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October 10, 2011

Alaska State Legislature  
Alaska State Capitol  
Juneau, AK 99801

Subject: August Progress Report on the Alaska Stand Alone Gas Pipeline/**ASAP**

Dear Members of the Alaska Legislature:

The Alaska Stand Alone Gas Pipeline/**ASAP** (ASAP) submits the following August monthly progress report on the ASAP project for legislative consideration and review.

The Project staff was busy satisfying requests to present project information to several agencies and community groups in August. Presentations were delivered to the Alaska Industry Support Alliance Board of Directors, Anchorage East Rotary, Independent Brokers of Alaska, and the Palmer Chamber of Commerce. Interest among these groups continues to build as people gain understanding of the project planning and purpose as submitted to the legislature in July. ASAP project personnel attended a Senate Resources Committee Hearing and answered questions on the ASAP Project. State and federal agency consultations in August included meetings with the U.S. Corps of Engineers (USACE), federal Pipeline Hazardous Materials Safety Agency, State of Alaska (SOA) Department of Transportation, Alaska Railroad, SOA Department of Natural Resources, NSB Mayor Itta, State Pipeline Coordinator's Office and Federal Bureau of Land Management. Meetings with these agencies and subsequent submittals to these agencies satisfy the on-going regulatory compliance necessary to maintain a reasonable schedule for the Environmental Impact Statement (EIS).

The project office also conducted a native village leadership meeting and a community meeting in the village of Anaktuvuk Pass. The community and the leadership of Anaktuvuk support the ASAP Project, however, they remain hopeful that there will be some type of relief for the high fuel prices in their community. Anaktuvuk residents were pleased to learn about the ASAP project and find that the ASAP Project will not disturb their community.

The ASAP environmental team is working with the USACE to determine a realistic schedule for publishing the Draft Environmental Impact Statement (EIS). The Draft EIS will begin a 45-day public comment period and a public hearing schedule. At this time, USACE has not determined which communities along the alignment will be selected for the hearings. The EIS process allows the public to have a voice in the project; the public has indicated significant interest regarding the upcoming public comment period. As the applicant, ASAP project personnel are required to be present at all EIS Public Hearings for the purpose of document issues and providing relevant project information.

The permitting discipline for the ASAP project is escalating; in an effort to manage the status, activity and the closure of all ASAP permits, the project office is developing a permitting matrix, a permit database and a permit schedule forward reaching to second quarter 2012. ASAP will prepare environmental and permitting cost data estimates to establish a schedule that is consistent with the current funding level for the ASAP project. Current permit applications include Denali Borough application for 2 boreholes to be drilled in September; City of Nenana application for boreholes in the river; MatSu Borough application for location of a met/air station; permit application to perform cultural surveys and stream surveys in Minto Flats State Game Refuge; ADNRM-LW Commercial Recreational Permit to allow field gear to be staged overnight; Denali State Park Lands Permit to perform survey work; ADOT permit to perform work within the right-of-way; Causal Use Permit on Tanana State Forest land for non-invasive field activities.

The ASAP project team sincerely appreciates your interest in this project work. The project team is committed to providing project knowledge to members of the Alaska legislature and to Alaskans at large as we continue the ASAP phase two project work. Please call 907.277.4488 for additional information on the ASAP Project.

Respectfully submitted,



Dan Fauske  
Chair, Joint In-State Gasline Development Team

cc: Honorable Governor Parnell  
Honorable Lieutenant Governor Treadwell  
AHFC Board Members  
AGDC Team Members