



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety
Administration**

SEP 9 2019

1200 New Jersey Avenue, SE
Washington, D.C. 20590

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-2017-0046

Dear Mr. Richards:

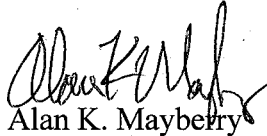
On April 14, 2017, Alaska Gasline Development Corporation (AGDC) requested the Pipeline and Hazardous Materials Safety Administration (PHMSA) to issue a special permit to waive compliance from 49 Code of Federal Regulations (CFR) 192.112(f)(1) for use of three-layer polyethylene (3LPE) coating on the Alaska LNG Pipeline. The Alaska LNG Pipeline is an 807-mile 42-inch diameter natural gas transmission pipeline that AGDC has proposed to build that will extend from the AGDC's proposed Gas Treatment Plant (GTP) on the North Slope of Alaska to the Liquefaction Facility on the shore of the Cook Inlet near Nikiski, Alaska, including an offshore pipeline section crossing Cook Inlet.

PHMSA is granting this special permit (enclosed) for the 42-inch diameter Alaska LNG Pipeline. This special permit provides relief from the Federal Pipeline Safety Regulations for the AGDC special permit segments and requires ADGC to comply with certain conditions and limitations designed to maintain pipeline safety. AGDC is authorized to use 3LPE coatings on the pipeline special permit segments that are built to comply with the alternative MAOP requirements. Section 192.112(f)(1) requires a non-shielding external pipe coating, while the 3LPE coating could electrically shield the pipeline from cathodic protection (CP). The special permit conditions require AGDC to implement pipeline assessments and to remediate any segments with 3LPE coating conditions that shield the pipe from CP and thus may affect pipeline integrity.

PHMSA grants this special permit based on the findings set forth in the "Special Permit Analysis and Findings" and the "Final Environmental Assessment and Finding of No Significant Impact" documents, which can be read in their entirety in Docket No. PHMSA-2017-0046 in the Federal Docket Management System (FDMS) located at www.regulations.gov.

My staff would be pleased to discuss this matter or any other regulatory matter with you. John Gale, Director of Standards and Rulemaking Division, may be contacted at 202-366-0434 on regulatory matters, and Senth White, Director of Engineering and Research Division, may be contacted at 202-493-2415, on technical matters specific to this special permit grant.

Sincerely,



Alan K. Mayberry
Associate Administrator for Pipeline Safety

Enclosure: Special Permit – PHMSA-2017-0046