



US Army Corps
of Engineers
Alaska District

Public Notice of Application for Permit

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

PUBLIC NOTICE DATE:	February 3, 2014
EXPIRATION DATE:	February 18, 2014
REFERENCE NUMBER:	POA-2013-538
WATERWAY:	Putuligayuk River

PUBLIC NOTICE REVISION

On November 6, 2013, the US Army Corps of Engineers, Alaska District, published a 30-day Public Notice for file number POA-2013-538, Putuligayuk River, for a Department of the Army (DA) permit application received from the Alaska Industrial Development and Export Authority (AIDEA or applicant) for the proposed project described below. Due to agency comments we received objecting to the specific location of the proposed project, AIDEA submitted a revised permit application which proposes a new gravel pad location and configuration, as shown in the figures attached to this public notice.

Comments on the revised proposal, with the file number referenced above, should reach us no later than the expiration date of this Public Notice to become part of the record and be considered in our decision.

Comments must be submitted to Harry A. Baij Jr., Project Manager, by e-mail message at harry.a.baij@usace.army.mil, by telephone at (907) 753-2784, or toll-free from within Alaska at (800) 478-2712. Mr. Baij can be contacted for further information regarding this public notice or the US Army Corps of Engineers, Alaska District, Regulatory Program process.

The applicant has provided other documents in support of their proposal for their Interior Energy Project development which may be obtained by contacting Mr. Baij.

Detailed project information may be obtained by contacting Mr. Paul McLarnon at the contact data given below.

APPLICANT: Alaska Industrial Development and Export Authority (AIDEA), Attn. Matthew Narus, Project Manager, 813 West Northern Light Blvd. Anchorage, Alaska 99503, E-mail address: mnarus@aidea.org
Telephone: 907-771-3015

AGENT: HDR Alaska, Inc. Attn. Paul McLarnon 2525 C Street, Suite 305, Anchorage, Alaska 99503
E-mail address: Paul.McLarnon@hdrinc.com Telephone: 907-644-2020

LOCATION: North Slope Borough, Prudhoe Bay Operating Unit, near Deadhorse, Alaska. The site is located along Spine Road between British Petroleum Exploration (Alaska)'s Drill Site 6 and Drill Site 14, within Sections 2 and 11, Township 10 North, Range 14 East, Umiat Meridian; US Geological Survey Quadrangle Maps, Beechey Point B-3 and Beechey Point A-3; Latitude 70.24415, and Longitude -148.52592.

PURPOSE: AIDEA's stated purpose is to reduce fuel costs and improve air quality within the Fairbanks North Star Borough (FNSB) by making a supply of liquefied natural gas available on the North Slope of Alaska for overland transportation to the FNSB to meet residential, commercial, and industrial demands.

PROPOSED WORK: Construct a liquefied natural gas production facility. The total proposed discharge of fill material into wetlands is now **reduced** to 14.76 acres from the previous proposal of 14.97 acres, or 0.21 acre less. A proposed **increase** of 20,350 cubic yards of gravel fill material discharged into wetlands would occur at the new fill location due to the different topography and settling. Fill would be discharged into wetlands for construction of an operations pad that would support infrastructure and operations of a liquefied natural gas facility. See the revised fill material details in Table 1 below.

Table 1

Types of Material Being Discharged and Amount of Each Type in Cubic Yards (CY) and Acres

Project Component	Excavation Volume Total (CY)	Permanent Wetland Impacts (Acres)	Permanent Upland Impacts (Acres)	Fill Volume Total (CY)
Operations Pad	0	14.46	0	169,285
Access Road	0	0.22	0	1,265
Pipeline Vertical Support Members	150	0.003	0	150
Pigging Pad	0	0.074	0.007	450
Total	150	14.76	0.007	171,150

Temporary wetland impacts are noted in Table 2 below to reflect ice road and ice pad footprints. These ice elements would be used only during one winter season with no associated fill discharges.

Table 2

Project Component	Temporary Wetland Impacts (Acres)	Temporary Upland Impacts (Acres)
200 ft. x 200 ft. Ice Pad	0.92	0
200 ft. x 400 ft. Ice Pad	1.84	0
60 ft. x 2,354 ft. Ice Road	3.15	0.096
Total	5.90	0.096

NOTE: Ice roads and pads are not regulated by the USACE as discharges of dredged or fill material and data is listed here by request of AIDEA.

All work would be performed in accordance with the enclosed plan (8 sheets, Figures 1 through 5.3); Figures 1-5 are dated December 26, 2013, and Figures 5.1-5.3 are dated September 3, 2013.

ADDITIONAL INFORMATION:

The Liquefied Natural Gas (LNG) facility would be supplied by an 8-inch feed gas pipeline which would extend from an existing gas pipeline located approximately 2,354 linear feet north of the proposed facility. The facility would be constructed on a 14.46 acre operations gravel pad with a 124-foot long by 55-foot wide access road connected to the existing Spine Road.

Gravel fill material is planned to be obtained from site PUT 23 which is an existing material source located in the Prudhoe Bay Operating Unit, approximately 7 miles from the project site.

Construction efforts would require a 2,354-foot long by 60-foot wide temporary ice road for construction of the feed gas pipeline. Two ice pads, one measuring 400-foot long by 200-foot wide and another measuring 200-foot long by 200-foot wide, would be used for temporary construction lay down areas.

The proposed facility would produce a capacity of 300,000 gallons per day of LNG from a total annual capacity of 9 billion cubic feet of natural gas. This includes the amount used for all required gas treatment and electric power generation. Utility systems include plant and instrument air, gaseous and liquid nitrogen, fire protection systems, potable water, and wastewater systems. Electric power would be supplied using on-site gas turbine generators. The applicant proposes producing and selling LNG and commercial grade propane from their North Slope location. Separate commercial entities would transport the products to the Fairbanks area.

AIDEA has or will provide the USACE supporting documentation to supplement their permit application. This documentation includes:

- The Office-Based Jurisdictional Determination Report and Wetland Functional Assessment North Slope, Alaska, dated September 2013;
- A polar bear and wildlife interaction plan that provides procedures to protect personnel, polar bears, grizzly bears, foxes, and other wildlife.
- A Facility lighting plan designed to reduce potential flight casualties to birds, by limiting light heights and installing light hoods to project light downwards.
- The Interior Energy Project LNG Facility Alternatives Analysis dated January 2014.
- The Wetland Functional Assessment Comparison for North Slope LNG Facility Project Site Alternatives dated January 2014.

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

Avoidance: Due to the abundance of wetlands on the North Slope, and the project vicinity, avoiding all fill discharges into wetlands is not practicable. Some avoidance measures proposed are:

- The Operations Pad would maintain a minimum 500-foot setback from the Little Putuligayuk River;
- Pipeline vertical support members would be constructed using ice roads and an ice pad to reduce the need for temporary fill;
- The Pipeline Inspection Gauge (PIG) launching pad would be located to provide 100 ft. setback from the Little Putuligayuk River.
- Fill area boundaries would be clearly delineated to avoid equipment and material placement from unnecessary impacts to wetland areas.

Minimization: Practicable minimization measures have been incorporated into the project location and design.

a. Minimizing direct impacts to wetlands would include:

- The LNG facility pad location was chosen to reduce fill quantities and footprints in wetlands. No defined stream channels or anadromous or resident fish streams would be crossed;
- Minimizing the size of the gravel pad and access road by optimizing the facility design and equipment layout. The proposed design dimensions are the minimum size necessary to provide safe operations and meet required processing needs;
- Natural drainage patterns would be maintained by locating fill away from streams, and installing adequate quantities and sizes of cross-drainage culverts to avoid/minimize wetland ponding or drying;
- No longitudinal encroachments or any significant flood plain encroachments would occur;

b. Minimizing secondary impacts to wetlands or other resources would include:

- Avoiding ground disturbing construction activities during bird nesting season (June 1 to July 31) to prevent impacts to nesting birds;
- The access road and fill pad would have standard permafrost insulation depths (5 foot minimum) to maintain the integrity of the underlying permafrost;
- The pipeline construction would include a minimum of 7-feet above the ground surface to allow unrestricted passage of wildlife and prevent thermal impacts on the permafrost wetlands;
- The gravel access road to the LNG facility would be watered to prevent or reduce fugitive dust emissions;

Compensatory Mitigation: The applicant proposes to pay an in-lieu fee to The Conservation Fund for the unavoidable permanent impacts to 14.76 acres of wetlands. No compensatory mitigation is proposed for the temporary impacts related to construction activities would occur in the winter season during frozen conditions.

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 exist 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) and the North Slope Borough (NSB). Any comments SHPO or the NSB 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. No cultural resources were identified within the project area during field surveys conducted by the agent the week of September 2, 2013. On December 4, 2013, SHPO provided concurrence that the proposed project would have no effect to historic properties, File No. 3130-2R AIDEA.

ENDANGERED SPECIES: We have determined the described activity may affect, but is not likely to adversely affect polar bears (*Ursus maritimus*), Steller's eider (*Polysticta stelleri*) and spectacled eider (*Somateria fischeri*) species, and would have no effect on any designated or proposed critical habitat, under the Endangered Species Act of 1973 (87 Stat. 844). The US Fish and Wildlife Service (USFWS) concluded consultation for this revised pad location in a letter dated December 12, 2013. They determined the proposed action could temporarily disturb listed eiders and polar bears in the project area; however, due to low densities of these species and minimization measures in place, the USFWS expects the effects of the disturbance to be insignificant. The USFWS concurred that the proposed action is not likely to adversely affect listed eiders or polar bears. 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). We have determined the described activity would not adversely affect EFH in the project area. No fish-bearing open water areas would be impacted by the proposed project.

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, cultura

I 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 Clean Water Act 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 USACE 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 US - 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 CWA (40 CFR 230).

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' file number **POA-2013-538, Putuligayuk 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.