

Alyeska Pipeline Service Company

**Trans-Alaska Pipeline Citizens Oversight
Stakeholder Workshop**

May 5, 2010

Kluti-Kaah Memorial Hall, Copper Center



Vision/Mission:

Provide a safe, environmentally responsible, cost-effective, and reliable means to move liquid hydrocarbons to market

Strategic Priorities



Operate and maintain TAPS responsibly



Develop tomorrow's talent



Renew and adapt our infrastructure



Evolve our processes to increase efficiency



People Dedicated to the Integrity of TAPS

About Alyeska...

- Alyeska Pipeline Service Company was incorporated on August 14, 1970 to design, build, operate and maintain the pipeline, pump stations and the Valdez Marine Terminal.
- Alyeska personnel and contractors continually monitor and operate the Trans Alaska Pipeline System – or TAPS – so that oil flows safely, efficiently and in an environmentally sound manner.
- On average there are about 2,000 TAPS employees – a combination of Alyeska employees and various contractors.
- Alyeska is owned by five oil pipeline companies.



Pipeline facts

- Some 420 of the 800-mile-long pipeline is elevated on 78,000 supports, called “vertical support members.” It is designed this way because the ground is composed of permafrost.
- The pipeline runs through a corridor called the “Right of Way,” which is 16.3 square miles wide along the length of the pipeline.
- The pipeline's highest point is 4,739 feet at Atigun Pass in the Brooks Range.
- The pipeline has an outside diameter of 48 inches and approximately half-inch-thick walls.
- The pipeline crosses the Brooks, Alaska, and Chugach mountain ranges.



Pipeline facts

- TAPS carries approximately 14 percent of the nation's domestic oil production.
- Since startup in June 1977, TAPS has transported more than 16 billion barrels of crude oil.
- More than 20,000 tankers have been loaded at the Valdez Marine Terminal.
- Current daily throughput is approximately 650,000 barrels per day (April 2010).



Regulatory Oversight

- 22 local, State & Federal regulators
- Joint Pipeline Office
- U.S. Coast Guard
- PWS Regional Citizens Advisory Council
- State Lease & Federal Grant of Right-of-Way renewed 2002 & 2003



*Please describe the company's interface with TAPS owners:
How are spending decisions made and approved?*

- Planning assumptions are developed by Alyeska and delivered to the Owners for review and approval
- Alyeska uses the planning assumptions to develop a draft Long Range Plan
- The draft Long Range Plan is vetted through Alyeska Leadership
- Each division in Alyeska presents their plans to Owner Alternates to outline spending plans
- The budget is finalized and approved in December
- We apply risk management in our decision to ensure our resources address higher risk items



Please identify operations data and other information resources currently available to citizens.

- Public Awareness Program as described in API 1162
- DOT posts their inspection findings on their website
- Annual reports developed by oversight agencies
- During the development of TAPS' oil spill contingency plans, Alyeska holds public information meetings in the various towns and communities along the ROW corridor
- Drafts of the TAPS oil spill contingency plans are on file in the libraries of all the communities along the Right-of-Way corridor (including Cordova) for additional public comment prior to approval from the state
- Alyeska Pipeline public website



What opportunities does Alyeska see for improving access to data on operations?

- There are numerous access points within Alyeska and our regulatory agencies that allow the public to obtain information about our operations and provide input.
- An opportunity for improvement may be raising citizens' awareness of all the ways the public can currently engage in the public comment process.
- We continuously look for ways to enhance our interaction with the public and raise awareness of TAPS operations. We view meetings like this as opportunities to improve our public education program.



Would Alyeska consider Copper Basin citizen involvement in inland spill response preparation (similar to PWS commercial fishing fleet trained responders)?

- Ahtna is Alyeska's Primary Response Action Contractor (PRAC) for Glennallen and the Copper River Basin, officially registered with the State of Alaska as a PRAC
- Trained to the highest level as Pipeline Initial Responders
- In addition to the core responders, through an open offer, Ahtna brings additional personnel to training each year to strength pool of responders

