



**ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT**

***Alaska Gasline Training Plan Steering Committee  
Fairbanks Pipeline Training Center  
3600 Cartwright Ct. Fairbanks, Alaska 99079  
October 27, 2010***

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**Committee members in attendance**

Commissioner Bishop, Commissioner of Labor  
David Stone, Deputy Commissioner  
Guy Bell, Assistant Commissioner  
Greg Cashen, Executive Director AWIB  
Gerry Andrews, Gasline Training Program Administrator  
Richard Fafara, TransCanada Alaska  
Rick Solie, Denali Pipeline  
Larry Persily, Office of the Federal Coordinator  
Eric Hatleberg, AGIA Project Manager, Department of Natural Resources  
Bill Hurley, Conoco Phillips  
Phil Cochrane, BP Alaska  
Wade Blasingame, Houston Contracting Company  
Tom Maloney, CH2M Hill  
Dave Matthews, Price Gregory  
Rick Boyles, Teamsters Local 959  
Jim Laiti, Plumber's and Pipefitter's Local 375, AWIB Board  
Mike Andrews, Alaska Works Partnership  
Fred Esposito, Alaska Vocational Technical Center  
Ken Peltier, Alaska Operating Engineers/Employers Training Trust, AWIB Board  
Fred Villa, University of Alaska, AWIB Board  
Dave Rees, Alaska Process Industry Careers Consortium, AWIB Board  
Todd Bergman, Alaska Process Industry Careers Consortium  
John Hakala, USDOL-ETA, Office of Apprenticeship  
Helen Mehrkens, Department of Education and Early Development, AWIB Board

**Committee members absent or excused**

Vice-Admiral Thomas Barrett, Deputy Federal Coordinator; Warren Christian, Doyon Associated; Vince Beltrami, Alaska AFL-CIO; Tony Delia, Tanana Chiefs Conference, AWIB Board; Joey Merrick, Labor's Local 341, AWIB Board; Tim Sharp, Laborer's Local 942

*DOLWD Staff in attendance*

Corine Geldhof, Director, Business Partnerships Division  
Brynn Keith, Chief, Research and Analysis  
Beth Leschper, Communications Director  
Tom Nelson, Director, Employment Security Division  
Paula Scavera, Special Assistant to the Commissioner  
Jeff Selvey, Education Specialist/CTE Coordinator  
Mike Shiffer, Assistant Director, Business Partnerships Division  
Bejean Page, Administrative Assistant  
Colette Smith, Administrative Assistant

*Guests and others in attendance*

Evert Light, ExxonMobil  
Shawn Aspelund, BP/AVTEC  
Bob Eadie, TransCanada  
Jack Foerst, Denali  
Lisa Grey, Alaska Pipeline Project  
Darren McLean, TransCanada  
Rachel Perkins, Tanana Chiefs Conference  
Rob Peterson, Operating Engineers Local 302  
Kevin Pomeroy, Laborer's Local 942  
Jim Sampson, Director, Fairbanks Pipeline Training Center  
John Umberger, ExxonMobil  
Tim Woodard, BP

## **Overview/Safety**

Jim Sampson, Executive Director of the Fairbanks Pipeline Training Center, welcomed the Gasline committee members and guest and performed the safety minute. He thanked TransCanada for donating the two joints of x70 pipe for student training and informed the group of the transportation to demonstration site for the event scheduled in the afternoon.

## **Welcome and Introductions**

Commissioner Bishop noted the high level of commitment and caliber of committee members and attendees. Alaska's workforce development and training is on the cutting edge. It is important to maintain the common goal of ensuring access to training for all Alaskans. There is still a lot of work ahead of us, but his dedication is resolute.

## **Gasline Training Implementation Updates**

### Pipeline Training Plan Update

Gerry Andrews acknowledged and welcomed representatives from various companies, training providers, and state agencies. It is crucial that industry representatives identify their anticipated staffing needs to ensure that Alaska has a prepared workforce for the gas pipeline project. Gerry summarized the contents of the meeting binder.

### Alaska Career Technical Education (CTE) Plan

Jeff Selvey, Fred Villa, and Helen Mehrkens spoke briefly about the Alaska CTE Plan and noted strategies, gaps in training prevention and commended the support of the Plan from President Gamble, University of Alaska, Commissioner LeDoux and Commissioner Bishop. Gerry highlighted the point that the gas pipeline training plan utilizing the CTE document.

### Larry Persily - Office of the Federal Coordinator

Larry does not foresee permits preventing this project, although the market and political environment could potentially hamper efforts. He stated that it is important that Alaskans understand the following: demand drives the project, not current energy/fuel prices; clean energy; natural gas is not as profitable as oil, but can generate tax royalties; and unless the public is willing, politicians will have harder time to make a deal.

## **Project/Manpower Updates: Preconstruction, GTP, X-Country, Operation**

### Rick Solie - Denali

Denali has concluded its open season and negotiations are still in progress. They are eager to submit bids and turn them into precedent agreements by the end of first quarter 2011. The scope of the project ultimately will be defined by results of open season. . The timeline presented is based on the presumption that all of the preparatory

work will be completed and expects project sanction to follow approval; looked at leveled labor peaks and valleys to supply steady workforce and not all at once. Work is projected to start in 2014; first gas in 2020 and full capacity by 2022. Denali is not able to share a lot of data at this meeting since Denali is in negotiations with subscribers. Denali has already invested about 700,000 man-hours and 150 million dollars and there is still a lot of work to do before filing a certificate of public convenience and necessity (FERC). Approvals from the Certificate of Public Convenience and Necessity (CPCN) expected within two years; at that point workforce training will be called into action. He discussed Denali's working relationships with federal officials in Washington, D.C. and Ottawa, Ontario Canada to keep them apprised of the project. Rick recommended that attendees review Denali's website <http://denalipipeline.com/>. Rick is encouraged by Governor Parnell's comments about Point Thompson litigation being close to resolution and upcoming plans to work on a fiscal framework. Denali is in the early scoping stage and Rick is confident that all of the information will be available in the future.

#### Jack Foerst - Denali

Jack summarized some of their expectations for the Denali project. Various estimating methods were employed to create a screening study. Denali used an estimating design system of national contractors to form empirical models. Preceded by the regulatory phase, the execution phase of the project is expected in 2016; feed exercise should be within two years prior to the execution phase. Resources and equipment hours, which are beyond their control, are not included in the facts and figures data. The Denali hours are comprised of construction manpower estimates. Immediately after funding, the expected site work will begin. There will be 15 compressor stations and 310 permanent Alaskan positions; approximately half of the positions will be supervisory or craft labor. Gerry noted that Denali promoted the development of last year's Surveyor registered apprenticeship and the new Environmental Technician apprenticeship program and thanked them for the work of Lisa Pekish, former committee member.

#### Richard Fafara - TransCanada

Richard discussed prequalifying conditions and reminded the group that preliminary numbers are subject to change. TransCanada is attempting to optimize labor numbers and maximize the workforce in Alaska; especially work towards leveling out peaks and valleys to obtain an accurate account. TransCanada's estimate techniques are very similar to methods employed by Denali. Cost estimates are generated with TransCanada research and historical data. Early infrastructure development is expected to begin in 2016, with early construction to start by November 2017. Considerable construction will occur during the 2018 summer construction season and contribute to filling the line by summer 2019. Projected peak labor force estimates are about 5,800 Alaskan employees; with 5,500-7,000 employees estimated for the total workforce. Richard discussed highly transferable crafts, and job experience and how they will help to necessitate development. Fluctuations in varying levels of the workforce will occur. The largest contingency of workers will be welders and pipefitters. There will be six

compressor stations in Alaska. TransCanada does not anticipate movement of employees across the Alaskan/Canadian border.

#### Bob Eadie - TransCanada

Bob presented project details including a 1,700 mile baric pipeline, at 2,500 PSI, and 17 compressor stations with 44,000 horse power each. The Gas Treatment Plant (GTP) will measure flow from Prudhoe Bay and feed from Point Thompson. Like Denali, TransCanada is unable to discuss any negotiation details at this time. TransCanada anticipates first gas in 2020 and full gas in 2021. The formal Federal Energy Regulatory Commission (FERC) filing will be in 2012 and a major step pending FERC approval. Until then the project is driven by environmental land issues. TransCanada is actively working with the United States and Canadian governments and ensuring preparations for project are being put into place in both countries. Producers, shippers, and customers are working to resolve precedent conditions with TransCanada and secure gas markets. Shipping logistics and modifications have been coordinated to meet project needs. TransCanada is focused on utilizing local talent; they are working with 34 Alaskan companies and 150 Alaskans were employed by TransCanada this summer. Bob reiterated TransCanada's commitment to the gas pipeline project.

#### Darren McLean - TransCanada

Darren provided a presentation on TransCanada's operations and work structure. TransCanada has been operating as a company for about 60 years and see the Alaska gas pipeline as an extension of their existing business. TransCanada's learning management system is already in place; they are experienced with the equipment and environment. He reviewed potential challenges including permafrost, 2,500 PSI pipeline pressure, and remoteness of the project. TransCanada's plan includes an Alaskan office in Anchorage, Fairbanks, and Juneau; a central office in Calgary will handle personal and accounting services. They anticipate 30-35 Alaskan employees with 70% of the workforce living in remote locations. Darren cited prestart up plans and cost, highlighting TC's learning management key steps and positions. There are support programs in place to ensure readiness. TransCanada and Alaska's training philosophies are aligned.

#### John Umberger - ExxonMobil

John has been working with TransCanada and on the Alaska Pipeline Project for the past year. Exxon Mobil has a new operation process that ties with the project management process. Organizational design will be established from historical information and past experience. Operations will be driven by production supervisors. He expressed ExxonMobil's commitment to hire experienced Alaskans and utilize existing training centers. He further described ExxonMobil's training process and stages of their global training plan. They expect to hire 174 Alaskans for core positions and the preparation of trainees will take up to four and a half years.

## **Workforce Training Needs Identification – Employers (Demand)**

### Wade Blasingame – Houston Contracting Company

Wade summarized their apprenticeship hiring and training. He introduced Rachel Perkins to facilitate presentation.

### Rachel Perkins – Houston Contracting Company

Rachel further explained Houston Contracting Company's apprenticeship program process. Use of the Mid-West Energy Association (MEA) keeps them on the cutting edge. The Houston Contracting Company's training matrix was developed from a training survey which ensures appropriate training for task. Rachel provided an overview of the gas pipeline regulatory requirements. Houston Contracting Company will need owners/contractors to relay any standardized training requirements and specialized certifications or qualifications necessary for employment, including DOT operator qualifications, (OQ) Certification, HAZCOM, HAZWOPER, and PPE. Their first line supervisor safety training is exceptional; lessons learned from prior accidents are used to prevent future incidents.

### Tom Maloney – CH2M Hill

Tom commented on the increasing price of basic commodities, with the exception of natural gas prices. He reflected on the benefits of a gas pipeline and the support of future activity. The majority of the workforce was imported from out of state to work on the oil pipeline 33 years ago. Local training and the willingness of employers has redirected focus on local hires in Alaska. He discussed challenges and presented possible resolutions to ensure that Alaska has the training capacity to support the industry. Otherwise Alaska could lose a lot of talent due to migration towards states that provide better training and jobs.

### Dave Matthews – Price Gregory

Dave discussed pipeline industry trends in Alaska. He provided an overview of the entire operation of pipeline construction including capacity, challenges, demands, and possible improvements. The Canadian construction industry offers an efficient approach; i.e. establishing daily goals and incorporating moving assembly lines working in unison to promote synchronization.

## **Manpower Report – Crafts (Supply)**

### Jim Laiti – Plumber's and Pipefitter's Local 375

Jim explained how manpower demands differ dramatically from the Trans Alaska Pipeline System (TAPS) construction. The Plumber's and Pipefitter's JATC facility capacity is good, and currently has 18 welding spaces. Thematic wants to replenish the workforce through apprenticeship programs and prepare a local workforce to the best of their ability. Currently, there are almost 500 members statewide; 84 are apprentices.

In order to fill specialized craft positions locally for this project, experience must be gained from on-the-job training before time runs out.

Rick Boyles – Teamsters Local 959

Statewide, the Teamsters Local 959 union consists of 6,500 members; which include 150 technical surveyors and 600 construction workers. In addition to the diversity of their membership, Rick informed the group of training that is offered around the state. He talked about how critical the freight line haul training is for this project. The Pipeline Training Center will soon have a truck for this training. Communication has been established with Canada to expand training opportunities. Retention of qualified workers is a challenge for the Teamsters.

Rob Peterson – Operating Engineers Local 302

Local 302 is an international union and Local 302 currently has 3,500 journeymen in Alaska; primarily construction members. Member skills are transferable or portable between different locations and projects. Offices are located in Anchorage, Fairbanks, Juneau, and training center is in Palmer. It is going to be a challenge to provide the projected labor for side boom operators for this project, however it is noted that 302 is a partner of the Fairbanks Pipeline Training Center.

Kevin Pomeroy – spoke on behalf of Tim Sharp and Joey Merrick – Laborer’s Local 341 & Local 942

Currently the Laborer’s Local 341 and Local 942 combined have 3,240 Alaskan members and 101 apprentices with diversity of 20-26%. The Laborer’s only train as many individuals as they can place in jobs, but are willing and able to respond to any increase in demand. Dispatch offices are located in Anchorage, Fairbanks, and Juneau.

Local 341 has a training facility in Anchorage and local 942 is building a new 9,000 sq. ft. in Fairbanks with training beginning in the spring. It was noted, no public funds were used for the construction of their new training facility.

Ken Peltier, Training Administrator – Alaska Operating Engineers/Employers Training Trust (AOEET)

Ken presented information about available training and apprenticeships, including heavy equipment, mechanics, health, and safety. They are looking to implement another crane certification to help improve safety and quality. The AOEET Apprenticeship program adheres to the regulations as set forth by the USDOL-ETA. He would like to recognize John Hakala for his effort and support of this program. Ken detailed the AOEET capacity, opportunities, and challenges. Rural training is available; partnering with DOLWD, Alaska Works Partnership, AVTEC, SAVEC, Galena, Grayling, Unalakleet, and UA. The AOEET trains an average of 1,400 students per year, and currently has 135 apprentices. The AOEET takes in an average of 35 new apprentices per year. Recently AOETT began utilized Work Keys in their application

process. Mechanic apprentice and operator apprentice courses last 12 weeks. The apprenticeship includes 6,000 hours of OJT, and 80 hours of safety training. He recognized a majority of AOEET instructors are retired journeyman and the best in their fields.

AOEETT has begun construction of a new 9 million dollar training center in Palmer, located on 162 acres. The new training center will include a 16,000 square foot training arena that will be completed by mid-December 2010. The training center also features new classrooms and offices, the ability to conduct training indoors year-round for side boom, drills and for HDR mechanics. It was asked if the cost for the new training facility was paid out of the trust or if AOEETT has used public dollars. Ken responded that all funding for construction of the new training center comes from contributions to the Training Trust, and is 100% member earned; no government funds have been or will be spent on this facility.

#### Fred Esposito – AVTEC Alaska’s Institute of Technology

Fred thanked Commissioner Bishop for his leadership and support of AVTEC. He reported on capacity, achievements, and opportunities. At present, AVTEC’s enrollment is at capacity with a considerable waiting-list. AVTEC accommodates about 400 graduates annually enrolled in 17 various training programs, including construction, mechanical, culinary and maritime programs. AVTEC has an 82% student completion and 95% job placement. AVTEC’s biggest challenge is the replacement of aging and deteriorating facilities, while meeting student needs. AVTEC has established several partnerships; including instruction for the North Slope Training Card, utility companies, apprenticeship programs, and is a Regional Training Centers. More information is available on their web site at [www.avtec.edu](http://www.avtec.edu).

#### Fred Villa – University of Alaska (UA) Workforce Programs

Fred covered training and education opportunities available through the University of Alaska’s campuses statewide. There are over 400 programs offered through the University; and 200 are related to workforce development. UA currently has 4,600 students in their workforce programs, including process technology, Construction Management, Project Management, and Engineering. Fred also talked about apprenticeship credit, up to 38 credits can be earned in the UA system through completing a registered apprenticeship. UA partners with AVTEC, DOL and Regional Training Centers statewide. The University of Alaska also includes their Corporate Programs, which includes a Global Corporate College. UA has the ability to create new training programs to address the needs of private sector employers. For example, the Global Corporate College worked with TSA to provide training of TSA agents in Alaska. Fred would like to see the formation of an Education and Training Committee to identify assets, training gaps, and action items.

Todd Bergman – Alaska Process Industry Careers Consortium (APICC)

APICC maintains the Priority Operations Report that breaks down the need of industry and provided the group with data generated by this report. Key aspects of this data include health/safety/environment, career outreach, and career awareness. APICC is looking at ways of strengthening their partnership with the University of Alaska. APICC has participated in an industry audit of process technology programs, including programs at the Fairbanks Pipeline Training Center.

Mike Andrews – Alaska Works Partnership (AWP)

Mike discussed Alaska Works Partnership's beginning and future vision; including the Denali Commission established by Senator Stevens that develops training opportunities in rural Alaska. AWP has been providing training in rural Alaska for years beginning with the Denali Commission. AWP provides statewide training through the Construction Academies in Anchorage, Juneau, Fairbanks, Mat-Su, Kenai, and Ketchikan. AWP also works with Regional Training Centers - such as Yuut, Delta Junction, and SAVEC - which result in a 90% placement rate for entry-level jobs. AWP has been involved in the development of the Fairbanks Pipeline Training Center working with industry, organized labor, and government, including the Fairbanks Northstar Borough, to prepare Alaskans' for jobs in the oil and gas industry in Alaska. He also addressed the need to overcome training barriers to help Alaskans in career training succeed. AWP has created a portfolio of programs; including the Helmets to Hardhats training program for veterans. The focus is on entry level positions requested by employers and industry. AWP will continue to work closely with employers and industry and are committed to a safe working environment.

Gerry Andrews – Action Items, Next Steps, Wrap up

Currently this office is working with all stakeholders in developing three committees to include Needs Assessment, Administrative and Budget, and Education and Training. Committee members have been assigned, and they will be contacted in the near future on planning and implementation strategies.

Commissioner Bishop greatly appreciates BP, TC and ExxonMobil's oil spill response command implementation which places safety measures in place to respond to oil spills. He would like to meet after the next AWIB meeting in February to organize information prior to presenting a report to the legislature. He noted that the Pipeline Training Center celebrated nine years with no loss time.

Next meeting is scheduled for February 24, 2011 in Juneau.