

Alaska Approved
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The Haines-Fairbanks Pipeline and The
Military Port at Haines, Alaska

The growing need for a more adequate means of transporting bulk petroleum products to the Alaska defense installations became very apparent in 1947. Consequently, in late fall of that year, research and study was undertaken by the Headquarters Alaskan Command to determine what additional facilities were necessary to assure an adequate military supply throughout Alaska. One of the recommendations of the study, submitted to Dept of the Army in January 1948, was that a survey-study be undertaken to select the most feasible pipeline route which would transport the requirements of the Fairbanks area.

This recommendation led to the initiation of a series of studies on all aspects of such a facility; the size of pipe, the port terminal locations and other operating problems.

In 1950, it was decided that the best overall terminal port for the pipeline was Haines, Alaska. Until that time, Whittier, Valdez and Cordova also had been considered feasible locations. While the Haines site was admittedly more distant, from Fairbanks, one of the ruling criteria, that of vulnerability from sea and air attacks of a future conflict, provided a superiority which outweighed the peacetime disadvantages.

Accordingly, the Military Construction Budget of FY 1952 contained a request that Congress authorize the construction of the pipeline project from Haines, Alaska in amount of 40 million dollars and appropriate these funds in two (2) increments of 20 million dollars each. This request was approved by the Congress.

The Corps of Engineers retained the nationally reputable Fluor Corporation to prepare the design and survey work. After extensive study and review of the conceivable bulk fuels requirements of the Army and Air Force ~~and~~ under mobilization conditions, the decision was made by the Department of the Army to build an 8-inch pipeline.

On strictly an economic basis, the location of the terminus at Valdez and the connecting pipeline to Fairbanks was estimated to cost approximately 13 million dollars less than a corresponding facility at Haines. This amount, however, was overshadowed by the considerations that:

(1) Valdez was located at the head of the Gulf of Alaska and all shipping would be extremely vulnerable from attack by enemy aircraft and sub-surface vessels. The capability to execute such attacks are known factors.

(2) The requirement for tankers world-wide and the position of priority held by the Alaskan Command necessitated the maximum utilization of other type craft for petroleum movements.

(3) The loss of only two (2) tankers and their cargo needlessly, would amortize the additional construction cost of the Haines route.

(4) Peacetime amortization of either route, by savings in transportation costs were respectively 8.6 years for Valdez and 11.8 for Haines.

However, the preponderance of strategic advantages of the Haines location was the deciding factor. The port of Haines is located at the head of the "Inland Passage" an inland sea water route along the west coast of Canada protected by numberless mountainous islands.

The route affords maximum protection from detection by enemy aircraft and presents extreme navigational hazards to sub-surface vessels without exposing themselves. Likewise, the protected waters permits the use of non-propelled shallow draft oil barges thereby releasing the tanker fleet vessels to higher priority duties.

Several Congressional reviews have occurred during the period required by the Fluor Corporation to complete design and survey work. In late 1953, the project was reviewed again personally and separately by the Secretary of the Army and the Secretary of the Air Force. Both again approved the project continuance.

The pipeline contract was awarded to a combine of three (3) construction firms, two of U.S. origin and one, Canadian owned on 29 October 1953. The low bid was \$29,000,000 with the contract calling for completion of the project by September 1955. The contractor has already commenced the clearing of the right-of-way. ~~A portion of the pipe has been reported enroute from England.~~

Negotiations with the Government of Canada were necessary to obtain an easement for the pipeline through British Columbia (approximately 44 miles) and Yukon Territory (240 miles). The "United States -Canada Haines-Fairbanks Pipeline Agreement" was signed 30 June 1953. The principal provisions of this Agreement provided that:

(1) All land or interest in land required in Canada would remain in title of Canada.

(2) Common defenses interests of the two countries would require continuance of the pipeline for a minimum of twenty (20) years. The question would be submitted for negotiation after the period, in the event either country desired to discontinue the arrangement.

(3) Title and ownership of the pipeline and auxiliary installations shall remain with the United States.

(4) The pipeline would give equal consideration to the Canadian defense requirements and, if requested by Canada, and permitted by military requirements, the installation could be used to meet Canadian civil needs.

(5) The United States would continue to operate the existing 4-inch line from Skagway to Whitehorse.

(6) Canadian materials would be used on the Canadian portion of the pipeline as far as feasible.

In December 1953, the Denimex Development Corporation of New York wrote the Corps of Engineers, U. S. Army, alleging basic inaccuracies and omissions in the pipeline specifications. In the same tenor, this company wrote to the Senate Permanent Subcommittee on Investigations in February 1954 while the Corps of Engineers were still investigating the charges. Subsequently, the allegations were found to be false and the specifications met those of the Corps of Engineers standards and of the commercial oil industry. The Denimex Development Corporation was advised.

Complimentary to the Haines-Fairbanks Pipeline and its terminus at Haines, Alaska, the Department of the Army has completed the construction of a permanent fireproof dock with a 965 foot face for dry cargo operations in the summer of 1953. The dock was built on a severe austere basis which included long lead time construction only. It is in standby status at present.

The Department of Interior queried the Department of the Army (Office, Chief of Transportation) in late 1953 as to whether the D/A would consider peacetime operation of the dock by an Alaskan governmental agency. The Department of Interior was informally advised a use permit could be arranged if formal request was made.

Like the Haines Pipeline terminus, the dry cargo pier facility at Haines is required to provide an alternate line of communication to central Alaska. It provides a port of entry without transiting the Gulf of Alaska and can be reached from the continental United States by the inland passage. Barges can be used at all seasons of the year to Haines, while weather prohibits continual safe passage through the Gulf of Alaska to the ports of Seward, Whittier or Valdez.