, and he is otherwise unaware of the presence of such resources. This application is being coordinated with the State Historic Preservation Office (SHPO). Any comments SHPO may have concerning presently unknown archeological or historic data that may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work.

ENDANGERED SPECIES: No threatened or endangered species are known to use the project area.

We have determined the described activity would have no effect on any listed or proposed threatened or endangered species and would have no effect on any designated or proposed critical habitat, under the Endangered Species Act of 1973 (87 Stat. 844). Therefore, no consultation with the U.S. Fish and Wildlife Service or the National Marine Fisheries Service is required. However, any comments they may have concerning endangered or threatened wildlife or plants or their critical habitat will be considered in our final assessment of the described work.

ESSENTIAL FISH HABITAT: The Magnuson-Stevens Fishery Conservation and Management Act, as amended by the Sustainable Fisheries Act of 1996, requires all Federal agencies to consult with the NMFS on all actions, or proposed actions, permitted, funded, or undertaken by the agency, that may adversely affect Essential Fish Habitat (EFH).

No EFH species are known to use the project area. We have determined the described activity would not adversely affect EFH in the project area.

TRIBAL CONSULTATION: The Alaska District fully supports tribal self-governance and government-to-government relations between Federally recognized Tribes and the Federal government. Tribes with protected rights or resources that could be significantly affected by a proposed Federal action (e.g., a permit decision) have the right to consult with the Alaska District on a government-to-government basis. Views of each Tribe regarding protected rights and resources will be accorded due consideration in this process. This Public Notice serves as notification to the Tribes within the area potentially affected by the proposed work and invites their participation in the Federal decision-making process regarding the protected Tribal right or resource. Consultation may be initiated by the affected Tribe upon written request to the District Commander during the public comment period.

PUBLIC HEARING: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each particular case. The benefits, which reasonably

may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. The outcome of the general balancing process would determine whether to authorize a proposal, and if so, the conditions under which it will be allowed to occur. The decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving 404 discharges, a permit will be denied if the discharge that would be authorized by such permit would not comply with the Environmental Protection Agency's 404(b)(1) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Commander determines that it would be contrary to the public interest.

The Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

AUTHORITY: This permit will be issued or denied under the following authority:

(X) Discharge dredged or fill material into waters of the United States – Section 404 Clean Water Act (33 U.S.C. 1344). Therefore, our public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

Project drawings and a Notice of Application for State Water Quality Certification are enclosed with this Public Notice.

District Commander
U.S. Army, Corps of Engineers

Enclosures

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION
DIVISION OF WATER
401 Certification Program
Non-Point Source Water Pollution Control Program

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
WQM/401 CERTIFICATION
555 CORDOVA STREET
ANCHORAGE, ALASKA 99501-2617
PHONE: (907) 269-7564/FAX: (907) 334-2415

NOTICE OF APPLICATION FOR STATE WATER QUALITY CERTIFICATION

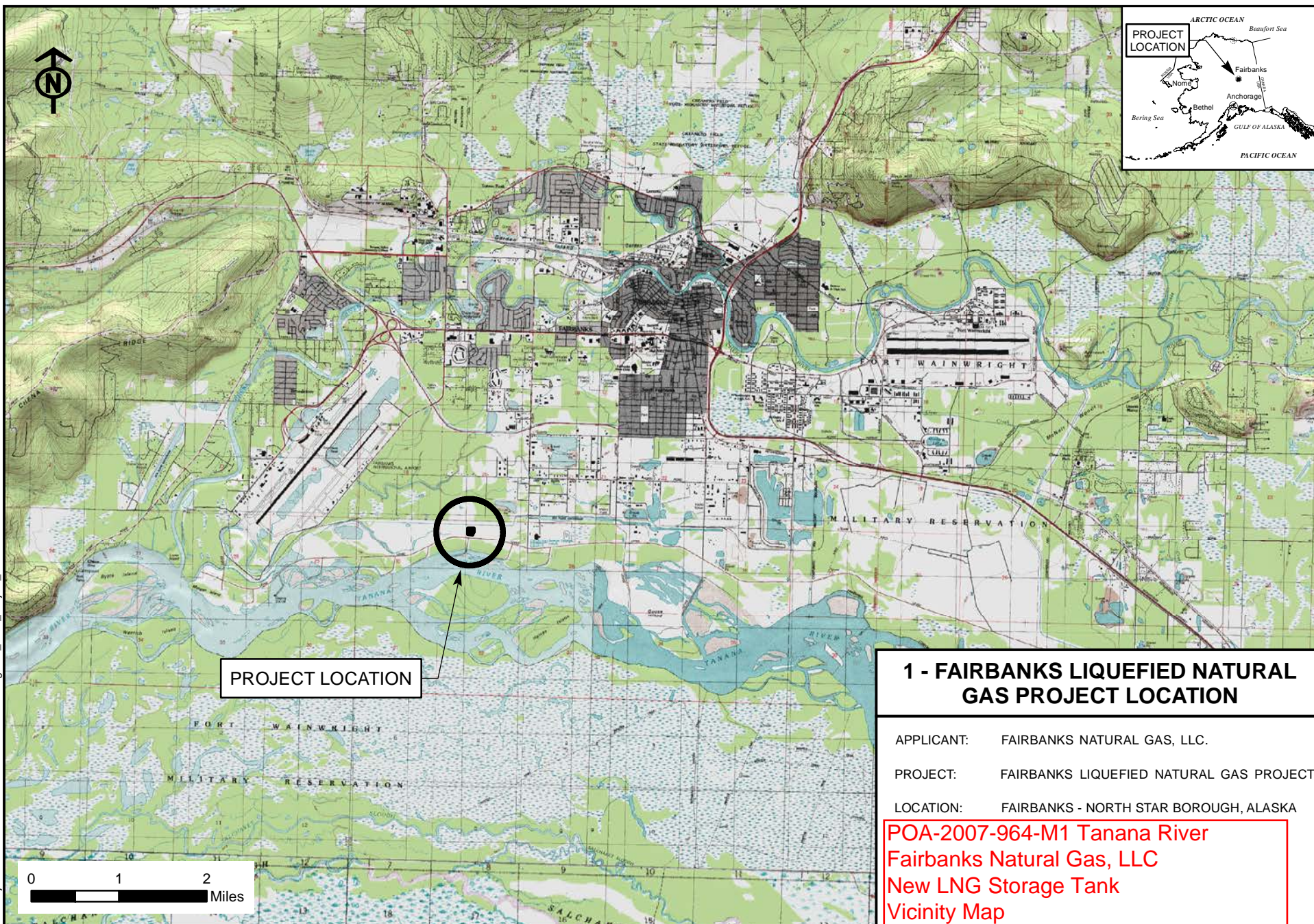
Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the U.S. Army Corps of Engineers and the Department of Environmental Conservation, application for a Department of the Army permit to discharge dredged or fill material into navigable waters under Section 404 of the Clean Water Act also may serve as application for State Water Quality Certification.

Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice No. **POA-2007-964-M1, Tanana River**, serves as application for State Water Quality Certification from the Department of Environmental Conservation.

After reviewing the application, the Department may certify there is reasonable assurance the activity, and any discharge that might result, will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

Any person desiring to comment on the project, with respect to Water Quality Certification, may submit written comments to the address above by the expiration date of the Corps of Engineer's Public Notice.

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PROJECT LOCATION

1 - FAIRBANKS LIQUEFIED NATURAL GAS PROJECT LOCATION

APPLICANT: FAIRBANKS NATURAL GAS, LLC.
 PROJECT: FAIRBANKS LIQUEFIED NATURAL GAS PROJECT
 LOCATION: FAIRBANKS - NORTH STAR BOROUGH, ALASKA

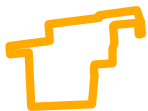
POA-2007-964-M1 Tanana River
 Fairbanks Natural Gas, LLC
 New LNG Storage Tank
 Vicinity Map
 Sheet 1 of 5

October 28, 2013

POA-2007-964-M1 Tanana River, site boundary



Legend



POA-2007-964-M1
project boundary

Fairbanks Field Office
ArcGIS 10.1 Map
Compiled By: GJM

Date



Scale: 1:2,400
1 inch = 200 feet

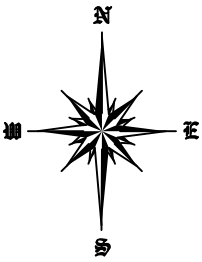
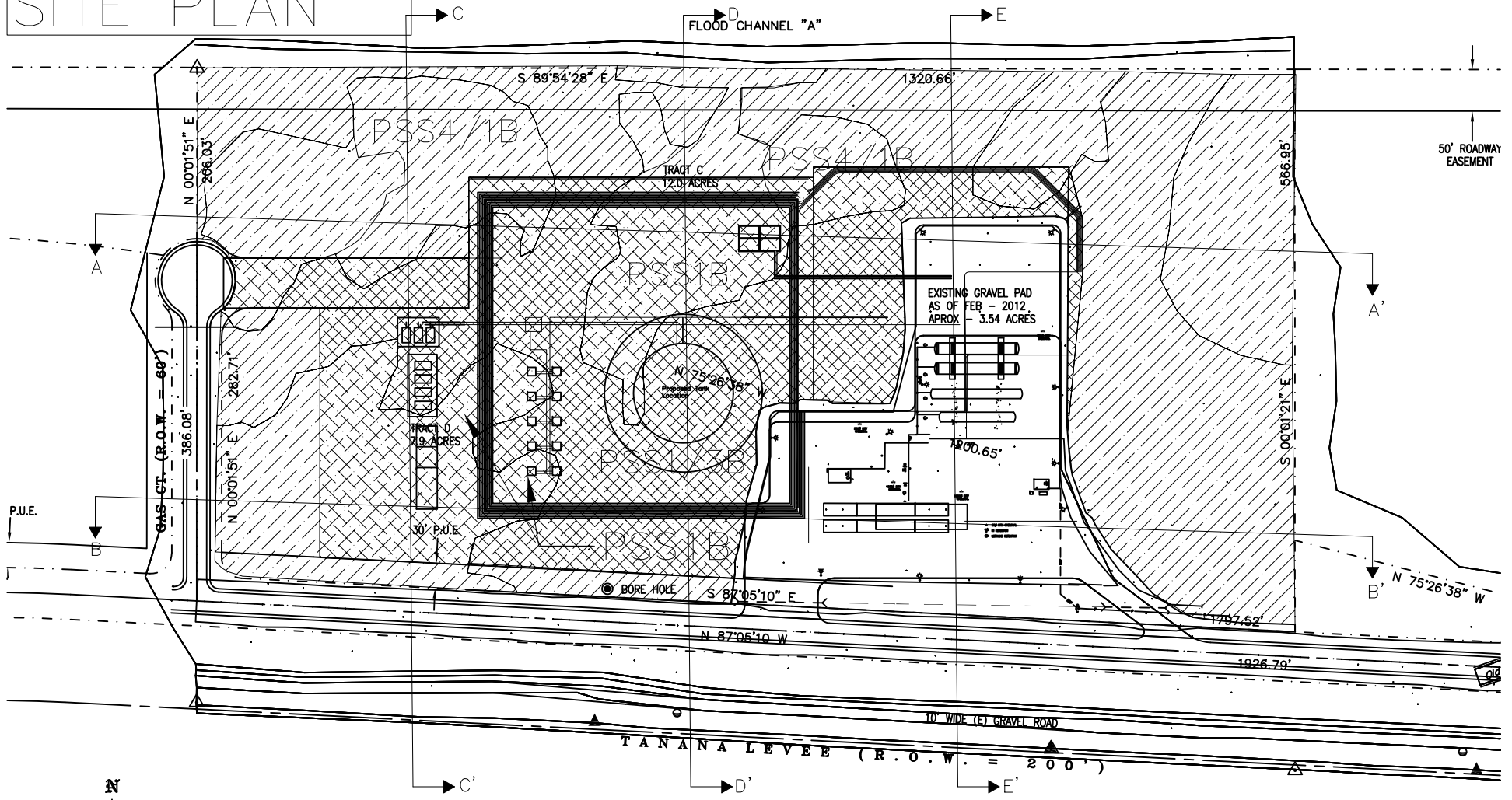
POA-2007-964-M1 Tanana River
Fairbanks Natural Gas, LLC
New LNG Storage Tank
Project Boundary



Sheet 2 of 5

October 28, 2013



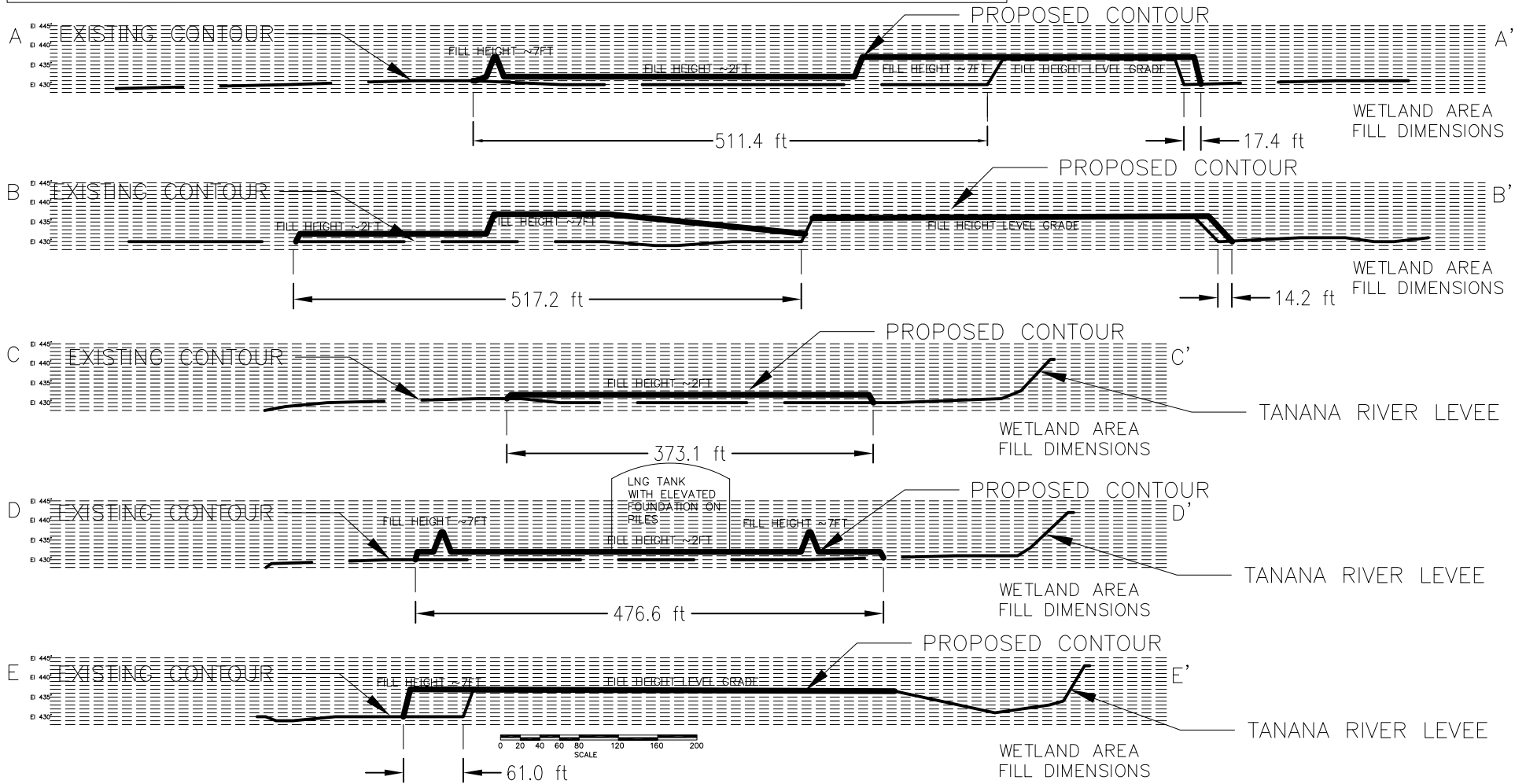
SITE PLAN



 WETLANDS
 PROPOSED FILL IN EXISTING WETLANDS
 NOTE: TANANA RIVER WATER ELEVATION APPROXIMATELY EL 429
 -ELEVATION DATUM NAVD 1988

Applicant: FAIRBANKS NATURAL GAS
 File No.: POA-2007-964-M1
 Waterway: TANANA RIVER
 Project: **POA-2007-964-M1 Tanana River**
 Section: **Fairbanks Natural Gas, LLC**
 Location: **New LNG Storage Tank**
 Sheet: **Site Plan**

WETLAND FILL CROSS SECTIONS

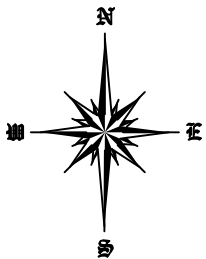
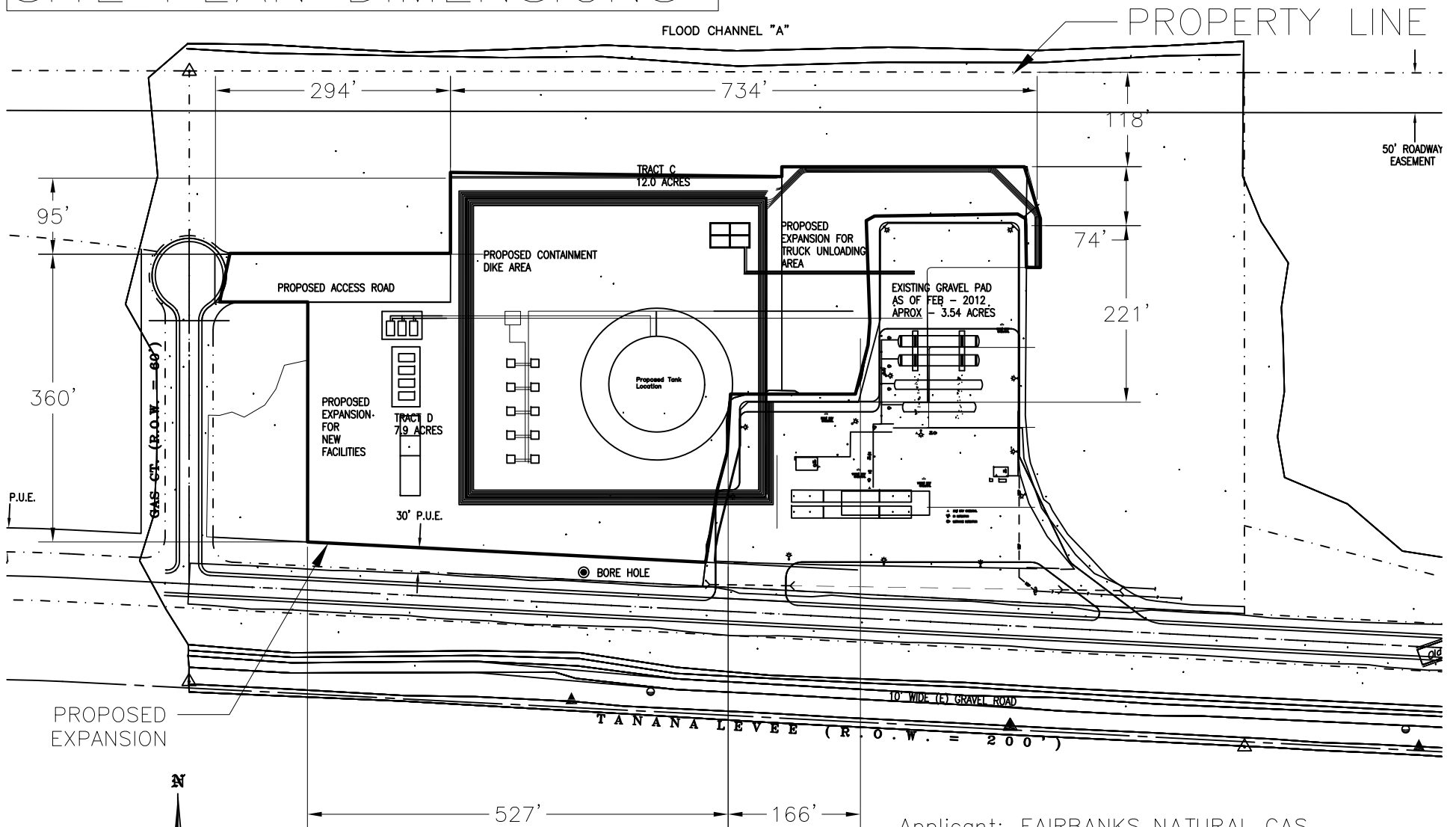


NOTE:
 -ALL FILL SLOPES ARE ANTICIPATED TO BE 2:1
 -VERTICAL ELEVATIONS ARE EXAGGERATED TO SHOW CHANGES IN ELEVATION
 -WETLAND BOUNDARIES DELINEATED 18 SEP 2013

Applicant: FAIRBANKS NATURAL GAS
POA-2007-964-M1 Tanana River
Fairbanks Natural Gas, LLC
New LNG Storage Tank
Wetland Fill Cross-Sections
Sheet 4 of 5 **October 28, 2013**

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SITE PLAN DIMENSIONS



NOTE:
 -PROPOSED EXPANSION COVERS ~7.66 ACRES WITH ~ 43,330 CY OF FILL
 -TANANA RIVER APPROXIMATELY 1,230 FT SOUTH
 -APPLICANT PROPOSES TO COMPENSATE FOR ALL IMPACTS TO JURISDICTIONAL WATERS VIA PARTICIPATION IN THE IN-LIEU FEE MITIGATION PROGRAM SPONSORED BY THE CONSERVATION FUND

Applicant: FAIRBANKS NATURAL GAS
 File No.: POA-2007-964-M1

POA-2007-964-M1 Tanana River
Fairbanks Natural Gas, LLC
New LNG Storage Tank
Site Plan Dimensions
Sheet 5 of 5

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