

U.S. DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

PRESIDENTIAL PERMIT PP-85-A
AUTHORIZING
WESTMIN MINES, INC.
TO CONSTRUCT, CONNECT, OPERATE, AND MAINTAIN
ELECTRIC TRANSMISSION FACILITIES ACROSS
THE INTERNATIONAL BORDER BETWEEN
THE UNITED STATES AND CANADA

BACKGROUND

On July 17, 1987, Westmin Resources Limited filed an application with the Economic Regulatory Administration (ERA)¹ of the Department of Energy (DOE) for a Presidential permit pursuant to Executive Order No. 10485, as amended by Executive Order No. 12038. The applicant requested authority to construct, connect, operate, and maintain a 35-kilovolt (kv) transmission line which would cross the U.S. international border from British Columbia, Canada, pass through the State of Alaska, and re-enter British Columbia at a second point on the U.S. international border. The proposed line would cross the U.S.-Canadian border in the city of Hyder, Alaska, traverse about 7.4 miles of U.S. territory and re-enter Canada at a point approximately 8 miles north of Hyder, Alaska. All construction in Alaska would be within the right-of-way of the Granduc Road, a pre-existing gravel road.

1. On January 6, 1989, the authority to issue Presidential permits was transferred from the Economic Regulatory Administration to the Assistant Secretary for Fossil Energy. DOE Delegation Order No. 0204-127 specifies the transferred functions (54 FR 11436, March 20, 1989).

Subsequent to this filing, the applicant requested that, if the ERA should determine it to be in the public interest to issue the subject permit, the permit be issued in the name of Westmin Resources, Inc. (Westmin), the wholly owned U.S. subsidiary of Westmin Resources Limited.

In connection with the DOE's responsibilities under the National Environmental Policy Act of 1969 (NEPA), the DOE reviewed an Environmental Assessment (EA) published on May 17, 1988, by the U.S. Forest Service (USFS). The USFS prepared this EA in connection with its issuance of a special use permit to construct a portion of the proposed line through a National Forest. The DOE, after staff review and analysis of USFS' EA, determined that the EA adequately addressed the environmental effects of Westmin's proposal. On July 28, 1988, the DOE adopted this EA and determined that the issuance of this permit would not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the NEPA, 42 U.S.C. 4321, et seq.

After review and evaluation of the information submitted by the applicant, it was determined that the operation of the proposed transmission line would not impair the reliability of the electric power supply system of the U.S. Details of this determination were made part of the permanent docket file.

The Secretary of State by letter dated September 8, 1988, and the Secretary of Defense by letter dated September 6, 1988, recommended that the Presidential permit be granted.

Accordingly, on October 5, 1988, Presidential Permit PP-85 was issued to Westmin Resources, Inc.

On May 20, 1989, Westmin Resources, Limited (Westmin), on behalf of its wholly-owned subsidiary Westmin Resources, Inc. (WRI), applied to the Office of Fossil Energy (FE) of the Department of Energy (DOE) for the reissuance of Presidential Permit PP-85 to Westmin Mines, Inc. (WMI), a new U.S. corporation which is indirectly controlled by Westmin. This request was occasioned by a reorganization within the Westmin group of companies.

Since the reissuance of this permit does not require new construction or a change in the operation of the previously authorized facilities, the conclusion reached from the environmental and electric reliability analyses prepared for the original permit remain valid for this action. Also the Secretary of Defense and the Secretary of State have concurred in the reissuance of the permit. Accordingly, the DOE finds that the reissuance of Presidential Permit PP-85 to Westmin Mines, Inc., is consistent with the public interest.

AUTHORIZATION

Pursuant to the provisions of Executive Order No. 10485, as amended by Executive Order No. 12038, and the Rules and Regulations thereunder (Title 10, Code of Federal Regulations, section 205.320 et seq.), permission hereby is granted to WMI to construct, connect, operate, and maintain at the international border of the United States and Canada, one 35-kV, alternating current (ac) transmission line as further described in Article 2 below, upon the following conditions:

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this permit.

This permit may be modified or revoked by the President of the United States without notice, or by the DOE after public notice, and may be amended by the DOE after proper application thereto.

Article 2. The facilities covered by and subject to this permit shall include the following facilities, and all supporting structures within the right-of-way occupied by such facilities:

One 35-kilovolt, 3-phase electric transmission line which will cross the U.S. international border from British Columbia, Canada, pass through the State of Alaska, and re-enter British Columbia at a second point on the U.S. international border. The proposed line shall pass through Alaska for about 7.4 miles, most of which shall be located

in the Tongass National Forest. Approximately 2.5 miles of the proposed 7.4 miles of transmission line shall be constructed underground, using 300 MCM (thousand circular mils) cable, and the remaining 4.9 miles constructed above ground on wooden poles, using 266.8 ACSR (aluminum cable, steel reinforced) conductor. All construction in Alaska shall be within the right-of-way of the existing Granduc Road (also known as the Salmon River Highway).

These facilities are more specifically shown and described in the application filed by the applicant on July 17, 1987.

Article 3. No change shall be made in the facilities covered by this permit or in the authorized operation of these facilities unless such change shall have been approved by the DOE.

Article 4. WMI or its agent shall at all times maintain the facilities covered by this permit in a satisfactory condition such that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

Article 5. The operation and maintenance of the facilities covered by this permit shall be subject to the inspection and approval of a properly designated representative of the DOE, who shall be an authorized representative of the United States for

such purposes. WMI shall allow officers or employees of the United States with written authorization free and unrestricted access into, through, and across any lands occupied by these facilities in the performance of their duties.

Article 6. WMI shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this permit. WMI shall take appropriate action as necessary to mitigate such situations. Complaints from individuals residing within one-half mile of the center of the transmission circuit are the only ones that must be resolved. WMI shall maintain written records of all complaints received and of the corrective actions taken.

Article 7. The United States shall not be responsible or liable: for damages to or loss of the property of, or injuries to, persons; for damages to or loss of the facilities covered by this permit; or for damages to, or loss of the property of, or injuries to the person of WMI officers, agents, servants or employees, or of others who may be on said premises; any of which may arise from or be incident to the exercise of the privileges granted herein; and WMI shall hold the United States harmless from any and all such claims.

Article 8. WMI shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between the United States and Canada over the facilities authorized herein. WMI shall prepare, maintain and preserve complete and accurate records concerning the transfer of such electric energy; and shall furnish the DOE an annual report, which will be due on or before February 15th of each year, detailing the transmission of such electric energy, as follows: (1) the gross amount of kilowatt-hours of electric energy received or delivered; (2) the maximum hourly rate of transmission in kilowatts; and (3) the consideration paid or received for such energy during each month of the preceding calendar year.

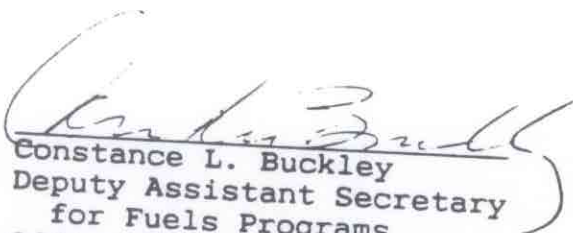
Article 9. Neither this permit nor the facilities covered by this permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this permit shall continue in effect for a period of 60 days and then shall terminate unless an application for a new permit pursuant to Title 10, Code of Federal Regulations, section 205.323, has been received by the DOE. Upon receipt by the DOE of such an application, this existing permit shall continue in effect pending a decision on the new application. During this

decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

Article 10. Upon the termination, revocation or surrender of this permit, the 35-kV ac transmission line, which is owned, connected, operated, and maintained by WMI and described in Article 2 of this permit, shall be removed within such time as DOE may specify and at the expense of WMI. If WMI fails to remove such facilities or any portion thereof authorized by this permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of the land associated with the facilities at the expense of WMI. WMI shall have no claim for damages by reason of such possession, removal or repair. However, upon a showing by the relevant owner that certain facilities authorized herein, such as portions of its rights-of-way or the transmission line within the United States, are useful to other utility operations within the bounds of the United States, the DOE will not require that those facilities be removed and the land restored to its original condition upon termination of the international interconnection.

Article 11. This permit shall be valid upon receipt by the DOE of the Testimony of Acceptance properly executed.

In witness whereof, I, Constance L. Buckley, Deputy Assistant Secretary for Fuels Programs, Office of Fossil Energy, hereunto sign my name, this 13 day of November, 1989, in the city of Washington, District of Columbia.


Constance L. Buckley
Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy