RDC supports full leasing in National Petroleum Reserve

The Bureau of Land Management (BLM) has released a Draft Environmental Impact Statement (DEIS) on whether the National Petroleum Reserve - Alaska, should be reopened to oil and gas leasing.

The DEIS outlines five alternatives ranging from no activity to leasing the entire 4.6-million-acre study area, located in the northeast sector of the huge 23-million-acre petroleum reserve. The BLM will be accepting public comments on the alternatives up to February 10. Because the bureau will not make its own recommendations until after the public comment period concludes in February, it is imperative that Alaskans make their voices heard.

The reserve was created by President Warren Harding in 1923. Since then, occasional lease sales and exploration efforts have occurred. BLM estimates the study area could contain more than 500 million barrels of recoverable oil at $18 a barrel or more than 2 billion barrels at $30 a barrel.

Interest in NPR-A has increased, especially after the discovery of the 365-million barrel Alpine field, which is located adjacent to the eastern border of the reserve.

Some of the alternatives in the DEIS would close the most environmentally-sensitive areas to exploration and development, including Teshekpuk Lake, named after a caribou herd that calves in the area in May and June. Three of the alternatives would forbid leasing in that area, the other two would allow it, but under stipulations to limit the impact on wildlife.

With advancing technology and new ways of looking for oil, industry is confident in its ability to find and develop oil anywhere in the NPR-A in an environmentally-responsible manner. Some environmentalists, however, are urging a federal Wilderness designation for the entire study area while others are demanding that sensitive wildlife habitat be closed to development.

RDC believes the federal government should choose mitigation measures and operating restrictions rather than deleting large parcels of highly-prospective lands to protect wildlife,” said Ken Freeman, RDC's new Executive Director. “Some of the most prospective areas in NPR-A include lands where wildlife and waterfowl are abundant.” Freeman explained. “The

(Continued to page 2)
Message from the Executive Director
by Ken Freeman

RDC gearing up for ’98
Wide variety of issues face membership

As the new year begins, RDC is gearing up to make a difference on a number of issues that are of critical importance to our members.

Currently RDC is in the process of finalizing its administrative and legislative priorities for the upcoming legislative session and is now preparing for a full-scale strategic planning retreat for staff and board of directors. As newly-appointed Executive Director, I am committed to not only sustaining, but increasing RDC’s membership and its effectiveness on issues transcending all Alaska industries and communities. The strategic planning retreat will be a valuable exercise for the board and staff to ensure we are on track with the needs of our membership.

Keeping our members informed and working together to overcome challenges facing all resource sectors are extremely important aspects of this organization. Quite frankly, the key to RDC’s impeccable reputation for being highly effective and successful is its membership. That’s why the staff and board always look for better ways to serve its membership.

In 1996, RDC will be taking a pro-active role in oil and gas, tourism, mining and timber issues, as well as transportation. Right now we are working closely with federal and state agencies to create a broad-based, diversified economy while protecting and enhancing the environment.

Executive Committee Officers
President - Allen Brown Sr. Vice President - John Burgan Vice President - Jerry Booth Secretary - Scott Thomson Treasurer - Michael L. Stone Past Presidents - Jack Christian, Scott Thomson RDC’s e-mail address: rdc@akonline.com

Resource Review is the official periodical publication of the Resource Development Council (RDC). Alaska’s largest, privately funded nonprofit economic development grassroots working to develop Alaska’s natural resources in an orderly manner and to create a broad-based, diversified economy while protecting and enhancing the environment.

As I settle into my new position at RDC, I want to hear from you. I am open to new suggestions and changes and look forward to enhancing RDC’s efforts at encouraging a strong, diversified resource development sector and expanding the state’s economic base.

RDC’s office of the Pacific Legal Foundation. PLF recently filed a “friend-of-the-court” brief on behalf of RDC in support of an America-Wide Federal Rule which allows the filling of wetlands up to 0.5 acres for a single-family residence. RDC also continues to administer AMEREF, a popular partnership between the State and private sector to provide students in grades K-12 with balanced information on Alaska’s mineral and energy resources.

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NPR-A leasing ...
(Continued from page 1)

Now that the chance of meaningful reform of the wetlands laws has been beaten back in Congress it is only natural for the environmental industry to show its true colors by trying to destroy what minimal reforms the Clinton Administration tossed in the direction of landowners. We would have to multiply the 62 acres of filled wetlands by 101 acres. The Corps allowed fill, or the the land will be involved.

And what are they saving us from? Theoretically the lawsuit is about the so-called “Nationwide Permit 29.” This is the permit that was dreamed up by the Clinton people to get the Republican Congress when it came perilously close to actually adopting some meaningful reforms that would allow the White House to head off a fistful of criticism from small landowners across the nation, the Administration adopted a “nation-wide” permit that allows individuals a once in a lifetime opportunity to fill up to one-half acre of wetlands in order to build a single family home, including driveways, utility lines and septic systems.

The permit is not automatic, however. Landowners must notify the Corps in advance, and the Corps has plenty of discretion in allowing an individual permit. As the little groups were brought in, no doubt, to provide an illusion “of grass roots” support for the lawsuit. But why Alaska?

No doubt the plaintiffs have an explanation of their own. For example, a typical production pad with Anchorage attorneys from the local office of the National Wildlife Federation to save the nation from the Corps. How much longer will it be until mail-boxes in the Lower 48 fill up with more of those hysterical pleading screaming “SAVE AMERICA AND ALASKA!” letters complete with glossy pictures of the Tongass National Forest or the North Slope.

What is the industry applying its new advances in new oil field development. For example, the Alpine reservoir covers 40,000 acres, yet ARCO Alaska will develop the oil field from just two drill sites of less than 115 acres — under one percent of the land will be involved.

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Of course, in order for the green giants and their little friends to win this lawsuit, they will have to do a mighty good job at snowing the court. So far, they are trying their best. In a recent brief filed, they claim that the Nation-wide Permit will allow “developers” to fill even the most productive and fragile wetlands streams supporting anadromous fish....or the wetlands of the highest value.” The plaintiffs can only hope that the court neglects to read the Corps permit document which outlines specific points that even the most productive and fragile wetlands streams supporting anadromous fish....or the wetlands of the highest value.” The plaintiffs can only hope that the court neglects to read the Corps permit document which outlines specific points that...
Petroleum Club of Anchorage  
3301 "C" STREET  
January 1998

Reservations are required. Please call 276-0700 by noon Wednesday  
Doors open at 7 a.m., presentations begin at 7:30 a.m.  
Members: Breakfast: $10.50, Coffee & Pastry: $6.00  
Non-Members: Breakfast: $12.50, Coffee & Pastry: $7.00

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| Jan. 22| Gateway Alaska: A Closer Look at Airport Expansion                    | Morton V. Plumb, Airport Manager  
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| Jan. 29| Alaska’s Economic Indicators: Oil and Gas, Mining, Timber, Fisheries and Tourism | Neal Fried, Labor Economist, Alaska Department of Labor                                       |
RDC panels examine urban-rural relationships

RDC’s 18th Annual Conference, “Alaska Perspectives: Sustaining Urban-Rural Relationships,” attracted more than 300 registrants, some of whom came from the Lower 48 to hear a variety of perspectives and thought-provoking points of view on a wide range of issues facing Alaskans.

RDC members heard a plea from Governor Tony Knowles for their support to place a constitutional amendment on the 1998 ballot to resolve the subsistence dilemma with the federal government. House Speaker Gail Phillips warned that if Alaskans don’t create a rural preference for subsistence use of fish and game, the state’s commercial fisheries could be sharply curtailed.

Roy Huhndorf, Chairman of Cook Inlet Region, Inc., said subsistence should be viewed as an economy, perhaps the largest single economy in the state. He said the subsistence debate offers the state an opportunity to create a new holistic management scheme that brings Native corporations into the mix.

Ralph Seekins of the Fairbanks-based Alaska Wildlife Conservation Society spoke out against a rural preference which he said would discriminate against urban hunters and fisherfolk. Seekins said state fish and game statistics show a rural preference isn’t needed if the state manages its resources correctly.

In a keynote address, North Slope Borough Mayor Ben Nageak pointed out that while Alaska is both urban and rural, “when it comes to our economic health, we are like twins, joined at the hip.” Nageak warned that “any move to cripple the Bush economy would have a devastating effect on Anchorage.”

Nageak cited a recent study commissioned by the borough that shows 25,000 jobs in the Anchorage area come from trade with the rest of Alaska, and $3.4 billion in area goods and services were purchased by outlying consumers in 1996.

According to the study, Alaska’s Economic Links, Anchorage exports about one-third of its output and 60 percent of that business flows to the rest of the state. The study backed up Nageak’s contentions that Anchorage benefits greatly from development on the North Slope and in Bush areas.

North Slope Borough Mayor Ben Nageak said it’s a myth the borough is an oil-rich jurisdiction. He pointed out that residents’ total tax burden is one-third higher than that of Anchorage residents.

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Thoughts from the President by Allen Bingham

"Quite frankly, our opposition appears more motivated to attend public hearings or submit written comments than the average citizen supporting reasonable development of Alaska's natural resources."
RDC urges multiple uses in Chugach

New plan in works

The U.S. Forest Service has recently concluded its scoping process for revising the Chugach Land Management Plan (CLMP) and is now developing a range of alternatives outlining management options and future uses in the nation's second largest national forest.

In a meeting with Forest Service planners last month, RDC expressed a wide range of concerns regarding future management of the forest. RDC emphasized its concerns can only be addressed through the continuation of the multiple use mandate that has driven Forest Service policy in the past.

Among points emphasized by the Forest Service has perceived that its mission has changed from one of allowing a moderate level of multiple use to allowing little multiple use. The Chugach National Forest, however, was intended to be managed for multiple use development, including timber, mining, oil and gas, recreation, commercial tourism and other resources.

Mark Stahl, Director of Land and Resources for Chugach Native Corporation, expressed concern that the decision process could be biased by pre-decision planning for "recreation only" uses in the Forest. Stahl pointed out that the Forest Plan Revision Map does not address those areas identified as suitable for timber harvesting, mining exploration, destination tourism, or oil and gas development. He said the revision already appears predisposed to non-development, pro-wilderness designations for the forest which is in direct conflict with the national forest mandate of multiple use.

One of the original mandates of the national forest system is to provide a reliable source of timber to a domestic forest products industry. Yet the Forest Service, in its first newsletter on the revision process, asked the question, "Is commercial timber harvest appropriate on the Chugach National Forest?" This question gives the public the impression that timber harvesting, commercial or otherwise, is a discretionary activity of the national forest system, said RDC member John Merrick. "Timber harvesting is not discretionary, more so than habitat preservation and recreation."

Among points emphasized by RDC members attending the meeting:

- The new plan should include specific actions to restore forest health and reduce the risk of catastrophic fire. An annual commercial timber harvest must be provided in the new plan to improve the supply of raw materials to local communities and industry.
- Areas with known mineralization or moderate to high mineral potential should be given a minerals designation. It is vital that access to these areas is not restricted.
- Improved access for destination tourism opportunities must be allowed. The road to Whittier should be given a high priority.
- Roads built to access timber should be maintained — not obliterated — to provide access for recreational users, future forest management and fire fighting. The existing road across the south end of Montague Island should be converted to recreational use once logging operations have been completed. This road provides a unique recreation experience that would not otherwise exist.
- Since much of the forest is roadless, helicopter landings should be provided. Statistics show helicopter flightseeing and landings are among the most popular and highest-rated activities for Alaska visitors. It is often the only way for the physically impaired, aged or a traveler on a tight schedule to experience remote, rugged lands up close and personal.
- The Forest Service has identified 20 rivers in the Chugach as eligible for inclusion into the National System of Wild and Scenic Rivers. RDC opposes these classifications as they would diminish multiple use, access and potential mining activity.
- RDC opposes federal Wilderness designations in the Chugach. Alaska already contains 57 million acres of designated Wilderness — 62% of all federal Wilderness in the U.S.
- RDC requested the Forest Service to address the cumulative socio-economic impacts of large private land purchases by the Exxon Valdez Oil Spill Trustees Council for the purposes of preservation. This land represents a significant portion of private land holdings in the region, and the impact on the economic resource base of losing those holdings is a serious concern. RDC stressed there should be no net loss in the economic resource base. The Forest Service must balance increases in land withdrawals with increases in resources available for development.

Longtime Alaskan speaks out on Chugach forest plan revision

by John Merrick

I am writing these comments as a longtime (40 year) citizen of Southcentral Alaska and as a forest biologist.

Quite frankly, I am disturbed at the trendy and politically-correct approach the Forest Service is taking on a national basis to placate the environmental fringe which certainly seems to be replicated in Alaska with the prospective Chugach Land Management Plan Revision. I find that the Forest Service's pre-planning material is already biased in favor of additional Wilderness and Wild and Scenic River designations — this is in a state that already has more than 60 percent of all the designated Wilderness in the nation.

I also feel that the legal mandate of multiple use of National Forest lands which was set down in 1910, the 1910 Ranges Act, or the 1998 CLMP, is in danger of all but vanishing. Besides the economic waste, dead forests also have adverse effects on recreation, as well as fish and wildlife.

Economic developments through natural resource extraction are multiple uses that should not be foreclosed. Commercial use development potential such as oil and gas, coal and mineral exist and should not be hamstringed by more wilderness/roadless designations. Similarly, tourism opportunities need to be expanded, perhaps in concert with mineral development. It is interesting to note that after 50 years or so, many old mines become historic sites and are popular recreational areas that also offer recreational access to the back country.

I am an older person nearing age 70 who came to Alaska for both opportunity and the love of wilderness, but I strongly believe there needs to be a balance between wilderness and accessibility to an increasingly older population. Airplane and helicopter access are often the only way elders can get to view wilderness and wildlife. Expanded access opportunities for those who are predominantly older should be considered.

Timber cutting is a legitimate activity, especially for beetle-infested timber that has economic value remaining. The Forest Service is perfectly capable of getting it cut without long-term damage to the environment or fish and wildlife.

For older beetle-killed forests with little or no economic value remaining, fish and wildlife, forest renewal and forest health considerations become paramount, and best management practices invoked to accomplish those objectives.

The Forest Service is a multiple use agency by law. Alaska already has the bulk of the national acreage in single use management — both in national and state wildlife refuges and national and state parks. The Forest Service has, over the years, gotten far away from its legal mandate. It should eschew its unfortunate tendency to become another single use agency — this by adopting a truly multiple use CLMP.