We’ve Still Only Scratched The Surface.

After more than 50 years of coal mining in Healy Alaska, we’ve barely begun to tap this valuable energy resource. At our current production rate, we could mine for another 100 years on our active coal leases alone.

And at the Healy Clean Coal Plant, the combination of state-of-the-art combustion technology and Usibelli’s ultra-low sulfur coal will generate some of the cleanest energy anywhere in the world.
The summer of 1998 has been a busy one at RDC with special projects and issue work. June started with the 6th Annual Coal Classic Golf Tournament featuring 36 teams benefitting AMEREF. This year’s golf tournament, which RDC helps coordinate each year, was the Alaska Coal Association’s largest ever. An enthusiastic turn out for the luncheon which focused on RDC’s month’s Resource Review, RDC’s fall board trip to Nome and the annual conference.

All of us at RDC hope you are having a great summer and we look forward to seeing you at a Thursday breakfast meeting this fall.

A busy summer at RDC

by Ken Freeman

Senior Senator Frank Murkowski is seeking legislation to open the coastal plain of the Arctic National Wildlife Refuge to advance seismic mapping. The legislation is sure to touch off a battle in 1999 with the Clinton administration and environmentalists who maintain that no oil drilling should occur in ANWR regardless of how much oil may be in place there.

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NMFS Essential Fish Habitat program: Ecosystem management without limits?

By Robert A. Maynard
Pavline Consulting

The National Marine Fisheries Service (NMFS) is preparing to implement new "essential fish habitat" regulations which will subject a very broad range of natural resource business activities to yet another layer of federal environmental review.
The regulations would require many mining, oil and gas, real estate development, timber harvest, agricultural, and other coastal and inland activities to undergo a cumbersome "consultation" process regarding potential impacts to fish habitat. This process would be much like the time consuming and expensive procedure established for projects with potential effects on fish or wildlife species listed as threatened or endangered under the Endangered Species Act (ESA).

The process would apply much more broadly than the ESA currently does in Alaska and many other states. It could extend to any operations requiring any federal or state permit and that might adversely affect any marine or inland salmon habitat identified as "essential.”

The NMFS has recently issued draft recommendations that virtually all water bodies presently or historically accessible to salmon in Alaska be considered "essential fish habitat." This includes thousands of miles of Alaska streams and other waters where salmon spend some part of their life cycle, including the smallest of tributaries located hundreds of miles inland. The agency has also issued guidance presuming adverse impacts on salmon and other fish from all kinds of coastal and upland resource development and land use activities.

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By Robett A. Maynard
Pavline Consulting

Thoughts from the President
by Allen Bingham

Partnership works for the collective good

In the shadows of the DeLong Mountains of the Brooks Range, two worlds have come together in a partnership to produce zinc, create jobs and improve the quality of life in a region of Alaska that has typically had a high unemployment rate.

Part of this confidence is based on the support Red Dog continues to receive from the State, particularly the Alaska Industrial Development and Export Authority (AIDEA), an agency that has played a key role in the success of the NANA-Cominco partnership. AIDEA issued bonds to help pay for the $180 million transportation system, which includes the road to tide-water and the port facility to ship the mined product to smelters. Cominco has been repaying the bonds with interest on a guaranteed payback schedule set through user and export fees. AIDEA continues to play a pivotal role as it moves forward on authorizing new bonds to enhance operations at its Chukchi seaport to handle the projected increase in production at Red Dog.

Using the Peninsula Airways hangar in Anchorage as a back drop, Governor Knowles signed a bill earlier this summer reauthorizing the bonding authority of AIDEA. The bill, sponsored by Knowles, included a provision which authorizes bonds to help enhance operations at the AIDEA-owned port serving the Red Dog Mine. Pictured from left are Randy Simmons, AIDEA, Edward Rasmussen, National Bank of Alaska, Wilson Hughes, Chair of the AIDEA Board, Governor Knowles, Orin Seybert, Peninsula Airways, RDC President Allen Bingham and Representative Ethan Berkowitz.

Page 6 / RESOURCE REVIEW / August 1998

Page 3 / RESOURCE REVIEW / August 1998

Boosting production by 40 percent.

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King Cove officials insist road is a genuine public safety issue and bristle at claims that the surface link would sacrifice the refuge and harm wildlife

Izembek road stirs big debate

(Continued from page 1)

Opponents believe the road would sacrifice the refuge and put wildlife and waterfowl in jeopardy. They claim the public safety issue cited by proponents of the road is really a ruse to open the refuge.

King Cove and Aleutians East Borough officials, however, insist the road is a genuine public safety issue. In some medical emergencies, it could make the difference between life and death. Lost in the debate, they say, is the fact the proposed route for the road cuts through valuable brown bear habitat and ecologically important eelgrass. Moreover, residents of King Cove and Cold Bay, towns in the southwest of Anchorage. These two communities are accessible only by plane or boat. This region of Alaska is subject to some of the most extreme weather conditions anywhere in the world. Rain is common and high seas and hurricane-force gales are frequent.

In the case of a medical emergency, victims are transported from King Cove to Cold Bay by either plane or boat. In an emergency, the trip from King Cove to Cold Bay is 10 miles by plane and 10 miles by boat. The region is also home to the United States' third largest runway at over 10,000 feet. The Cold Bay facility serves as an alternate landing destination for jets flying to and from Anchorage and is also capable of serving as an alternate landing destination for the space shuttle.

Marine travel is currently the only alternative for residents of King Cove to reach Cold Bay by either plane or boat. In 1997, the trip from King Cove to Cold Bay during severe weather is extremely dangerous. Since 1985, 11 people have died attempting to get in or out of King Cove.

KCC would trade title to 664 acres of high value lands for the easement, leaving the refuge with a net gain of over 550 additional acres of Wilderness.

Opponents of the road are in use today by local residents and tourists.

King Cove and Cold Bay, towns with respective populations of 800 and 100, are located on the western edge of the Alaska Peninsula near 625 miles southwest of Anchorage. These two communities are accessible only by plane or boat. This region of Alaska is subject to some of the most extreme weather conditions anywhere in the world. Rain is common and high seas and hurricane-force gales are frequent.

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King Cove's airport is located in a steep valley surrounded on three sides by mountains and perpetually affected by venturi-magnified winds. Weather hazards hamper aircraft operations nearly every day. Air access to and from King Cove at night is impossible. Meanwhile, Cold Bay, 20 miles northwest of King Cove, is the site of one of Alaska's largest airstrips. The Cold Bay airport is an all-weather facility with full instrumentation, boasting the state's third largest runway at over 10,000 feet with a crosswind runway of over 5,000 feet. The Cold Bay facility serves as an alternate landing destination for jets flying to and from Anchorage and is also capable of serving as an alternate landing destination for the space shuttle.

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The King Cove airport is rated among the most dangerous in Alaska. An aircraft with a bent propeller sits off the airstrip.

In August 1998, the Interior Department and the Alaska Congressional Delegation to find a potential solution, including consideration of a cableway, would allow the road to bypass the refuge.