The United States’ emergence as the world’s largest and most environmentally-responsible producer of oil and natural gas is acting as a defense against the latest attempts by foreign nations to manipulate the price of oil and gas, according to David Holt, President of the Consumer Energy Alliance.

“Energy independence is a game-changing force for American families, farmers and businesses,” Holt said. “For decades, American consumers have been at the mercy of these kinds of market manipulations. Still, thanks to our current pro-growth trajectory that favors sensible, reliable and environmentally responsible oil and gas production, we no longer have to fear the financial impact of decisions made in foreign and often unfriendly capitals.”

Holt noted Consumer Energy Alliance has long argued that the American energy revolution is a win for all consumers and the environment.

“Without the advent of the U.S. shale revolution, the U.S. would be stuck facing the specter of oil embargoes and lines at the gas pump, and wouldn’t be able to tell the world our unparalleled story of environmental improvement and stewardship,” Holt added. “Even at a time of record oil and gas production, the U.S. leads the world in emissions reductions on an absolute basis.”

Holt is confident that America’s

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Geology boosts Alaska’s ranking in global mining survey

While no Canadian provinces and territories made the Fraser Institute’s top ten list for investment attractiveness in its Annual Survey of Mining Companies, geology boosted Alaska’s ranking to number four.

The survey asked industry executives from across the world to rate mining jurisdictions based on their mineral endowment and various policies important to mining. The investment attractiveness metric of the survey is a compilation of respondent’s views on both geology and policy.

“While no Canadian provinces and territories made the Fraser Institute’s top ten list for investment attractiveness in its Annual Survey of Mining Companies, geology boosted Alaska’s ranking to number four. The survey asked industry executives from across the world to rate mining jurisdictions based on their mineral endowment and various policies important to mining. The investment attractiveness metric of the survey is a compilation of respondent’s views on both geology and policy.”

An Open Letter to Alaskans

Wells Fargo is firmly committed to continuing our legacy of helping Alaska businesses and communities succeed and thrive—as we have for more than 100 years.

Our support for Alaska has recently been called into question due to news coverage related to a risk-based decision the company made to not provide project financing in the Alaska Arctic. I want to clarify that Wells Fargo remains steadfastly committed to helping Alaska’s communities and economy grow.

We continue to provide credit facilities for responsible oil and gas businesses—which we recognize are vital to the Alaska, U.S., and global economies—as well as thousands of mortgages and small business loans to individuals, families, and entrepreneurs across the state. In February 2020 alone, Wells Fargo committed more than $200 million in support of Alaska’s people, and businesses large and small. Our ongoing commitment to supporting Alaska is also demonstrated through the largest network of community banking branches in the state, ranging from Ketchikan to Utqiagvik.

I have been an Alaskan for almost 30 years, and have lived and worked in virtually all regions and communities across the state. I am proud to work for a company that supports people and businesses in Alaska through our lending and investing. And I am proud that in 2019, Wells Fargo made $5.7 million in donations to Alaska nonprofits and community organizations, addressing critical needs in our state.

My team and I look forward to continuing our work with Alaskans to help grow the economy, strengthen communities, and honor and protect everything that makes Alaska our home. Especially in times like today, the potential impacts of COVID-19 are hitting close to home. Working together to address ALL of our challenges will make us a better state. We are here to serve you, and we want to share information in real time to help everyone navigate these economic headwinds. I can emphatically state that Wells Fargo is here to meet your needs and to support the economic well-being of all Alaskans.

Sincerely,

Joseph C Everhart
Executive Vice President
Commercial Banking
Market Executive – Alaska

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In Early February, the U.S. Environmental Protection Agency (EPA) released its analysis of the annual Toxics Release Inventory (TRI) data for 2018. The Alaska Department of Environmental Conservation (DEC) reported in a recent press release, “while the title suggests the data is comprised of accidental spills and releases, it also includes permitted and regulated releases, such as air emissions and wastewater discharges, and managed waste in regulated disposal facilities.”

“Big mines like Red Dog move a significant amount of material as part of their daily operations, but such actions do not adversely impact human health and the environment. Characterizing such releases as toxic is disingenuous at best.”

– Commissioner Jason Brune

The report once again offers little to no clarification that Alaska’s reported releases consist of naturally occurring trace minerals in waste rock and tailings excavated from mine sites.

“Big mines like Red Dog move a significant amount of material as part of their daily operations, but such actions do not adversely impact human health and the environment,” said DEC Commissioner Jason Brune. “Characterizing such releases as toxic is disingenuous at best.”

Since 1998, when metal mining was added to the TRI, over 99 percent of Alaska’s reported releases have consisted of naturally occurring trace minerals found in rock and low-grade mineral ore excavated from mine sites.

The TRI fails to recognize that Alaska’s resource industries are some of the safest and best managed in the world, and large metal and mineral mines have a rigorous and robust permitting process.

“Mining waste rock and tailings are disposed of in state-permitted, engineered, and monitored disposal sites. Due to extensive mining activity, Alaska had the highest reported TRI volumes in the nation,” wrote DEC.
U.S. Sen. Lisa Murkowski released the American Energy Innovation Act (AEIA) last month, her broad bipartisan bill to modernize America's energy laws. The energy innovation package has significant benefits for Alaskans.

“Alaska is a natural proving ground for new technologies and an incubator for innovation,” Murkowski said. “My new bill will help Alaskans pioneer new technologies, ranging from renewables to energy storage and even advanced nuclear, to help lower local energy costs. It will also protect our cyber security, enable Alaska to produce more of the minerals needed for clean technologies, and help us meet the rising threat of climate change.”

Among the provisions included in the bill are measures advancing mineral security, energy security, energy efficiency, cyber security, energy security, solar and wind research and development, geothermal research and development, advanced nuclear reactors and micro-reactor development, marine and hydropower technology advancement.

The mineral security provision points out that the United States depends on foreign sources for more than half of the supply of its 46 different minerals and relies completely on imports for its supply of 17 of them. AEIA reduces America’s dependence on foreign suppliers to ensure a secure and reliable supply of minerals that are critical to clean energy, manufacturing, and defense. Permitting reforms and increases for geological surveying would help Alaskans responsibly produce more of its world-class mineral base.

In a letter to Murkowski, RDC applauded Alaska’s senior senator for including the mineral security provisions in the energy bill.

“It is imperative America take action to secure critical minerals and not be so dependent on China and other foreign sources for them,” said RDC Executive Director Marleanna Hall. “Our strategic critical minerals import reliance is alarming.”

Hall pointed out that the bill would modernize the federal permitting process to improve access to minerals critical to a green economy and the expansion of renewable sources of energy such as wind.

According to the World Bank, demand for the minerals needed for future energy technologies could increase 1,000 percent. “We must prepare now to meet such demand and to ensure access to domestic supplies to avoid an acute reliance on foreign imports,” Hall said. She pointed out America has the mineral resources within its borders to meet demand for future technologies, and achieve mineral security.

“Your legislation is a big step toward reaching these worthy goals,” Hall added.

Murkowski is Chairman of the Senate Energy and Natural Resources Committee.

Energy independence protecting American consumers

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energy revolution will weather the global volatility and demonstrate why energy production and environmental stewardship must go hand-in-hand.

“We are fortunate here in the U.S. to be the world’s largest energy producer of oil and gas, second in wind and solar, and a leader in pipeline miles and refining capacity, which has allowed us to be well equipped to meet our nation’s energy needs as most Americans stay at home or shelter in place,” Holt said in reference to COVID-19.

“Thankfully, we can all rest knowing that when we go to flip a switch, cook a meal, or make an essential trip to the grocery store with a full gas tank, it is because we know our energy will be available,” Holt said. “We’re able to sustain these critical supplies through dedicated supply chains and delivery systems that are being operated each day by committed men and women across industries.”
It’s time to modernize the EIS process

RDC has submitted comments supporting proposed revisions to new regulations for implementing the procedural provisions of the National Environmental Policy Act (NEPA).

In correspondence to the federal Council on Environmental Quality (CEQ), RDC said its efforts to streamline the NEPA review process, reduce unnecessary regulatory burdens, and clarify long-standing regulations that would advance the need for predictable and timely federal permitting processes based on sound science and economic feasibility.

CEQ has issued numerous guidance documents for years but has amended its regulations substantively only once with the proposed revisions being the first comprehensive update since 1978.

“RDC believes the proposed rule sets forth process and content requirements to guide the development, amendment, and revision of NEPA,” said RDC Executive Director Marleanna Hall. “RDC members view this as an excellent opportunity to fix the broken or often-misused NEPA process, using a federally streamlined, science-based process.”

In its comments to CEQ, RDC supported restrictions to ensure that Environmental Impact Statements (EIS) are completed over reasonable time frames. Hall noted environmental lawsuits continue to threaten the responsible development of Alaska’s natural resources. At the forefront of these lawsuits are cases challenging the NEPA process, often brought against the process itself and not always the project.

RDC also supported shorter EIS documents, which have been historically too lengthy and are often hard to review, particularly by members of the public. In addition, RDC said there should be reforms to limit the number of issues under consideration in an EIS.

“The costs of completing the NEPA process along with the prevalence of environmental lawsuits are often prohibitive for the nation’s countless small businesses and landowners, especially in Alaska,” Hall said. “Few federal laws have more impact on resource development in Alaska than the EIS process required by NEPA.”

In an opinion column published last month, former lieutenant governor Mead Treadwell welcomed CEQ’s effort to modernize the process, noting he believed back in his youth America was doing the right thing to mandate an EIS for major projects. However, “the EIS process has produced bad, unintended consequences,” Treadwell wrote. “It has added uncertainty to and prolonged the permitting process for too many projects.”

Besides inviting a continuous stream of lawsuits, Treadwell said “the process itself, rather than specific opposition or a project’s failure to meet objective standards, has come to delay, add great expense to or even block projects our nation needs.”

Treadwell pointed out “America’s environmental laws have set the standards around the world, but when policies become costly and convoluted, they drive development of natural resources and infrastructure to other nations with lesser standards, then we need to change them.”

Both Hall and Treadwell emphasized the new CEQ rules would still consider the environmental costs as well as the economic benefits of projects, namely economic growth and jobs.

RDC recommended changes to allow Alaska Native corporations to participate in the EIS process as cooperating agencies. “The corporations are some of the largest landowners in Alaska and should be at the table on EISs affecting their lands,” Hall said.

Alaska’s U.S. senators urge Pompeo to push back on Saudi Arabia and Russia

U.S. Senator Lisa Murkowski led an effort joined by Senator Dan Sullivan and four other senators urging U.S. Secretary of State Mike Pompeo to take an aggressive stance against the efforts of Saudi Arabia and Russia to destabilize America’s oil and gas industry – a key part of the domestic economy – amid a global pandemic.

In a letter sent in late March, the senators wrote that the “Kingdom of Saudi Arabia and the Russian Federation have embarked upon economic warfare against the United States” and warned that “by taking advantage of a confusing situation and desperate time,” Saudi Arabia, in particular, “risks its bilateral relationship with the United States.”

The senators wrote that Saudi Arabia should instead be encouraged to “partner with the U.S. on strategic energy infrastructure projects, leave the OPEC cartel immediately, and join America on the global stage as a free market energy powerhouse.”

Senators welcome Ambler Road FEIS

U.S. Senators Lisa Murkowski and Dan Sullivan welcomed the late March release of the final Environmental Impact Statement (EIS) for the Ambler Mining District Industrial Access Project.

“I welcome BLM’s final EIS as a key step for an important project that will create good jobs for Alaskans, but continue to emphasize the importance of stakeholder engagement to ensure local voices are heard,” Murkowski said. “Projects like this will open the door to responsible resource development that will ultimately enhance our mineral security, boost the state economy, and create economic opportunity for the region.”

“I applaud the BLM for reaching this milestone in the process for development of the road, which will provide limited transportation access to the Ambler Mining District...” Sullivan said. “Now more than ever, it’s imperative that we continue Continued to page 7
Tougher times have hit Alaska and it came with great speed. The COVID-19 virus has washed across America from coast-to-coast and has virtually shut down the economy as no other event has in modern times.

The virus has hit the pillars of our economy hard. An epic collapse in oil prices threatens the North Slope renaissance and has the potential to sharply increase Alaska’s chronic budget deficit.

Tourism was expecting another record season this year but now the entire 2020 season is at risk. A record 1.6 million cruise ship passengers were expected this summer, supporting local businesses. Both the mining and seafood sectors are scrambling to mitigate impacts and keep employees healthy and on the job. Like tourism, these industries are critical to Alaska communities and businesses.

Opening a Senate Finance Committee meeting in late March, Senator Natasha von Imhof began with a grim warning: "Alaska is experiencing a perfect storm. A most terrible trifecta. The hat trick from hell. We are being hit on all sides with the stock market crash, oil prices plummeting, and the tourism and fishing season all but idle.”

At our March RDC Executive Committee teleconference, 45 board members from across the state shared what their industries and businesses are doing to mitigate the impacts of COVID-19 and how they are protecting their employees and the communities they operate in. They are working hard to understand and respond to the immense economic impact that already has and will continue to result from the pandemic.

Each of RDC’s member companies is focusing on ways to keep our economy alive, and how to recover from the drastic changes that have to be made during these trying times.

Maintaining, and growing, our industries to diversify our economy is of utmost importance. We must continue to help others, and focus on growing Alaska through responsible resource development.

I’m proud of our members who are working hard to save our tourism industry and keep our oil, mining, fishing and forestry operations open while protecting their employees and the communities in which they operate. We are working together to find solutions, protect people and save our economy. Otherwise, we risk a deep and prolonged recession.

Alaska’s geology ranks it high in global survey for mining

Continued from page 2

The survey noted it is this balance of attractive mining policy and mineral endowment that has kept Western Australia in the top five of the survey’s Attractiveness Index for the past nine years.

A sound and predictable regulatory regime coupled with competitive fiscal policies is key to making a jurisdiction attractive to mining investors. On policy, Alaska was ranked 17th globally, its highest score in several years and up from 26th the year before. The biggest policy-related issue for Alaska is the lack of infrastructure.

In both Alaska and Canada, the lack of infrastructure is compounded by federal environmental regulations that govern the development of mines and the infrastructure needed to support these operations.

A sound and predictable regulatory regime coupled with competitive fiscal policies is key to making a jurisdiction attractive to mining investors.

In February, RDC board member Greg Beischer, President and CEO of Millrock Resources, Inc., and RDC Treasurer Lance Miller, Vice President, Natural Resources, NANA Regional Corporation, attended a conference of the Prospectors and Developers Association of Canada in Toronto. They reported Alaska Department of Natural Resources Commissioner Corri Feige also attended the event of 25,000 delegates to meet with senior executives of major companies and venture capitalists from across the globe to deliver a message that Alaska is open for business and welcomes the mining industry.

The Commissioner welcomed feedback of company impressions of Alaska and she solicited high-level ideas on how to make the state more attractive as a jurisdiction for mining industry capital.
Mineral tenure legislation passes Alaska Legislature

The Alaska Miners Association (AMA), Council of Alaska Producers and RDC applauded passage of SB 155, Exploration and Mining Rights, by the Alaska Legislature on March 26th.

SB 155 addresses long-standing issues with mining claims statutes that were penalizing well-intentioned miners. The legislation was a product of several years of collaboration between industry, the Alaska Department of Natural Resources (DNR), and members of the Senate.

The legislation clarifies qualifications for exploration and mining rights, improves the legal process for miners, makes it easier to locate an interest in Alaska lands, allows miners to correct mineral interest locations, establishes a better procedure for statements of annual labor, outlines a “due process” procedure for declaring mining claims invalid, and requires express permission from unpatented federal mining claim holders on state selected lands.

“This bill improves certainty for Alaska’s miners,” said Senator Click Bishop, the bill’s sponsor. “No longer do they have to live with uncertainty that their livelihoods will be taken away without due process. This bill provides clear statutory law on how a miner can cure an honest clerical mistake on their statement of facts.”

AMA Executive Director Deantha Crockett celebrated the bill’s passage, stating, “Finally, we have a resolution to the issues that were resulting in heartbreaking loss of claims, investment, and years of hard work by our miners. I am so grateful to the AMA workgroup who poured hours of their time into crafting the right solutions, and for the Legislators that made this bill a priority to fix our broken mineral tenure law. We look forward to working with DNR on regulations and ensuring certainty for Alaska’s miners moving forward.”

RDC expresses concern over humpback whale critical habitat

RDC has urged the National Marine Fisheries Service (NMFS) to carefully reconsider the overreaching vast critical habitat designation it has proposed for the humpback whale. In a letter to NMFS, RDC supported meaningful consultation with local and state agencies and also encouraged the agency to work with the State of Alaska and other stakeholders on the issue.

RDC has consistently supported efforts to challenge unwarranted Endangered Species Act (ESA) proposed critical habitat designations. In the case of the humpback, RDC is concerned that large portions of the proposed critical habitat areas in Alaska waters will have little conservation value to the whales, much less to the listed Distinct Population Segments (DPS) identified in a proposed rule. Further, the proposed designation is of a large area and lacks economic data and economic impact analysis.

The unintended consequences of such broad designation will likely impact community and resource development, including fishing, transportation, shipping, and infrastructure.

RDC is also concerned over the long-term that mitigation measures will be required resulting in lost opportunities for communities and projects in Alaska.

“Designating vast areas as critical habitat provides little to no added conservation benefit to the listed species,” RDC noted. “Establishing regulatory burdens and costs without conservation benefits just serves to add complexity and costs.”

RDC has maintained that the ESA, the Marine Mammal Protection Act, and the Magnuson-Stevens Act provide ample protections for the humpback whales and their habitat, including prey populations.

RDC said it is important to note that the termination of commercial whaling was paramount in the recovery of the whales.

Pogo gold mine reaches 4 million ounces

In February, the Pogo Mine produced an 815 ounce gold bar containing the 4-millionth ounce of gold recovered from its rich deposits south of Fairbanks. The gold mine began commercial production in 2007 and is under the ownership of Northern Star Resources Ltd. In a statement, the company said it looks forward to pouring the 8-millionth ounce out of its deposit.

Ambler Access Project would help close the gap on America’s mineral security

Continued from page 5
to advance projects like this one, which can lead to economic opportunities and good-paying jobs for Alaskans.”

The Alaska Industrial Development and Export Authority (AIDEA) initially submitted its application to develop the 211-mile Ambler road project in November 2015. BLM published a draft EIS in August 2019 and held 22 public meetings in Anchorage, Fairbanks, and Washington, DC. AIDEA estimates the Ambler road project would create an estimated 486 construction and 68 permanent jobs, with more jobs created and supported by world-class mining projects in the Ambler district.
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