



KENAI PENINSULA BOROUGH

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Mike Navarre
Borough Mayor

December 4, 2015

Kimberly D. Rose, Secretary
Federal Energy Regulatory Commission
888 First St. NE, Room 1A
Washington, DC 20426

Re: Alaska LNG Docket No. PF14-21
Kenai Peninsula Borough comments under FERC scoping process

This is to follow up on the Kenai Peninsula Borough's initial comments of Oct. 27, 2015, by providing a more detailed list of specific issues that the municipal government and borough residents believe should be addressed in the environmental impact statement for the Alaska LNG Project (FERC Docket No. PF14-21).

Construction and operation of the Alaska LNG project within the Kenai Peninsula Borough would include several miles of pipeline on the west side of Cook Inlet, the undersea pipeline across the inlet to landfall on the Kenai Peninsula, additional pipeline miles onshore parallel to a major highway to reach the liquefaction plant along with the LNG storage tanks and marine terminal at Nikiski. While operations at the LNG plant will affect the area's traffic, economy, population and demands for public and private services long term, it is the thousands of workers during construction, along with the accompanying traffic and demands for services that are of more concern to the borough and its residents because of the concentrated impact.

The Alaska LNG project teams have been helpful in explaining their plans, answering questions and showing their willingness to work with the community to lessen impacts during construction — the teams are fully aware of the community's concerns. This letter is not intended as a listing of shortcomings in the project, but rather to get on the record with the Federal Energy Regulatory Commission those issues the borough has raised with the Alaska LNG project teams and that should be addressed in the project's environmental impact statement.

The borough realizes that many of the questions it asks in this letter will be addressed in the next round of draft resource reports expected from the Alaska LNG project in the first and second quarters of 2016. It looks forward to the project details in those reports, particularly the construction logistics and workforce plans.

TRAFFIC

- Traffic along the Kenai Spur Highway between Soldotna and Kenai, and between Kenai and Nikiski already is congested during the morning and afternoon as workers come to and from their jobs, including those time periods twice a day when school buses are on the road. Much of the highway mileage on those heavily traveled segments is two lanes, without turn lanes. As the road is the only highway route into the LNG plant site from Anchorage, Soldotna, Kenai, Homer and Seward, we would

expect a significant increase in traffic during construction. How much additional traffic does the project anticipate on the highway and what steps is it proposing to lessen the congestion and increased safety risk to residents? Has the project considered the need to expand the highway to four lanes or add turn lanes to facilitate the safe movement of traffic?

- Are there any equipment staging areas or project service-provider locations planned along the highway that would require specific turn lanes or other accommodations to enable traffic to enter and exit the highway safely?
- Has the project considered halting or limiting truck traffic during the hours of school bus operations?
- The community will need assurances that fire department and emergency response equipment from the two stations in Nikiski will have unencumbered, 24-hour access to the highway to respond to calls, without the risk of pulling into heavy truck traffic. That could include flashing red lights to warn and/or stop traffic a sufficient distance north and south of Nikiski Fire Station No. 1 that could be activated by station personnel in the event of a response call. Has the project considered any such measures?
- A map of any temporary (or permanent) road closures or diversions planned during construction should be required so that the borough can take steps to ensure continued access for all property owners in the area.
- For construction workers hired locally who commute to the job site, has the project considered operating an employee shuttle bus system to help reduce highway traffic?
- Would improvement to the so-called Escape Route (Marathon Road) from the Nikiski area to Kenai help alleviate traffic concerns on the Kenai Spur Highway? Is it even possible, considering the wetlands and rights-of-way issues along the route?

HOUSING

- Does the project anticipate any temporary housing needs within the borough, outside of the worker camp at the LNG plant construction site?
- Will all workers be required to live at the construction camp, even those workers who already reside in the borough?
- Has the project considered the option of making work camp housing units available to Kenai Peninsula organizations after construction is complete, so that the community organizations could put the units to use in alleviating shortages of affordable housing?

AIRPORT SERVICES

- The City of Kenai, which owns and operates the Kenai Airport, will need to expand the airport terminal and parking areas to handle additional traffic anticipated during project construction. The amount of expansion work will depend in large part on the project's plans for moving out-of-town work crews at shift change between the Kenai Airport and the LNG construction site, and the project's plans for flying in those workers. Because of the lead time required for airport improvements, the City of Kenai will

follow this issue closely and needs to see projected air traffic and passenger numbers in the project's resource reports to be filed with FERC.

- Will the project utilize charter or scheduled aircraft of such a size to move personnel that would require additional emergency response equipment/personnel at the Kenai Airport to meet Federal Aviation Administration standards?

NOISE, LIGHTING and SAFETY ZONES

- Will the project install noise-level monitors in the area outside of the construction site to document and help resolve any conflicts that may arise with neighbors?
- What steps will the project incorporate into its LNG plant design to reduce light "spilling out" into nearby residential blocks?
- Will project teams engage in one-on-one discussions with every neighbor around the plant site to explain safety zones, security buffers, disaster plans and emergency response protocols?

MEDICAL and EMERGENCY SERVICES

- What level of medical services does the project expect will be provided for its construction crew at the clinic that would operate at the work site? This would help local health care providers determine demand for their services during construction.
- Will the clinic at the construction site serve only workers or will the services extend to their family members and project contractors and subcontractors that live outside the construction site? This information also would help local health care providers determine demand for their services during construction and plant operations.
- Anticipated patient load at the Central Peninsula Hospital in Soldotna is another issue that should be addressed in the environmental impact statement. The hospital — particularly in the summer — can run short of acute-care and emergency room beds. If the project intends to rely on the hospital for serious medical emergencies, the facility will need to take steps to prepare for the increase in patient stays.
- What form of cooperative agreement and level of emergency response training does the project anticipate with the Nikiski Fire Service Area? What training will the project provide to the region's emergency response and firefighting squads for hazardous materials and plant-specific operations?
- Has the project considered an alert system, such as sirens mounted on towers in strategic locations, to warn neighboring residents and businesses of accidental discharges or other hazardous situations at the LNG plant site and marine facility?

PUBLIC SCHOOLS

- Though there is available classroom space in many Kenai Peninsula School District facilities, the empty chairs may not be in the right schools depending how many new students move into the district and where their families live. The resource reports need to address timing, location and potential numbers of new families coming into the district during project construction and operations.

RECREATIONAL OPPORTUNITIES and TOURISM

- Sport, charter and personal-use fishing on the Kenai Peninsula are extremely popular — and congested — during the summer season. Has the project considered what steps it might take to provide recreational opportunities for its workers without adding to the already stressed facilities and sites used by locals and visitors? Are there any steps the project could take to assist in expanding existing facilities to accommodate the expected increase in demand during construction?
- Tourism is important to the Kenai Peninsula's economy, with visitor housing in short supply during peak times. What steps could the project take to ensure the housing demands of temporary contractors, subcontractors and goods and services providers during construction do not squeeze out visitors?

JOB TRAINING

- Local demand for construction and operations jobs on the project will be high. Has the project considered establishing a relationship with the Kenai Peninsula College to provide job training to match hiring needs?

SOLID WASTE DISPOSAL

- As the landfill operator on the Kenai Peninsula, the borough needs an estimate and timeline of property demolition and project construction waste materials to ensure its facilities are ready to handle the additional loads, particularly any asbestos-contaminated materials.

SEWAGE and WASTEWATER DISPOSAL

- Does the project plan any on-site sewage disposal (septic systems), or will all effluent be treated and pumped offshore?

FRESH WATER SOURCES

- Has the project considered extending the City of Kenai municipal water system to serve the LNG plant site, rather than drawing water from wells?
- If the project drills wells for its water source, has it considered a community outreach program and response plan should nearby property owners notice a drop-off in water pressure or water quality from their existing wells?
- In the possibility that the project chooses to fulfill its water needs from wells at the plant site, has it considered measuring the flow and quality at all private wells in the area of the plant site before construction starts to provide baseline data should any property owner's wells develop problems at a later date?

GRAVEL SOURCES

- What accommodations will the project consider to limit gravel pit crushing operations at sites in close proximity to residences?

DISPOSAL OF SOILS, DEBRIS and DREDGING MATERIALS

- The project teams have initiated discussions with the Kenai Soil and Water Conservation District to draw on local ideas and expertise for how best to handle the several million cubic yards of dredged material, soils and overburden that will come from project construction work. The borough looks forward to a thorough discussion of disposal alternatives in the environmental impact statement, including options for using the materials as productively as possible.

MARINE ACTIVITY

- How does the project plan to resolve conflicts with local offshore and near-shore fisheries during construction and operations?
- What kind of seasonal restrictions has the project considered for its offshore and near-shore construction activities to reduce the impact on sport, commercial, charter and personal-use fisheries?
- How will the project schedule its offshore pipeline laying work — particularly the pipeline-laying barge — to reduce intrusions on fishing times in Cook Inlet?

PIPELINE ROUTE on WEST SIDE of COOK INLET

- Residents of Tyonek and Beluga on the west side of Cook Inlet are concerned about unrestricted access by construction workers in their area, in particular adding pressure on fishing and hunting opportunities and adding traffic to the limited road system. How does the project plan to address the local concerns?
- Will there be any permanent staffing or facilities on the west side of Cook Inlet during project operations?

Thank you,



Mike Navarre
Mayor