STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER
SOUTHCENTRAL REGIONAL LAND OFFICE

ADL 234206
ENSTAR Natural Gas Company, LLC
Request to Develop Section Line Easement
AS 38.05.850

Requested Action
On May 4, 2023, the Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Southcentral Regional Land Office (SCRO) received an application from ENSTAR Natural Gas Company, LLC (ENSTAR/the applicant), requesting authorization to install a buried natural gas pipeline to reinforce the natural gas infrastructure in the Girdwood area.

The applicant indicated on the application a request for a private easement 20 feet in width by 4,850 feet in length totaling 2.23 acres between Ruane Road and Virgin Creek Road for an indefinite term within the Section Line Easement. The gas infrastructure will be privately maintained and operated by the applicant. The proposed easement was intended to allow the applicant to install a 4-inch gas main via directional drilling under Glacier Creek and Virgin Creek. An excavator would be used to dig a 2-foot by 4-foot-wide trench in which the gas line will be placed and then backfilled using the stockpiled native soils in the remainder of the project area.

As was noted in the application, a Section Line Easement exists in the location in which the applicant has requested to install the gas main. As there is an existing easement there is no reason to authorize a private easement in this location for an indefinite period. While ENSTAR had originally requested to utilize directional drilling to cross under both Glacier Creek and Virgin Creek within the section line easement. Upon further field investigations and review of data ENSTAR has concluded that no crossing of Virgin Creek should be necessary.

Scope of Decision
The scope of this decision is limited to determining if the requested action is an acceptable secondary use of the access easement.

Statutory Authority
This permit is being adjudicated pursuant to AS 38.05.850.

Administrative Record
The administrative record for the proposed action consists of the Constitution of the State of Alaska, the Alaska Land Act as amended, applicable statutes and regulations referenced herein, and the casefile for the application serialized by DNR as ADL 234206.

Property Description

- The South 50 feet of Lot 18B in Section 18, Township 10 North, Range 2 East, Seward Meridian.
- The North 50 feet of lot 19B in Section 19, Township 10 North, Range 2 East, Seward Meridian.
- The North 50 feet of lots 20A and 20B in Section 20, Township 10 North, Range 2 East, Seward Meridian.

Easement Establishment

The subject parcel was acquired by the state on July 28, 1972, per Patent 50-73-0028. A section line easement 50 feet in width, on both sides of the section line was dedicated within the subject parcels on July 28, 1972, pursuant to AS 19.10.010.

Land Ownership

The proposed development within DMLW managed easements impacts lands owned by;

- Municipality of Anchorage, Heritage Land Bank, Patent 5451 dated January 30, 1981, Book 568, Pg. 8111, Anchorage Recording District;
    - Lots 20A and 20B, of Section 20, Township 10 North, Range 2 East, Seward Meridian,
    - Lot 19B of Section 19 Township 10 North, Range 2 East, Seward Meridian,
    - Lot 18B Section 18, Township 10 North, Range 2 East, Seward Meridian.

Public Notice

Public notice of the application was conducted from July 6, 2023, to July 20, 2023, and upon the request of members of the public it was extended to August 3, 2023. The notice was posted to the State of Alaska Online Public Notice System and was sent to the following recipients:

- Michaela and Christi Davidson
- Alan and Lanice Drake
- Brenden and Julie Raymond-Yakoubian
- Michael and Mary Jo Thill
- Municipality of Anchorage Heritage Land Bank

The public notice extensions were sent to all commentors up to the date that the extension was issued, posted to the online public notice website, sent to agencies for review and posted in the Girdwood Post Office and Crow Creek Mercantile notice boards.

Please see Attachment A for the public notice summary and response.

Agency Review

- DNR State Historic Preservation Office (SHPO)
  - Note: this agency was added to the agency review of 7/12/2023
- Department of Transportation and Public Facilities (DOT&PF) Statewide Right-of-Way
- Alaska Department of Fish and Game (ADF&G) Division of Wildlife Conservation Access and Defense
- ADF&G Division of Habitat
- Department of Environmental Conservation (DEC) Division of Water
- DEC Division of Environmental Health
- DEC Division of Spill Prevention and Response
- Municipality of Anchorage Right of Way
- United States Army Corps of Engineers

Agency Comments

Comment: On July 17, 2023, DOT&PF provided a response stating that they had no comments.
Response: SCRO acknowledges this response.

Comment: On July 17, 2023, DEC Division of Water submitted a comment stating that if the development was near a Public Water Source (PWS) requesting the applicant to adhere to "Recommendation for General Project activities near a PWS source."
Response: SCRO acknowledges this comment and forwarded it to the applicant.

Comment: On July 20, 2023, ADF&G submitted the following comment:
"ADF&G has no objections to the authorization for developing an existing section line easement. However, we have the following comments:
1. The project as proposed does not require a Fish Habitat Permit from the ADF&G Habitat Section since the creek crossings will be completed using directional drilling.
2. From late July to early September, coho salmon will be present in Glacier and California creeks, with the potential for anglers to be in the area. ADF&G requests that access not be restricted or an alternative be provided. Anglers primarily fish California Creek off Ruane road, however some may attempt to access Glacier Creek although this usually occurs downstream of Ruane road. Additionally, it's worth noting that all five species of salmon are present, and there is fry rearing in this area, as reported by the Anadromous Waters Catalog (AWC).
3. Construction activities may temporarily reduce habitat available to moose and other species in the area, however the proposed timing is favorable for minimizing disturbances to moose calves and nests of various bird species. Please refer to the attached guidance on avoiding disturbance to migratory birds and eagles during the nesting season.
4. Eagles and their nests are protected under the Bald and Golden Eagle Act and Migratory Bird Treaty Act. If the proposed activities are in an area with eagle nests, a permit may be needed from the U.S. Fish and Wildlife Service (USFWS). For permitting requirements and nest location inquiries, contact Douglass Cooper,

USFWS Ecological Services at (907) 271-1467, or douglass_cooper@fws.gov. Visit the USFWS website for more information: https://www.fws.gov/story/do-i-need-eagletake-permit."
Response: SCRO acknowledges this comment and forwarded it to the applicant.

Known Uses
Existing use of this section line easement includes recreational use of the Lower Virgin Creek Trail and Joe Danich Trail which intersect the Section Line Easement within Section 20, Township 10 North, Range 2 East Seward Meridian. The Lower Iditarod Trail intersects the Section Line Easement in Sections 18 and 19, Township 10 North, Range 2 East, Seward Meridian. None of the trails intersecting with the section line easement or in the vicinity of the proposed development are legally protected rights-of-way according to the Girdwood Valley Trail Management Plan or the Girdwood Trail Plan.

Non-objection
The Department of Natural Resources, Division of Mining, Land and Water concurs with the conclusion that an easement exists in this location, and that the proposed infrastructure is an acceptable secondary use of a Section Line Easement. It is the responsibility of the applicant to ensure they are operating within the easement boundaries and have all other necessary authorizations.

Jay Rokos
Natural Resource Manager 1

8/28/2024
Date

Appeal
An eligible person affected by this decision may appeal to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department.

Appeals may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907) 269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at $200.00 under the provisions of 11 AAC 05.160(a)-(b). A copy of 11 AAC 02 is available on the department's website at https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf.

ADL 234206
Attachment A
Public Comment and Response
Development Within an Existing Easement

The public comments have been analyzed and many similar themes have arisen in various comments. As there are significant overlaps between various comments, the Southcentral Regional Land Office (SCRO) has observed common themes and has addressed the issues as summarized in the table below. In addition to the 26 public comments that SCRO received, ENSTAR provided a letter with additional information that has helped inform SCRO's decision. Excerpts from the applicant's letters and the applicant's development narrative are included below in the Appendix to provide context and detail to SCRO's responses.

Scope: SCRO's scope is as outlined in the decision to which this document is attached. The scope of this decision is limited to determining if the requested action is an acceptable secondary use of the access easement.

Theme	Issue	Response
Cost of project	Commentors expressed concern regarding the lack of public information on the cost of the ENSTAR's development of the section line and requests for ENSTAR to disclose the cost.	SCRO does not require applicants to provide project costs with the application therefore it is at the applicant's discretion if they wish to disclose such information. The cost of the project falls outside of the scope of the decision.
Cost of project	Commentors expressed concern that the cost of the project would be carried onto ENSTAR customers.	The way in which ENSTAR pays for the project has not been disclosed and SCRO does not require the applicant to provide such information. The method in which ENSTAR pays for their project falls outside of the scope of the decision.
Concerns on project planning or lack of project information	Commentors expressed that they perceived no issues with ENSTAR's natural gas supply or pressure drops.	Based on information provided in the application and a written explanation, provided in Note 1 of the Appendix, ENSTAR sufficiently explained the project's purpose as it pertains to SCRO's scope.
Concerns on project planning or lack of project information	Commentors expressed concern that there was not sufficient rigor to the research	SCRO requires documentation provided by the applicant that is sufficient to understand the

	of the project or that not enough information was provided by the applicant.	project as it relates to the scope of the decision. The applicant provided an application, development narrative, maps and diagrams. The information SCRO received regarding the development was provided in the public notice. SCRO found the information competently displayed the impact of the project in relation to the scope of the decision.
Concerns on project planning or lack of project information	Commentors requested that ENSTAR conduct study or investigation into alternate routes for the siting of the gas main or alternate installation methods such as full-length directional drilling.	SCRO adjudicates the request that was applied for and does not propose alternate paths of development or means of construction as this would fall to the design team, and it would be out of SCRO's scope. ENSTAR provided sufficient explanation for SCRO to adjudicate this application for development of the section line easement in their application and in the additional information they provided. See Note 2 of the Appendix.
Concerns on project planning or lack of project information	A commentor expressed concerns on use conflicts with other utilities particularly where the requested development.	While the scope of this decision is limited to determining if the requested action is consistent with the purpose of facilitating existing and future access, the non-objection from SCRO does not alleviate the responsibility of the applicant to ensure that project does not conflict with existing utilities.
Concerns on project planning or lack of project information	Commentors expressed concerns regarding the potential technical challenges of shallow bedrock and challenging topography. Additional comments included concerns that the applicant did not perform sufficient sub-surface	SCRO does not require subsurface investigations to be sent with the application as SCRO's scope is limited to determining if the requested action is consistent with the purpose of determining if the requested action is an acceptable secondary use of the access easement. The applicant has

	investigations and project terminus determination.	provided sufficient information regarding design and terminus in the application and additional information provided as demonstrated in in Note 6 and 7 of the Appendix.
Concerns on project planning or lack of project information	Commentors expressed concern regarding mitigating negative impacts to the underlying landowners.	SCRO received sufficient information regarding mitigation and remediation to adjudicate this application. In the application's development narrative, the applicant outlined the steps that would be taken for mitigation and remediation and is highlighted in Note 3 of the Appendix. The applicant has displayed mitigative measures to avoid any potential spills as specified in Note 4 of the Appendix. The design must meet Federal safety standard as addressed in Note 5 of the Appendix.
Concerns on project planning or lack of project information	Commentors expressed concerns of future road development or housing development on Heritage Land Bank (HLB) land.	The concern that there is additional housing or other development within HLB land is not within the scope of the decision. Regarding the concern of road development, the section line easement's primary purpose is for public highway access and is a right of way which can be developed per AS 19.10.010.

Perceived lack of sufficient notice	Commentors expressed that there was a lack of sufficient time to review the public notice and provide substantive comments or not enough time for the public to generally be able to develop awareness of the project.	This application is for the requested development of an existing easement and is not a disposal of interest which requires statutory public notice. It has been SCRO's standard operating procedure to provide a 14-day courtesy notice for such applications. Many members of the public requested an extended public notice comment period to which SCRO responded by adding an additional 14 days to the comment period.
Perceived lack of sufficient notice	Commentors requested extension to the public notice. Some commentors requested an extended public notice comment period beyond what SCRO extended as well.	SCRO responded by adding an additional 14 days to the comment period to the existing 14-day courtesy notice period totaling 28 days. Of the total 27 comments received, only 6 were received after the original comment deadline. No additional comments were received after the extended deadline.
Perceived lack of sufficient notice	Commentors expressed lack of sufficient reach of notice to appropriate members of the community.	SCRO initially sent notice to the underlying property owner and property owners who were immediately adjacent the proposed development within the courtesy notice period. This is a typical reach of public notice for an application that is not to be considered a disposal of State interest. At the notice extension SCRO ensured that all initial commentors received the extension as well as resending to the original recipients and posting on the notice boards in the Girdwood Post Office and Crow Creek Mercantile. In both cases the notice was posted to the online public notice website as well.

Perceived lack of sufficient notice	Commentors expressed a perceived lack of notice to other agencies, Alaska State Historic Preservation Office (SHPO), Municipal Heritage Land Bank (HLB) or Anchorage Water and Wastewater Utility (AWWU)	SCRO sent agency reviews to typical recipients of Agency Review for development within existing easements. SHPO was initially not included on this list but was included beginning July 12, 2023, and subsequently provided no comments. HLB was included under the public notice and agency review period as they are the only underlying landowner within state managed easements, but they provided no comments. The underlying landowner of the AWWU facility is HLB and notice was sent to the underlying landowner.
Perceived lack of sufficient notice	Commentors expressed a lack of significant collaboration with the community from either SCRO or ENSTAR.	As this application is for a development within an existing easement and is not a disposal of State interest, SCRO provided standard 14-day courtesy notice and subsequently extended to accommodate the community requests as well as expanding the outreach upon the extension of the public notice comment period. SCRO discussed the project with multiple members of the public and responded to email inquiries as well as coordinating a media inquiry with the DNR's director of communications.
Perceived lack of sufficient notice	Commentors expressed that the public notice and comment period should not simply be to alert the public but also to gather feedback of potential issues and concerns.	The purpose of the public notice in this case is both to alert the adjacent and immediately affected property owners of the application to develop an existing easement as well as gather feedback as it applies to the scope of the application which in this case is limited to determining if the requested

		action is consistent with the purpose of facilitating existing and future access.
Impacts to property owners and businesses	Commentors expressed concern of the use of utility easements on private property related to this project and how it will negatively impact quality of life through negative impact on their private property value, recreation access, and viewshed.	The utility easements on private property in question are not managed by SCRO and therefore do not fall within the scope of the decision. Viewshed impacts are not within the scope of this decision. While the development may temporarily impede access to recreation in construction areas for safety reasons it will not block the use of the general area for recreation in the long term.
Impacts to property owners and businesses	Commentors expressed concerns regarding construction disturbances.	Noise disturbance does not fall within the scope of SCRO's decision. SCRO's Letter of non-objection does not preclude the applicant following federal, state, and local construction ordinances.
Impacts to property owners and businesses	Commentors expressed concerns of negative impacts to local businesses as the construction is anticipated to impede trail access in the area.	For safety reasons, the construction will very likely impede access to certain trails temporarily.
Concerns of section line easement management	Commentors expressed concerns of SCRO considering authorization of the section line easement without considering applicants legal access for utility installation outside of SCRO managed easements.	The applicant intends to use utility easements that already exist for the portions that would not fall within SCRO managed easements. The applicant provided sufficient information of planning and design in the application and in Notes 6 and 7 of the Appendix for SCRO to adjudicate the application.

Concerns of section line easement management	A commentor requested for clarification on the 1980 Fisher v GVEA precedent setting court decision on secondary uses of section line easements and if natural gas utility falls within the allowed secondary uses of section line easements.	The Alaska Supreme Court has stated in Fisher v. Golden Valley Elec. Ass'n, Inc. 658 P.2d 127 (1983) that the construction of utilities within these easements is an acceptable secondary use if the utility does not interfere with use of the SLE for access purposes. This is inclusive of all public utilities.
Concerns of section line easement management	A commentor expressed opposition to granting authorization without an established terminus provided by the applicant in the development narrative.	The applicant has provided sufficient information of planning and establishing the terminus for SCRO to adjudicate the application. See note 7 of the Appendix and the drawings in the development plan attached to the application.
Concerns of section line easement management	Commentors expressed concerns regarding the development blocking or degrading existing trails.	The development will temporarily impede access during the construction process but will not permanently block Lower Virgin Creek Trail, Joe Danich Trail, or the Lower Iditarod Trail which may cross the development, nor will it permanently impede any other unnamed trails. The applicant will remediate and revegetate as described in the development narrative, application and Note 3 of the Appendix.
Habitat and ecological degradation concerns	Commentors expressed concerns of impacts to anadromous streams, fish habitats, and fishing access.	In the applicant's development narrative, they requested to bore below stream beds as needed to avoid impacting streams. The Alaska Department of Fish and Game (ADF&G) provided a comment of non-objection which was forwarded to the applicant and can be found in the "Agency Review" portion of the decision. In ADF&G's comment they provide recommendations for preserving and maintaining

		access to fishing along Glacier Creek in comment 1.
Habitat and ecological degradation concerns	Commentors expressed concerns of impacts to migratory and other bird habitats.	The Alaska Department of Fish and Game (ADF&G) provided a comment of non-objection which was forwarded to the applicant and can be found in the "Agency Review" portion of the decision. In ADF&G's comment they provide recommendations for mitigating impacts to such habitats in both comments 3 and 4.
Habitat and ecological degradation concerns	Commentors expressed concerns of impacts to the habitat, plant life, and general ecology of the project area.	The Alaska Department of Fish and Game (ADF&G) provided a comment of non-objection which was forwarded to the applicant and can be found in the "Agency Review" portion of the decision. In ADF&G's comment they provide recommendations for mitigating impacts to such habitats in comments 3.
Habitat and ecological degradation concerns	Commentors expressed concerns of lack of remediation to the habitat within the development area.	In the application's development narrative, the applicant outlined the steps that would be taken for mitigation and remediation and is highlighted in Note 3 of the Appendix. The applicant has displayed intentional mitigative measures to avoid any potential spills as specified in Note 4 of the Appendix. The design must meet Federal safety standards as addressed in Note 5 of the Appendix. In comment 1 of ADF&G's agency comment which can be found in the "Agency Review" portion of the decision ADF&G noted the favorable proposed timing in its impact to habitat impact and guidance to avoid disturbing migratory birds and eagle

		habitats which have been forwarded to the applicant.
Opposition to expanding natural gas infrastructure or use of natural gas	Commentors expressed concerns regarding a dwindling supply of natural gas reserves in the Southcentral region.	The potential availability of natural gas as a local natural resource does not fall into the scope of this decision as it does not relate to determining if the requested action is an acceptable secondary use of the access easement
Opposition to expanding natural gas infrastructure or use of natural gas	Commentors expressed opposition to the project due to natural gas not being a renewable or sustainable energy source.	The sustainability or renewability of an energy source does not fall into the scope of this decision as it does not relate to determining if the requested action is an acceptable secondary use of the access easement.
Opposition to expanding natural gas infrastructure or use of natural gas	Commentors expressed opposition to the project and stated acceptance of multi-day outages as a potential consequence of foregoing this project.	The acceptance for lack of outages does not fall into the scope of this decision as it does not relate to determining if the requested action is consistent with the purpose of determining if the requested action is an acceptable secondary use of the access easement. The applicant provided additional information regarding reliability and project intent to SCRO as is shown in Note 9 of the Appendix.
Project contrary to Girdwood's community vision and/or planning	Commentors expressed concerns regarding increased public safety concerns and illegal and unauthorized activities.	The concern of public safety does not fall into the scope of the decision as it does not relate to determining if the requested action is an acceptable secondary use of the access easement.
Project contrary to Girdwood's community vision and/or planning	Commentors expressed that planning in this area did not account for the section line easement and that it does not match local planning designations or Girdwood's vision for the area. Referenced plans include the	The section line easement has been in place since 1972 and therefore was available for planners to incorporate into plans for several decades. As discussed throughout this decision, while the construction will temporarily block access to

	Girdwood Valley Trails Management Plan and Girdwood Trails Plan.	the trails for safety reasons, there will be no permanent blockage to the trails.
Project contrary to Girdwood's community vision and/or planning	Commentors expressed concerns regarding impacts to long term recreational access in the affected area.	As discussed throughout this decision, while the construction will temporarily block access to the trails for safety reasons, there will be no permanent blockage to the trails.
Project contrary to Girdwood's community vision and/or planning	Commentors requested that feedback received during a Girdwood Board of Supervisors public meeting held on July 17, 2023, that discussed this topic be incorporated into the decision by SCRO.	Comments regarding this application must have been submitted in writing within the date range provided for public comments to be incorporated into the decision.
Application process issues	A commentor requested that the application be rejected since page 1 of the application does not have development plan summary filled out.	While the development plan summary was not filled out on page 1, it was attached to the application in the form of the development narrative. The development narrative was more detailed and longer than what would fit in the space provided at the bottom of page 1 and the additional information provided was sufficient for SCRO to adjudicate the application within the scope of the easement.
Application process issues	A commentor requested that the application be rejected due to inaccuracy in the Environmental Risk Questionnaire (ERQ) submitted with the application to SCRO. The ERQ states asks "In the course of your proposed activity will you generate, use, store, transport, dispose of, or otherwise come in	SCRO is able to determine what information is required to properly adjudicate an application and in this case the development narrative provided sufficient information for SCRO to properly adjudicate this application.

	contact with toxic and/or hazardous materials, and/or hydrocarbons? As the applicant marked "No" to the prompt and then outlined what equipment would be in use which included vehicles that use hydrocarbons and the transportation of natural gas which is a hydrocarbon.	
Application process issues	A commentor requested that the application be rejected since the development narrative stated that it would bore under a stream that the project may not actually cross.	SCRO is able to determine what information is required to properly adjudicate an application and in this case the development narrative provided sufficient information that displayed that the applicant was prepared to take action to directionally drill where needed to cross streams.
Request for stipulations	A commentor requested that ENSTAR should be required to identify any existing trails in the work area and remediate impact or avoid where possible.	As SCRO is writing a letter of non-objection and not an authorization, SCRO does not impose stipulations on non-objection letters.
Request for stipulations	A commentor requested that ENSTAR should reduce width of development to 10' beyond the directional drilling portion as this will provide adequate space for work.	As SCRO is writing a letter of non-objection and not an authorization, SCRO does not impose stipulations on non-objection letters. While 10' may be enough room to move equipment ENSTAR is following safety standards prescribed to all gas utility operators as outlined in Note 10 of the Appendix.
Request for stipulations	A commentor requested that ENSTAR should limit mechanical access for future inspection and repair to only when absolutely required.	As SCRO is writing a letter of non-objection and not an authorization, SCRO does not impose stipulations on non-objection letters. The section line easement does not preclude motorized use as a public

		highway and the scope of this decision does not include modifying the uses of the easement.
Support of project	A commentor provided a comment stating they supported robust gas infrastructure and this project	SCRO acknowledges this comment.
Support of project	A commentor provided a comment stating they feel this may improve access to recreation in this area.	SCRO acknowledges this comment.

Appendix

1. "Nearly all of ENSTAR's Girdwood customers are served through a single 6" plastic line (a "distribution main") that heads NNE along the Alyeska Highway from our pressure reducing station location on Ruane Rd. In the event of a line strike or other event impeding gas delivery on this single-feed line, downstream customers are at risk of a loss of gas. A loss of gas means a loss of heat and hot water, which can be particularly consequential to this community during winter months. Understanding the risks and the impact of a compromise on single-feed lines, ENSTAR endeavors to improve the reliability of its system by installing two-way feeds where prudent. Girdwood is a prime example of an area requiring this added reliability. In 2022, for example, ENSTAR installed over 40,000 feet of distribution main elsewhere in its system to ensure that areas like Girdwood, that are only served by a single pipeline (a "one-way" or "single" feed), have the benefit of a secondary feed to provide system redundancy in the event of a line break. This is a best practice in the gas pipeline industry that helps to ensure both that hydraulic pressures stay high enough at the end of the line to maintain service in the winter and to ensure that, in the event the one-way feed goes down, service can remain on. While ENSTAR is proud of our system-wide 99.99% reliability rate, we know that external forces can disrupt gas service, particularly in areas with one-way feeds. Historically, the biggest threat to ENSTAR's pipelines is from third party excavators who hit and damage our pipelines over 100 times across our system most years. In the case of Girdwood, the possibility of this risk materializing is not just hypothetical. In August 2016, while performing work for a DOT road construction project in the proximity of 1127 Alyeska Highway, Granite Construction hit the 6" distribution main, the one-way feed on Alyeska Highway. This damage jeopardized natural gas service to all Girdwood customers downstream, on the Alyeska Resort side, of that location. Fortunately, Granite's line damage only compromised the top of the line and ENSTAR's crews were able to install a bypass before pinching off the area that required the repair. Thanks to the fortuitous timing and the multiple steps undertaken by ENSTAR, service was maintained to all Girdwood customers. … Factors that allowed customers to continue to receive gas service under these circumstances include:

- **Timing.** Natural gas usage is highly temperature dependent, and this damage occurred in August, when natural gas usage is among its lowest. Because this happened during a summer month, there was very little demand on the pipeline and thus the pressure dropped only slightly while the repairs were being conducted.
- **Voluntary load reductions.** ENSTAR crews did not just rely on temperature to address the urgent need to keep natural gas service flowing; the Hotel Alyeska Girdwood Board of Supervisors
- **Luck**. Despite these mitigating factors, ENSTAR line pressure dropped precipitously during this event. The Girdwood Distribution Main typically operates above 50 psi; pressure dropped to 5 psi during the event. Had the first two bullets not coincided, Girdwood would have experienced a mass loss of service. It should be noted that if ENSTAR was unable to conduct the bypass and this particular area needed to be pinched off, all customers on the downstream side of this location (approximately 1,000 homes and businesses) would have lost service. Restoring gas service to an area like this is not simple and involves a meticulous process that requires an ENSTAR employee to physically inspect and ensure that each customer's service is on, no air is in the lines, and

all appliances are safely relit. An outage in an area of this size would likely take anywhere from 4 to 7 days, depending on the resources available, to get all customers back in service. Moreover, given the seasonal use of many of these properties, it may have taken months to contact and reconnect each customer. Continuity of gas service is particularly critical during winter months where many homes do not have alternate heating sources and would be subject to freezing pipe issues. Circumstances have changed in Girdwood since 2016; not only has the Hotel Alyeska built the Nordic Spa, which places a significant additional load on the Girdwood Distribution Main, but there has been, and apparently may continue to be, significant development and additional customers added. The number of customers served by the Girdwood Distribution Main has increased by 7% since 2016 and continues to grow. More recently, in October of 2021, heavy rain resulted in Ruane Road washing out and exposing a portion of ENSTAR's 2" main that fed the AWWU plant. This line had to be cut out and replaced, with a bypass installed as a temporary fix. ENSTAR cannot predict when or how natural disasters and other unanticipated events will impact its system and the downstream customers. What we can do is take careful and prudent steps to make sure our customers are served under a variety of circumstances. Reliable service is critical in this region. A lack of gas in the winter could quickly result in frozen pipes and potential threats to residents' safety." - **Excerpt from a letter from ENSTAR to the Girdwood Board of Supervisors with Division of Mining Land and Water copied, August 3 2023 from page 2-3**

2. "ENSTAR engineers carefully plan, design, and site projects to minimize cost and impact, while maximizing efficiency and achieving project objectives. Consistent with its practice in other reinforcement projects, ENSTAR identified a path for boring this project that it deemed best-suited for the design. When determining which route to bore for like pipelines, ENSTAR's engineering department prioritizes (1) cost, specifically identifying the most economical way for ENSTAR to meet its need in order to minimize costs to customers; (2) safety Girdwood Board of Supervisors of ongoing operations so that ENSTAR has ready access for ongoing maintenance and to address any leaks that occur; and (3) engineering considerations such as pressure, elevation, the Joules Thompson effect, etc. Proposed Project Having identified a reinforcement of Girdwood's one-way feed as a key priority to ensure the resiliency of its natural gas distribution network, ENSTAR's engineering department searched for the best way to do so. As it does in other parts of its service territory, ENSTAR identified the section line easement, which is owned by the State of Alaska, as the most reasonable way to reinforce the existing one-way feed. It submitted its application in April 2023, and the Department of Natural Resources Division of Mining, Land and Water provided public notice on July 6, 2023." - **Excerpt from a letter from ENSTAR to the Girdwood Board of Supervisors with Division of Mining Land and Water copied, August 3 2023 from page 4-5**

3. "Clearing will be required along the proposed alignment from the end of Virgen Creek Road heading West approximately 3,350ft and 20ft wide. Cleared trees will be mulched and spread along the 20ft wide swath. The backfilled trench shall achieve the pre-

construction elevation. When backfilling, topsoil shall be placed as the uppermost layer to provide a seed bed for native species. If topsoil and/or organic materials are not available from the project site for rehabilitation, other locally-obtained native materials may be used. Topsoil or organic materials (including seed) other than those that are from the project site or locally-obtained may be used only if those materials were identified in the PCN and approved in the NWP verification. Species to be used for seeding and planting shall follow this order of preference: I) species native to the site; 2) species native to the area; 3) species native to the state… An ADEC SWPPP will be required for the proposed work. All BMP's will be in place to prevent potential sediment runoff into surrounding water bodies…. Final stabilization will be completed in the summer of 2024. Trash pumps will be used to pump water into surrounding soil. Dewatering will only be necessary sections of pipe need to be fused in the trench. Most of the pipeline will be fused above ground. – **Excerpt from Application's development narrative May 4, 2023 from page 1 of the development narrative.**

4. "Refueling will take place from slip tanks in the back of trucks from the road system. Equipment will be walked back to Virgin Creek Road or Ruane Road.
Equipment Storage
Tracked equipment will be temporarily stored along the proposed gas line alignment. Duck ponds will be placed under equipment at the end of each shift and wheeled equipment will be demobilized from site daily. - **Excerpt from Application's development narrative May 4, 2023 from page 2 of the development narrative.**

5. "ENSTAR Natural Gas Company, LLC (ENST AR) proposes to install approximately 4,850 feet of 4 Inch Natural Gas Distribution Line. I, 650 feet will be installed via horizontal directional drill. This scope will be completed in accordance with Pipeline and Hazardous Material Safety Administration (PHMSA) requirements. Completion of this scope will allow for safer operation and limit future needs for excavation." - **Excerpt from Application's development narrative May 4, 2023 from page 1 of the development narrative.**

6. "ENSTAR engineers carefully plan, design, and site projects to minimize cost and impact, while maximizing efficiency and achieving project objectives. Consistent with its practice in other reinforcement projects, ENSTAR identified a path for boring this project that it deemed best-suited for the design. When determining which route to bore for like pipelines, ENSTAR's engineering department prioritizes (1) cost, specifically identifying the most economical way for ENSTAR to meet its need in order to minimize costs to customers; (2) safety of ongoing operations so that ENSTAR has ready access for ongoing maintenance and to address any leaks that occur; and (3) engineering considerations such as pressure, elevation, the Joules Thompson effect, etc." - **Excerpt from a letter from ENSTAR to the Girdwood Board of Supervisors with Division of Mining Land and Water copied, August 3 2023 from page 4-5**

7. A project opponent has pointed out that ENSTAR "does not have a terminus" for this pipeline. This is correct. After completing the boring and conducting a soil analysis, ENSTAR will tie in to its distribution system at an appropriate location. ENSTAR has the

expertise to determine where to lay pipelines on its own; indeed it has over 3,200 miles of distribution main throughout its system, the majority of which was laid by ENSTAR. As such, ENSTAR has elected to defer this final piece of the project until the boring po[r]tion is complete." - **Excerpt from a letter from ENSTAR to the Girdwood Board of Supervisors with Division of Mining Land and Water copied, August 3 2023 from page 5**

8. "Accommodations/Mitigations

- Viewsheds.
  - O ENSTAR understands that there are certain community members who have expressed concern about the project, including those with viewsheds that could potentially be affected. To address this concern, ENSTAR offers to sit down with the affected landowners and discuss revegetation in the area closest to their homes. ENSTAR has done as much with other landowners when proposed projects would affect viewsheds.
- Timing.
  - o The project, as proposed, would be undertaken in the August-September 2023 timeframe. While DNR public notice was indeed shorter than ENSTAR would have liked, it comported with the law. Nonetheless, ENSTAR acknowledges both the need for further review of this project as well as the value of further dialogue.

Thank you for your commitment to our communities. We appreciate the feedback we've received and for the opportunity to provide this response. Our goal is to provide open communication with area residents and to take prudent steps to maintain reliable service to our customers." - **Excerpt from a letter from ENSTAR to the Girdwood Board of Supervisors with Division of Mining Land and Water copied, August 3 2023 from page 6**

9. "Reliability is not an optional component of service; it is essential to natural gas delivery. The assertion was made by an affected landowner that Girdwood residents are indifferent to whether they receive reliable natural gas service. To ENSTAR's knowledge this is not a formal position taken by the Girdwood Board of Supervisors. Moreover, ENSTAR's statutory obligation as a regulated utility with a Certificate of Public Convenience and Necessity is to provide service that is "continuous and without unreasonable delay." ENSTAR would not, and legally cannot, rely on one landowner's representation as to the wishes of the rest of
Girdwood residents, business owners, and landowners." - **Excerpt from a letter from ENSTAR to the Girdwood Board of Supervisors with Division of Mining Land and Water copied, August 3 2023 from page 4.**

10. "ENSTAR's application included a request for permission to clear a 20' wide right of way for the lineal extent of the easement. This request was made because the U.S. Department of Transportation, Pipeline and Hazardous Materials Administration ("PHMSA") requires ENSTAR to maintain cleared rights of way that allow the performance of certain actions to ensure its pipelines are safe, including leak surveying and installing signage. Additionally, it maintains the rights-of-way above its pipelines in a cleared state so that it can quickly respond to any leak. When natural gas leaks occur,

ENSTAR's priority is the safety of the public and its employees. An encumbered right of way risks slowing a response and heightening any risk of a safety incident." - **Excerpt from a letter from ENSTAR to the Girdwood Board of Supervisors with Division of Mining Land and Water copied, August 3 2023 from page 4.**