RESOURCE DEVELOPMENT COUNCIL
Growing Alaska Through Responsible Resource Development

BREAKFAST MEETING
Thursday, May 18, 2017

1. Call to order – Eric Fjelstad, RDC President
2. Self Introductions
3. Head Table Introductions
4. Staff Report – Marleanna Hall, Executive Director
5. Program and Keynote Speaker:

Cruising to a Record Number of Visitors – An Update on the
2017 Cruise Ship Season
John Binkley, President, Cruise Lines International Association – Alaska

Next Meeting:
RDC’s 42nd Annual Membership Luncheon
Tuesday: June 28th
Dena’ina Convention Center

New Direction for American Mining and Energy Policy
Featuring Hal Quinn, President and CEO, National Mining Association

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This breakfast packet and presentation may be found online at:

akrdc.org

TOURISM  FISHERIES  OIL & GAS  MINING  FORESTRY
May 15, 2017

Office of Policy Regulatory Reform, Mail Code 1803A
1200 Pennsylvania Ave NW
Washington, DC 20460
Submitted by email to Laws-Regs@epa.gov

Re: Docket ID EPA-HQ-OA-2017-0190 Executive Order 13777, directing agencies to establish a Regulatory Reform Task Force to oversee the evaluation of existing regulations to make recommendations about potential repeal, replacement, or modification.

To Whom It May Concern:

The Resource Development Council for Alaska, Inc. (RDC) is writing to comment on the Environmental Protection Agency’s (EPA) Notice for regulations appropriate for repeal, replacement, or modification, Docket ID EPA-HQ-OA-2017-0190.

RDC is an Alaskan business association comprised of individuals and companies from Alaska’s oil and gas, mining, forest products, tourism and fisheries industries. RDC’s membership includes Alaska Native Corporations, local communities, organized labor, and industry support firms. RDC’s purpose is to encourage a strong, diversified private sector in Alaska and expand the state’s economic base through the responsible development of our natural resources.

It is a policy of RDC to advocate for predictable, timely, and efficient state and federal permitting processes based on sound science and economic feasibility. The EPA’s call for reform of existing, overly burdensome or unnecessary regulations is timely and appreciated by the resource development industries of Alaska.

Issues for consideration for repeal, replacement or modification

Waters of the United States (WOTUS)
The Water of the United States (WOTUS) rule was one of the more far-reaching and burdensome orders. RDC is concerned the WOTUS rule would be used as a zoning power, triggering an onerous permitting process for areas in Alaska that would likely be considered waters of the United States.

In addition, WOTUS asserts additional jurisdiction over non-federal lands and waters triggering permitting under the onerous Clean Water Act (CWA) Section 404. RDC is concerned this broad expansion will devastate the Alaska economy.
The expense and uncertainty in the process for obtaining a permit under the CWA discourages investment in Alaska, a place where the cost of doing business is already high and the extreme weather conditions often delay or impact projects. The proposed rule would significantly expand the scope of navigable waters subject to Clean Water Act jurisdiction by regulating small and remote waters – many of which are in Alaska.

The President's call to withdrawal or rewrite WOTUS is a move in the right direction.

**RDC's recommended action**
The State of Alaska should control and manage its waters, including wetlands, creeks, ponds, lakes, sloughs, and other wet areas.

**EPA Clean Water Act 404(c) Preemptive and Retroactive Veto**
In July 2014, the EPA released a Proposed Determination of the EPA Region 10 Pursuant to Section 404(c) of the Clean Water Act (CWA) on the Pebble Deposit Area. The proposed determination attempted to assess the effects of a potential mining project, without the project plans, essentially preemptively vetoing the project until the project proponents litigated which led to a federal court halting the EPA's actions.

Also during the Obama Administration, the EPA used a retroactive veto against a coal mine in West Virginia that was already permitted.

**RDC's recommended action**
RDC urges the EPA to amend regulations to make it clear the only time a 404(c) veto can be used is at the conclusion of the National Environmental Policy Act (NEPA) process. A preemptive decision, prior to permit or project application and completion of the NEPA process, is unacceptable, whether it be approval or denial of any project in any industry.

**EPA Financial Responsibility Requirements under CERCLA 108(b) for Classes of Facilities in the Hardrock Mining Industry**
This rule is extremely lengthy and duplicative. It calls for financial assurance requirements that already exist at both the federal and state levels.

**RDC's recommended action**
As the public comment period is currently underway, RDC urges the EPA to issue a finding that no rule is necessary, as existing financial assurances are already in place.

**Wetlands Mitigation**
Compensatory mitigation fees are a tax on projects, and the costs are reaching a point where they may break the bank. These economic impacts cut across all industries and all regions of Alaska. The U.S. Army Corps of Engineers and the EPA should have clear discretion to conclude that compensatory mitigation is not required in every situation.

**RDC's recommended action**
The 1994 Alaska Wetlands Initiative provides a good starting point on a consensus approach that is workable in Alaska. This approach should be enshrined in statute or regulation to make clear that Alaska is, in fact, different from the Lower 48.
Antidegradation policy and requirements for nomination
The EPA requires states to have an Antidegradation policy and to adopt nomination and implementation methods. The State of Alaska has not developed an implementation plan, a process that is highly complex and burdensome.

RDC’s recommended action
The EPA should allow states more flexibility in developing and implementing water quality standards and programs to ensure protections.

History: Alaska is unique

Much of Alaska is currently off-limits, preserved in vast Conservation System Units (CSUs). In 1980, when Congress passed the Alaska National Interest Lands Conservation Act (ANILCA), a staggering 106 million acres of the public domain was withdrawn into CSUs, such as national parks and refuges, bringing Alaska’s total withdrawn acreage to 188 million acres.

Unlike the “Lower 48” states, where most of the land is owned by the private sector, less than one percent of the 365 million acres in Alaska is under conventional private ownership. Currently, the federal government owns 60 percent of Alaska and the State of Alaska owns 28 percent. Alaska Native Corporations account for approximately 12 percent of the state as a result of the Alaska Native Claims Settlement Act (ANCSA) which Congress enacted in 1971 to provide a means by which Alaska Native people could derive economic benefits from the development of natural resources on their lands.

Given the state’s reliance on natural resource development for economic stability and the funding of essential public services, it is imperative the federal government provide balanced federal policies that encourage multiple use activities on our vast federal lands and responsible resource development on state, Alaska Native, and private lands.

Alaska is an expensive and challenging environment. To maintain and attract investment to Alaska, the state and resource development industries need stability. All Alaskans want clean air and clean water, and we believe responsible resource development can be done while protecting and preserving the environment.

Thank you for your review of these recommendations.

Sincerely,

[Signature]

Marieanna Hall
Executive Director
May 10, 2017

Representative Dean Westlake
Alaska State Capitol

House Committee on Arctic Policy, Economic Development & Tourism
Via email: Representative.Dean.Westlake@akleg.gov

Dear Chairman Westlake:

The Resource Development Council for Alaska, Inc. (RDC) is writing to support HJR 22, which urges the Trump administration to reverse excessive federal restrictions that adversely affect the ability to access and develop oil and gas resources in the Arctic, including the Chukchi and Beaufort seas, the Arctic National Wildlife Refuge, and the National Petroleum Reserve-Alaska.

RDC is a statewide business association comprised of individuals and companies from Alaska’s oil and gas, mining, forest products, tourism and fisheries industries. RDC’s membership includes Alaska Native Corporations, local communities, organized labor, and industry support firms. RDC’s purpose is to encourage a strong, diversified private sector in Alaska and expand the state’s economic base through the responsible development of our natural resources.

HJR 22 sends a clear message to the Trump administration and policymakers in Washington D.C. that Alaskans strongly support the removal of roadblocks to energy development in the Arctic. Development of energy-rich basins in this region has the potential to reinvigorate the Trans Alaska Pipeline System, generate hundreds of billions of dollars in revenue to the federal and state government, create tens of thousands of new jobs, and put Alaska on a solid economic footing for generations. Moreover, development of Arctic energy deposits would reduce our nation’s dependency on foreign oil and help balance the trade deficit.

HJR 22 would also urge Congress to provide a means for sharing federal revenue generated from the development of Outer Continental Shelf energy deposits with the State of Alaska. RDC has been a strong advocate for federal revenue sharing to help support community infrastructure and other needs related to development.

RDC urges the House Committee on Arctic Policy, Economic Development and Tourism to pass HJR 22 to demonstrate the Alaska Legislature’s support for the responsible development of Arctic energy resources, which is clearly in the best interests of America and its 49th state.

Sincerely,

Carl Portman
Deputy Director

121 West Firewood Lane, Suite 250, Anchorage, Alaska 99503
907-276-0700 • rascouncil@akrdr.org • alrdr.org
May 8, 2017

Tim Pilon
610 University Avenue
Fairbanks, AK 99709
Via email to: tim.pilon@alaska.gov

Re: APDES Draft Permit AK0038652 For the Red Dog Mine

Dear Mr. Pilon:

The Resource Development Council for Alaska, Inc. (RDC) is writing to urge approval of the Department of Environmental Conservation (DEC) proposed Draft Permit AK0038652 posted April 7, 2017 (draft permit) for the Red Dog Mine.

RDC is a statewide business association comprised of individuals and companies from Alaska’s oil and gas, mining, forest products, tourism and fisheries industries. RDC’s membership includes Alaska Native Corporations, local communities, organized labor, and industry support firms. RDC’s purpose is to encourage a strong, diversified private sector in Alaska and expand the state’s economic base through the responsible development of our natural resources.

RDC supports DEC’s reissuance of the APDES permit to Teck Alaska, Incorporated (TAK). The permit authorizes and sets appropriate conditions on the discharge of pollutants from this facility to waters of the United States. The permit ensures protection of water quality and human health, places limits on the types and amounts of pollutants that can be discharged from the facility and outlines best management practices to which the facility must adhere.

Since production began at the Red Dog Mine, improvements to the water quality of the Red Dog Creek have been achieved and maintained. The discharge of treated water from Red Dog has improved water quality, reducing naturally occurring acid and metals, enhancing fish populations.

The Red Dog Mine provides hundred of jobs to the Northwest Alaska economy and historically provides 70-80% of the NAB’s general funding for all municipal government services. Last year, $108.7 million in royalties to NANA Regional Corporation, with $65.8 million dispersed to all other Alaska Native Corporations, were paid by the Red Dog Mine.

In conclusion, RDC urges the DEC to approve this APDES permit in a timely manner. As our state faces a fiscal crisis, it is also imperative projects be allowed to go through Alaska’s well-vetted permitting process without unnecessary delay, and show investors that Alaska is “open for business.”

Thank you for the opportunity to comment on this important issue.

Sincerely,

Marleann Hall
Executive Director
Pebble, EPA Reach Resolution in Long Standing Dispute
Agreement Allows Path to Traditional Permitting Process for Pebble

Anchorage, AK – The Pebble Limited Partnership today announced that an agreement to resolve the long-standing preemptive actions by the U.S. Environmental Protection Agency (EPA) against the project. The resolution effectively ends the litigation and establishes a clear path for the Pebble Project to initiate permitting under the Clean Water Act (CWA) and the National Environmental Policy Act (NEPA). PLP CEO Tom Collier had the following statement regarding the settlement:

“This settlement represents a major step forward for the Pebble Project. It allows us to start advancing Pebble to the next phase of development and provides us with the opportunity to initiate the normal permitting process for this project. For the last two years, we have focused on two key issues for the project. First, we sought to establish a clear path that would allow us access to the normal permitting and review process without extraordinary conditions. Second, we sought to secure a long term partner to advance the project into this process. Today’s announcement accomplishes our first objective and provides us with a clear path into the normal permitting and review process.

“We can now start to focus on finalizing our second objective. As a world class mineral deposit, there remains significant interest in Pebble among major mining companies. This settlement removes a major stumbling block to attracting new investment in the Pebble Project and in Alaska.

“As Alaska continues to look for ways to bring in new jobs and economic activity, we believe the Pebble Project has a valuable role to play. This project represents the potential for billions of dollars of investment, thousands of long-term, high-wage jobs and the potential for significant economic activity while at the same time providing revenue for local, state, and federal governments. Responsible development could be an economic engine for decades to come.

“We are excited to be able to introduce several new initiatives in the coming year that will more clearly define how the project will benefit residents of Bristol Bay and Alaska. Our project will be significantly smaller with demonstrable environmental protections. Chief among these is protecting the important salmon resource in Bristol Bay. It will be a busy and exciting year for the project and we look forward to engaging with Alaskans to discuss our plans.”

###

For more information contact Mike Heatwole, 907-339-2637
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MAY 31, 2017
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AOGA will once again host a one-day conference and exhibit hall, featuring top-tier national speakers and presenters. Sponsorships and exhibit booths are available, and registration is open. More at www.aoga.org

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May 31, 2017
AOGA Conference
MAY 31, 2017 | DENA’INA CENTER
AGENDA as of May 15, 2017

7:00 am  Exhibit Hall opens/breakfast available in Exhibit Hall, sponsored by GCI
Complimentary coffee cart opens, sponsored by Tesoro

7:30 am  Welcome remarks, Kara Moriarty, AOGA President and CEO

7:45 am  Welcome remarks, Cory Quarels, ExxonMobil, & AOGA Board Chair

8:15 am  The Role of the Oil and Gas Industry in Alaska- an update for 2017
  ▪ Jim Calvin, McDowell Group
  ▪ Award: AOGA/UA Scholarship award

9:00 am  Exhibitors break and refreshments, sponsored by Price Gregory

9:30 am  What just happened? The 2016 election, and its impact on energy policy
  ▪ Ed Goeas, The Tarrant Group
  ▪ Jennifer Duffy, Cook Political Report
  ▪ Moderated by Matt Larkin, Dittman Research
  ▪ Award: Rising Star Award, sponsored by Hilcorp

10:30 am  Hilcorp: Lessons Learned and Looking Ahead
  ▪ Dave Wilkins, Senior Vice President, Hilcorp Alaska

11:00 am  Exhibitors break

11:30 am  Keynote Luncheon, sponsored by ExxonMobil, ASRC, and Petro Star
  ▪ U.S. Senator Lisa Murkowski
  ▪ Keynote: Senior Interior Department official, to be announced
  ▪ Award: Contractor of the Year for Safety Performance sponsored by the Alaska
    Support Industry Alliance
  ▪ American Cancer Society fundraiser
  ▪ Alaska Airlines ticket giveaway

1:00 pm  Exhibitors break

1:30 pm  Not your grandfather’s environmentalism: The shift from protection to conflict, and
what Alaska needs to know
  ▪ Jim Oggsby, Executive Director, Western Governors Association
  ▪ Nick Loris, Energy Economist, The Heritage Foundation
  ▪ Moderated by Josh Kindred, AOGA Counsel

2:30 pm  Arctic Advantage: Alaska’s role amid emerging global interests
  ▪ General Joe Ralston, The Cohen Group
  ▪ Award: Project of the Year for Environmental Stewardship and Innovation,
    sponsored by Stoel Rives
3:00 pm Exhibitors break and refreshments, sponsored by Caelus Energy Alaska

3:30 pm Panel: Power Past Impossible and Crude Awakenings: Repositioning oil and gas in the evolving marketplace of ideas
  - Linda Rozett, American Petroleum Institute
  - Karen Harbert, U.S. Chamber of Commerce’s Institute for 21st Century Energy (invited)
  - Nikki Martin, International Association of Geophysical Contractors
  - Moderated by Michelle Egan, APR, Fellow PRSA, Alyeska
  - Award: Marilyn Crockett Lifetime Achievement Award

4:30 p.m. Champagne reception featuring Janet Weiss, BP Alaska, and Tom Barrett, Alyeska Pipeline, Prudhoe/TAPS 40th anniversary, sponsored by BP and Alyeska

5:30 pm Conference close
42nd Annual Meeting Luncheon

New Direction for American Mining and Energy Policy

Featuring Hal Quinn, President & CEO, National Mining Association

Wednesday, June 28, 2017
Dena’ina Center • Anchorage
12:00 Noon

Hal Quinn will address U.S. energy policy, critical minerals, and what the mining and coal industry expects under the Trump Administration, and how Alaska’s Congressional delegation is positioned to help advance many of the important issues facing America’s mining and energy industries.

- Denali $5,000
  - Table of eight at the luncheon, with premium seating
  - Premium recognition at the event and in the program
- Gold $2,000
  - Table of eight at the luncheon, with prominent seating
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  - Table of six at the luncheon
  - Recognition at the event and in the program

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Deadline to be listed in the program is June 16th. Submit your logo to resources@akrdc.org by June 16th. Sponsorships available through June 27th, however, tables are not guaranteed after June 21st.
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RDC is a statewide business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, tourism and fisheries industries. RDC's membership includes Alaska Native Corporations, local communities, organized labor, and industry support firms. RDC's purpose is to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

To join or to view a list of current RDC members, visit akrdc.org/membership

Contact Information:
Name: ____________________________ Title: ____________________________
Organization: ____________________________
Mailing Address: ____________________________
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Membership is a one-year term with an annual fee, expiring on the anniversary of your enrollment, with an online renewal option.

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RDC is classified as a 501(c)(6) non-profit trade association. Membership dues and other financial support may be tax deductible as an ordinary business expense, but not as a charitable contribution. 16.9% of RDC support is non-deductible.
Alaska Resource Education
Presents the 25th Annual
Coal Classic
Golf Tournament
sponsored by the Alaska Coal Association

Wednesday, June 7, 2017 at Anchorage Golf Course
Breakfast, Registration & Hosted Driving Range 6:00 am, Shotgun Start 7:00 am
Alaska Resource Education’s mission is to educate students about Alaska’s natural resources.
Alaska Resource Education is a 501(c)(3) non-profit, tax ID #92-0117527

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$1,100 Team (four golfers)  $300 Individual Golfer

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Golfers ____________________________  ____________________________

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I would like to pay by: Check □  Visa □  Invoice □

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601 E. 57th Place, Suite 104 Anchorage, AK 99518 • Fax 907-276-5488 • golf@akresource.org

Please register by Friday May 26, 2017

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