

Regulatory Division (1145) CEPOA-RD Post Office Box 6898 JBER, Alaska 99506-0898

Public Notice of Application for Permit

PUBLIC NOTICE DATE: January 16, 2013

EXPIRATION DATE: February 19, 2013

REFERENCE NUMBER: POA-2012-927

WATERWAY: Cook Inlet

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 **Shannon Morgan** at (907) 753-5556; toll free from within Alaska at (800) 478-2712, by fax at (907) 753-5567, or by email at **Shannon.R.Morgan@usace.army.mil**, if further information is desired concerning this notice.

<u>APPLICANT</u>: Cook Inlet Energy, 601 West 5th Avenue, Suite 310, Anchorage, Alaska 99502.

AGENT: Michael Baker Jr., Inc., Attention: Mr. Victor Ross, 1400 West Benson Blvd., Suite 200, Anchorage, Alaska 99503; (907) 273-1652.

<u>LOCATION</u>: The project site is located within Section 16, T. 8 N., R. 14 W., Seward Meridian; USGS Quad Map Kenai D-5; Latitude 60.7834° N., Longitude -151.7503° W.; approximately 20 miles northwest of Nikiski, Alaska, on the western shore of Cook Inlet, at the West Forelands, near Trading Bay.

SPECIAL AREA DESIGNATION: None.

 $\overline{\text{PURPOSE}}$: The applicant's stated purpose is to expand an existing pad for oil and gas drilling operations. The pad is needed for a lay down area and increased equipment storage.

PROPOSED WORK: Place 7,570 cubic yards of pit run sand and gravel in 0.94 acre of wetlands, to construct the irregularly shaped pad. This would expand the existing West McArthur Oil and Gas pas to the south, and total pad expansion would be 3.1 acres (including uplands and wetlands). All work would be performed in accordance

with the enclosed plan (sheets 1-4), sheets 1-2 dated October 27, 2010, sheet 3 dated December 12, 2012, and sheet 4 dated December 13, 2012.

<u>APPLICANT PROPOSED MITIGATION</u>: 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. The following is quoted from the permit application:

"Avoidance: The project is designed to avoid wetland impacts by taking advantage of the existing disturbed land. The existing access road to the south and the disturbed area to the east were used as boundaries and incorporated into the proposed pad. The already disturbed and constructed pad to the south was incorporated into the design to avoid impacting additional wetlands.

Minimization: The in-place roads will serve as the edges of the new proposed fill pad. The new gravel fill will abut the existing pad to the north and use the existing road for access. The fill design was separated into the southwest and southeast sections to maximize the existing road and terrain features. The minimum amounts of wetlands have been proposed for filling.

Compensation: The 40,876 square foot (0.94 acres) wetland parcel has already been degraded by industrial development in the area, including roads (see Figure 2). Industrial pads with oil and gas infrastructure exist to the north and to the south of the wetland parcels. The 0.94 acre parcel has been isolated by the industrial development, effectively removing the hydrologic connections to the wetlands on all four sides. Therefore, compensatory mitigation is not warranted for this low value, previously degraded, isolated wetland parcel.

In summary, the pad extension will minimally impact functional wetland habitat based on the three wetland factors."

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.

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.

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.

<u>PUBLIC HEARING</u>: 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

NOTICE TO EDITORS: This public notice is provided as background information and is not a request or contract for publication.

NOTICE TO POSTMASTERS: It is requested that this notice be conspicuously and continually placed until the expiration date.

Project drawings available online at our Public Notice website:

http://www.poa.usace.army.mil/Missions/Regulatory/PublicNotices.aspx

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. <u>POA-2012-927</u>, <u>Cook Inlet</u>, 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.