

SCOMM

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Four blowouts strike U.S. Gulf Coast operations

GULF COAST operators were pressing control measures last week at four blowouts—three offshore and one onshore.

And a tanker that collided with a platform jacket in the Gulf of Mexico was freed last week without further mishap.

Derrick barges were trying to clear debris from a Mesa Petroleum Co. platform 140 miles south of Lafayette, La. Boots & Coots Inc. was to attempt surface control measures.

One of eight wells on the Vermilion Block 348 platform blew out and caught fire Aug. 25 (OGJ, Sept. 1, p. 33). A platform rig was destroyed, but the facility's 37-man crew was evacuated with only minor injuries.

Rowan Cos. Inc.'s Midland semi-submersible spudded a relief well.

Jack up mishaps. Two holes being drilled by jack ups in the gulf blew out within hours of each other. Both had bridged by Journal presstime last week.

Two men were killed and three were missing in the Aug. 30 blowout and fire at a Cities Service Oil Co. wildcat on Matagorda Island Block 699. Location is 55 miles northeast of Corpus Christi, Tex., in 90 ft of water.

Crews on Odeco's Ocean King had

drilled the hole to about 13,794 ft when it kicked. The hole temporarily bridged twice before a third bridge held and snuffed the flames.

Cities plans to spud a relief well about 2,000 ft east-northeast of the blowout with Odeco's Ocean Star jack up. An Odeco spokesman said preliminary inspection from boats and helicopters shows that the Ocean King might be salvaged and repaired.

Cities and Getty Oil Co. hold 50-50 interests in the Matagorda Island block.

Tenneco Oil Exploration & Production's second test on Sabine Pass Block 11 blew out early Aug. 31 but didn't catch fire and bridged within an hour.

Plans were to cap the well by weekend, a Tenneco spokesman said.

Marlin Drilling Co.'s No. 14 jack up was on the hole in 35 ft of water about 18 miles southeast of Sabine Pass on the Texas-Louisiana border. The test had been drilled to 12,650 ft.

Forty-seven men were evacuated from the jack up. Five were injured.

The hole was Tenneco's second test on the block, leased for \$54.399 million in OCS Sale 58A. Gulf Oil Corp. is a partner in the lease.

Log analysis showed commercial

volumes of natural gas in the earlier 14,038-ft strike (OGJ, June 23, p. 98). Tenneco considers both wildcats.

Onshore blowout. The fourth blowout was onshore 12.5 miles southwest of Mansfield, La. It destroyed C. L. Morris Inc.'s Rig 7, which was drilling a prospect for Jeems Bayou Production Corp., Oil City, La., when the 3,030-ft hole blew out and caught fire Sept. 1. There were no injuries.

The crew was making a pipe connection 20 ft off bottom when the hole kicked. Plans were to clear the well-site and attempt surface control measures.

Replacement value of Rig 7 is estimated at \$350,000, the contractor said.

Offshore collision. Salvage crews also were able to free a Texaco Inc. tanker from a platform jacket with which it collided. The 20,000-dwt North Dakota was pulled free of the Chevron U.S.A. Inc. jacket by three tugboats after forward cargo tanks were emptied into aft compartments.

The North Dakota later was towed to Texaco's Port Arthur, Tex., terminal.

The tanker struck the Eugene Island Block 361 jacket and caught fire last month (OGJ, Sept. 1, p. 49).

Four firms join Northwest Alaskan pipeline

FOUR more firms have joined the partnership that plans to build the Alaskan segment of the Alaska Highway natural gas pipeline system.

Addition of Columbia Gas System, Texas Eastern Corp., and Texas Gas Transmission Corp. subsidiaries to the Alaskan Northwest Natural Gas Transportation Co. partnership means every U.S. pipeline with a contract to purchase Prudhoe Bay gas now has a stake in the Alaska gas system.

Also joining the partnership is TransCanada PipeLines Ltd., which also has a 30% interest in the partnership planning to lay the Northern Border pipeline segment from Monchy, Sask., to Ventura, Iowa.

Construction of the 743-mile Alaskan segment of the system is expected to cost \$9 billion.

The entire system is to carry 2.4 billion cfd of Alaskan natural gas to the U.S. West and Midwest when complete.

The Alaska segment will extend from Prudhoe Bay to Beaver Creek on the Alaska-Yukon border.

Partners in the Alaskan Northwest project have joined as equal partners, with each to invest the same amount of capital.

Share and investment sizes will depend on how many partners ultimately join the consortium.

TransCanada said it expects ultimately to acquire a 7% interest in the Alaska segment. The firm said it would have to invest about \$160 million during 5 years to gain that share.

Northwest Alaskan has the option of taking as large a share in the project as it desires.

New partners. TransCanada said it is joining the Alaskan partnership to put its "financial and moral support behind the Alaska segment to assure that the entire natural gas line will be built and in a timely fashion."

Bill Richards, a TransCanada director and president of Dome Petroleum Ltd., says TransCanada's funding will mean construction contracts for Canadian companies on the Alaska section.

TransCanada participation in the line will require approval from the U.S. Federal Energy Regulatory Commission.

Other new partners are Columbia Alaskan Gas Transmission Corp., a subsidiary of Columbia Gas; Tecto Four Inc., a subsidiary of Texas Eastern; and Texas Gas Alaska Corp., a subsidiary of Texas Gas Transmission.

Columbia has the right to purchase as much as 5.6 trillion cu ft of gas from Sohio Natural Resources Co. and BP Alaska Inc. Texas Eastern has the right to purchase from Atlantic Richfield Co. as much as 20% of ARCO's Prudhoe Bay gas production, and Texas Gas has the right to purchase as much as 12% of ARCO's production.

Other Northwest Alaskan partners are American Natural Resources Co., Northern Natural Gas Co., Panhandle Eastern Pipe Line Co., United Gas Pipe Line Co., Pacific Lighting Corp., Pacific Gas & Electric Co., and Northwest Energy Co.

Four More Companies Join Alaskan Northwest Consortium to Construct Alaskan Segment of ANGTS

During the last week in August, Alaskan Northwest Natural Gas Transportation Co. (CP78-123 et al.) announced addition of four more companies -- subsidiaries of the Columbia Gas System, Texas Eastern Transmission Corp., Texas Gas Transmission Corp. and TransCanada PipeLines Ltd. -- to the partnership initially formed in January 1978 to construct the Alaskan segment of the Alaska Natural Gas Transportation System (ANGTS). According to the announcements, the new partners will have "full partnership status" and will make capital contributions equal to those of the other partners. With their addition to the partnership, the Alaskan Northwest consortium now includes 11 companies. 1/

Pursuant to an offer made in a filing last February by the Alaskan Northwest consortium (then consisting of six original partners plus a newly admitted partner), additional companies joining the partnership within a 30-day "grace period" (following FERC notice of the offer) would be admitted without application of the "discount" provision in the partnership agreement. This provision requires a percentage reduction in the partnership's profits, losses and credits allocated to members joining after January 1978. 2/ Alaskan Northwest's filing dated 2/6/80 advised that a subsidiary of American Natural Resources Co. (and affiliate of Michigan Wisconsin Pipe Line Co.) had recently been admitted to the partnership on the same basis as the other partners (i.e., without discount). Moreover, in order to broaden the membership base, Alaskan Northwest proposed to waive the discount provision for other companies joining the partnership within a 30-day grace period. Thereafter, however, since many of the most serious problems confronting the ANGTS will have been resolved, "hopeful participants should no longer get a free ride." Accordingly, Alaskan Northwest proposed reinstatement of the discount schedule following the 30-day period, thereby effecting a 10% discount until the commitment date when the discount would increase to 15%. Considering all the circumstances, Alaskan Northwest contended that the 10% and 15% discount rates are "an accurate reflection of the risks and expenditures undertaken by the partnership to date, and provide an equitable balance between the recognition of those sacrifices and the maintenance of an opportunity for others to join the project at a time when the chance of failure has been reduced considerably."

1/ In addition to the new partners (subsidiaries of Columbia Gas, Texas Eastern, Texas Gas and TransCanada), the other partners include subsidiaries of American Natural Resources Co., Northern Natural Gas Co., Northwest Energy Corp., Pacific Gas & Electric Co., Pacific Lighting Corp., Panhandle Eastern Pipe Line Co. and United Gas Pipe Line Co.

2/ The partnership agreement, as amended in May 1978, specified discounts of 1% for partners admitted between 3/18/78 and 6/30/78, 2% for partners admitted between 7/1/78 and 12/31/78, 4% for those admitted between 1/1/79 and 6/30/79, 6% for those admitted between 7/1/79 and 12/31/79, 10% for those admitted between 1/1/80 and the commitment date, and 15% for those admitted after the commitment date. This schedule was intended to reflect lessening risks for partners joining at a later date. In a 6/30/78 order generally approving the terms of the partnership agreement, the FERC endorsed the discount principle as a means for giving effect to the varying degrees of risks assumed by the partners dependent on the date of membership, but requested further information to support the discount schedule and its relationship to the risks of participation and motivation of others to become partners. Pending receipt of such information, the Commission directed that the discount remain at 2%. (See REPORT NO. 1164, pp5-6.)

The FERC issued notice of Alaskan Northwest's filing in an order dated 8/1/80. In that order, the Commission said it was inclined to approve waiver of the discount provision both for the American Natural subsidiary and for other companies joining the partnership within the 30-day grace period. The Commission made clear, however, that commencement of the 30-day period on 8/1/80 did not constitute advance approval of any waiver granted by the partnership to companies joining in that period, nor had the Commission reached any determination regarding the discount rate (or any grace period) to apply in the future. Nevertheless, the Commission added, events since its 6/30/78 order (which approved a discount of only 2% pending submission of further data) appear to have sufficiently reduced project risks so as to warrant an additional discount. The Commission suggested that a discount rate of 10% may now be appropriate in view of these events, "although a discount of 5% might well be more appropriate."

The Commission specifically requested comments on the following issues: (1) waiver of the discount schedule for the purpose of admitting the American Natural subsidiary as a partner, (2) acceptance of the 30-day "grace" period for admitting additional partners without application of the discount provision, (3) the appropriate level of discount to be placed in effect at the end of the 30-day grace period (assuming it is approved), and (4) the appropriateness of using particular events to determine changes in the discount schedule. (See REPORT NOS. 1247, pp21-22; 1274, pp6-8.)

In a response filed 8/22/80, Northwest Alaskan stated that the discount schedule set forth in the partnership agreement (as amended) reflects the view of the partners that the amount of risk for new partners lessens as the ANGTS comes closer to realization. While the particular discount percentages and timing were based on "informed business judgment," Alaskan Northwest continued, the proposed discount schedule nevertheless demonstrates a correlation with partnership expenditures through 1980. Northwest Alaskan also defended a 15% discount rate commencing on the commitment date (the point when the partners have received a financing commitment and must allocate among themselves the percentage ownership and make the capital commitments needed to finance the project). Since that date will occur after negotiation of a financing package and issuance of a final certificate, Northwest Alaskan said the risk of project failure will have been considerably reduced and the "regulatory risk will have all but been successfully overcome." Hence, a jump in the discount schedule from 10% to 15% will be more than justified at that time.

Further, Alaskan Northwest indicated its opposition to any extension of the 30-day "grace" period set forth in its February 1980 offer. This offer was made on the theory that greater benefits were to be obtained by broadening the partnership membership than by adhering strictly to the discount schedule. However, given the efforts of the original members for two years since formation of the partnership, the 1980 grace period should be the last chance to get a "free-ride."

ERA Authorizes Imports of Canadian Gas by Northern Natural at Emerson Border Point, Subject to Further Proceedings to Determine Need for Conditions to Prevent Unnecessary Reliance on High Cost Canadian Supplies and for Modification of Take-or-Pay Obligations

In Opinion No. 19 issued on 8/29/80, the Economic Regulatory Administration authorized Northern Natural Gas Co. (79-24-NG) to import up to 200,000 Mcf/d (plus additional amounts, if available, not exceeding 2% of daily volumes on a best-efforts basis), and up to 73 million Mcf annually, of Canadian gas through existing border facilities at Emerson, Manitoba from 11/1/80 through 10/31/81, and to import up to the same volumes through the Emerson border point from 11/1/81 through 10/31/87 -- less whatever volumes Northern elects to import at Monchy, Saskatchewan through facilities related to the Alaska Natural Gas Transportation System. The gas will be purchased by Northern from a Canadian subsidiary, Consolidated Natural Gas, Ltd. The ERA approved the importation at the current border rate of \$4.47/MMBtu, which was found to be reasonable based on a comparison with selected alternative fuel prices in the U.S. in April and May 1980. However, consistent with other recent import authorizations, the ERA ordered further proceedings to determine whether its approval should be conditioned to prevent unnecessary and uneconomic reliance by Northern on high priced Canadian gas supplies, and whether take-or-pay type provisions in the gas purchase contract should be modified. ^{1/} In this connection, the ERA advised that any conditions subsequently adopted to limit operation of the take-or-pay provision (requiring minimum annual takes equal to 85% of daily quantities) may be applied retroactively to the date of approval of the import "if necessary and appropriate in the circumstances."

Northern originally applied in October 1979 for authority to import up to 200,000 Mcf/d -- and daily volumes in excess thereof if available on a best-efforts basis -- from 11/1/80 through 10/31/94, with delivery to be made by TransCanada Pipelines Ltd. at the Emerson border point to Great Lakes Gas Transmission Co. for redelivery to Northern in Minnesota (or Michigan via exchange with Michigan Wisconsin Pipe Line Co.). Under its contract, however, Northern had the option to request delivery of 50% of the gas at Monchy for redelivery through the Northern Border prebuild portion of the ANGTS. In December 1979, the National Energy Board approved export by Consolidated Natural of 200,000 Mcf/d for four years ending 10/31/84, and declining volumes of 150,000 Mcf/d, 100,000 Mcf/d and 50,000 Mcf/d in the following three years. Subsequently, in order to facilitate financing and timely completion of the Northern Border facilities, Northern and Consolidated amended their respective applications so as to allow 50% of the daily quantity to be imported at Monchy. The NEB approved this amendment in April 1980.

Pursuant to various DOE delegation orders, the FERC was given exclusive authority over all aspects of the ANGTS not otherwise granted to the FERC by statute, including authority to approve imports of natural gas from Canada to the extent the gas is transported through prebuild portions of the ANGTS. In accordance with this authority, the FERC on 6/27/80 approved Northern's requested importation of 100,000 Mcf/d at Monchy, beginning 11/1/81, for delivery through Northern Border prebuild facilities. In addition, considering the import project as a whole, the

^{1/} Further proceedings directed to the same issues were previously ordered by ERA in connection with authorizations granted to numerous U.S. pipelines (80-01-NG, 79-31-NG) to continue existing imports of Canadian and Mexican gas at the \$4.47 present border price, and to Transcontinental Gas Pipe Line Corp. and Tennessee Gas Pipeline Co. (79-08-NG) to import up to 75,000 Mcf/d at Niagara Falls, New York for a limited term ending 3/31/82. (See REPORT NOS. 1269, pp1-5; 1271, p6; 1274, pp8-10.)

Commission approved Northern's proposed importation at Emerson -- conditioned on the pipeline's receipt of necessary authorization from ERA -- as not inconsistent with the public interest. The Commission based this determination "on the apparent relationship of the importation at Emerson to the importation at Monchy, and thus the apparent relationship to furthering the ANGTS, but recognizing that if the ERA exercises its jurisdiction to the fullest extent, it will render our determination substantially moot." (See REPORT NO. 1269, pp5-6.)

The ERA cited various prior opinions determining that the present \$4.47/MMBtu border price is reasonable and not inconsistent with the public interest. Furthermore, ERA said, given Northern's forecasts of supply deficits in all but one winter heating season until Alaskan gas is projected to come on stream in late 1986, the requested imports at Emerson will provide the supplemental supplies needed to avoid potential winter shortages. However, since Northern may be required from time to time to take more Canadian gas than needed for system requirements, thereby backing out domestic supplies, the ERA concluded that this proceeding should be continued so as to prevent any unnecessary and uneconomic reliance on Canadian gas.

In addition, ERA declared, if Northern's prevailing market conditions should indicate a declining need for gas imported pursuant to the instant authorization at Emerson, "we would assume that the applicant would employ judicious management of its gas supplies in order to avoid unnecessary costs to its customers." Further, ERA "would hope that [Northern] would avoid taking costly Canadian imports beyond what is required by the take-or-pay provision, as it currently exists in the sales contract or may be subsequently modified in further proceedings, when domestic supplies are available and can be taken without jeopardizing future domestic supply availability."

Further proceedings in this case will parallel those ordered in other import cases. One major issue under consideration, ERA noted, is the extent to which take-or-pay obligations create an artificial demand for Canadian gas. More specifically, ERA identified the following questions for further examination: (1) whether the Canadian natural gas supplies authorized in this case are a secure and economic source of energy for the regions using gas imported by Northern; (2) whether Northern's take-or-pay obligation should be limited to a fixed dollar amount, determined by multiplying the minimum take required under the contract by the border price in effect when the contract was signed, and whether such fixed dollar amount should be adjusted over time for inflation; (3) whether Northern should be required to submit a contingency plan outlining steps it would take to obtain supplemental supplies of domestic natural gas in order to lessen dependence on Canadian gas and to ensure continued service to high priority customers in the event currently authorized Canadian supplies were curtailed; and (4) whether ERA should require that the imported gas be sold under separate rate schedules reflecting actual costs to distribution company and end-use customers who elect to purchase it "in order to send clearer price signals" and convey "the true cost of the imports."

Initial submissions on the above issues are due 9/22/80, with rebuttal submissions to be filed by 10/14/80.

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October 27, 1980

Honorable Kenneth F. Plumb
Secretary
Federal Energy Regulatory Commission
825 North Capitol Street, N.E.
Washington, D.C. 20426

Re: Northwest Alaskan Pipeline
Company - Docket No. CP78-
123

Dear Mr. Plumb:

Northwest Alaskan Pipeline Company and Alaskan Northwest Natural Gas Transportation Company submit herewith, for filing, pursuant to the Alaska Natural Gas Transportation Act and the Natural Gas Act, an original and 19 copies of Notice of Amendment to Partnership Agreement notifying the Commission of an amendment to the Partnership Agreement for the purpose of admitting Columbia Alaskan Gas Transmission Corporation, Tetco Four, Inc., Texas Gas Alaska Corporation, and TransCanada Pipe-Line Alaska Ltd. to the Partnership. Together with said Notice, there is also submitted:

1. A copy of Amendment No. 3 (effective August 1, 1980) to the Alaskan Northwest Natural Gas Transportation Company Partnership Agreement.
2. A proposed Notice of Filing of Notice of Amendment to Partnership Agreement.

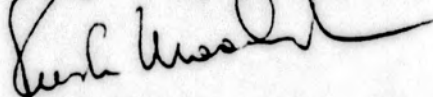
AKIN, GUMP, HAUER & FELD

Honorable Kenneth F. Plumb
October 27, 1980
Page Two

3. A certificate of service.

Copies are being served on parties designated by the
Commission on the service list for Docket No. CP78-123.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Rush Moody, Jr.", written in dark ink.

Rush Moody, Jr.

Enclosures

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

In the Matter Of:)
) Docket No. CP78-123, et al.
Alaskan Northwest Natural)
Gas Transportation Company)

NOTICE OF
AMENDMENT TO PARTNERSHIP AGREEMENT

Comes now Alaskan Northwest Natural Gas Transportation Company (Alaskan Northwest), 1/ a partnership, having heretofore received a conditional certificate 2/ for the construction and operation of the Alaska Natural Gas Transportation System (ANGTS), and respectfully advises the Federal Energy Regulatory Commission (Commission) of the following:

I

Effective August 1, 1980, the Partnership Agreement of Alaskan Northwest was amended (Amendment No. 3) 3/ to admit

1/ A general partnership organized under the laws of the State of New York and comprised of Northern Arctic Gas Company, Northwest Alaskan Pipeline Company, Pan Alaskan Gas Company, Calaska Energy Company, Pacific Interstate Transmission Company (Arctic), United Alaska Fuels Corporation, and American Natural Alaskan Company.

2/ Alcan Pipeline Company, et al., Docket Nos. CP78-123, et al. (December 16, 1977). The certificate issued to Alcan was transferred to Alaskan Northwest by order of June 30, 1978.

3/ Amendment No. 1 pertained to the discount schedule set forth in Section 5.2 of the Partnership Agreement. The amendment was noted at mimeo p. 7, fn. 6 of the Commission order issued in the captioned docket on June 30, 1978. Amendment No. 2 was filed February 6, 1980 and was the subject of a notice and order requesting comments issued in the above-captioned docket on August 1, 1980. This Amendment No. 3 is the third amendment to the Partnership Agreement, and is attached hereto as Appendix A.

four additional partners: Columbia Alaskan Gas Transmission Corporation, an affiliate of Columbia Gas Transmission Corporation; Tetco Four, Inc., an affiliate of Texas Eastern Transmission Corporation and Transwestern Pipeline Company; Texas Gas Alaskan Corporation, an affiliate of Texas Gas Transmission Corporation; and TransCanada PipeLine Alaska Ltd., an affiliate of TransCanada PipeLines Limited. Affiliates of each of these new participants operates a major pipeline transportation network, the first three in the United States subject to regulation by the Commission, and the latter in Canada subject to regulation by the National Energy Board (NEB).

II

On January 31, 1978, the Alaskan Northwest Partners entered into a general partnership agreement for the purposes of constructing and operating the Alaskan segment of the ANGTS. The terms of this agreement were accepted by the Commission in an order issued June 30, 1978. Section 11 of the Partnership Agreement provides for the admission of additional partners after the formation of the Partnership upon terms and conditions of admission determined by the Partnership.

Pursuant to that section, effective January 1, 1980, the Partnership and American Natural Alaskan Company (American Natural Alaskan) agreed that American Natural Alaskan would become a Partner according to the following terms and conditions:

1. American Natural Alaskan agrees to abide by all conditions and obligations of the Partnership Agreement, unless specifically waived.
2. American Natural Alaskan will make a cash contribution to the capital account of the Partnership in an amount equal to that contributed by any individual Partner for the period between the formation of the Partnership and January 7, 1980. This contribution will be paid-off in increments with each future cash call so that the total paid by American Natural Alaskan will be twice that of any other Partner until the full amount has been equalized.
3. American Natural Alaskan will have the right to submit to the Board of Partners for inclusion in the American Natural Alaskan Capital Account certain sums, called Qualified Expenditures, expended prior to admission that the Partners determine to be of value to the project.
4. American Natural Alaskan will be entitled to a representative on the following committees of the Partnership: Executive, Audit, and Compensation.

5. For purposes of the admission of American Natural Alaskan, the Partnership agrees that solely for purposes of Section 5 of the Partnership Agreement, American Natural Alaskan will be deemed to have been a Partner on or before March 17, 1978. This acts to waive the requirement of Section 5.2 that a Partner admitted after that date is subject to a special allocation of profits, losses and credits.

6. The admission of American Natural Alaskan is conditioned upon the approval by the Commission of the terms and conditions of admission.

These terms and conditions were incorporated into Amendment No. 2 to the Partnership Agreement, which was filed with the Commission on February 6, 1980. Accompanying this submittal was an expression by the Partnership of its willingness to offer the same terms and conditions of membership to any other eligible person for a period of thirty (30) days following the issuance by the Commission of the notice of Amendment No. 2.

The Commission notice was issued August 1, 1980 and included a request for comments and reply comments with respect to certain areas of concern. ^{4/} Although comments were requested on these specific points, the Commission stated that it was inclined to approve the admission of American Natural Alaskan as a partner, the waiver of the discount schedule for that purpose, the use of the thirty-day grace period for admittance of new partners without penalty, and the use of a discount schedule for new partners entering after the grace period.

The Partnership filed initial comments on August 22, 1980 and reply comments on September 5, 1980. In the initial comments, the Partnership explained further the reasoning in support of Amendment No. 2 and the offer of a grace period. By the time the reply comments were due, the Partnership was able to advise the Commission that four companies (Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska) had responded favorably to the Partnership offer and agreement had been reached on the terms and conditions of their admittance.

^{4/} The notice and order of the Commission issued August 1, 1980 invited comments on the following: (1) the waiver of the discount schedule (Section 5.2 of the Partnership Agreement) for the purpose of admitting American Natural Alaskan as a partner; (2) the acceptance of the thirty-day grace period for possible additional membership, (3) the appropriate level of discount to put into effect at the end of the grace period (assuming the grace period is approved), and (4) the appropriateness of using particular events to determine changes in the discount schedule.

The formal agreement expanding the Partnership Agreement to include the four new members is the attached Amendment No. 3 (Appendix A). In addition to the acceptance of the terms and conditions agreed on between the Partnership and American Natural Alaskan, as set forth previously, the Partnership, including American Natural Alaskan, and the four new Partners agreed to further condition membership on the following:

- (1) Commission approval of the thirty-day grace period as tendered in the February 6, 1980 filing,
- (2) Commission approval of Amendment No. 3,
- (3) an understanding that Section 4.3.1 of the Partnership Agreement is not intended to require, and will not be construed to require, any Partner to assume a Partnership interest greater than that interest elected under Section 4.3.1.

The above matters are incorporated into Amendment No. 3.

The Commission will note that in the letter agreement between Columbia Alaskan and the Partnership whereby Columbia Alaskan agreed to become a Partner, which was filed with the Commission on September 5, 1980, a condition was added providing for a waiver of the last sentence of Section 3.6 and waiver of Section 11.1.4 of the Partnership Agreement, together with the receipt by Columbia Alaskan of an order or orders from the Securities and Exchange Commission (SEC) authorizing Columbia Alaskan's participation in the Partnership and the performance of its obligations thereunder. The cause of this condition is the Public Utility Holding Company Act of 1935, which is administered by the SEC, and which is applicable to Columbia Alaskan. Section 3.6 of the Partnership Agreement requires each Partner to represent that it is not subject to that Act, and Section 11.1.4 requires that the admission of any new Partner will not result in the Partnership becoming subject to the Act. As previously stated, the Partnership has agreed to the waiver of these requirements.

III

The instant filing serves to notify the Commission that four more companies have joined the Partnership. The Partnership is now comprised of the original six members, whose participation was approved by the order of June 30, 1978, and five new members (American Natural Alaskan, Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska), whose joinder has not yet

received Commission acceptance. The Partnership does not believe the Commission 5/ or any interested person 6/ has or could have any objection to the proposed expansion of the Partnership.


The admission of new Partners is a positive step toward the successful completion of the ANGTS. Additional Partners will facilitate project financing by broadening the base of equity support, spreading the risk of the current investment, and committing greater resources to the Project. Although much of the regulatory risk has been or is about to be overcome, substantial risks remain after Commission certification. The willingness of the new Partners to commit considerable resources to the ANGTS demonstrates their faith in the viability of the Project, reinforces the determination and foresight of the original Partners, and justifies the Partnership's offer of a thirty-day grace period to attract new members. Under these circumstances, the Partnership strongly suggests that the public interest will best be served by Commission approval of both Amendment Nos. 2 and 3.

WHEREFORE, Alaskan Northwest respectfully advises the Commission of the amendment to its Partnership Agreement and petitions the Commission to review and accept the amendment, as offered, and the joinder of the new Partners in accordance therewith.

Respectfully submitted,

Of Counsel:

AKIN, GUMP, HAUER & FELD
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Rush Moody, Jr.
Attorney for Alaskan Northwest
Natural Gas Transportation
Company

Northwest Alaskan Pipeline Company

5/ In the August 1, 1980 notice and order, the Commission stated in footnote 7 at page 5 that it was inclined to find the admission to the Partnership of American Natural Alaskan was not inconsistent with the requirements of the President's Decision and Report to Congress on the Alaska Natural Gas Transportation System.

6/ In response to the August 1, 1980 notice and order, no person filed a comment objecting to American Natural Alaskan becoming a Partner. The Partnership anticipates that the instant submittal will not engender any opposition.

APPENDIX A

AMENDMENT NO. 3
AGREEMENT DATED AS OF AUGUST 1, 1980
BETWEEN
ALASKAN NORTHWEST NATURAL GAS TRANSPORTATION COMPANY
AND
COLUMBIA ALASKAN GAS TRANSMISSION CORPORATION,
TETCO FOUR, INC., TEXAS GAS ALASKA CORPORATION,
AND TRANSCANADA PIPELINE ALASKA LTD.

THIS AGREEMENT dated as of August 1, 1980 (Amendment No. 3) by and among ALASKAN NORTHWEST NATURAL GAS TRANSPORTATION COMPANY, a New York general partnership, ("Partnership") formed pursuant to the Alaskan Northwest Natural Gas Transportation Company General Partnership Agreement effective as of January 31, 1978 ("Partnership Agreement"), and Columbia Alaskan Gas Transmission Corporation, a Delaware corporation ("Columbia Alaska") and a wholly-owned subsidiary of Columbia Gas System, Inc., a Delaware corporation; Tetco Four, Inc., a Delaware corporation ("Tetco Four") the capital stock of which is owned fifty percent by Texas Eastern Transmission Corporation and fifty percent by Transwestern Pipeline Company, Delaware corporations; Texas Gas Alaska Corporation, a Delaware corporation ("Texas Gas Alaska") and a wholly owned subsidiary of Texas Gas Transmission Corporation, a Delaware corporation; and TransCanada Pipeline Alaska Ltd., a Nevada corporation ("TransCanada-Alaska") all of whose capital stock is owned indirectly by TransCanada Pipelines Limited, a Canadian corporation.

WITNESSETH THAT:

WHEREAS, on February 6, 1980 by a filing in Docket No. CP78-123, et al., the Partnership gave notice to the Federal Energy Regulatory Commission ("Commission") of Amendment No. 2 to the Partnership Agreement, which set forth the terms and conditions agreed to for the admission into the Partnership of American Natural Alaskan Company ("American Natural Alaskan"), and the Partnership further notified the Commission that for a period of thirty days ("grace period") following the issuance by the Commission of a notice of the filing of Amendment No. 2 that membership in the Partnership would be available to other eligible, interested persons on the same terms and conditions agreed to with American Natural Alaskan; and

WHEREAS, on August 1, 1980 the Commission issued its Notice Of The Filing Of A Notice Of Amendment To Partnership Agreement, And Order Inviting Comments setting forth the terms of Amendment No. 2 and the offer of a grace period for additional membership, and requesting comments; and

WHEREAS, in response to the Partnership offer of a grace period, Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska have separately requested to be admitted as a Partner on the terms and conditions set forth in this Amendment No. 3, and the Partnership is willing to admit each one as a Partner on such terms and conditions; and

WHEREAS, the terms of the admission of Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska to the Partnership, as set forth in Amendment No. 3, require the amendment or waiver of certain terms, conditions, or provisions in the Partnership Agreement, and the Partnership is willing to agree to such amendments or waivers;

WHEREAS, Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska are ready, willing and able to abide by and comply with all the terms, conditions, and provisions of the Partnership Agreement, as amended hereby; and

NOW, THEREFORE, the Partnership and Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska, intending to be legally bound hereby, agree as follows:

I

In accordance with the provisions of this Amendment No. 3, and the Partnership Agreement as amended hereby, Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska shall each become a Partner in the Partnership as of August 1, 1980 (hereinafter called the "Admission Date"). In consideration of becoming a Partner, Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska shall each make capital contributions to the Partnership on the terms and subject to the conditions of Section 4 of the Partnership Agreement, as amended by Amendment No. 2, and as further amended by this Amendment No. 3.

II

Section 1 of the Partnership Agreement is amended, effective as of the Admission Date, to add new sections 1.8 through 1.11 to read as follows:

"1.8 COLUMBIA ALASKAN GAS TRANSMISSION CORPORATION, (hereinafter called 'Columbia Alaskan'), a corporation organized under the laws of the State of Delaware, with its principal corporate offices at 20 Montchanin Road, Wilmington, Delaware 19807. Columbia Alaskan

represents that: (a) all of its capital stock is owned by Columbia Gas System, Inc., a Delaware corporation; and (b) Columbia Alaskan or an Affiliate intends to become a Shipper."

"1.9 TETCO FOUR, INC. (hereinafter called ('Tetco Four')), a corporation organized under the laws of the State of Delaware with its principal corporate offices at One Houston Center Houston, Texas 77002. Tetco Four represents that: (a) fifty percent of its capital stock is owned by Texas Eastern Transmission Corporation and fifty percent by Transwestern Pipeline Company, Delaware corporations; and (b) Tetco Four or its Affiliates intend to become Shippers."

"1.10 TEXAS GAS ALASKA CORPORATION, (hereinafter called 'Texas Gas Alaska'), a corporation organized under the laws of the State of Delaware, with its principal corporate offices at 3800 Frederica Street, Owensboro, Kentucky 42301. Texas Gas Alaska represents that: (a) all of its capital stock is owned by Texas Gas Transmission Corporation, a Delaware corporation; and (b) Texas Gas Alaska or an Affiliate intends to become a Shipper."

"1.11 TRANSCANADA PIPELINE ALASKA LTD., (hereinafter called 'TransCanada-Alaska'), a corporation organized under the laws of Nevada, with its principal corporate offices at 54 Commerce Court, Toronto, Ontario, Canada M5L 1C2. TransCanada-Alaska represents that: (a) all of its capital stock is owned indirectly by TransCanada PipeLines Limited, a Canadian corporation; and (b) TransCanada-Alaska or an Affiliate may become a Shipper."

III

Section 3.6 of the Partnership Agreement is amended, effective as of the Admission Date, to read as follows:

"3.6 Representations and Warranties Concerning Formation of Partnership: Each Partner represents and warrants that, subject to the receipt of all necessary regulatory approvals relating to this Agreement and the investment of the Partners in this Partnership, the execution and delivery of this Agreement, the formation of the Partnership and the performance hereof will not contravene

any provision of, or constitute a default under, any indenture, mortgage or other agreement of such Partner or any Affiliate of such Partner or any order of any court, commission or governmental agency having jurisdiction, and this Agreement is a valid and enforceable Agreement against such Partner except insofar as enforcement hereof may be limited by bankruptcy, insolvency or other similar laws related to or affecting the enforcement of creditors' rights. Each of the Parties to this Agreement, other than Columbia Alaskan, represents that it is not subject to or is exempt from the jurisdiction of the SEC as a public utility holding company within the meaning of the Public Utility Holding Company Act of 1935."

IV

Section 4.2 of the Partnership Agreement is amended by changing Section 4.2.5 and by including new sections 4.2.7 and 4.2.8, effective as of the Admission Date, to read as follows:

"4.2.5 On or before December 1, 1979, and on or before each succeeding December 1 in the event the Commitment Date is estimated to occur after such succeeding December 1, the Board of Partners shall determine, taking into account budgeted costs and contractual commitments which will accrue if the Project is suspended, the anticipated cash requirements of the Partnership for the period from January 1, 1980 (or from any succeeding January 1) through the date then estimated to be the Commitment Date. Immediate notice of each such determination shall be given to all Partners. Each Partner agrees, subject to the withdrawal rights specified in Section 4.4.3, to contribute to the Partnership, for the period commencing January 1, 1980 and ending with the Commitment Date, an amount equal to (i) the amount by which the anticipated cash requirements of the Partnership during such period exceeds the total of the amount contributed by American Natural Alaskan pursuant to Section 4.2.6, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska pursuant to Section 4.2.7, and Columbia Alaskan pursuant to Section 4.2.8, divided by (ii) the number of Partners.

4.2.7 Tetco Four, Texas Gas Alaska, and TransCanada-Alaska severally agree, notwithstanding anything to the contrary in Section 4.4.3, which Section shall not be applicable to this Section 4.2.7, to contribute to the Partnership that amount which is equal to the amount contributed by any Partner named in Sections 1.1 through 1.6 pursuant to Section 4.2 from the Formation Date through August 12, 1980. Until Tetco Four, Texas Gas Alaska, and TransCanada-Alaska shall have each contributed to the Partnership the entire amount required to be contributed by it pursuant to this Section 4.2.7, each shall, notwithstanding anything to the contrary in Section 4.4, contribute to the Partnership pursuant to this Section 4.2.7, on each date on which a capital contribution pursuant to Section 4.2.5 shall become due and payable, an amount equal to the lesser of (i) the highest amount contributed by any Partner named in Sections 1.1 through 1.6 pursuant to Section 4.2.5 on such date or (ii) the balance remaining to be contributed separately by Tetco Four, Texas Gas Alaska, and TransCanada-Alaska pursuant to this Section 4.2.7. The contributions made by Tetco Four, Texas Gas Alaska, and TransCanada-Alaska pursuant to this Section 4.2.7 shall be in addition to the contributions of Tetco Four, Texas Gas Alaska, and TransCanada-Alaska pursuant to Section 4.2.5.

4.2.8 Upon the receipt by Columbia Alaskan of authorization from the SEC to participate in the Partnership pursuant to the Public Utility Holding Company Act of 1935, which shall occur after the Admission Date and subsequent to one or more requests for cash contributions pursuant to Section 4.2.5, as of the next such request for a cash contribution, Columbia Alaskan shall contribute an amount equal to the sum of (i) the amount previously paid by a Partner subject to both Sections 4.2.5 and 4.2.7 plus (ii) the cash contribution then requested, computed as if Columbia Alaskan were subject to the provisions of Section 4.2.7. Thereafter, for the purposes of cash contributions under Section 4.2.5, the contribution of Columbia Alaskan shall be calculated according to the provisions of Section 4.2.7 as if Columbia Alaskan were included therein on an equal basis with Tetco Four, Texas Gas Alaska, and TransCanada-Alaska."

V

Notwithstanding anything in the Partnership Agreement, as amended, that may be to the contrary, the Partnership and Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska agree that Section 4.3.1 of the Partnership Agreement is not intended to require, and will not be construed to require, any Partner to assume a Partnership interest greater than that interest which such Partner has elected pursuant to Section 4.3.1.

VI

Notwithstanding anything in the Partnership Agreement, as amended, to the contrary, each Partner agrees that solely for purposes of Section 5 of the Partnership Agreement, Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska shall be treated as if they had executed the Partnership Agreement on or before March 17, 1978.

VII

Section 8.3.1 of the Partnership Agreement is amended, effective as of the Admission Date, to read as follows:

"8.3.1 The Executive Committee shall consist of a Chairman and ten members. Each Partner named in Sections 1.1 through 1.11 (or any substitute Partner succeeding to its interest hereunder) shall designate a representative to serve on the Executive Committee, and the Chairman of the Board of Partners shall also be the Chairman of the Executive Committee. Any vacancy on the Executive Committee occasioned by the withdrawal of a Partner named in Sections 1.1 through 1.11 (or any substitute Partner succeeding to its interest hereunder) shall be filled by the Board of Partners."

VIII

Section 8.4.1 of the Partnership Agreement is amended, effective as of the Admission Date, to read as follows:

"8.4.1 The Audit Committee shall consist of ten members. No member of the Audit Committee shall be affiliated in any manner with Northwest, and each Partner (other than Northwest) admitted

to the Partnership prior to September 1, 1980 shall have one representative on the Audit Committee. The Board of Partners shall designate one member of the Audit Committee to serve as Chairman of the Audit Committee. Decisions of the Audit Committee shall be by a majority vote of the members. The members shall serve on the Committee at the will of the Board of Partners."

IX

Section 8.5.1 of the Partnership Agreement is amended, effective as of the Admission Date, to read as follows:

"8.5.1 The Compensation Committee shall consist of ten members. No member of the Compensation Committee shall be affiliated in any manner with Northwest, and each Partner (other than Northwest) admitted to the Partnership prior to September 1, 1980 shall have one representative on the Compensation Committee. The Board of Partners shall designate one member to serve as Chairman of the Compensation Committee. Decisions of the Compensation Committee shall be by majority vote of the members. The members shall serve on the Committee at the will of the Board of Partners."

X

For the purposes of Section 11.1 of the Partnership Agreement, execution of this Amendment No. 3 shall (a) satisfy the requirement that a new Partner execute a counterpart of the Partnership Agreement, and (b) except for Columbia Alaskan with respect to Section 11.1.4, constitute a warranty and representation by Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska that each has satisfied the conditions for admission to the Partnership set forth in Sections 11.1.2 through 11.1.4, and (c) constitute satisfaction of the requirements of Section 11.1.1.

XI

This Amendment No. 3 shall be governed by and interpreted in accordance with the laws of New York. Terms used in this Amendment No. 3 which are defined in the Partnership Agreement are, unless the context otherwise requires, used herein as therein defined.

XII

This Amendment No. 3 may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

XIII

This Amendment No. 3 embodies the entire agreement and understanding between the Partnership and Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska and supersedes all prior agreements and understandings relating to the terms and conditions of the admission of Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska as Partners and any other matters which are the subject of this Amendment No. 3.

XIV

This Amendment No. 3 and the obligations of the Partnership and Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska hereunder are subject to all applicable laws, rules, orders and regulations of United States federal, state or local governmental authorities having jurisdiction and, in the event of conflict, such laws, rules, orders and regulations of governmental authorities having jurisdiction shall control.

The Partnership and Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska agree that admission to the Partnership is subject to a condition subsequent of Commission approval of the thirty-day grace period as tendered in the February 6, 1980 Partnership filing and Commission approval of this Amendment No. 3.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 3 as of the day and year first written.

ATTEST:

COLUMBIA ALASKAN GAS TRANSMISSION
CORPORATION



Assistant Secretary

By: 

President

ATTEST:

Joseph T. Walter

ATTEST:

ATTEST:

[Signature]

ATTEST:

John Mason

ATTEST:

ATTEST:

ATTEST:

TETCO FOUR, INC.

By: A. Wayne Hodge

TEXAS GAS ALASKA CORPORATION

By: _____

TRANSCANADA PIPELINE ALASKA LTD.

By: [Signature]

ALASKAN NORTHWEST NATURAL GAS
TRANSPORTATION COMPANY

By each of its Partners:

NORTHWEST ALASKAN PIPELINE COMPANY

By: John McMillan

NORTHERN ARCTIC GAS COMPANY

By: _____

PAN ALASKAN GAS COMPANY

By: _____

CALASKA ENERGY COMPANY

By: [Signature]

ATTEST:

TETCO FOUR, INC.

By: _____

ATTEST:

TEXAS GAS ALASKA CORPORATION

By: _____

ATTEST:

TRANSCANADA PIPELINE ALASKA LTD.

By: _____

ALASKAN NORTHWEST NATURAL GAS
TRANSPORTATION COMPANY

By each of its Partners:

ATTEST:

NORTHWEST ALASKAN PIPELINE COMPANY

By: _____

ATTEST:

NORTHERN ARCTIC GAS COMPANY

F. Wood
Assistant Secretary

By: *Gordon Severa*
President

ATTEST:

PAN ALASKAN GAS COMPANY

By: _____

ATTEST:

CALASKA ENERGY COMPANY

By: _____

ATTEST:

TETCO FOUR, INC.

By: _____

ATTEST:

TEXAS GAS ALASKA CORPORATION

By: _____

ATTEST:

TRANSCANADA PIPELINE ALASKA LTD.

By: _____

ALASKAN NORTHWEST NATURAL GAS
TRANSPORTATION COMPANY

By each of its Partners:

ATTEST:

NORTHWEST ALASKAN PIPELINE COMPANY

By: _____

ATTEST:

NORTHERN ARCTIC GAS COMPANY

By: _____

ATTEST:

PAN ALASKAN GAS COMPANY

Robert W. Reed

By: H. E. Kelen

ATTEST:

CALASKA ENERGY COMPANY

By: _____

ATTEST:

TETCO FOUR, INC.

By: _____

ATTEST:

TEXAS GAS ALASKA CORPORATION

By: _____

ATTEST:

TRANSCANADA PIPELINE ALASKA LTD.

By: _____

ALASKAN NORTHWEST NATURAL GAS
TRANSPORTATION COMPANY

By each of its Partners:

ATTEST:

NORTHWEST ALASKAN PIPELINE COMPANY

By: _____

ATTEST:

NORTHERN ARCTIC GAS COMPANY

By: _____

ATTEST:

PAN ALASKAN GAS COMPANY

By: _____

ATTEST:

CALASKA ENERGY COMPANY

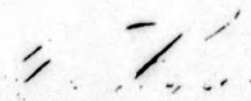
[Signature]
Secretary

By: _____

[Signature]
Chairman of the Board

ATTEST:

PACIFIC INTERSTATE TRANSMISSION
COMPANY (ARCTIC)



Assistant Secretary

By: _____
President

ATTEST:

UNITED ALASKA FUELS CORPORATION

By: _____

ATTEST:

AMERICAN NATURAL ALASKAN COMPANY

By: _____

ATTEST:

PACIFIC INTERSTATE TRANSMISSION
COMPANY (ARCTIC)

By: _____

ATTEST:

UNITED ALASKA FUELS CORPORATION

By: _____

ATTEST:

AMERICAN NATURAL ALASKAN COMPANY

By: James J. Chebick

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Northwest Alaskan Pipeline Company)

) Docket No. CP78-123

NOTICE OF FILING OF
NOTICE OF AMENDMENT TO
PARTNERSHIP AGREEMENT

Take notice that on October 27, 1980, Northwest Alaskan Pipeline Company and Alaskan Northwest Gas Transportation Company, a partnership formed under the laws of the State of New York (hereinafter referred to as the Partnership), filed a document entitled "Notice of Amendment to Partnership Agreement," in which the Commission was advised that Columbia Alaskan Gas Transmission Corporation, an affiliate of Columbia Gas Transmission Corporation; Tetco Four, Inc., an affiliate of Texas Eastern Transmission Corporation and Transwestern Pipeline Company; Texas Gas Alaskan Corporation, an affiliate of Texas Gas Transmission Corporation; and TransCanada PipeLine Alaska Ltd., an affiliate of TransCanada PipeLines Limited have been admitted to the Partnership as of August 1, 1980. A copy of the amendment to the Partnership Agreement (Amendment No. 3) was attached to the above noted filing.

The instant amendment admits Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska pursuant to section 11 of the Partnership Agreement. The admissions are in response to an offer of the Partnership in a filing dated February 6, 1980. At that time the Partnership notified the Commission of the admission to the Partnership of American Natural Alaskan Company, effective January 1, 1980, and formalized through Amendment No. 2 to the Partnership Agreement. Also in that filing, the Partnership made an offer that for a thirty-day period following issuance of the Commission notice of Amendment No. 2, any eligible person could become a Partner on substantially the same terms and conditions as those agreed to with American Natural Alaskan Company. The Commission notice was issued August 1, 1980. Columbia Alaskan, Tetco Four, Texas Gas Alaska, and TransCanada-Alaska all reached agreement for membership with the Partnership within the thirty-day period. In addition to the terms and conditions that applied to American Natural Alaskan, the four new Partners and the Partnership further agreed that admission would be conditioned upon: (1) Commission approval of the thirty-day grace period as tendered in

the February 6, 1980 filing; (2) Commission approval of Amendment No. 3; and (3) an understanding that Section 4.3.1 of the Partnership Agreement is not intended to require, and will not be construed to require, any Partner to assume a Partnership interest greater than that interest elected under Section 4.3.1.

Any person desiring to be heard or to make any protest with reference to said application should on or before _____, 1980, file with the Federal Energy Regulatory Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

Kenneth F. Plumb
Secretary

VERIFICATION

DISTRICT OF COLUMBIA) ss.

RUSH MOODY, JR., being duly sworn, on oath, says that he is an attorney for Northwest Alaskan Pipeline Company; that he has read the foregoing Notice of Amendment to Partnership Agreement of the Northwest Alaskan Pipeline Company and the Alaskan Northwest Natural Gas Transportation Company and that he is familiar with the contents thereof; that as attorney, he has executed the same for and on behalf of said Companies with full power and authority to do so; and that the matters set forth therein are true to the best of his information, knowledge and belief.



Rush Moody, Jr.
Attorney

SUBSCRIBED AND SWORN TO before me this 27th day of October, 1980.



Notary Public

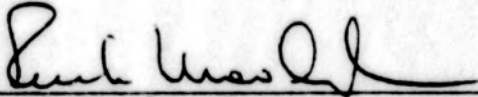
My Commission Expires:

My Commission Expires April 30, 1984

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all parties of record in Docket No. CP78-123 in accordance with the requirements of §1.17 of the Rules of Practice and Procedure.

Dated at Washington, D.C., this 27th day of October, 1980.



Rush Moody, Jr.

AKIN, GUMP, HAUER & FELD

ATTORNEYS AT LAW
1333 NEW HAMPSHIRE AVENUE, N. W.
SUITE 400

WASHINGTON, D. C. 20036

(202) 457-7700

TELEX 89-665

WRITER'S DIRECT DIAL NUMBER 457-7633

*MARIC -
SEE PAGE 2.
MARY*

AUSTIN OFFICE
900 AMERICAN BANK TOWER
AUSTIN TEXAS 78701
(512) 476-7167

HOUSTON OFFICE
1760 SOUTH TOWER
PENNZOIL PLACE
HOUSTON, TEXAS 77002
(713) 227-0356

DALLAS OFFICE
2800 REPUBLIC NATIONAL BANK BUILDING
DALLAS, TEXAS 75201
(214) 655-2800

September 5, 1980

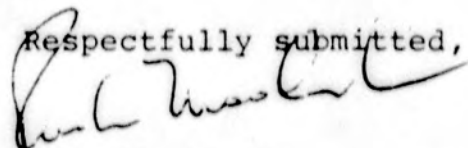
Honorable Kenneth F. Plumb
Secretary
Federal Energy Regulatory Commission
825 North Capitol Street, N.E.
Washington, D.C. 20426

Re: Northwest Alaskan Pipe-
line Company - Docket
No. CP78-123, et al.

Dear Mr. Plumb:

Transmitted herewith, for filing, are an original
and 14 copies of Reply Comments of Northwest Alaskan Pipeline
Company in the above-captioned proceeding.

Respectfully submitted,



Rush Moody, Jr.
Attorney for Northwest
Alaskan Pipeline Company

Enclosures

RM:ect

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

In the Matter of:)
) Docket No. CP78-123, et al.
Northwest Alaskan Pipeline Company)

REPLY COMMENTS OF NORTHWEST ALASKAN
PIPELINE COMPANY

On August 1, 1980, the Federal Energy Regulatory Commission (Commission) issued a notice and order inviting comments with respect to the filing on February 6, 1980 of Amendment No. 2 to the Partnership Agreement of the Alaskan Northwest Natural Gas Transportation Company. 1/ Initial comments were filed August 22, 1980 by Northwest Alaskan on behalf of the Partnership. No other initial comments were submitted. Reply comments were also solicited by the Commission notice and order, and the instant comments are submitted pursuant to that invitation.

In its initial comments filed August 22, 1980 the Partnership stated the reason behind the thirty-day grace period, noting, inter alia, that additional Partners would facilitate project financing by broadening the base of equity support, spreading the risk of the current investment, and committing greater resources to the Alaskan Natural Gas Transportation System (ANGTS). The Partnership also expressed confidence that the thirty-day grace period would attract additional membership.

1/ The August 1, 1980 notice and order requested comments with respect to the admission to the Partnership of American Natural Alaskan, the waiver of the discount schedule as a term of the admission of American Natural Alaskan, the onetime, thirty-day offer of the Partnership to waive the effect of the discount schedule for purposes of accepting additional eligible persons as Partners, and the specific values and timing of the discount schedule. These and other questions were addressed in the Partnership's initial comments.

In response to the thirty-day offer, the Partnership has entered into agreements with the following four companies admitting them as Partners effective August 1, 1980: Columbia Alaskan Gas Transmission Corporation, an affiliate of Columbia Gas Transmission Corporation; Tetco Four, Inc., an affiliate of Texas Eastern Transmission Corporation and Transwestern Pipeline Company; Texas Gas Alaska Corporation, an affiliate of Texas Gas Transmission Corporation; and TransCanada PipeLine Alaska Ltd., an affiliate of TransCanada PipeLines Limited. Copies of these agreements are attached. The admission of these companies as Partners brings the total membership to eleven, each of which is affiliated with a major natural gas company (ten in the United States and one in Canada). Furthermore, companies who presently have a commitment for the purchase of Prudhoe Bay gas (shippers) will now be Partners in the ANGTS. By expanding the level of participation, the Partnership has considerably strengthened its financial base and substantially contributed to the chances of the ultimate success of the ANGTS.

The Partnership will shortly file with the Commission a further modification to the Partnership Agreement (Amendment No. 3) covering the latest admissions to membership. This amendment will formalize the recitation of terms and conditions set forth in the four letter agreements attached hereto. Prior to that submittal, however, the thirty-day grace period will have expired on August 31, 1980. Pursuant to the terms of the Partnership offer, the discount schedule contained in Amendment No. 1 will be reinstated at that time, subject to the approval of the Commission.

For the past two years the Partnership has attempted, pursuant to the President's Decision, 2/ the Commission's direction, 3/ and its own interests, 4/ to increase the number of Partners beyond the original six. Because of these efforts, five new Partners have been admitted to membership. It is now time for the discount schedule to become fully operative according to its terms. The

2/ Decision and Report to Congress on the Alaskan Natural Gas Transportation System (Sept. 1977) at pp. 4-5.

3/ Order Transferring Certificate of Public Convenience and Necessity from Alcan Pipeline Company to Alaskan Northwest Natural Gas Transportation Company, Reviewing Relevant Portions of Underlying Partnership Agreement and Granting Intervention, Docket No. CP78-123 (issued June 30, 1978).

4/ See Section 11.2 of the Partnership Agreement quoted at p. 10 of the August 22nd filing.

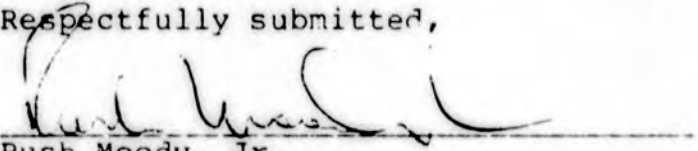
actions of the Partnership thus far in meeting a large portion of the regulatory requirements for the ANGTS (see Appendix A to the August 22nd filing) have increased the value of an investment in the Project by a measurable amount, which is reflected in the discount that any new Partner should now be required to accept. It is only by making the discount effective as filed that the persons who have borne all the risk will be fairly compensated.

The Partnership again respectfully urges the Commission to approve Amendment No. 2 as tendered, to permit the thirty-day grace period with accompanying waiver of the discount schedule, and to place the discount schedule contained in Amendment No. 1 into effect as of September 1, 1980. These actions are consistent with the terms of Amendment No. 2 and the agreements accepting the four new Partners, will comport with prior expressions of policy by the President and the Commission, and will satisfy the overall public interest.

Of Counsel:

Akin, Gump, Hauer & Feld
1333 New Hampshire Ave. N.W.
Suite 400
Washington, D.C. 20036

Respectfully submitted,


Rush Moody, Jr.
William J. Grealis

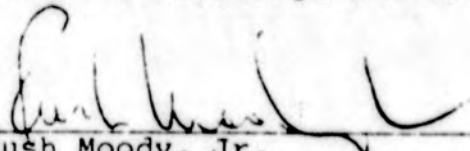
Attorneys for Alaskan Northwest
Natural Gas Transportation Company

Northwest Alaskan Pipeline Company

VERIFICATION

DISTRICT OF COLUMBIA) ss.

RUSH MOODY, JR. being duly sworn, on oath, says that he is an attorney for Northwest Alaskan Pipeline Corporation; that he has read the foregoing Reply Comments of Northwest Alaskan Pipeline Company and that he is familiar with the contents thereof; that as an attorney, he has executed the same for and on behalf of said Company with full power and authority to do so; and that the matters set forth therein are true to the best of his information, knowledge and belief.



Rush Moody, Jr.
Attorney

SUBSCRIBED AND SWORN TO before me this 5th day of September, 1980.



Notary Public

My Commission Expires:

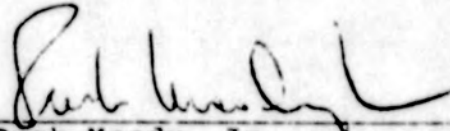
My Commission Expires January 1, 1985.



CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all parties of record in Docket No. CP78-123 in accordance with the requirements of §1.17 of the Rules of Practice and Procedure.

Dated at Washington, D.C. this 5th day of September, 1980.



Rush Moody, Jr.

NORTHWEST ALASKAN PIPELINE COMPANY

JOHN G. McMILLIAN
CHAIRMAN
AND
CHIEF EXECUTIVE OFFICER

August 22, 1980

P. O. BOX 1526
SALT LAKE CITY, UTAH 84110
801-534-326

Mr. George H. Ewing, President
Tetco Four, Inc.
P. O. Box 2521
Houston, Texas 77001

Dear Mr. Ewing:

This letter constitutes an agreement by Alaskan Northwest Natural Gas Transportation Company (Partnership) accepting the request of Tetco Four, Inc. (Tetco), a corporation, the capital stock of which is owned 50% by Texas Eastern Transmission Corporation and 50% by Transwestern Pipeline Company, for admission into the Partnership as of August 1, 1980 under terms and conditions which, after giving effect to changes in the Partnership's capital accounts after the admission of American Natural Alaskan Company, are no less favorable than the terms and conditions agreed to by the Partnership and American Natural Alaskan Company, which are set forth in Amendment No. 2 to the Partnership Agreement.

The terms and conditions governing Tetco's entry (which will be memorialized by written amendment of the Partnership Agreement at the earliest practicable date) are as follows:

1. Tetco agrees to abide by all conditions and obligations of the Partnership Agreement, as amended.
2. Tetco shall contribute cash to the Partnership in an amount equal to the cash contribution of any individual Partner (other than American Natural Alaskan or any other Partner who joins the Partnership after January 1, 1980) for the period between the formation of the Partnership (January 31, 1978) and August 12, 1980. This contribution

will be paid in increments through future cash calls, with the cash paid by Tetco in response to each cash call being twice that of any Partner (other than American Natural Alaskan or any other Partner who joins the Partnership after January 1, 1980) until Tetco's full contribution has been made. It is fully understood that after Tetco has contributed the cash required under this paragraph, Tetco's further cash contributions will not be in excess of any cash contributions by any other Partner.

3. In accordance with the provisions of Section 4.1.3 and 4.1.4 of the Partnership Agreement, Tetco will have the right to submit to the Board of Partners for inclusion in the Tetco Capital Account certain sums, called Qualified Expenditures, expended prior to admission that the Partners determine to be of value to the Partnership.
4. Tetco will be entitled to a representative on the following committees of the Partnership: Executive, Audit and Compensation.
5. In connection with the admission of Tetco, the Partnership agrees that solely for purposes of Section 5 of the Partnership Agreement, Tetco will be deemed to have been a Partner on or before March 17, 1978. This acts to waive the requirement of Section 5.2 that a Partner admitted after that date is subject to a special allocation of profits, losses and credits.
6. The admission of Tetco is conditioned upon (a) the Federal Energy Regulatory Commission's authorization of the thirty-day

Mr. George H. Ewing
August 22, 1980
Page Three

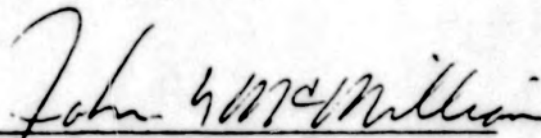
grace period as tendered in the February 6, 1980 Partnership filing, and (b) FERC approval of Tetco as a Partner under the same terms and conditions set forth in Amendment No. 2, as adjusted for the August 1, 1980 effective date, the entry as Partners of American Natural Alaskan and Columbia Alaskan Transmission Corporation.

7. In your request for admission to the Partnership, you asked for assurance that Section 4.3.1 of the Partnership Agreement is not intended to require, and will not be construed to require, any Partner to assume a Partnership interest greater than that interest which such Partner has elected pursuant to Section 4.3.1. It is agreed that Section 4.3.1 is not intended to require, and will not be construed to require, an involuntary increase in any Partner's ownership interest in the Partnership.
8. You have been advised of the admission of Columbia Alaskan Gas Transmission Corporation to the Partnership and the terms and conditions governing such entry. To the extent that modification of the Partnership Agreement is necessary to admit Columbia, Tetco agrees to such modifications and revisions.

Mr. George H. Ewing
August 22, 1980
Page Four

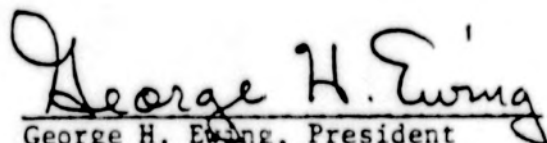
Acceptance of the terms of this agreement shall be signified by
signing in the space provided below.

Very truly yours,



John G. McMillian, Chairman,
Board of Partners
Alaskan Northwest Natural Gas
Transportation Company

Accepted by:



George H. Ewing, President
Tetco Four, Inc.

NORTHWEST ALASKAN PIPELINE COMPANY

JOHN G. McMILLIAN
CHAIRMAN
AND
CHIEF EXECUTIVE OFFICER

August 22, 1980

P. O. BOX 1926
SALT LAKE CITY, UTAH 84110
801-534-3281

Mr. D. R. Hendrix
President and Chief Executive Officer
Texas Gas Transmission Corporation
P.O. Box 1160
Owensboro, Kentucky 42301

Dear Mr. Hendrix:

This letter constitutes an agreement by Alaskan Northwest Natural Gas Transportation Company (Partnership) accepting the request of Texas Gas Alaska Corporation (Texas Gas), a wholly owned subsidiary of Texas Gas Transmission Corporation, for admission into the Partnership as of August 1, 1980 under terms and conditions which, after giving effect to changes in the Partnership's capital accounts after the admission of American Natural Alaskan Company, are no less favorable than the terms and conditions agreed to by the Partnership and American Natural Alaskan Company, which are set forth in Amendment No. 2 to the Partnership Agreement.

The terms and conditions governing Texas Gas's entry (which will be memorialized by written amendment of the Partnership Agreement at the earliest practicable date) are as follows:

1. Texas Gas agrees to abide by all conditions and obligations of the Partnership Agreement, as amended.
2. Texas Gas shall contribute cash to the Partnership in an amount equal to the cash contribution of any individual Partner (other than American Natural Alaskan or any other Partner who joins the Partnership after January 1, 1980) for the period between the formation of the Partnership (January 31, 1978) and August 12, 1980. This contribution

will be paid in increments through future cash calls, with the cash paid by Texas Gas in response to each cash call being twice that of any Partner (other than American Natural Alaskan or any other Partner who joins the Partnership after January 1, 1980) until Texas Gas's full contribution has been made. It is fully understood that after Texas Gas has contributed the cash required under this paragraph, Texas Gas's further cash contributions will not be in excess of any cash contributions by any other Partner.

3. Texas Gas will be entitled to a representative on the following committees of the Partnership: Executive, Audit and Compensation.
4. In connection with the admission of Texas Gas, the Partnership agrees that solely for purposes of Section 5 of the Partnership Agreement, Texas Gas will be deemed to have been a Partner on or before March 17, 1978. This acts to waive the requirement of Section 5.2 that a Partner admitted after that date is subject to a special allocation of profits, losses and credits.
5. The admission of Texas Gas is conditioned upon (a) the Federal Energy Regulatory Commission's authorization of the thirty-day grace period as tendered in the February 6, 1980 Partnership filing, and (b) FERC approval of Texas Gas as a Partner under the same terms and conditions set forth in Amendment No. 2, as adjusted for the August 1, 1980 effective date, the entry

and as applied to

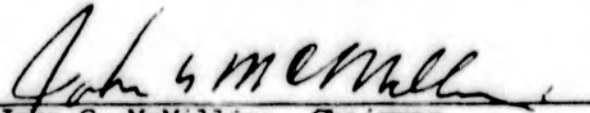
CBM
J.M.

as Partners of American Natural Alaskan and Columbia Alaskan Transmission Corporation, and (c) the entry of Columbia Alaskan Transmission Corporation and American Natural Alaskan Company as Partners.

6. In your request for admission to the Partnership, you asked for assurance that Section 4.3.1 of the Partnership Agreement is not intended to require, and will not be construed to require, any Partner to assume a Partnership interest greater than that interest which such Partner has elected pursuant to Section 4.3.1. It is agreed that Section 4.3.1 is not intended to require, and will not be construed to require, an involuntary increase in any Partner's ownership interest in the Partnership.
7. You have been advised of the admission of Columbia Alaskan Gas Transmission Corporation to the Partnership and the terms and conditions governing such entry. To the extent that modification of the Partnership Agreement is necessary to admit Columbia, Texas Gas agrees to such modifications and revisions.

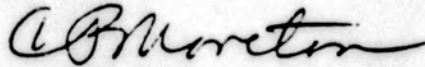
Acceptance of the terms of this agreement shall be signified by signing in the space provided below.

Very truly yours,


John G. McMillian, Chairman,
Board of Partners
Alaskan Northwest Natural Gas
Transportation Company

Mr. D. R. Hendrix
August 22, 1980
Page Four

Accepted by:



C. P. Moreton, President
Texas Gas Alaska Corporation

Acceptance Page to Letter Agreement
Dated August 22, 1980, Between
Northwest Alaskan Pipeline Company and
Texas Gas Alaska Corporation

NORTHWEST ALASKAN PIPELINE COMPANY

JOHN G. McMILLIAN
CHAIRMAN OF THE BOARD

1801 K STREET, N.W.
WASHINGTON, D. C. 20036
(202) 466-5250

August 25, 1980

Mr. R. R. Latimer
President
TransCanada PipeLine Alaska Ltd.
P. O. Box 54
Commerce Court
Toronto, Ontario
Canada M5L 1C2

Dear Mr. Latimer:

This letter constitutes an agreement by Alaskan Northwest Natural Gas Transportation Company (Partnership) accepting the request of TransCanada PipeLine Alaska Ltd., (hereinafter referred to as "TransCanada-Alaska"), all of whose capital stock is owned indirectly by TransCanada PipeLines Limited, for admission into the Partnership as of August 1, 1980 under terms and conditions which, after giving effect to changes in the Partnership's capital accounts as a result of the admission of American Natural Alaskan Company, are no less favorable than the terms and conditions agreed to by the Partnership and American Natural Alaskan Company, which are set forth in Amendment No. 2 to the Partnership Agreement, and are no less favorable than the terms and conditions on which any other person is admitted to the Partnership on or after August 1, 1980 and prior to the time TransCanada-Alaska is formally admitted to the partnership.

The terms and conditions governing TransCanada-Alaska's entry (which will be memorialized by written amendment of the Partnership Agreement at the earliest practicable date) are summarized as follows:

Mr. R. R. Latimer
August 25, 1980
Page Two

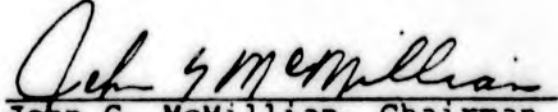
1. TransCanada-Alaska agrees to abide by all applicable conditions and obligations of the Partnership Agreement.
2. TransCanada-Alaska shall contribute cash to the Partnership in an amount equal to the highest amount of cash contributed by any individual Partner pursuant to Section 4.2 of the Partnership Agreement (other than American Natural Alaskan) for the period between the formation of the Partnership and August 12, 1980. This contribution will be paid in increments through future cash calls, with the cash paid by TransCanada-Alaska in response to each cash call being twice that of any Partner (other than American Natural Alaskan and any partner admitted into the Partnership on or after August 1, 1980) until TransCanada-Alaska's full contribution has been made. It is fully understood that after TransCanada-Alaska has contributed the cash required under this paragraph, TransCanada-Alaska's further cash contributions will not be in excess of any cash contributions by any other Partner.
3. In accordance with the provisions of Section 4.1.3 and 4.1.4 of the Partnership Agreement, TransCanada-Alaska will have the right to submit to the Board of Partners for inclusion in the TransCanada-Alaska Capital Account certain sums, called Qualified Expenditures, expended prior to admission that the Partners determine to be of value to the Partnership.
4. TransCanada-Alaska will be entitled to a representative on the Board of Partners and on the following committees of the Partnership: Executive, Audit and Compensation.
5. In connection with the admission of TransCanada-Alaska, the Partnership agrees that solely for purposes of Section 5 of the Partnership Agreement, TransCanada-Alaska will be deemed to have been a Partner on or before March 17, 1978. The requirement of Section 5.2 that a Partner admitted after that date is subject to a special allocation of profits, losses and credits is hereby waived.

Mr. R. R. Latimer
August 25, 1980
Page Three

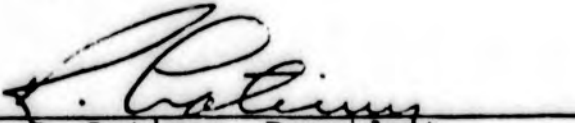
6. The admission of TransCanada-Alaska is conditioned upon (a) Federal Energy Regulatory Commission (FERC) authorization of the thirty-day grace period as tendered in the February 6, 1980 Partnership filing, and (b) FERC approval of TransCanada-Alaska as a Partner under substantially the same terms and conditions set forth in Amendment No. 2, as adjusted for the August 1, 1980 effective date, and as apply to the entry as Partners of Columbia Alaskan Transmission Corporation and Texas Gas Transmission Corporation.
7. It is agreed that Section 4.3.1 of the Partnership Agreement is not intended to require, and will not be construed to require, any Partner to assume a Partnership interest greater than that interest which such Partner has elected pursuant to Section 4.3.1.
8. You have been advised of the admission of Columbia Alaskan Gas Transmission Corporation and Texas Gas Transmission Corporation to the Partnership and the terms and conditions governing such entry. To the extent that modification of the Partnership Agreement is necessary to admit Columbia and Texas Gas, TransCanada-Alaska agrees to such modifications and revisions.

Acceptance of the terms of this agreement shall be signified by signing in the space provided below.

Very truly yours,


John G. McMillian, Chairman
Board of Partners
Alaskan Northwest Natural Gas
Transportation Company

Accepted by:


R. R. Latimer, President
TransCanada PipeLine Alaska Ltd.

NORTHWEST ALASKAN PIPELINE COMPANY

JOHN G. McMILLIAN
CHAIRMAN
AND
EXECUTIVE OFFICER

August 22, 1980

P. O. BOX 1526
SALT LAKE CITY, UTAH 84110
801-534-3261

Mr. John H. Croom, President
Columbia Alaskan Gas Transmission
Corporation
20 Montchanin Road
Wilmington, Delaware 19807

Dear John:

This letter constitutes an agreement by Alaskan Northwest Natural Gas Transportation Company (Partnership) accepting the request of Columbia Alaskan Gas Transmission Corporation (Columbia) for admission into the Partnership as of August 1, 1980 under terms and conditions which, after giving effect to changes in the Partnership's capital accounts after the admission of American Natural Alaskan Company, are no less favorable than the terms and conditions agreed to by the Partnership and American Natural Alaskan Company, which are set forth in Amendment No. 2 to the Partnership Agreement.

The terms and conditions governing Columbia's entry (which will be memorialized by written amendment of the Partnership Agreement at the earliest practicable date) are as follows:

1. Columbia agrees to abide by all conditions and obligations of the Partnership Agreement, unless specifically waived.
2. Columbia shall contribute cash to the Partnership in an amount equal to the highest amount contributed by any individual Partner (other than American Natural Alaskan) for the period between the formation of the Partnership and August 12, 1980. This contribution will be paid in increments through future

Mr. John H. Croom
August 22, 1980
Page Two

cash calls, with the cash paid by Columbia in response to each cash call being twice that of any Partner (other than American Natural Alaskan) until Columbia's full contribution has been made.

3. In accordance with the provisions of Section 4.1.3 and 4.1.4 of the Partnership Agreement, Columbia will have the right to submit to the Board of Partners for inclusion in the Columbia Capital Account certain sums, called Qualified Expenditures, expended prior to admission that the Partners determine to be of value to the Partnership.
4. Columbia will be entitled to a representative on the following committees of the Partnership: Executive, Audit and Compensation.
5. In connection with the admission of Columbia, the Partnership agrees that solely for purposes of Section 5 of the Partnership Agreement, Columbia will be deemed to have been a Partner on or before March 17, 1978. This acts to waive the requirement of Section 5.2 that a Partner admitted after that date is subject to a special allocation of profits, losses and credits.
6. The admission of Columbia is conditioned upon the approval by the FERC of the terms and conditions of admission.

This agreement is further conditioned upon the following:

1. waiver of the last sentence of Section 3.6 and of Section 11.1.4 of the Partnership Agreement as to Columbia;

Mr. John H. Croom
August 22, 1980
Page Three

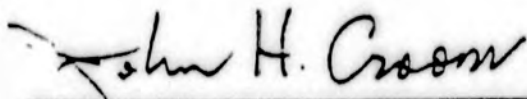
2. receipt by Columbia of an order or orders from the Securities and Exchange Commission authorizing its participation in the Partnership and the performance of its obligations thereunder, which orders Columbia will promptly seek;
3. that the Federal Energy Regulatory Commission will authorize the use of the thirty-day grace period as tendered in the February 6, 1980 filing and approve the admission of Columbia as a Partner under the same terms and conditions set forth in Amendment No. 2, as adjusted for the August 1, 1980 effective date and for American Natural Alaskan's entry as a Partner.

Acceptance of the terms of this agreement shall be signified by signing in the space provided below.

Very truly yours,


John G. McMillian, Chairman,
Board of Partners
Alaskan Northwest Natural Gas
Transportation Company

Accepted by:


John H. Croom, President
Columbia Alaskan Gas Transmission
Corporation

PANHANDLE EASTERN PIPE LINE COMPANY

3444 BROADWAY

P. O. BOX 1348

KANSAS CITY, MISSOURI 64141

MARK -
FYI
MARY

ROBERT W. REED
SENIOR ATTORNEY

October 13, 1980

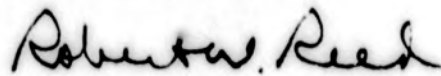
(816) 753-5600
TWX 910-771-3190

TO: Members and Alternates of the Design and Engineering
Board and Accounting, Audit and Technical Committees

Enclosed for your convenience are revised listings
of the names and addresses of all members and alternates
reflecting currently available information.

If you have any changes, additions or deletions,
please advise.

Very truly yours,



Robert W. Reed
Assistant Secretary
Design and Engineering Board

RWR/g
Enclosure

THE DESIGN AND ENGINEERING BOARD

OFFICERS

(October 1980)

CHAIRMAN

John G. McMillian
Chairman of the Board
Northwest Alaskan Pipeline Company
P. O. Box 1526
Salt Lake City, Utah 84110
(801)534-3261
(202)466-5850

CO-CHAIRMAN

Kenneth E. Kalen
Group Vice President
Panhandle Eastern Pipe Line Company
P. O. Box 1348
Kansas City, Missouri 64141
(816)968-2884

VICE CHAIRMAN

E. M. Benson, Jr.
Vice Chairman of the Board
Atlantic Richfield Company
515 South Flower Street
Los Angeles, California 90071
(213)486-1748

SECRETARY

Harry L. Lepape
President
Pacific Interstate Transmission Company
720 West Eighth Street
Los Angeles, California 90017
(213)689-3543

ASSISTANT SECRETARY

Robert W. Reed
Senior Attorney
Panhandle Eastern Pipe Line Company
P. O. Box 1348
Kansas City, Missouri 64141
(816)753-5600

THE DESIGN AND ENGINEERING BOARD

MEMBERS and ALTERNATES

(October 1980)

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
American Natural Alaskan Company	James J. Trebilcott Executive Vice President Michigan Wisconsin Pipe Line Company One Woodward Avenue Detroit, MI 48226 (313)965-1616 Ext. 2245	Ray J. Lynch President Michigan Wisconsin Pipe Line Company One Woodward Avenue Detroit, MI 48226 (313)965-1616 Ext. 2231
Atlantic Richfield Company	E. M. Benson, Jr. Vice Chairman of the Board Atlantic Richfield Company 515 South Flower Street Los Angeles, CA 90071 (213)486-1748	W. D. Leake Atlantic Richfield Company 515 South Flower Street Los Angeles, CA 90071 (213)486-3511
Calaska Energy Company	John A. Sproul Executive Vice President Pacific Gas and Electric Co. 77 Beale Street San Francisco, CA 94106 (415)781-4211 Ext. 2007	Daniel E. Gibson Assistant General Counsel Pacific Gas and Electric Co. 77 Beale Street San Francisco, CA 94106 (415)781-4211 Ext. 2118
Columbia Alaskan Gas Transmission Cor- poration	John H. Croom President Columbia Alaskan Gas Trans- mission Corporation 20 Montchanin Road Wilmington, DE 19807 (302)429-5211	Max M. Levy Vice President Columbia Alaskan Gas Trans- mission Corporation 20 Montchanin Road Wilmington, DE 19807 (302)429-5481
Exxon Company, USA	Fred C. Ackman Executive Vice President Exxon Company, USA P. O. Box 2180 Houston, TX 77001 (713)656-6173	W. Ray Booth Assistant General Manager, Natural Gas Department Exxon Company, USA P. O. Box 2180 Houston, TX 77001 (713)656-4373
Northern Arctic Gas Company	Gordon L. Severa President Northern Natural Gas Company Div. of InterNorth, Inc. 2223 Dodge Street Omaha, NE 68102 (402)348-4571	Robert P. Raasch Vice President-Natural Gas Group Investments & New Business Northern Natural Gas Company Div. of InterNorth, Inc. 2223 Dodge Street Omaha, NE 68102 (402)348-5798

**The Design and Engineering Board
Members and Alternates
(October 1980)
Page Two**

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
Northwest Alaskan Pipeline Company	John G. McMillian Chairman of the Board Northwest Alaskan Pipeline Company P. O. Box 1526 Salt Lake City, UT 84110 (801)534-3261 (202)872-0280	T. W. diZerega Northwest Alaskan Pipeline Company P. O. Box 1526 Salt Lake City, UT 84110 (801)534-3561 (202)872-0280
Pacific Interstate Transmission Company	Harry L. Lepape President Pacific Interstate Transmission Company 720 West Eighth Street Los Angeles, CA 90017 (213)689-3543	Robert Salter Vice President Pacific Interstate Transmission Company 720 West Eighth Street Los Angeles, CA 90017 (213)689-3538
Pan Alaskan Gas Company	Kenneth E. Kalen Group Vice President Panhandle Eastern Pipe Line Company P. O. Box 1348 Kansas City, MO 64141 (816)968-2884	L. E. Hanna Vice President & Chief Engineer Panhandle Eastern Pipe Line Company P. O. Box 1348 Kansas City, MO 64141 (816)968-2013
Phillips Petroleum Company	Paul W. Tucker Vice President Phillips Petroleum Company 5 A4 Phillips Bldg. Bartlesville, OK 74004 (918)661-4347	J. W. Bruce, Director Worldwide Natural Gas Phillips Petroleum Company 5 A2 Phillips Bldg. Bartlesville, OK 74004 (918)661-7600
Sohio Gas Pipeline Company	Frank E. Mosier Senior Vice President Sohio Gas Pipeline Company 1750 Midland Building Cleveland, OH 44115 (216)575-5260	Charles W. Karcher Sohio Gas Pipeline Company 1750 Midland Building Cleveland, OH 44115 (216)575-3950
The State of Alaska	The Honorable Terry Miller Lieutenant Governor of the State of Alaska State Capitol Building Pouch AA Juneau, AK 99811 (907)465-3520	The Honorable Robert LeResche Commissioner, Department of Natural Resources State of Alaska Pouch M Juneau, AK 99811 (907)465-2400

The Design and Engineering Board
Members and Alternates
(October 1980)
Page Three

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
Tetco Four, Inc.	H. Wayne Hodge Vice President, Gas Supply Texas Eastern Gas Pipeline Company & Transwestern Pipeline Company P. O. Box 2521 Houston, TX 77001 (713)759-4100	Walter Woods General Manager Texas Eastern Gas Pipeline Company P. O. Box 2521 Houston, TX 77001 (713)759-4141
Texas Gas Alaska Corporation	Charles P. Moreton President Texas Gas Transmission Corporation P. O. Box 1160 Owensboro, KY 42301 (502)926-8686	Dennis L. Newberry Group Vice President Texas Gas Transmission Corporation P. O. Box 1160 Owensboro, KY 42301 (502)926-8686
TransCanada Pipeline Alaska Ltd.	R. R. Latimer President TransCanada Pipelines, Ltd. P. O. Box 54 Commerce Court West Toronto, Canada M5L, 1C2 (416)869-2441	
United Alaska Fuels Corp.	D. Lamar Smith Executive Vice President United Gas Pipe Line Co. 700 Milam P. O. Box 1478 Houston, TX 77001 (713)237-4700	John F. Brown President United Gas Pipe Line Co. 700 Milam P. O. Box 1478 Houston, TX 77001 (713)237-5449

ACCOUNTING COMMITTEE
THE DESIGN AND ENGINEERING BOARD
(October 1980)

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
American Natural Alaskan Company	Lawrence A. Mills Controller Michigan Wisconsin Pipe Line Company One Woodward Avenue Detroit, MI 48226 (313)965-1616 Ext. 2103	James J. Harrison Manager, General Accounting Michigan Wisconsin Pipe Line Company One Woodward Avenue Detroit, MI 48226 (313)965-1616 Ext. 2131
Atlantic Richfield Company	E. S. May Atlantic Richfield Company 411 North Akard - Room 920 Dallas, TX 75201 (214)651-4545	W. J. Westerlage Atlantic Richfield Company 350 North St. Paul - Room 3016 Dallas, TX 75201 (214)651-4232
Calaska Energy Company	Keith S. Taylor Assistant Comptroller Pacific Gas and Electric Co. 77 Beale Street San Francisco, CA 94106 (415)781-4211 Ext. 2455	Ira Cato Supervisor, Contract Adm. Pacific Gas and Electric Co. 77 Beale Street San Francisco, CA 94106 (415)781-4211 Ext. 2691
Columbia Alaskan Gas Transmission Cor- poration	Columbia Alaskan Gas Trans- mission Corporation 20 Montchanin Road Wilmington, DE 19807 (302)429-5000	
Exxon Company, USA	J. I. Alcock Exxon Company, USA P. O. Box 2180 Houston, TX 77001 (713)656-2909	R. B. Rector Exxon Company, USA P. O. Box 2180 Houston, TX 77001 (713)656-6727
Northern Arctic Gas Company	Charles W. Radda Northern Natural Gas Company Div. of InterNorth, Inc. 2223 Dodge Street Omaha, NE 68102 (402)348-4305	Ernie M. Pfannenstiel Northern Natural Gas Company Div. of InterNorth, Inc. 2223 Dodge Street Omaha, NE 68102 (402)348-4295

The Design and Engineering Board
Accounting Committee
(October 1980)
Page Two

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
Northwest Alaskan Pipeline Company	Vinton L. Wolfe Controller Northwest Alaskan Pipeline Company P. O. Box 1526 Salt Lake City, UT 84110 (801)534-3801	W. Merwyn Pittman Controller Northwest Energy Corp. P. O. Box 1526 Salt Lake City, UT 84110 (801)534-3571
Pacific Interstate Transmission Company	A. A. Hunt Vice President, Gas Supply Fin. Southern California Gas Co. 810 South Flower Street Los Angeles, CA 90017 (213)689-2501	W. D. Morningstar Southern California Gas Co. 810 South Flower Street Los Angeles, CA 90017 (213)689-3545
Pan Alaskan Gas Company	R. C. Sheely Director of Accounting Panhandle Eastern Pipe Line Company P. O. Box 1348 Kansas City, MO 64141 (816)968-2802	M. M. Howard Director, Forecasts & Reports Panhandle Eastern Pipe Line Company P. O. Box 1348 Kansas City, MO 64141 (816)968-2804
Phillips Petroleum Company	Phillips Petroleum Company Bartlesville, OK 74004 (918)661-6600	
Sohio Gas Pipeline Company	James M. Judd Sohio Gas Pipeline Company 260 Midland Bldg. Cleveland, OH 44115 (216)575-4640	
Tetco Four, Inc.	O. D. Thigpen Assistant Comptroller Texas Eastern Transmission Corporation P. O. Box 2521 Houston, TX 77001 (713)759-4565	H. T. Robinson Deputy Comptroller Texas Eastern Transmission Corporation P. O. Box 2521 Houston, TX 77001 (713)759-4500

The Design and Engineering Board
Accounting Committee
(October 1980)
Page Three

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
Texas Gas Alaska Corporation	Robert T. Robinson Controller Texas Gas Transmission Corporation P. O. Box 1160 Owensboro, KY 42301 (502)926-8686	Herbert E. Melton Assistant Controller Texas Gas Transmission Corporation P. O. Box 1160 Owensboro, KY 42301 (502)926-8686
TransCanada Pipeline Alaska Ltd.	TransCanada Pipelines, Ltd. P. O. Box 54 Commerce Court West Toronto, Canada M5L, 1C2 (416)869-2441	
United Alaska Fuels Corp.	E. G. Parks United Gas Pipe Line Co. P. O. Box 1478 Houston, TX 77001 (713)237-4904	B. M. Byrd United Gas Pipe Line Co. P. O. Box 1478 Houston, TX 77001 (713)237-4900

AUDIT COMMITTEE
THE DESIGN AND ENGINEERING BOARD
(October 1980)

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
American Natural Alaskan Company	Preston Hopper General Auditor Michigan Wisconsin Pipe Line Company One Woodward Avenue Detroit, MI 48226 (313)965-1616 Ext. 2088	Gary Morrow Manager, Accounting Research American Natural Service Company One Woodward Avenue Detroit, MI 48226 (313)965-8300 Ext. 5218
Atlantic Richfield Company	W. M. Hedeman Atlantic Richfield Company 515 South Flower Street Room 1139 Los Angeles, CA 90071 (213)486-3195	S. E. Beck Atlantic Richfield Company 515 South Flower Street Room 1129 Los Angeles, CA 90071 (213)486-3137
Calaska Energy Company	Ralph Bacon Supervising Auditor Pacific Gas and Electric Co. 245 Market Street San Francisco, CA 94106 (415)781-4211 Ext. 1829/2765	Jack Warner Senior Internal Auditor Pacific Gas and Electric Co. 245 Market Street San Francisco, CA 94106 (415)781-4211 Ext. 4538/3150
Columbia Alaskan Gas Transmission Cor- poration	Columbia Alaskan Gas Trans- mission Corporation 20 Montchanin Road Wilmington, DE 19807 (302)429-5000	
Exxon Company, USA	A. O. Hinkle Exxon Company, USA P. O. Box 2180 Houston, TX 77001 (713)656-6974	D. J. Pollock Exxon Company, USA P. O. Box 2180 Houston, TX 77001 (713)656-2960
Northern Arctic Gas Company	Charles W. Radda Northern Natural Gas Company Div. of InterNorth, Inc. 2223 Dodge Street Omaha, NE 68102 (402)348-4305	

The Design and Engineering Board
Audit Committee
(October 1980)
Page Two

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
Pacific Interstate Transmission Company	T. D. Rollinger Pacific Lighting Corporation 810 South Flower Street Los Angeles, CA 90017 (213)689-2834	R. A. Klumpp Pacific Lighting Corporation 810 South Flower Street Los Angeles, CA 90017 (213)689-3493
Pan Alaskan Gas Company	Harold D. Wagner Director of Corporate Auditing Panhandle Eastern Pipe Line Company P. O. Box 1642 Houston, TX 77001 (713)520-1190	J. F. Lueb Assistant Manager of Corporate Auditing Panhandle Eastern Pipe Line Company P. O. Box 1642 Houston, TX 77001 (713)520-1190
Phillips Petroleum Company	Phillips Petroleum Company Bartlesville, OK 74004 (918)661-6600	
Sohio Gas Pipeline Company	Jmaes M. Judd Sohio Gas Pipeline Company 260 Midland Building Cleveland, OH 44115 (216)575-4640	Glen Valentine Sohio Gas Pipeline Company 100 Pine Street San Francisco, CA 94111 (415)777-5325
Tetco Four, Inc.	E. L. Kuykendall, Jr. General Auditor Texas Eastern Transmission Corporation P. O. Box 2521 Houston, TX 77001 (713)759-3232	B. R. Williams, III Auditor Supervisor Texas Eastern Transmission Corporation P. O. Box 2521 Houston, TX 77001 (713)759-3214
Texas Gas Alaska Corporation	Gerald W. Peters Vice President & Treasurer Texas Gas Transmission Corporation P. O. Box 1160 Owensboro, KY 42301 (502)926-8686	Robert W. Brandon Vice President Texas Gas Transmission Corporation P. O. Box 1160 Owensboro, KY 42301 (502)926-8686

The Design and Engineering Board
Audit Committee
(October 1980)
Page Three

<u>PARTY</u>	<u>MEMBER</u>	<u>ALTERNATE</u>
TransCanada Pipeline Alaska Ltd.	TransCanada Pipelines, Ltd. P. O. Box 54 Commerce Court West Toronto, Canada M5L, 1C2 (416)869-2441	
United Alaska Fuels Corp.	E. A. Powell, Jr. United Gas Pipe Line Co. P. O. Box 1478 Houston, TX 77001 (713)237-4009	E. G. Parks United Gas Pipe Line Co. P. O. Box 1478 Houston, TX 77001 (713)237-4904

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(October 1980)

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Atlantic Richfield Company	R. C. Hartman Arctic Gas Project Advisor Atlantic Richfield Company 350 North St. Paul Room 3095 Dallas, TX 75201 (214)651-4753	Surinder K. Bhatia Senior Project Advisor Atlantic Richfield Company 515 South Flower St Room 23111 Los Angeles, CA 90071 (213)486-1805
Calaska Energy Company	Charles J. Tateosian, Manager Gas System Design Pacific Gas and Electric Co. 77 Beale Street San Francisco, CA 94106 (415)781-4211 Ext. 2974	James R. Grinstead Senior Gas Engineer Pacific Gas and Electric Co. 77 Beale Street San Francisco, CA 94106 (415)781-4211 Ext. 1888
Columbia Alaskan Gas Transmission Cor- poration	Columbia Alaskan Gas Trans- mission Corporation 20 Montchanin Road Wilmington, DE 19807 (302)429-5000	
Exxon Company, USA	H. R. Galloway Coordinator - Gas Engineering Exxon Company, USA P. O. Box 2180 Houston, TX 77001 (713)656-4757	J. L. Shanks Senior Technical Advisor Exxon Company, USA 1800 Avenue of the Stars Los Angeles, CA 90067 (213)552-5702
Northern Arctic Gas Company	Robert P. Raasch Vice President Northern Natural Gas Company Div. of InterNorth, Inc. 2223 Dodge Street Omaha, NE 68102 (402)348-5798	

The Design and Engineering Board
Technical Committee
(October 1980)
Page Two

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Pacific Interstate Transmission Company	C. S. Snyder Pacific Interstate Transmission Company 720 West Eighth Street Los Angeles, CA 90017 (213)689-2953	T. S. Penfold Pacific Interstate Transmission Company 720 West Eighth Street Los Angeles, CA 90017 (213)689-4261
Pan Alaskan Gas Company	Laurence E. Hanna Vice President & Chief Engineer Panhandle Eastern Pipe Line Company P. O. Box 1348 Kansas City, MO 64141 (816)968-2013	John A. Alholm Assistant Chief Engineer Panhandle Eastern Pipe Line Company P. O. Box 1348 Kansas City, MO 64141 (816)968-2014
Phillips Petroleum Company	W. A. McClintock Phillips Petroleum Company 10 Bl Phillips Bldg. Bartlesville, OK 74004 (918)661-5544	W. F. Tuckett Phillips Petroleum Company 10 D1 Phillips Bldg. Bartlesville, OK 74004 (918)661-6312
Sohio Gas Pipeline Company	Arlie M. Skov Project Advisor Sohio Gas Pipeline Company 100 Pine Street San Francisco, CA 94111 (415)433-7971	
The State of Alaska	Charles E. Behlke State Pipeline Coordinator Office of State Pipeline Coordinator 1001 Noble Street - Suite 450 Fairbanks, AK 99701 (907)456-4835	

The Design and Engineering Board
Technical Committee
(October 1980)
Page Three

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Tetco Four, Inc.	M. D. White Texas Eastern Gas Pipe- Line Company P. O. Box 2521 Houston, TX 77001 (713)759-5396	Walter Woods Texas Eastern Gas Pipe- Line Company P. O. Box 2521 Houston, TX 77001 (713)759-4141
Texas Gas Alaska Corporation	William T. Turner, Jr. Vice President Texas Gas Transmission Corporation P. O. Box 1160 Owensboro, KY 42301 (502)926-8686	Ray S. Kramer Assistant Chief Engineer Texas Gas Transmission Corporation P. O. Box 1160 Owensboro, KY 42301 (502)926-8686
TransCanada Pipeline Alaska Ltd.	TransCanada Pipelines, Ltd. P. O. Box 54 Commerce Court West Toronto, Canada M5L, 1C2 (416)869-2441	
United Alaska Fuels Corp.	R. J. Simmons, Jr. Vice President - Engineering United Gas Pipe Line Company P. O. Box 1478 Houston, TX 77001 (713)237-4531	C. R. Vandewater Director of Engineering United Gas Pipe Line Company P. O. Box 1478 Houston, TX 77001 (713)237-2537