



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10**

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OFFICE OF
ENVIRONMENTAL REVIEW
AND ASSESSMENT

July 18, 2018

Jason Berkner, Project Manager
U.S. Army Corps of Engineers, Alaska District
P.O. Box 6898 (CEPOA-RD)
JBER, Alaska 99506-0898

Dear Mr. Berkner:

The U.S. Environmental Protection Agency has reviewed the Final Supplemental Environmental Impact Statement prepared by the U.S. Army Corps of Engineers for the Alaska Stand Alone Pipeline Project (CEQ No. 20180136; EPA Project Number 09-054-DOD). Our review was conducted in accordance with the EPA's responsibilities under the National Environmental Policy Act and Section 309 of the Clean Air Act.

The Alaska Gasline Development Corporation proposes to transport natural gas from the North Slope of Alaska to an existing natural gas distribution system that serves the southcentral portion of the State, using a 733-mile-long buried pipeline, and includes a lateral connecting line to Fairbanks. The Final SEIS analyzed the proposed action; an action alternative with variations regarding elevation of a portion of the pipeline, alignment through Denali National Park and Preserve, barge access, and Yukon river crossing; and a no-action alternative. The EPA is a cooperating agency for the development of the SEIS. Throughout the NEPA process, we have participated in agency work groups and have provided extensive comments on prior versions of the EIS, including comments on the Draft SEIS sent to the Corps on August 29, 2017. The EPA appreciates our involvement as a cooperating agency, and we are providing the comments below for your consideration.

We appreciate the additional information that has been provided in the Final SEIS to address several of the EPA's comments on the Draft SEIS. Specifically, the additional information provided regarding mitigation measures aids in understanding potential impacts of the proposed project; this information includes additions to the list of "Applicant Proposed Design Features, Mitigation Measures, and Best Management Practices," a new table of "Recommended Mitigation Measures and Best Practices Under Regulatory Obligations of the Clean Water Act," and a new discussion and table disclosing "Regulatory Agency Recommended Mitigation Measures."

In addition, the Final SEIS provides a clearer understanding of temporary and permanent impacts to wetlands. We appreciate the inclusion of the potential CWA §404 permit conditions which the Corps may require if the determination is made to issue a permit. We encourage use of the listed potential permit conditions, which would reduce the anticipated environmental impacts and address some of the EPA's concerns raised during our review of the Draft SEIS, including increasing the effectiveness of the revegetation plan. For example, these potential permit conditions include segregation of soils and reuse of topsoil to enhance revegetation of the backfilled trench area, the placement of side cast material into wetlands, which would be required to be underlain by geotextile or ice pads, as well as other measures to stabilize and revegetate areas disturbed by the proposed activities. We also recommend that the Corps

further incorporate the use of geotextile pads throughout the construction right-of-way to the greatest practicable extent, to further reduce direct and secondary impacts to wetlands along the alignment.

The Final SEIS included near-field air quality modeling results for the proposed Gas Conditioning Facility, which did not project adverse impacts on local air quality. We also appreciate that additional information and mitigation has been included to address our concerns regarding protection of drinking water wells.

Our remaining comments and recommendations for the project are provided below.

Wetlands

The EPA continues to have concerns about the potential for significant impacts to wetlands and insufficient discussion of measures to avoid, minimize and mitigate those impacts. At the time of the Draft SEIS, the proposed direct wetland impacts were estimated to be 8,907 acres (7,573 permanent and 1,161 temporary) and 1,037 acres of secondary wetland impact due to permafrost degradation, totaling 9,944 acres. In the final SEIS, the overall wetland impacts have increased, based on the Corps' most recent Jurisdictional Determination. The direct impacts to wetlands are now estimated to be 9,705 acres (8,015 permanent and 1,690 temporary) and 1,170 acres of secondary wetland impact due to permafrost degradation, totaling 10,875 acres. The fact that the impacts to permafrost are considered secondary effects and are not accounted for as permanent impacts of the proposed project continues to be a concern for the EPA. Because these impacts are likely to occur throughout a large portion of the alignment in the interior of Alaska and to persist over time, we continue to recommend that they be considered when determining the Least Environmentally Damaging Practicable Alternative and when assessing the appropriate level of compensatory mitigation.

We also recommend that the project record adequately demonstrate that the project has avoided and minimized wetland impacts to the full extent practicable, in accordance with the mitigation sequence under the 404(b)(1) guidelines. The EPA is committed to assist the Corps in identifying opportunities to avoid, minimize and compensate for the wetland impacts prior to the Record of Decision.

The EPA notes that the Final SEIS does not include a wetlands compensatory mitigation plan. Pursuant to the 404(b)(1) Guidelines and the EPA-Corps Compensatory Mitigation Rule, compensatory mitigation must be fully considered prior to a final 404 permit decision. Based on the anticipated impacts identified in the final SEIS, the EPA offers to assist in identifying opportunities for consideration for the detailed components of the compensatory mitigation plan and recommends that it be developed prior to the Record of Decision and included in the selected alternative. The EPA also requests the opportunity to review and comment on the plan prior to the Record of Decision.

The June 15, 2018 Memorandum of Agreement between the Department of the Army and the Environmental Protection Agency concerning Mitigation Sequence for Wetlands in Alaska under Section 404 of the Clean Water Act offers useful guidance on options for ensuring that the Clean Water Act requirements for compensatory mitigation are appropriately evaluated and applied. Because the proposed project would impact aquatic resources in numerous watersheds across the State, the EPA recommends that the project applicant refer to the MOA for guidance as it identifies appropriate opportunities to offset aquatic resource impacts that are demonstrated to be unavoidable, particularly in the use of the watershed approach. The MOA's flexibility in identifying compensatory mitigation

options is meant to afford the applicant appropriate means of ensuring that the activity complies with the requirements of the Guidelines which implement the statutory goals of the Clean Water Act.¹

Dredged Material Management

The Final SEIS provides additional explanation of the rationale for screening out Dock Head 4 from the alternatives analysis. We recommend that the Corps ensure that sufficient detail has been received from the applicant on the environmental impacts of construction of Dock Head 4 to complete the public interest review and finding of conformity with the 404(b)(1) guidelines and consider summarizing this information in the ROD.

We appreciate the opportunity to review the Final SEIS for the ASAP Project. If you have questions concerning our comments, please contact Molly Vaughan of my staff in Anchorage, at (907) 271-1215 or vaughan.molly@epa.gov, or you may contact me at (206) 553-1841 or nogi.jill@epa.gov.

Sincerely,



Jill A. Nogi, Manager
Environmental Review and Sediment Management Unit

¹ 40 CFR § 230.10 (a) - (d).

