

**Industrial Road Program**

**FY2005 Request: \$17,000,000**

**Reference No: AMD 39356**

**AP/AL:** Allocation

**Project Type:** Construction

**Category:** Transportation

**Location:** Statewide

**Contact:** John MacKinnon

**House District:** Statewide (HD 1-40)

**Contact Phone:** (907)465-6973

**Estimated Project Dates:** 07/01/2004 - 06/30/2009

**Appropriation:** Congressional Earmarks

**Brief Summary and Statement of Need:**

Funding for Colville River Bridge and other industrial roads.

<b>Funding:</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>Total</b>
CIP Rcpts	\$8,000,000						\$8,000,000
Fed Rcpts	\$9,000,000						\$9,000,000
<b>Total:</b>	<b>\$17,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,000,000</b>

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input checked="" type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" 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	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

\$1,000,000 - FY2004 - North Slope Oilfield Connector Road and Colville River Bridge,

\$5,000,000 - FY2004 - Industrial Development Roads

**Project Description/Justification:**

**Colville River Bridge Project - Requested \$9,000,000 Congressional Earmark**

This project is a major bridge crossing that crosses the Colville River near the village Nuiqsut. It is part of a larger road extension project that begins at the Spine Road/Tarn-Meltwater intersection on the North Slope and extends west-southwest for 16 miles to the east bank of the Colville River. The Colville River Bridge project includes a 3,300-foot structure and 2 mile long access road on the west side of the Colville River Bridge. The access road continues approximately 2 miles to a staging area terminus. Other elements of the project not contemplated in this earmark is a 3-mile BIA sponsored road project that is designed and permitted, but has not been constructed due to a lack of funding. This road will provide Nuiqsut residents with access to the bridge and through a managed system, access to the Deadhorse Airport and the Dalton Highway by way of the Colville River Road and the Spine Road.

**Additional Industrial Road Projects**

We have three major projects currently in the works for the North Slope Oilfield Roads.

**Colville River Road**

To access NPR-A, the best way to connect National Petroleum Reserve-Alaska oil and gas leases with the North Slope road system is to extend the Spine Road that runs through the Prudhoe Bay and Kuparuk River fields straight west across the Colville River. The Spine Road is the existing 57 mile industrial road starting at Deadhorse and running west through

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the current producing oilfields. This is proposed to be an 18 mile road, from the end of the existing Spine Road to the Colville river, and a 3300 foot bridge across the Colville.

Recent reductions in the ice road season and a new generation of oil and gas development opportunities combine to make all season access critical to continue development of the North Slope oil and gas resources (this winter, Conoco Phillips spent over \$5 million just to construct an ice road from the Spine road, across the Colville).

### Foothills Road

What was earlier proposed to be a 102 mile road from pump station 2 on the Dalton Highway west and north to Nuiqsut has been refined to initially consist of a 50 mile east-west leg along the foothills of the Brooks Range, providing year-round gravel road access to numerous existing oil and gas leases on state lands.

### Bullen Point Road

The Bullen Point project is a 50 mile road extending east from the Dalton Highway, near Franklin Bluffs to Bullen Point on the Arctic Ocean. This road will also access existing leases and developments on state land, including the Badami development (BP) and Exxon's Pt Thompson field.

There are 2 other Industrial Road projects in development.

### Pebble Copper

We recently signed an agreement for a reconnaissance study of potential road routes from a deepwater port (Williamsport, or Iniskin) on Cook Inlet. Pebble Copper, north of Lake Iliamna, has the potential to be one of the largest copper and precious metal deposits in the world, but development cannot occur without a road access and an energy source (such as cook inlet gas).

### Crooked Creek Road

This 14 mile road would provide access from a port on the Kuskokwim River to the Donlin gold properties, as part of a much larger project that would eventually connect north and west to the Yukon River.

Funding is through a \$4 million state GO bond and a \$10 million congressional earmark. The project is following FHWA rules, but current discussions are directed towards splitting FHWA segment from a public/private financed segment. Working with the local residents and the mine developer has resulted in consideration of alternate (longer) routes. Because of significant negative impacts with locating the Kuskokwim port at the village of Crooked Creek, we're looking at the port to be just downriver at Canoe Landing, with a spur road connecting Crooked Creek. Project schedule needs to coordinate with mine development/ Placer Dome Schedules.

### Gas Line

With a renewed interest in an Alaska Natural Gas Pipeline, we need to be certain Alaska's highways and bridges can handle the increase in freight and construction loads that will be needed to construct the line. The Department of Transportation has identified over \$400 million in necessary upgrades to the roads and bridges on the Alaska, Richardson, and Dalton Highways that will be necessary for the construction of the gas line .

	BRIDGES	HIGHWAYS	PORTS	BY LOCATION
DALTON HIGHWAY	\$516,000	\$59,320,000		\$59,836,000
RICHARDSON HIGHWAY	\$80,706,000	\$132,100,000		\$212,806,000
ALASKA HIGHWAY	\$120,189,000	\$15,000,000		\$135,189,000
GLENN/PARKS HIGHWAYS	\$3,282,000			\$3,282,000
KLONDIKE HIGHWAY	\$4,000,000	\$11,000,000		\$15,000,000
HAINES & HAINES HIGHWAY	\$36,500,000	\$15,000,000		\$51,500,000
PORT OF HAINES			\$3,000,000	\$3,000,000
<b>TOTALS</b>	<b>\$245,193,000</b>	<b>\$232,420,000</b>	<b>\$3,000,000</b>	<b>\$480,613,000</b>