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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

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Dear Mr. Aspin:

Reference is made to your request of January 3, 1972, that we conduct an examination into and report on (1) the costs associated with the development of the environmental impact statement on the proposed Alaskan pipeline and (2) the Department of the Interior's study of alternatives to the proposed pipeline, including who selected the alternatives and who financed the study.

Section 102 of the National Environmental Policy Act of 1969 (Pub. L. 91-190, dated Jan. 1, 1970) requires that all Federal agencies prepare detailed environmental impact statements on proposals for legislation or other major Federal actions involving their programs that will significantly affect the quality of the human environment.

The act requires that the agencies, prior to making any detailed statements, consult with, and obtain comments from, other Federal agencies having jurisdiction over or special expertise regarding any environmental impact involved. The act requires also that agencies study, develop, and describe appropriate alternatives to recommended courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources. The proposed Alaskan pipeline requires such an environmental impact statement.

The draft environmental impact statement on the proposed Alaskan pipeline prepared by the Department of the Interior, dated January 1971, indicated that the Secretary of the Interior was considering applications from a group of seven oil companies for an oil pipeline right-of-way across Federal lands in Alaska between a point south of Prudhoe Bay on the north slope and Valdez on the Gulf of Alaska. These companies formed the Alyeska Pipeline Service Co. to design, construct, operate, and maintain the pipeline system. The proposed pipeline would be about 789 miles long, of which some 641 miles would be across Federal lands.

Our examination of the available records maintained by the Department of the Interior concerning costs associated with developing the environmental impact statement showed that the Federal costs amounted to \$7,320,245 for the period which began in fiscal year 1969 and which extended through

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December 31, 1971. These costs represented the total Federal costs associated with developing the final environmental impact statement on the proposed Alaskan pipeline that was made available to the public on March 20, 1972. A breakdown of the costs, by agency, is shown below.

<u>Agencies</u>	<u>Costs</u>
Department of the Interior:	
Bureau of Land Management	\$3,001,326
Geological Survey	3,062,814
Bureau of Sport Fisheries and Wildlife	1,046,105
Environmental Protection Agency:	
<u>Federal Water Quality Administration</u>	<u>210,000</u>
Total	<u>\$7,320,245</u>

Note: The total costs of \$7,320,245 include reimbursements to the Corps of Engineers, the University of Alaska, and the National Marine Fisheries Service for work associated with preparing the environmental impact statement.

Concerning the Department's study of alternatives to the proposed pipeline, the final environmental impact statement, issued March 20, 1972, included a separate volume on the alternatives. As agreed with your office, we provided you with a copy of the Department's environmental impact statement in lieu of presenting information on the alternatives.

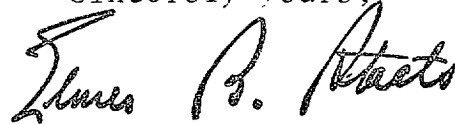
Regarding the financing of the study of the alternatives, we were advised by departmental officials that they did not maintain costs associated with each such study. The officials advised us also that each agency within the Department maintained overall costs associated with the development of the above environmental impact statement but that the agencies did not maintain a breakdown of costs for study of alternatives. Moreover the officials advised us that, if the permit to build the pipeline were approved, they planned to bill the oil companies for all costs associated with developing the environmental impact statement.

We plan to make no further distribution of this report unless copies are specifically requested, and then we shall

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make distribution only after your agreement has been obtained or public announcement has been made by you concerning the contents of the report.

Sincerely yours,

A handwritten signature in cursive script that reads "James B. Stewart". The signature is written in dark ink and is positioned above the typed name.

Comptroller General  
of the United States

RC  
The Honorable Les Aspin  
House of Representatives