We believe ANWR makes sense. We believe the proposed land exchanges make sense, too.

The exchanges will provide us with the means to address both the traditional and economic needs of our shareholders.

The oil and gas rights to be acquired provide a sound financial foundation for our corporations which represent one-third of all Alaska Native shareholders.

While presenting us with economic opportunity, the exchanges will add to Alaska refuges more than 1.3 million acres that have been identified by the U.S. Fish and Wildlife Service as critical wildlife habitat. Included in the acreage to be returned to public ownership and use are areas valued by sportsmen for their recreational attributes, such as the Karluk River, the Sturgeon River, over half of Afognak Island, as well as the confluence of the Russian and Kenai Rivers.

Finally, the Alaska Native Corporations that stand to benefit from the exchanges, by and large, invest in the Alaskan economy, pay state taxes and employ Alaskans.

SPONSORED BY:

KONIAK, INC.
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House Interior Committee considers ANWR Development bill faces stiff new challenges

After crossing a major hurdle earlier this spring, legislation to open the Coastal Plain of Alaska's Arctic National Wildlife Refuge to oil exploration and development faces another great challenge as it comes under review of the House Interior Committee where non-development forces have their best shot at derailing it.

The Subcommittee on Water and Power Resources of the House Interior Committee was to open two days of hearings June 9-10 on the Jones II bill (HR 3601), which passed the House Merchant Marine and Fisheries Committee by a 28-13 vote.

Introduced by Merchant Marine Committee Chairman Walter Jones, the bill would allow oil exploration and drilling on ANWR's Coastal Plain, which accounts for approximately eight percent of the wildlife refuge. HR 3601 would split the royalty revenue evenly between the state and federal government and designate the National Petroleum Reserve west of Prudhoe Bay a wildlife refuge. Most of the federal revenues would be allocated to various environmental and wildlife programs that may otherwise go unfunded.

The bill would allow leasing of up to 300,000 acres of the Coastal Plain 21 months after Congressional approval with additional leasing every two years. The legislation would provide for strict environmental standards protecting the wildlife, air and water quality. It also establishes protective management zones and buffer areas severely restricting development activities.

The Interior Committee will not only review HR 3601, but will also consider legislation introduced by Committee Chairman Morris Udall to designate all 1.5 million acres of the Coastal Plain as Wilderness, including some 500,000 acres of coastal lands adjacent to the area proposed for oil and gas leasing.

Given the relatively small amount of remote land that would be affected by development and industry's ever-evolving ability to operate in the arctic with minimal environmental impact, America must not foreclose on the opportunity to inventory and develop what may be its greatest energy province, ANWR.

Wilderness, including some 500,000 acres of coastal lands adjacent to the area proposed for oil and gas leasing.

Alaska Congressman Don Young said development legislation could be sent to President Reagan by late September if the House holds to its schedule and the Senate acts in a timely manner. Young explained that House Speaker Jim Wright would like to see a development bill go to the House floor before the July recess. Wright has said in no uncertain terms that he wants to see a development bill passed.

(continued on page 4)
Big or small, all members are vital to RDC’s future
If you are not a member, read this...

by Anne M. Bradley
Member Services Director

Once RDC takes on an issue we see it to completion. This hasn’t always been easy. RDC started out as the Organization for the Management of Alaska’s Resources (OMAR), and worked diligently for a trans-Alaska pipeline. That battle goes on and RDC is still in there fighting. DNR recently held a hearing on the right-of-way lease for TAGS in Fairbanks and if RDC had not been there, no solid favorable testimony would have been heard. We may have changed our name and expanded our mission, but we are still the lone voice in the wilderness for responsible resource development.

We will slowly unwind without your support. RDC has a strong back-ground and reputation. This can greatly be- nefit an organization if that organization is care-fully not to be taken for granted. After all, since RDC has been a strong voice for the last 13 years without your support, why wouldn’t I be there providing a voice for you for the next 13 years too? Because like you, other companies and individuals who should be, aren’t supporting RDC. Our members are very loyal. They rec- ognize RDC as one of the best investments they can make for a prosperous business. Our members are active and informed citi-zena who care about the health and future of Alaska. No one member funds more than one percent of RDC’s budget so we do practice what we preach about a diversified revenue base. Even so, there are quite a few people who believe in the goals of RDC, but assume that money from other members will carry on. And then some companies make it a rule that they do not join membership organizations. It’s a fine rule as long as you remember — RDC is its exception. Your dollars will go farther at RDC be-cause we’re not just something you add to your resume. RDC is working on a real program for progress with specific and achievable goals. We call this our New Strategies for Advancing Alaska’s Eco- nomy: 1988-1990.

Your dollars will go farther at RDC be-cause no other organization in Alaska is fighting on so many fronts. Where else can you go for advocacy on ANWR, the Ton- gass, Mariculture, Forest Management Ag-reements, SLF, a strong visitor industry, oil and gas incentives, the Denali South visitor facility, water quality, coastal zone man- agement, the development of our resource endowments, lands, stable taxes, and more. We’ve the one stop membership for clout on resource issues.

Big or small all members are vital to RDC. RDC recognizes contributions from all of your dollars. Any time you let go of your money there is a certain risk involved. I assure you that a membership with us is one of the safest investments you can make for a secure and prosperous future for Alaska. And it’s easy. Why not become a member today?

I will help you become a member if you call me at 276-0700.

Resource Review

The Resource Development Council (RDC) is Alaska’s largest privately funded nonprofit economic develop- ment organization working to develop Alaska’s natural resources in an orderly manner and to create a broad-based, diversified economy while protecting and en- hancing the environment.

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RDC board members and spouses traveled to Valdez in May for the 1988 Annual Meeting.

Resource Development Council, Inc.

Member Services

RDC is the official monthly publication of the Resource Development Council, Inc., and is available to the public without charge.

Presently pending before the Department of the Interior are proposals to enter into land exchanges with seven Alaska Native participants, representing 27 Native communities and one-third of all Alaska Native shareholders. These proposals involve the exchange of approximately 500,000 acres of private premier wildlife habitat within and adjacent to seven Alaska refuges for limited oil and gas and exploration and production rights in the Coastal Plain of the Arctic National Wildlife Refuge (ANWR). The exchanges are pre-dicated on Congressional passage of the Coastal Plain or for leasing the exchanges.

We, the Native participants, believe the exchanges afford a unique opportunity to meet the needs of the public to acquire inholdings with valuable resources and the needs of our corpora- tions to develop opportunities for a strong financial foundation in the future.

The U.S. Fish and Wildlife Service views the exchanges as an unparalleled opportunity to round out seven refuges in Alaska. The acquisition of these inholdings will guarantee to the American public not only federal management of valuable habitat areas, but also the right of public access to land use of these unique lands.

Now that the negotiation process with the Department of the Interior has been completed, it is possible to evaluate the ex- changes in totality. It is our hope to present a basis for that evalu- ation by providing a historical perspective to the exchanges, an explanation of the process, and a description of the inholdings to be acquired by the refuge system.

Our brochure “Alaska Wildlife Refuge Exchanges, the Native Perspective” was designed with that in mind. While this brochure was printed before all of the Alagnak Island lands and certain Doyon lands currently proposed for exchange were identified, we nevertheless urge readers of the Resource Review to take time to study it.

RDC criticizes new wilderness proposals

The Resource Development Council has sent a new round of comments regarding a new National Park Service proposal for wilderness designation for seven federal conservation units in Alaska.

Led by long-time Alaskan Chuck Her- bert, the RDC Lands Division has been busy studying a number of draft plans for Alaska’s 100th birthday in the last year. Because RDC recognizes that land use policies are among the most for- midable obstacles to surface transportation development, Herbert’s division is charged with re- viewing the environmental and economic impact of Alaska, a state with little infrastructure to support its vast geography.

One interesting fact…

The RDC comments supported the in- clusion of additional alternatives that allow for a better, more comprehensive range of public comments.

In the Yukon-Charley Rivers National Preserve, RDC supported the development of a Wilderness recommendation that excludes all existing mining claims as well as those areas likely to contain significant mineral deposits with local, state and na- tional value.

The Council also supported additional adoption of a recommendation that more clearly explains the impacts of a Wilderness designation on airspace and like facilities in the Preserve. These seemingly primitive wildernesses are critical in Alaska, a state with little infrastructure to support its vast geography.

RDC encouraged the NPS to ensure reasonable opportunities to study the sig- nificant paleontological and paleomagnetic resources of the Preserve are not pre- cedded by Wilderness recommendations. Gay asked that likely alignments of Circle to Eagle road be excluded from any Wilderness recommendation.

Regarding regions of the Land Bridge Na- tional Preserve, RDC recommended adop- tion of a proposal that takes into account the important surface transportation values of the area and the burgeoning resource development in the respective region.

RDC member alert: your help is needed right now to formulate comments on 10 more plans and wilderness reviews this summer. Call or stop by RDC’s office to speak.

TAGS permit…

Now that the public hearing process is complete, DNR is conducting further analysis and developing final language for the conditional grant. The right-of-way is expected to be issued later this summer.

The Final Environmental Impact Statement (FEIS) for the project is expected to be released by the Bureau of Land Management within the next month. The FEIS is a decision-making document for the Department’s consideration of this decision to a grant a federal right-of-way could be completed later this summer.

Once in operation, the gas line would add up to $3 million each day to the state treasury.

Over 10,000 construction jobs and 550 permanent jobs would be created by the project. The gas line would likely spur development in Alaska, especially the refining of petroleum products.

TAGS would produce 25 billion annually in exports and dramatically impact the existing trade imbalance between Japan and the U.S.

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Alaskans heard at Tongass hearings

Negotiations continue with AK delegation

Recent congressional hearings on legislation aimed at deleting federal funding for timber operations in the Tongass National Forest drew sharp comment from Alaska’s congressional delegation and Southeast Alaska loggers.

The hearings, held by the U.S. House Subcommittee on Forests, were surprisingly balanced, according to Don Finney of the Alaska Loggers Association. Nongovernmental industry’s strong and consistent witness, Finney left the hearings with a good feeling that ongoing negotiations between Alaska’s congressional delegation and other members of Congress may lead to a compromise which would adequately protect Alaska’s timber industry.

According to Alaska loggers, the legislation — approved by the House Interior Committee in March — is nothing short of an effort to kill the Alaska timber industry. The legislation not only ends federal funding and an annual appropriation for the Tongass, but eliminates the Forest Service’s requirement to meet the 450 million board-foot/year target. Moreover, two-year timber contracts held by major Sielska and Ketchikan pulp mills would be renegotiated with the government, and a moratorium would be placed on logging in 19 areas of “special fish and wildlife, subsistence, recreation and other values.”

Alaska Congressman Don Young was highly critical of the legislation, which he said was fashioned by “city slickers” with no respect for an agreement or the livelihood of the 3,000 loggers in Southeast Alaska and others who rely on the forest. “The bill basically strips the timber industry of the pro-development elements it won in the negotiations leading to the 1980 Alaska Lands Act. The bill strips away 4.4 million acres of new wilderness in the Tongass, including 1.6 million acres of prime commercial forest lands. The annual appropriation to manage the remaining timber land was supposedly made up for the timber producing capabilities of the land that went into the Alaska Lands Act,” Young said.

During the hearing, Senator Ted Stevens suggested an alternative proposal for improving management of the Tongass.

“Under his plan, the cost of operating the Tongass on an annual basis as other national forests’ expenses are, expenses associated with enhancing the timber supply would continue to be funded automatically,” Stevens said. “The problems which have been identified in the record of the Tongass timber program simply do not justify abandoning the Tongass Timber Supply Fund and guaranteeing harvest levels,” Stevens said. “If the guarantee of 4.5 billion board feet per decade is removed, Alaska’s timber industry will collapse and it will bear the whole cost of wilderness withdrawals which were made for the benefit of the entire nation,” he added.

In an effort to improve Forest Service accountability, Stevens said it may make more sense to split the funding for the two parts of the Tongass program — placing intensive management expenses in a protected account, while placing regular Forest Service operations under annual appropriations.

“By the direct economic impact of the Tongass on residents of Southeast Alaska, Murkowski urged committee members to wait until the completion of the Tongass Land Management Plan study before any changes are made in the management of the Tongass,” Murkowski warned the drastic Tongass reforms could devastate the economies of Ketchikan, Wrangell, Petersburg and Haines.

Tongass, Alaska loggers have seen a dramatic upturn in business as international markets turn in their favor. However, drastic Tongass management reforms could threaten the livelihood of the loggers and devastate the economies of Ketchikan, Sitka, Wrangell, Petersburg and Haines.

ANWR, Tongass fates moving closer together

The timing of events in Congress this summer is pushing the future of the Tongass National Forest and the Arctic National Wildlife Refuge closer together than ever. The Alaska delegation and environmentalists have said efforts to change management of the Tongass should be kept separate from efforts to open part of the Coastal Plain of ANWR to oil and gas exploration.

An aide to Senator Don Young noted there has always been a political relationship between ANWR and the Tongass in that both are considered Alaska issues. The aide said tying the two together may be considered legislative extortion, but that doesn’t mean it isn’t going to happen.

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Since the early 1970s, the caribou population in the Prudhoe Bay area has increased five-fold. Studies show the effects on other wildlife have been minimal.

Up to 40 percent of America's coal resources are located within NPRA. The reserve also has metallic and non-metallic mineral resources in large quantities. These include zinc, lead, silver, chromium, barium, fluorine, nickel, copper and metals from the platinum group. In its comments, RDC reminded the subcommittee that during the Alaska lands debate of the late 1960s an attempt was made to classify the NPRA as a wildlife refuge. Congress rejected that effort and passed a "No-More" clause within the ANILCA which read: "This act provides sufficient protection for the national interest in the scientific, natural, cultural, and environmental values on the public lands in Alaska ... and thus Congress believes that the need for future legislation designating new conservation system units, new national conservation areas, or new national recreation areas, have been obviated thereby."

In addition to outlining its position on the NPRA, RDC also commented on critical reports addressing major environmental issues associated with the ANWR debate. Specifically, RDC labeled the Trustees for Alaska report as misleading and said it should not be believed. The report is biased and is based on unscientific methods. RDC noted that the "footprint" of future energy development in the Arctic will be much smaller and that certain areas are biologically important to wildlife. The regulatory framework is complex, comprehensive and multi-tiered. As part of the permitting process, site-specific environmental studies are conducted for small and large projects. Various alternatives and modifications are always considered, and many stipulations, including monitoring programs, are required as part of a permit issuance.

TAGS permit forthcoming

The Resource Development Council expressed its strong support for the environmentally-sound development and construction of a gas pipeline from Prudhoe Bay to Valdez at a public hearing last month in Fairbanks.

Carl Portman, RDC's Public Relations Director, testified that the proposed $8.6 billion Yukon Pacific Corporation pipeline would provide market access for the vast deposits of natural gas found on the North Slope. Portman said the project offers a significant opportunity for the state to attain the goal of broadening its economic base through resource development and diversification.

The Fairbanks hearing focused on an Alaska Department of Natural Resources preliminary decision to grant a conditional right-of-way lease across state lands for the 800-mile pipeline. DNR officials heard a variety of comment addressing pipeline routing, construction of a compression facility in the Sulta River Valley, environmental impacts and Alaska rights.

RDC testified it is in the state's best interest for the Commissioner of Natural Resources to grant the conditional right-of-way lease to Yukon Pacific Corporation. RDC noted the conditional lease would not mature into a final lease until the state determines. Yukon Pacific Corporation is financially and technically capable of constructing and operating the pipeline. RDC also noted that adherence of existing land management policy is minimal.