United States Department of the Interior

FISH AND WILDLIFE SERVICE
1011 E. Tudor Road
Anchorage, Alaska 99503-6199

IN REPLY REFER TO:

AFES/MMM

DEC 11 2012

Mr. Joe Robertson
Compliance Officer
Alyeska Pipeline Service Company
P.O. Box 196660, MS 502
Anchorage, Alaska 99503

Dear Mr. Robertson:

This responds to Kenneth Wilson's November 12, 2012, request for a Letter of Authorization (LOA) for the Incidental Take of polar bears in association with the operation and maintenance of the Trans Alaska Pipeline System (TAPS). Enclosed is an LOA (12-22) that will allow Alyeska Pipeline Service Company (Alyeska) to take small numbers of polar bears incidental to oil and gas industry activities identified in your LOA request.

Our Incidental Take Regulations authorize incidental takes of polar bears within 25 miles (approximately 40 km) of the Beaufort Sea coast. The majority of the TAPS and its associated facilities are located outside the 25-mile area identified in our regulations. Past experiences at sites which are located at farther distances from the coast indicate that it is unlikely that polar bears will be encountered in these areas. Regardless, please use caution and report any polar bear sightings to the U.S. Fish and Wildlife Service (Service), Marine Mammals Management Office (MMM).

In addition to protection measures for polar bears described in the Alyeska Polar Bear Interaction Plan (*Alyeska's Polar Bear Interaction Plan, Number ENV-30, Revision 2, December 28, 2011, Part of the Environmental Plan, Pump Station 1 & Pipeline Right of Way*), the Service believes that Alyeska personnel can limit human/polar bear interactions by being observant of approaching animals (i.e., the use of marine mammal observers) and breaking off interactions, if practicable, by allowing the animals to continue their travel. Service biologists are available for consultation if questions or concerns arise regarding polar bears and walruses during the project period at the phone numbers listed below and noted in your interaction plan.

Furthermore, Alyeska will: 1) provide copies of the polar bear observation form to all Alyeska contractors operating under this LOA; 2) report any polar bear sightings, or signs of polar bears, such as tracks, scat, or diggings, to the Service, MMM by phone or using the polar bear observation form; 3) report any possible den locations that are found during work activities within 12 hours to the Service, MMM; and 4) institute the one-mile (1600-meter) buffer immediately upon discovery of a maternal den site. Service biologists will be available for

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consultation if questions or concerns arise during the project period at the phone numbers listed below and noted in your interaction plan.

The Service has completed intra-Service consultation under the Endangered Species Act of 1973, as amended (ESA), on the issuance of this LOA and has determined that the issuance this LOA to Alyeska is not likely to jeopardize the continuing existence of the polar bear or the Pacific walrus and is not likely to destroy or adversely modify polar bear critical habitat. Issuance of this LOA also completes ESA requirements for authorization of incidental take of the polar bear. Compliance with the terms and conditions of this LOA ensures that the LOA holder is also in compliance with the ESA. No additional authorization under the ESA is required.

This authorization is issued in accordance with MMPA Incidental Take Regulations published in the *Federal Register (*76 FR 47010), dated August 3, 2011. Please review these regulations. If you should have any further questions, please contact Mr. Craig Perham, at (907) 786-3810, or Mr. Christopher Putnam, at (907) 786-3844, of our Marine Mammals Management Office.

Sincerely,

(Acting) Chief, Marine Mammals Management

Enclosures

cc: Mr. Kenneth Wilson, Alyeska Pipeline Service Company
Mr. Richard Shideler, Alaska Department of Fish and Game
U.S. Fish and Wildlife Service, Fairbanks Fish and Wildlife Field Office
U.S. Fish and Wildlife Service, Office of Law Enforcement
North Slope Borough, Department of Law

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U.S. Fish and Wildlife Service

LETTER OF AUTHORIZATION
(12-22)

ISSUED: December 11, 2012
EXPIRES: December 1, 2013

Alyeska Pipeline Service Company (Alyeska) is hereby authorized to take small numbers of polar bears incidental to activities occurring during the operation and maintenance of the Trans-Alaska Pipeline System (TAPS). A detailed description of the authorized activities can be found at: http://tapseis.anl.gov/index.cfm.

This Letter of Authorization (LOA) and the required conditions below apply to Alyeska personnel and contractors of Alyeska performing Alyeska-approved work during the year-round operation and maintenance of that portion of the TAPS within 25 miles (approximately 40 km) of the Beaufort Sea coast.

This authorization is subject to the following conditions:

1. Alyeska Operations Manager, or equivalent, will be fully aware, understand and capable of implementing the conditions of this LOA.

2. This authorization is valid only for activities associated with Alyeska's year-round operation and maintenance of that portion of the TAPS within 25 miles (40 km) of the Beaufort Sea coast, as specified in Alyeska's November 12, 2012, application.

3. The Polar Bear Interaction Plan (*Alyeska's Polar Bear Interaction Plan, Number ENV-30, Revision 2, December 28, 2011, Part of the Environmental Plan, Pump Station 1 & Pipeline Right of Way*) is hereby approved, and all provisions unless specifically noted are incorporated into this authorization by reference. A copy of the current Polar Bear Interaction Plan must be available on site for all personnel.

4. Intentional take is prohibited under this LOA.

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5. At the discretion of the U.S. Fish and Wildlife Service (Service), Alyeska must allow the Service to place an observer on site, including any facilities, vessels, aircraft or vehicles, to monitor the impacts of the activity on marine mammals, when requested.

6. Polar bear monitoring, reporting, and survey activities will be conducted in accordance with 50 CFR §18.128. The basic monitoring and reporting requirements follow:

- Alyeska must cooperate with the Service, and other designated Federal, State or local agencies to monitor the impacts of oil and gas exploration activities on polar bears;

- Alyeska must not conduct activities that operate nor pass within one mile (1.6 km) of known polar bear dens. All observed dens must be reported to the Service, Marine Mammals Management Office (MMM) within 12 hours of discovery. Should occupied dens be identified within one mile of project activities work in the immediate area will cease and the Service, MMM must be contacted for guidance. The Service, MMM will evaluate these instances on a case-by-case basis to determine the appropriate action. Potential actions may range from cessation or modification of work to conducting additional monitoring. Alyeska must comply with any additional measures specified;

- If any changes develop in the project during the period approved under this LOA, such as activities, location or methods, Alyeska must notify the Service, MMM prior to the implementation of such changes;

- Designate a qualified individual or individuals to observe, record, and report the sightings of polar bears;

- Alyeska will report sightings of polar bears or polar bear signs (using the polar bear observation form) through the duration of the project within 24 hours of initial observation by FAX at (907) 786-3816 or email at craig_perham@fws.gov;

- At the discretion of the Service, Alyeska must allow a Service observer on-site to monitor the impacts of the activity on polar bears;

- Alyeska must submit an annual monitoring report to the Service, MMM as required under 50 CFR § 18.128, which will be received no later than 90 days after the expiration date of the LOA.

7. The Service has completed intra-Service consultation under the Endangered Species Act of 1973, as amended (ESA), on the issuance of this LOA and has determined that the issuance this LOA is not likely to jeopardize the continuing existence of polar bears and is not likely to destroy or adversely modify polar bear critical habitat. Issuance of this LOA also completes ESA requirements for authorization of incidental take of the polar bear. Compliance with the terms and conditions of this LOA insures that the LOA holder is also in compliance with the ESA. No additional authorization under the ESA is required.

8. This Letter of Authorization is valid for the period indicated on this authorization, unless extended or terminated in writing by the U.S. Fish and Wildlife Service, Marine Mammals Management Office.

Acting Chief, Marine Mammals Management

12/11/2012
Date