

# North Slope Borough

Department of Public Works  
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**Charlie Sakeagak, Director**

February 10, 2014

Mr. Chris Hoidal  
Director, Western Region  
US Department of Transportation  
Pipeline & Hazardous Materials Safety Administration  
188 W. Northern Lights Blvd., Suite 520  
Anchorage, AK 99503

**RE: CPF 5-2013-0011, Notice of Probable Violation & Proposed Compliance Order**

Dear Mr. Hoidal:

I am in receipt of your letter dated December 20, 2013, received by the North Slope Borough January 23, 2014 regarding Notice of Probable Violation & Proposed Compliance Order, reference: CPF 5-2013-0011.

I am pleased to report the North Slope Borough has completed the assessment required by §192.939(b) and a report of the Barrow Gas Transmission Pipeline Integrity Assessment dated December 18, 2013 has been forwarded to PHMSA Senior Engineer/Project Manager Jon Strawn at the Anchorage, Alaska office. I believe this meets the first requirement of the Proposed Compliance Order in your correspondence dated December 20, 2013.

With regards to the second portion of the Proposed Compliance Order requesting the costs:

- 1) Total cost associated with fulfilling this compliance order;

The North Slope Borough expended approximately \$440,156.00 in completing the reassessment, and reporting of findings detailed in the report completed by Coffman Engineers dated December 18, 2013.

- 2) Total cost associated with the replacements, additions and other changes to pipeline infrastructure;

This is an ongoing project where the North Slope Borough is currently under design of a redundant transmission line that is hoped to be completed by the Fall of 2016. The estimated cost will be between \$10,000,000.00 and \$12,000,000.00 depending upon the route selected for the pipeline.

A redundant transmission line is being planned to allow for a more detailed inspection of the current transmission line. Additionally, it will insure the uninterrupted flow of natural gas to our community in Barrow, Alaska. This project is being handled as a Capital Improvement Project and the North Slope Borough will be happy to share the costs when the project is completed.

If you have any additional questions, please do not hesitate to contact myself or Tom Nicolos who has been charged with the oversight of North Slope Borough, Natural Gas Operations.

Sincerely,



Charlie Sakeagak  
Director, NSB Public Works

cc: Charlotte E. Brower, Mayor  
Jacob Adams, CAO  
Morrie Lemen Jr., Deputy Director, Public Works  
Tom Nicolos, Program Manager, Public Works