



File: C15-3-1-18

31 January, 1972.

Colonel Richard H. Dolson, Sr.,
Army Attache,
Embassy of the United States
of America,
Ottawa, Ontario.

Dear Colonel Dolson:

In reply to your letter of 15 November, 1971, enclosing copy of Colonel Volpe's notes regarding a meeting on the Haines-Fairbanks Pipe Line held in the offices of the National Energy Board on 7-8 October, 1971, I wish to refer to Colonel Volpe's report which in general summarizes the discussion but it is desirable to draw attention to a number of aspects which have been raised by those present at the meeting and which are set out below:

- 1. At the top of page 3 of Colonel Volpe's notes, a statement is made that:

"The Canadians prefer complete rehabilitation"

This particular phrase would be more properly drafted:

"The Canadians insist on complete rehabilitation....."

- 2. Page 1, paragraph 2, line 12 -

Though Canadian representatives were generally satisfied with the method of evacuating the pipe line, there was some concern expressed that though the empty pipe line would present no potential threat as regards a break, there was some doubt that this pipe line is empty

of products for several months that it might fill with water vapour and set up a corrosive atmosphere. Because of the possible intent to bring this pipe line back into service again, some consideration should be given to filling the line with an inert gas to prevent corrosion deterioration internally to the pipe line.

3. Page 2 -

The reference to the tuboscope survey giving an exact measure of degradation of the pipe line is probably not strictly correct, as it only gives a measure of the degradation of the pipe line system which must be confirmed by actual physical examination.

4. In regard to the question of Canadian restrictions on transportation of commercial and military fuels to Alaska, we understand that all gasoline and light heating oils marketed in the Yukon Territories are refined from Canadian crude oil. It is suggested therefore, that you reword this section and omit the last sentence.

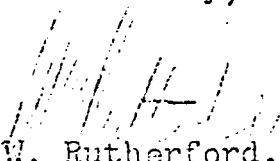
5. In regard to the National Energy Board's duties regarding regulation given in Item 5 on page 3, it is suggested that the paragraph commencing:

"The National Energy Board would prefer to treat the Haines-Fairbanks Pipeline the same as any other pipeline in Canada. All other pipelines are under the jurisdiction of the National Energy Board."

should be changed to read:

"The National Energy Board would prefer to treat the Haines-Fairbanks Pipeline the same as any other pipeline under its jurisdiction."

Yours truly,


W. Rutherford,
Asst. Chief Engineer,
Pipe Lines Division.