We'd love to help you open your present.

Arctic Slope Regional Corporation congratulates the Resource Development Council for its 20 years of hard work to bring the benefits of environmentally responsible development to Alaska. Whether pushing for equitable wetlands regulations, encouraging new mining ventures, proclaiming Prudhoe Bay's successes or advocating exploration in the Coastal Plain of ANWR - the Resource Development Council has been a voice of reason in the wilderness.

Arctic Slope is proud to be a long-time supporter of RDC, and looks forward to continued cooperation to open up Alaska's natural gifts for everyone to share.

Resource rates across Alaska could increase an average of 400 percent if the state increases the human health risk level from 1 in 100,000 to 1 in 1 million. While the benefits are hardly measurable, the costs are enormous.

By Becky L. Gay and Carl Portman

The Resource Development Council and a broad coalition of businesses, individuals, organizations and local communities are gearing up to defend the state's water quality standards, signed into law in December, but now the subject of a controversial administrative appeal and subsequent public hearings.

The Alaska Coalition for Responsible Water Quality Management is watching the review process closely and has offered additional science and cost-benefit data defending the existing regulations. The coalition includes the communities of Anchorage, Fairbanks and Juneau, as well as water and wastewater utilities and resource producers, ranging from oil, mining and forest products companies to seafood processors. The Coalition supports the existing regulations and believes they ensure protection for Alaskans without placing unnecessary and overwhelming restrictions on development.

Department of Environmental Conservation Commissioner Gene Burden re-opened the water quality issue in response to a petition filed by the Sierra Club Legal Defense Fund (SCLDF). The environmental law group is seeking to repeal or suspend five provisions in the regulations: Human health risk levels, mixing zones, treatment works, sediment and petroleum hydrocarbons. Hearings on the regulations were held in Anchorage, Fairbanks and Juneau in March and the public comment record is open until April 19.

SCLDF had threatened to sue to block the regulations, but the Knowles administration convinced the group to pursue the administrative appeal route. Under the administrative appeal, the regulations will stay in effect until the issues are settled. Burden emphasized that DEC's decision to re-open the regulations to further public comment does not mean the state is ready to sign off on the petition.

Sections of the regulations to be re-opened are limited to the five areas challenged in the petition, but DEC intends to use the review period to propose an anti-degradation provision, which was not a part of the regulations.
Anniversary Celebration. Governor Knowles was the keynote speaker. (Carl Page 2/31/75) Service to Alaska sure has improved over the past 20 years.

"STATE POLITICS — INSTANT REPLAY — Throughout the year, the Governor criticized the Legislature. The Legislature criticized the Governor, and most everyone criticized them both. Public criticism has run so high at times it seems that if voters know them what they think they know now, few members of the cast of 61 would have been sent to Juneau in 1974. Money is sure to be the biggest problem facing the state in the coming year. Like its residents in these inflationary days, the state suffers from the common malady of not having enough to go around. The problem, though, for the state is much worse. It doesn't have to come up with just a few dollars more, but a figure more like a couple hundred million." (12/30/75) Sound familiar?

"THE PERMANENT FUND - Some legislators are intent on winning enactment of some kind of law that will provide Alaska with an endowment fund for the use of future generations. They deserve every encouragement... In handling revenues from the sale of depletible resources, it must be remembered that the present generation has done nothing to earn the right to dissipate them without regard to future Alaskans." (12/30/75)

"GROWN UP BINKY PERFORMS — Binky is growing up. Comments received so far on the issue are running heavily against the sale. RDC testified on the resolution before the House and Senate Resources Committees last month and coordinated an effort to convince the Legislature to act favorably on the resolution. Copies of the resolution will be sent to President Clinton, as well as leaders of the U.S. House and Senate. RDC, through the Alaska Wetlands Coalition, is working on several bills in Congress on water issues critical to Alaska.

"WETLANDS RESOLUTION PASSES LEGISLATURE — The Alaska House and Senate have passed HJR 27, a resolution requesting Congress to accommodate Alaska's wetlands circumstances in the reauthorization of the Clean Water Act by increasing statutory flexibility on wetlands use in Alaska. The resolution requests Congress to exclude Alaska from a "no net loss" policy associated with the Clean Water Act and to amend the federal act to modify the federal wetlands regulatory program. The resolution specifically asks for flexibility in Alaska wetlands permitting, commensurate with the large amount of wetlands set aside in the state and the low historic rate of wetlands loss here. It also asks that restrictions be relaxed on the use of wetlands as part of the state's efforts to develop Alaska's resources. RDC testified on the resolution before the House and Senate Resources Committees last month and coordinated an effort to convince the Legislature to act favorably on the resolution. Copies of the resolution will be sent to President Clinton, as well as leaders of the U.S. House and Senate. RDC, through the Alaska Wetlands Coalition, is working on several bills in Congress on water issues critical to Alaska.

The Alaska Children Zoo’s polar bear cub has passed the 200-pound mark and is still growing. Thrilled at having an audience for which to perform this week-end, the bi-centennial new year as planned. Fred Chee, who was making the arrangements, said at the cargo flight which was to bring the fireworks here from Seattle tonight has been canceled because there wasn’t enough freight. Well done said Chee. No alternate date has been decided." (12/31/75)

"The Resource Development Council (RDC) of Alaska is a non-profit funded nonprofit economic development organization working to develop Alaska’s natural resources in an orderly manner and to create a broadly diversified, diversified economy while protecting and improving the environment.

Editor’s note: The following are excerpts from President Dave Parish’s comments at RDC’s 20th Anniversary banquet, in which he reflected on several newspaper accounts in The Anchorage Times from 1973, the year RDC’s roots were planted as OOMAR, the Organization for the Management of Alaska’s Resources.

"BOWL CONTESTS ON TV - Fanatical Anchorage football fans, your ship has come in. On New Year’s Day there will be time — count them — nine hours of live television coverage of major bowl games." (12/31/75) It seems like a long time ago that we didn’t have live TV in Alaska, now we take it for granted.

"KBRW GOES ON THE AIR - The nation’s newest, northmost radio station, KBRW, in Barrow has begun broadcasting just in time for Christmas... To conform with Barrow’s regulations, the station will sign on at noon and off at midnight." (12/31/75)

"FIREWORKS DISPLAY CALLED OFF - There will be no fireworks display tonight for Skagway Heights to welcome in the new bicentennial year as planned. Fred Chee, who was making the arrangements, said the cargo flight which was to bring the fireworks here from Seattle tonight has been canceled because there wasn’t enough freight. Well done said Chee. No alternate date has been decided."

President Dave Parish presents Governor Knowles with a "First Barrel of Oil" plaque at RDC’s 20th Anniversary Celebration. Governor Knowles was the keynote speaker. (Carl Potman photo)
Alaskans must understand implications, costs and benefits of water quality standards

(Continued from page 5)

- **Village treatment systems:** Village systems commonly use nearby lagoons or ponds for naturally aerated treatment. If natural waterbodies or impoundments in natural drainages could not be used for treatment works, approximately 30 to 50 small wastewater treatment systems in the state may require modification to more complex mechanical treatment systems. Capital and operating costs for more sophisticated mechanical systems in Alaskan villages have proven prohibitive.

- **Stormwater runoff:** Treatment of stormwater runoff by use of detention ponds for municipal, other governmental and industrial sites is a common practice. The practice is identified by the Environmental Protection Agency and by state regulations as the best management practice (BMP). Treatment of stormwater by other means is normally not economically feasible.

- **Mining:** Uses treatment works in the form of settling, sediment and tailings ponds.

- **Fish processing and hatchery systems:** Both discharge untreated wastes into water bodies designated as waters of the state or the United States.

**Urban and rural Alaska face different constraints and options for complying.** For instance, the Municipality of Anchorage estimates capital construction costs of $247 million and ongoing operation and maintenance costs of $92 million per year for complying with the proposed changes to the water quality standards at the city’s major treatment works. The monthly user rate would increase from $22 to $110.

In rural Alaska, the cost of installing a mechanical system is estimated to be between $2 million and $10 million with operating and maintenance costs running between $200,000 and $400,000 annually. Cumulative capital costs for treatment alone could exceed $900 million with additional annual operation and maintenance costs exceeding $50 million.

**Sediment:** The recently-adopted sediment standard relies on a combination of settleable solids and turbidity to regulate sediment loads. The standards also provide for the use of a simple, recognized field procedure to measure settleable solids. Rapid determination of discharge quality can be used for control of treatment and discharge timing. Within an hour, a discharger or an agency can determine compliance or violation of a standard, versus an alternative method which would require three to four weeks of laboratory analysis.

**Anti-degradation:** Since this was not part of the years of public hearings and other work, RDC believes this important aspect deserves more study and consideration and should not be held to the same administrative time line as the adopted regulations. Many people are confused, for example, about the difference between anti-degradation and “anti-backskiding” which have important distinctions in the regulatory arena. RDC supports the current water quality standards, which are the result of years of work, discussion, debate and testimony. RDC was one of many groups which spent many hours with its membership, the public and the Administration working to shape water quality standards which are technologically and economically feasible for Alaska. Shouldn’t we give them a chance to work?

**Editor’s Note:** Briefing packets on this issue are available at RDC. Call 276-0700 for a copy.

**RDC issue briefs**

**Salvage timber bill advances**

Legislation that would change state law to allow loggers quicker access to trees that will lose substantial economic value due to disease or fire, has passed the Senate and at press time was moving to Governor Tony Knowles’ desk, pending House concurrence of Senate changes.

RDC supports HB 121, known as the salvage timber bill. RDC believes the bill will serve as a vital forest management tool to help manage dead and dying forest in Alaska. HB 121 would give DNR the ability to accelerate its timber sale program for insect-damaged trees.

The state currently is required to list targeted stands on a five-year plan for at least two years before timber can be offered for sale. Even if the timber is threatened with disease or infestation the wood can’t be sold and cut. The legislation would allow the DNR commissioner to waive the two-year requirement for determining a particular stand of trees is likely to lose substantial value if cut within two years.

Time is a critical factor in harvesting dead or dying timber and reforesting infested stands. HB 121 would allow the private sector to respond in a timely manner to harvest dead trees and reforest infested areas before the trees deteriorate to an uneconomic level. After about two years of spruce bark beetle infestation, there is insufficient value in the forest to meet the costs of reforestation, as well as the costs of the sale and the infrastructure required for harvests.

In response to misinformation on the bill, RDC noted that HB 121 would not exempt salvage timber sales from public review nor eliminate public planning for lands and resources. Moreover, HB 121 does not exempt timber sales from reforestation provisions of existing state law. RDC urges its members to write the Governor in support of HB 121.

(Continued to page 7)

1975 - Resource Development Council - 1995
A History of Shaping the Future
20 Year Anniversary

460 friends help RDC celebrate 20th Anniversary in Anchorage

(Randy Lissay photo)

First Lady Susan Knowles and the Governor chat with Alaska’s 1st First Lady, Neva Egan. RDC Past President Chuck Herbert and Vice President Scott Thorsen enjoy the conversation.

(Randy Lissay photo)

RDC Past President Joe Henri, President Dave Parish and his wife, Ingrid, visit with the Knowles.

Joe Henri recognizes long-time board members Lyle Von Bargen and Rex Bishop for their outstanding service to RDC, as well as past executive director Paula Easley, shown at upper right.

RDC issue briefs

Beverly Gay receives a plaque for her outstanding efforts in advancing responsible resource development in Alaska.

(Carl Portman photo)

end, Binky has been putting on a big show with his water pail and other handy props... In this photo, the Zoo’s director, Jim Lund, wrestles with Binky as he has since the orphaned cub was adopted... How much longer the friendly wrestling will be able to continue is questionable. But it is sure that Binky will remain a favorite attraction at the zoo.” (12/21/75)

“1975 — AN OIL YEAR FOR ALASKA - The year began with an explanation... it ended with a question mark was a time that seemed to supply more questions than answers, leaving at year’s end many of the major issues unresolved. The 200-mile limit, medical malpractice insurance, the gas pipeline, the capital site, Native land claims, telecommunications — all passed through the year untouched by sure solution... One is reminded, at year’s end, of the spirit of Joe Redington. He took off from Knek early in November for a four-hour flight to Galena and showed up at the Nenana airport six days later. He had crashed — not once, but twice. Alone, he spent two of those days without food as he patched the old airplane and winched it over a 12-foot bank for a makeshift takeoff on a lake. Finally, at Nenana, he smiled and went to visit a friend.” (Anchorage Daily News, 12/31/75)

Yes, some things have changed, others haven’t.
RDC urges ADEC to reject petition, retain water quality standards

(Continued from page 1)

The water quality standards are used as a basis for limits in wastewater discharge permits issued to industries and local communities. The existing standards were the product of an intense, five-year public process which included 12 public hearings, two public comment periods running 213 days and three two-day meetings of a State Water Quality Standards Advisory Group. The regulations were signed into law in December, but shortly after they became effective, the environmental group’s petition was filed.

RDC members were very active in the prior round of hearings and testimony. The public record clearly showed widespread support for the regulations.

RDC believes there should be some finality to the regulatory process and has told the Commission that at the end of the effort expended by all sides in this debate, it seems unreasonable to go through another process.

Compounding the water quality issue is the historic decision to classify all waters in Alaska to the highest use, namely drinking water and aquatic life, regardless of activity or reality. Due to the lack of money to sample, characterize and classify thousands of waterbodies, the state made the most stringent choice, creating some strange regulatory situations.

For instance, taken literally, if you poured a glass of drinking water from most Alaskan communities into a natu-416ral waterbody, you would be violating current discharge standards.

RDC is distributing brief papers on water quality for those who want more detailed information. Here are summaries:

Human health risk: The present Alaska standards are that the risk level is 1 in 100,000. In this debate, risk is calculated from an array of variables and reported as the potential of getting cancer from some source, namely ingesting polluted water or fish. (The statistical risk of dying from cancer in the U.S. is about 1 in 44, or 25,000 per 100,000.)

Because of the conservative assumptions used in risk assessment, the actual individual risk for most Alaskans is much lower, since people move from place to place and very little fish they eat are contaminated. Here’s the catch: the 1 in 100,000 risk level is based on people eating contaminated fish for 70 years. Moreover, the contaminated fish would have had to spend its life at an industrial or municipal wastewater outfall — an unrealistic assumption.

While the risks are estimated, the costs are certain and will either be borne by the taxpayer for upgrades to public sewage systems, or by the consumer for upgrades to industrial systems. The Municipality of Anchorage estimates that sewer utility rates will increase 407 percent if the State increases the human health risk level to 1 in 1 million. The average utility rate increase across Alaska would be approximately 600%. The people advocating the stricter 1 in 1 million standard reflect a broader public perception about risk. This perception demands that large amounts of money to sample, characterize and classify potential sources and resources and attention be devoted to alleged dangers that are speculative and small. This is particularly disturbing in light of the fact that the state’s priority of rural drinking water and sanitation systems pose the greatest threats to public health.

EPA states discretion to set risk levels between 10-4 and 10-11 (1 in 10 million). But, local communities, utilities and industries say the higher risk standard of 10-6 (1 in 1 million) is impossible to meet, noting that states with the higher standard are granting administrative exemptions in discharge permits because dischargers simply cannot comply. The existing 10-6 standard already requires sampling accuracy for some constituents beyond the limits of testing equipment; in many cases this standard is ten times more stringent than naturally-occurring background levels of various substances in waters.

Mixing zones: Municipalities, as well as industries, including mining, timber, fish, processing, and oil and gas rely on mixing zones. Mixing zones enable a discharger to use the natural assimilative capacity of a receiving water while satisfying water quality criteria. The cost of reinjection of the process waters is over $50 million. According to Wylie Barrow, General Manager of Unocal, the Trading Bay Field and McArthur River Field would be permanently abandoned, resulting in the loss of 765 oil industry jobs, $77,474,300 in state royalty and taxes, and $581,300,000 in gross revenues.

Hydrocarbons, and grease limits: In the general sense, petrol-

leum hydrocarbons and oil and grease are just as they sound to the lay person. For regulatory purposes, it gets much more complex, looking at the individual components that make up the hydrocarbons, oil and grease.

The existing requirements adopted by ADEC limit hydrocarbons to those that would pose significant potential environmental impact. More sensitive detection and reporting limits are included, and the enforcement criteria for hydrocarbons remain the same as in earlier regulations.

Essentially all water discharges are affected by the hydrocarbon limits in the existing standards. If standards become even stricter, every stormwater or municipal discharge (without a mixing zone) will be in violation. The cost of compliance would be exorbitant with minimal environmental improvement. Enforcement criteria for costly and selective, since even small boat harbors will be out of compliance.

Treatment works: Waterborne organisms are held in constructed "treatment works" for purposes of treatment and disposal. Treatment works may include soil tillings, impoundments, sediment settling ponds, sewage lagoons, cooling water ponds, landfill containments and other waste treatment methods. Treatment works in natural water bodies are primarily used four ways throughout Alaska.

(Continued to page 6)