

Warren Keogh
P.O. Box 1166
Chickaloon, Alaska 99674

Phone: 745-1155 or 786-3564
warrenkeogh@gmail.com

RECEIVED
APR 25 2006

JOINT PIPELINE OFFICE

Mike Thompson, Acting State Pipeline Coordinator
The State Pipeline Coordinator's Office
Alaska Department of Natural Resources
411 W. 4th Avenue, Suite 2C
Anchorage, Alaska 99501-2343

April 24, 2006

Dear Mr. Thompson:

This letter is in response to the Commissioner of the Department of Natural Resources (DNR) public notice and regards the Alaska Natural Gas Development Authority's (ANGDA) right-of-way (ROW) lease application ADL 229297, the DNR Commissioner's Analysis, Proposed Decision and Action, and the proposed conditional lease. The conditional lease application is for the proposed natural gas pipeline from Glennallen to Palmer, the so-called "Spurline."

ANGDA has prematurely and speculatively submitted a Spurline ROW application to DNR. The ROW application is fundamentally flawed because the Spurline does not meet the definition of "the project" in ANGDA's establishing statute, AS 41.41. It is not in the public interest for the DNR Commissioner to compound ANGDA's error by issuing a conditional ROW for the Spurline. ANGDA's "project" is defined in AS 41.41.990(3) as, "the gas transmission pipeline, together with all related property and facilities, to extend from Prudhoe Bay area on the North Slope of Alaska either to tidewater at a point on Price William Sound and the spur line from Glennallen to the Southcentral gas distribution grid or to tidewater at a point on Cook Inlet..." (Emphasis added.) I urge the Commissioner to read carefully AS 41.41. As of this date, the "project" remains undefined as the Governor and the Alaska Legislature debate the nature of the gas pipeline, including its route, its destination, and its purpose.

The ANGDA "project" has not yet been determined and does not yet exist. If a natural gas pipeline is built, the likely pipeline route to supply Southcentral Alaska will parallel the Parks Highway from Fairbanks to Anchorage rather than a route from Delta to Glennallen to Palmer. Note that Governor Murkowski, in an April 4, 2006, before the Valley chambers of commerce in the Mat-Su Borough, said the gas pipeline, "would parallel the Alaska Railroad route from Fairbanks through Anchorage before splitting off to Kenai." (See *Anchorage Daily News* article of April 5, 2006, (page B3) titled "Governor stumps in Valley for his gas pipeline proposal.") Note also the Alaska Legislature's recent resolution CSHCR 13 that states its support for "the construction of a



natural gas spur pipeline **between Fairbanks and the Nenana Basin and Southcentral Alaska...**" (Emphasis added) rather than a Glennallen to Palmer route.

The Commissioner would be remiss to issue a conditional ROW lease under ANGDA's speculation and false pretense that a project has been established for a natural gas pipeline from Glennallen to Palmer. The Commissioner should reverse his preliminary decision and reject ANGDA's application under Alaska's ROW Leasing Act (AS 38.35). It is simply not sensible to issue a ROW lease before the pipeline project and its route have been determined. It is not in the public interest for the Commissioner to further legitimize ANGDA's expenditure of state revenues for a project yet to be defined and for a prospective project that will likely not follow a route from Glennallen to Palmer. An action by the Commissioner to finalize a decision to issue a ROW lease would compound the premature and possibly illegitimate ANGDA action to seek a ROW where there is no project.

Further, as a long time resident of the community of Chickaloon, and as a person whose financial interests will be negatively impacted by right of way establishment and pipeline construction, I urge the Commissioner to reconsider his preliminary decision. My wife and I are property owners and residents on 57 acres at 19298 North Chickaloon Branch Road, Chickaloon, Alaska. The reasons for reconsidering and denying the ANGDA application are many. As a general matter, I support the sentiments expressed by the Chickaloon Community Council's to ANGDA in Resolution 05-01 of April 1, 2005. I reiterate and paraphrase some earlier comments mailed to you in July of 2005.

1. Since submitting the ROW application, ANGDA has twice changed the alignment route in the near vicinity of my land holding and home. All three alignments presented to date (the original and two revised alignments) route the pipeline through Alaska Mental Health Trust lands immediately adjacent to my property. One alignment routes the planned ROW through my property. All three alignments will lessen the property value of my land (my financial interest) by property loss through eminent domain and/or the negative physical and value effects on the proximal view shed and sound shed. A 300-foot wide swath cleared of vegetation and noise associated construction, followed by noise secondary to off road recreational vehicle use (4-wheelers, dirt bikes, snow machines, etc.) lessens the property value of my home. Further, an unnamed tributary of California Creek flows through my property supplying my surface water needs and is immediately adjacent to my drilled water well supplying domestic water to my home. Located in the watershed and downstream from all proposed routes (including the current one), I will suffer whatever surface water or ground water pollution or contamination may result from the construction or presence of the gas line.
2. The community of Chickaloon and members of my immediate family who reside at 19298 North Chickaloon Branch Road, Chickaloon, Alaska, will bear the negative impacts of ROW issuance and the natural gas pipeline while receiving no

meaningful positive effects of the pipeline if constructed. The pipeline would irrevocably change the character of our community and my property.

3. ANGDA apparently is little aware and/or give little credence to the Chickaloon Special Land Use District, through which the pipeline is routed.
4. ANGDA apparently gives little merit to and/or does not recognize the Chickaloon Comprehensive Plan. The Plan states that community goals and objectives are to preserve the rural character of the community, ensure public land use is consistent with the Plan, encourage orderly growth and development, and preserve the ecological integrity of the community. The Plan also supports land use policies that encourage the design of physical structures that complement the surrounding landscape, and do not exceed the land's ability to absorb or support development. ANGDA has been outspoken in its opposition to a current draft ordinance of the Matanuska-Susitna Borough that gives greater local control over placement and conditions of pipeline and other utility routing.
5. ANGDA, while aware of federally funded ENSTAR studies currently underway for the gas pipeline route along the Parks Highway, continues pursuing the Glennallen to Palmer Spurline though it becomes increasingly likely that the pipeline will be routed along the Parks Highway.
6. ANGDA has not adequately addressed the environmental and social impacts of the proposed ROW and project through our community and through or near my land. For example, engineering and environmental reports accompanying the ROW lease application acknowledge that seismic hazards exist, but are not completely identified. Similarly, a complete and thorough assessment of waters and fisheries associated with those waters has not occurred. This includes a thorough and complete assessment of geologic faults in the vicinity of my home and a thorough and complete assessment of the water and fisheries of California Creek and its unnamed tributary stream that flows through my property and past my home.
7. ANGDA has not provided adequate plans to manage and secure the proposed gas line spur ROW or the access to the gas line spur, if constructed. Reports accompanying the ROW application contradict one another. On one hand they suggest no new access roads will be required, on the other hand they acknowledge new access roads will be required.
8. The gas line ROW through State lands, if granted, creates the potential for a transportation and utility corridor that could be used as a new Glenn Highway route, a high voltage electric transmission line between Sutton and Glennallen, or other uses that would contravene the existing Chickaloon Comprehensive Plan.
9. Since no primary gas pipeline exists, this proposed ROW lease is for spur line that has nothing to spur off of. This is a pipeline to no where. If the decision is made

to construct a pipeline along a Fairbanks-Nenana-Wasilla route, the exercise of applying for and possibly issuing a ROW lease through the Matanuska Valley is meaningless.

10. ANGDA applies for a ROW for project that is unfunded. To establish a ROW for an unfunded project makes little sense until such time the project is identified and funded.

To date the ANGDA plan and process for the Glennallen – Palmer Spurline has been a hurried and premature affair. The cart has gotten in front of the horse in ANGDA's zeal to push a non-project forward. For all of the reasons noted above I urge the Commissioner to reconsider his preliminary decision and rein in ANGDA by denying its gas pipeline ROW lease application. The time for the Commissioner to consider an ANGDA application would occur when the Governor and the Legislature decide to establish a pipeline project through the Matanuska Valley. That time has not yet arrived.

Thank you for the opportunity to voice my opinion during this public comment period. Please feel to contact me if you wish to follow up for discussion or clarification. You can reach me by mail at the return address, by phone at 786-3564 or 745-1155 or 222-2657, or by e-mail at warrenkeogh@gmail.com. Thanks for your attention.

Sincerely,

A handwritten signature in black ink, appearing to read "Warren J. Keogh". The signature is written in a cursive, somewhat stylized font.

Warren J. Keogh