



**U.S. Department
of Transportation
Pipeline and Hazardous
Materials Safety
Administration**

**1200 New Jersey Avenue, SE
Washington, DC 20590**

April 27, 2020

Mr. Frank T. Richards, P.E.
Senior Vice President, Program Management
Alaska Gasline Development Corporation
3201 C Street, Suite 200
Anchorage, Alaska 99503

Docket No. PHMSA-2017-0157

Dear Mr. Richards:

On September 8, 2017, pursuant to 49 Code of Federal Regulations § 190.341, Alaska Gas Development Corporation (AGDC) applied to the Pipeline and Hazardous Materials Safety Administration (PHMSA) for a special permit. AGDC requested PHMSA to waive compliance with §§ 193.2167 and 193.2173 for the proposed Alaska LNG Terminal. The Alaska LNG Terminal is a proposed natural gas liquefaction and marine export facility located on the eastern shore of the Cook Inlet near Nikiski, Alaska and is part of the Alaska LNG Project. The pipeline safety regulations in § 193.2167 prohibit a covered impounding system and § 193.2173 requires water removal systems for impounding systems.

AGDC's special permit request proposed the use of a pipe-in-pipe (PIP) system for segments of the liquefied natural gas (LNG) rundown lines and LNG quench lines in the Alaska LNG Terminal. The PIP system would consist of an inner pipe and an outer pipe. The PIP system outer pipe would contain any releases from the inner pipe within an enclosed secondary outer pipe.

On December 10, 2019, PHMSA published a Federal Register (FR) notice (84 FR 67511), announcing the special permit request. The Special Permit Request letter, Final Environmental Assessment (FEA) and Finding of No Significant Impact (FONSI), Special Permit Analysis and Findings, and all other pertinent documents for this special permit are available for review in

Docket No. PHMSA-2017-0157 in the Federal Docket Management System located at www.regulations.gov.

PHMSA grants this special permit (enclosed) based on the information provided by AGDC and the findings set forth in the Special Permit Analysis and Findings, FEA and FONSI. This special permit provides relief from the Federal Pipeline Safety Regulations for usage of a PIP system and requires AGDC to comply with certain conditions and limitations designed to maintain pipeline safety for the period as defined in the special permit.

My staff would be pleased to discuss this special permit or any other regulatory matter with you. Senth White, Director of PHMSA Engineering and Research Division, may be contacted at 202-366-2415, on technical matters; and Mr. Dustin Hubbard, Director, Office of Pipeline Safety, Western Region, may be contacted at 720-963-3183, for operational matters specific to this special permit.

Sincerely,

Alan K. Mayberry
Associate Administrator for Pipeline Safety

Enclosure: Special Permit – PHMSA-2017-0157