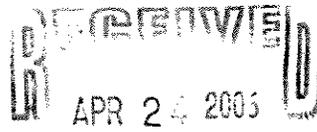


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April 23, 2006

JOINT PIPELINE OFFICE

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
STATE PIPELINE COORDINATOR'S OFFICE
411 WEST FOURTH AVENUE, SUITE 2C
ANCHORAGE, AK 99501

RE: Proposed ANGDA Right of Way Lease for Glennallen – Palmer Spurline.

It is in the best interest of the State of Alaska, the residents of the State of Alaska, and in particular the residents of the Matanuska Valley, that the proposed right of way be DENIED, for the following reasons.

ANGDA's plan is to begin building this "spurline from nowhere" years prior to determination of whether or not there will be a primary gas pipeline to connect into at Glennallen. The "if we build it they will come" attitude, belongs in Hollywood, not Alaska. ANGDA's justification that if there is not a primary gas pipeline available in Glennallen to connect into, ANGDA will just continue the spurline on up to Delta Junction, (and therefore doubling the cost) is fiscally irresponsible, and poor planning.

A spurline along the Parks Highway from Fairbanks makes more sense. Even Governor Murkowski has publicly endorsed this route as the preferred route in a recent speech. It follows the population base of state residents who currently have and use natural gas, while utilizing established right of ways (intertie, railroad, and highway options) verses the taking of private property. While ANGDA's proposed route through the Matanuska Valley claims to be "primarily based" on using existing easements and ROWs, there are still significant numbers of privately owned properties that will be directly impacted and/or subject to eminent domain. This includes several in the Kings River area that are directly adjacent to State land. Check your map. Look it up. State projects belong on State land, and private lands belong in the hand and control of the private individuals who have purchased them.

I ask DNR and the State Pipeline Coordinator's Office and to take into consideration BP's highly publicized April 6, 2006 gas pipeline leak on the north slope. A visual inspection of the leak showed that external corrosion appeared to create a hole in the three-inch diameter pipeline that carries natural gas. Steel pipe has a lifespan. External corrosion happens. A hole in a high pressure 24 inch spurline is by far more dangerous than in a 3 inch gas line. By constructing the spurline up to 10 years (or more) prior to gas flowing through the larger primary gas pipeline, ANGDA's 24 inch high pressure spurline project, which is proposed to run through residential communities of the Matanuska Valley, is a potential disaster waiting to happen due to the shortened functioning lifespan of this pre-build plan. ANGDA's own contractor report by an

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independent consultant out of Colorado stated that a high pressure gas leak on the spurline would have devastating consequences.

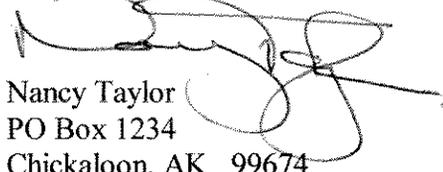
As a permanent resident of the Matanuska Valley, I have to question the intelligence of this decision to pre-build the spurline, so many years in advance. Will ANGDA or whatever corporation ends up running the spurline, be digging up and replacing the spurline pipe after only a limited number of operational years, as a result of this pre-build plan? If so, how cost effective is that? And if not, will the State assume financial liability when residents are killed or injured as a result of hoping that external corrosion won't happen?

Why is ANGDA pushing so hard to have the spurline run through Glennallen? Could it possibly have any connection to the fact that CEO Harold Heinze was a paid consultant for AHTNA (http://www.mines.edu/academic/lais/heinze_resume.html) just prior to his appointment as CEO of ANGDA? Just a coincidence or were private deals made for financial gain on either side of that relationship?

In conclusion, I would like to pose a question to Janetta Pritchard. You told me at the Mat-Su Homeshow in April that you were looking to purchase land and build a home in the Mat-Su Valley. If the proposed ROW is such a good thing, why don't you purchase one of the private properties the ROW will cross, and you can live on top of the 24 inch high pressure spurline? It would be a wonderful testament as to your faith in the integrity of the project.

Rural residents of the Matanuska Valley will not be provided natural gas from the proposed Glennallen – Palmer Spurline. We only absorb the risks, without the benefits. Take it down the Parks Highway instead.

Respectfully submitted,



Nancy Taylor
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