Report
Submitted to the
United States Congress
by the Federal Energy Regulatory Commission

Fifteenth Report to Congress on Progress Made in Licensing and Constructing the Alaska Natural Gas Pipeline

February 2013

Fifteenth Report to Congress on the Alaska Pipeline

I. Executive Summary

The Federal Energy Regulatory Commission (Commission) submits this report pursuant to section 1810 of the Energy Policy Act of 2005 (EPAct 2005).[1] Section 1810 of EPAct 2005 requires that the Commission submit to Congress semi-annual reports describing the progress made in licensing and constructing an Alaska natural gas pipeline and any impediments thereto.

This report provides an update from the Commission's Fourteenth Report, submitted on August 29, 2012. That report highlighted TransCanada Alaska Company, LLC's (TC Alaska) suspension of the development of the North Slope to Alberta option of its planned Alaska Pipeline Project (APP) while it assesses other alternatives to commercialize Alaska North Slope gas. One such alternative is a potential new pipeline system to transport North Slope gas to a liquefaction terminal at a tidewater location in south-central Alaska.[2]

II. Status Report

A. TC Alaska's Proposal

On May 11, 2012, TC Alaska notified the Commission that it was curtailing interim work on the Alberta option while requesting to maintain the record in Docket No. PF09-11 for potential future use.[3] TC Alaska's October 2012 and January 2013 Quarterly Reports to the Commission state that its limited public outreach has continued and that the pipeline right-of-way and engineering data has been archived for potential future use. Additionally, TC Alaska opened a non-binding Solicitation of Interest of potential shippers for capacity commitments on a pipeline from the North Slope to

[1] P.L. 109-58, 119 Stat. 594 (2005), 42 U.S.C § 15801 *et seq*.

[2] ConocoPhillips Corporation and BP p.l.c. would join TC Alaska and affiliates of Exxon Mobil Corporation in the approximately 800-mile-long pipeline – LNG export terminal project, estimated to cost approximately $65 billion.

[3] The open docket will preserve project-specific filings and allow for the submission of quarterly status reports by TC Alaska.

Alberta or to a natural gas liquefaction terminal at a tidewater location in south-central Alaska.[4]

B. The Commission's Activities

The Commission remains ready to resume its responsibilities as the lead federal agency for conducting the National Environmental Policy Act (NEPA) review of the TC Alaska proposal. The Commission continues to monitor activities regarding any natural gas pipeline or LNG project in Alaska for which the Commission would have jurisdiction.

The federal permitting agencies are prepared to resume working under the Commission's pre-filing process and to continue the preparation of an environmental impact statement once either TC Alaska re-engages its pre-filing activities or another entity files an application with the Commission.

III. Related Activities

Operations of the Federal Coordinator

The Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects (OFC) continues to coordinate the actions of federal agencies regarding Alaska natural gas transportation projects and to provide a liaison function to ensure communication with Congress, the State of Alaska, and federal U.S. and Canadian agencies. The OFC provides updates on its website (www.arcticgas.gov) regarding national and world-wide natural gas issues that may affect the ultimate disposition of Alaskan North Slope natural gas.

IV. Conclusion

No progress has occurred since the last report on a project bringing Alaskan natural gas from the Alaskan North Slope to lower 48 state markets. However, the Commission is ready to move forward to the next step in its NEPA process when TC Alaska or another entity decides to proceed with a pipeline to serve North American markets or embarks on a project to liquefy and export natural gas to foreign markets. Until such time or TC Alaska requests otherwise, the Commission will keep TC Alaska's Docket No. PF09-11 open to maintain the existing record and accept filings of quarterly status reports and related items.

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[4] TC Alaska notes that the Alaska Gasline Inducement Act ("AGIA") requires the AGIA Licensee to assess the market demand for additional pipeline capacity at least every 2 years after its first binding open season.