

DeLong Mountain: Port Expansion EIS Completion**FY2005 Request: \$2,000,000****Reference No: 41145****AP/AL:** Allocation**Project Type:** Planning**Category:** Transportation**Location:** Kotzebue**Contact:** John MacKinnon**House District:** Arctic (HD 40)**Contact Phone:** (907)465-6973**Estimated Project Dates:** 06/30/2005 - 06/30/2010**Appropriation:** CC: Section 58(c): Alaska Capital Income Projects**Brief Summary and Statement of Need:**

Complete NEPA process necessary to construct first deep water port in NW Alaska for minerals and energy exports.

Funding:	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>Total</u>
AK Cap Inc	\$2,000,000						\$2,000,000
Total:	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$2,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:**Project Description/Justification:**

This project provides for the leadership of the ongoing Corps of Engineer EIS to expand the DeLong Mountain Port project to better serve the Red Dog Mine, other regional mining prospects, and local villages. The draft EIS review may begin early 2005.

The DeLong Mountain Port project has both immediate and long-term benefits. Currently the Red Dog mining operation uses a lightering system between ore concentrate storage buildings on the coast and ore carriers that must anchor far off shore due to shallow water depth. The double handling of ore via lightering adds to the cost of transportation.

Future mineral and energy resources could also take advantage of a deep water loading facility. Northwest Alaska possesses world-class deposits of mineral and energy resources but lacks deep-water ports anywhere north of Cape Nome in Norton Sound. The completion of the EIS would then permit the deep water loading facility for ore and potentially other commodities to become a reality.

The Alaska Industrial Export Authority is leading this project.