Sohio ... cent decision could have major impact on the industry years into the future. The industry is facing a real dilemma, especially when well planned, environmentally-safe projects are not allowed to proceed on their own merit.

State officials must realize that each negative decision, no matter how small, compounds the load and adds another straw on the camel’s back. Alaska’s future will largely be decided on a series of small decisions such as this one.

In the Sohio case, the permitting agency, the Department of Natural Resources, showed flexibility and a willingness to come to an acceptable solution. However, Fish and Game showed no such flexibility. By having the equivalent of permitting authority under the new state regulations, Fish and Game’s uncompromising position resulted in denial of the permit.

Until the state clearly sets forth its regulatory policies, government will continue to operate in a state of confusion, causing chaos for any industry doing or planning to do business in this state. A government which does not encourage exploration cannot expect petroleum revenues for very long.

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A public hearing on the Bristol Bay Cooperative Management Plan will be held in Anchorage May 21. The Sohio permit issue is expected to dominate some of the proceedings.

A complete line of inexpensive Duckbill Earth Anchors are now on hand to tackle Alaska’s biggest challenges. Whether the chore calls for securing the tree in the front yard, the airplane at the field or use in heavy industrial projects, a Duckbill anchor can handle the job. Literally hundreds of home and industrial uses. Call Today For A Demonstration.
which we work on both national and state issues. Sometimes we tend to think our problems valuable research has been done and most groups are more than willing to share the products and needs help or can offer assistance to counter the numerous opposing forces. Often other day that our members are probably not aware of the many groups outside Alaska with certain amount and the organization does the same, in effect, trading checks for accounting purposes. More often we simply agree on the membership trade and no money changes hands. Some groups do not have "memberships," but are, in fact, trading publications trades. It may sound easy, but fulfilling the responsibility of functioning within these coalitions is costly, incredibly time-consuming and somewhat draining on a person's capability for staying on top of numerous issues and responding when a call for action is needed. (The RDC staff reviews and responds to approximately 60 pounds of incoming mail a week, a substantial portion generated by other organizations.)

RDC members on occasion receive appeals for financial assistance for some of these organizations—these are the ones we believe deserve our support because they, too, are working for similar goals. The RDC executive committee authorizes which organizations members can contact through our mailing service—for example, the Pacific Legal Foundation that many of you have joined.

I'll probably forget some, but here are the names of state and national organizations with which the Resource Development Council is associated in one form or another. Also, this is a good time to thank them for all their tremendous support and willingness to help our causes when needed.

American Enterprise Institute National Inholders Association
American Forest Association National Public Lands Advisory Council
American Land Alliance National Strategy Information Center
American Mining Congress Nevada Mining Councils
American Petroleum Institute Northwest Mining Association
Cathylee Mining Association Oregon Forest & Fish

citizens Coalition for Responsible Mining Law Pacific Northwest Association
Coalition for American and Indian Energy Public Policy, Policy Foundation
Sagebrush Rebellion

European Community Information Service
Minerals Information Institute
National Association of Manufacturers
National Coalition for a Reasonable 2.40-Policy
National Coal Association

An interesting list, eh? Incidentally, these are just national organizations and groups in other states. Add to that all the Alaska groups and a multitude of environmental organizations and publications we monitor, and you can see why we have such an information exchange storage challenge at RDC.

A full-time volunteer position is open to anyone willing to help us do a better job of studying materials we receive and circulating them to members who would benefit from the information. Any takers?

Cover: The Port of Valdez may become Alaska's first foreign trade zone before the end of the year. See story, page 8.

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Resource Development Council, Inc.
The Resource Development Council (RDC) is Alaska's largest privately funded non-profit economic development organization working to develop Alaska's natural resources into an order of magnitude to improve the quality of life and create a broad-based, diversified economic base. We work to enhance the environment.

RDC invites members and the general public to its weekly breakfast meeting featuring speakers who are nationally-known experts on economic and resource development issues. The meetings are held on Thursdays at 7:15 a.m. at the Aesop Suite, 201 7th Street. Meeting that one day are bi-weekly and are not requested by calling 276-8951.

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Accuracy in Media American Enterprise Institute American Forest Association
American Land Alliance American Mining Congress
American Petroleum Institute Cathylee Mining Association
Citizens Coalition for Responsible Mining Law Pacific Northwest Association
Coalition for American and Indian Energy Public Policy, Policy Foundation
Sagebrush Rebellion

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Seismic Permit Decision Adds Another Straw to Camel's Back
By Carl Portman
Public Relations Director

The State’s refusal to issue a permit to Sohio Alaska Petroleum Company for a special seismic test program in the Port Moller area of Western Alaska is an unfortunate decision that discourages oil and gas exploration in a state heavily dependent on petroleum products and revenues.

Most of the Sohio permit debate centers around the use of Primacord, an explosive the company would use to gather seismic data in the nearshore waters around Port Moller should conventional technology fail to obtain satisfactory results. Through its program, Sohio had eventually acknowledged using explosives to scare marine mammals away from the small size of the program, many of the inferred impacts would not likely have occurred.

The controversial portion of the Sohio survey would have required adding no more than 30 hours of activity and data collection. If used, Primacord would only have affected an area comprising one hundredth of one percent of the Port Moller area. And limiting the use of explosives for a period in the late fall was a feasible compromise despite the fact that DNR attached up to 46 additional stipulations to its original consistency determination.

It is also important to note that Fish and Game refused to accept the compromises, despite Sohio’s willingness to conduct the test in the fall when environmental risks would be at the lowest levels. Fish and Game continued to insist on a willingness to find an acceptable compromise despite the fact that DNR attached up to 46 additional stipulations to its original consistency determination.

This policy is extremely unfair, especially in the Sohio case, considering that the survey was being during a peak fish period as opposed to Sohio’s use of Primacord during the off-peak.

It should also be pointed out that fishermen in Western Alaska acknowledged using explosives to scare marine mammals away from their nets.

Sohio made every effort to identify potential impacts to important surface resources, to provide effective mitigation to minimize those impacts and to maximize conformance with the habitat standard. In reviewing the need for specific mitigation, it became apparent that just by virtue of the small size of the program, many of the inferred impacts would not likely have occurred.

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It is also important to note that the location of the activity was chosen because it is a small area defined by Fish and Game as critical habitat areas or as waters important to anadromous fish. The program complied with all of the special conditions of nationwide permits, the Federal Mammal Protection Act and the Endangered Species Act.

State government has repeatedly called for orderly and efficient oil and gas exploration. Yet its actions don’t serve to honor this commitment. Allow us to add to the many others, to the re-
Valdez Has High Hopes For Foreign Trade Zone

The marketing manager of the Port of Valdez has predicted that the Prince William Sound community will receive a foreign trade zone classification before the end of the year.

Addressing a breakfast meeting of the Resource Development Council April 26 in Anchorage, Vern Chase said the approval will lead to increased foreign investment in Valdez and more economic opportunities for Alaska. He said Valdez is geographically well-situated between the Far East and the southern states for an efficient foreign trade zone. Other attributes include regular service by waterborne carriers, easy access into the interior and a 3,000 acre marine industrial park.

The proposed zone would encompass five sites on a total of 202 acres along Valdez's ice-free port.

"In and of themselves they aren't a major development, but they are a powerful tool to promote economic growth," Chase said of foreign trade zones. "They can really help an already attractive area to grow."

Notable Quotes

Definition of an American:

A person who drinks Brazilian coffee out of an English teacup, sitting on Danish furniture, after coming home from an Italian movie in a German automobile and sits down and writes his Congressman a letter with a Japanese ball point pen, demanding that he do something about all the gold that is leaving our Country . . ."

Points to Ponder

"I pride myself on being intelligent, but you have no idea how stupid I can be in some areas. I could have lived a thousand years and not have devised the first bridge, or possibly even the first wheel — or painted the first bird, or played the first lyre, or conceived the first rule of geometry. Yet the persons who first did these things may have been uselessly deficient in some kinds of sense — philosophic, or social, or financial, or whatever we may pride ourselves on. If the human race had only one sort of intelligence — and thus only one sort of aptitude we might still be living in caves."

— Sydney J. Harris, scholar, Ford Newspaper Syndicate

A Letter From Our President

By Charles R. Webber

Second Term

I am very pleased to serve a second term as president of the Resource Development Council. It is truly an honor to lead this citizens council, well known for its devotion to the betterment of Alaska, for another year. I look forward to continuing and expanding the work of the Resource Development Council.

Interior Official Levels Warning

A top U.S. Department of the Interior official warned that the ability of the oil industry to conduct reasonable exploration activities offshore could be eroded if control of offshore waters is fragmented among individual state agencies.

Carol Hallett told some 300 people attending the Resource Development Council's annual spring luncheon in Anchorage April 26 that proposals to give states veto power over any development on federal lands affecting coastal areas goes so far as to threaten any developmental activities. She said Alaskans interested in greater oil and gas development in federal waters should oppose proposals to grant states power to stop such development.

Hallett is the new assistant to Interior Secretary William Clark and is his top aide for the West.

Tough amendments proposed for the Coastal Zone Management Act are unnecessary to protect legitimate state interests, Hallett said. "Proposals in these amendments give states control not only on water, but over federal lands onshore, provided that activity there might affect the OCS," Hallett said. She cautioned that amendments could also seriously affect timber and mining production which would be "truly detrimental to a state like Alaska."

Hallett pointed out that Clark has agreed states will be consulted before oil and gas lease sales off their shores. In addition, states will be given control over siting of storage, transportation and support facilities for oil development onshore.

The interior official stressed that the need for development of oil and mineral resources becomes greater everyday. She said the nation was im-

Resource Review May 1984
Magazine Cites ‘Ruthless Mining’
In Misty Fjords, U.S. Borax Responds

In airborne, the Inflight magazine for the nation’s 12 million airline com-

turers, a Juneau-based environmen-
talist has charged U.S. Borax with

pitchless mining in Misty Fjords Na-

tional Monument, despite the fact the

company has yet to begin mining its
deposit.

Durwood J. Zaelke, Jr., an at-
torney for the Sierra Club Legal
defense Fund, appealed for financial

contributions from around the coun-

do because the Club can win the fight to

save Alaska from "careless and

pitchless development." In a letter,

which was published over three pages

in the magazine’s winter edition,

Zaelke called the winter snowfall

a blessing because it "silences for

one more winter the saws and shovels

and other machines that tear the land

apart."

After describing the beauty of

Misty Fjords, Zaelke focused on the

U.S. Borax molybdenum mine within

the Monument. He said the "ultimate

pit would be 70 to 80 acres, or 40

each day for the 70 years, 70,000

tons of toxic tailings will be dumped

into the environment."

"And of course, to support an open

pit mine of this size, Borax plans to

build roads and facilities to handle

the constant stream of boat, barge,

aircraft and helicopter traffic.

In contrast to Zaelke’s comments,

Quartz Hill is still in the develop-

ment stage. Construction of facilities hasn’t even begun and mining is at least four

years away. What he calls "mining"

was the removal of a 5,000 ton "bulk

sample" that was used to test the ore

and the resulting tailings to design

both efficient and environmentally

safe processing plants and pro-
cedures.

Don Finney of U.S. Borax in Ket-

chikan disputed Zaelke’s charge of
toxic tailings, pointing out the tailings

are "uniquely clean tailings, virtually
ground up country rock." He said

they would not be "dumped into the

rich commercial fisheries." The com-

pany proposes to deposit the tailings

into a deep fjord adjacent to Quartz

Hill where they will sink below the

"euphotic zone,’ the upper most

portion of water in which commercial

fisheries feed.

Of the $100 million the company

has spent so far on the project, $25

million has gone toward environmen-
tal studies and protection. The U.S.

Forest Service praised the company’s

construction of a 10-mile access road

to the site from saltwater in an "en-

vironmentally sound manner under extremely difficult conditions."

"This was built after years of con-

struction airlift in history, hauling

more than 2.4 million pounds of heavy

dequipment by helicopter to mountain slopes."

"One of the most heavily regu-

lated and monitored road con-

struction projects ever undertaken in

Alaska."

"Only one minor blast-induced

landslide occurred even though much

of the blasting took place on rain-

soaked slopes.

U.S. Borax had gone into the road

construction phase of its project with

its eyes open — it had already spent

more than $75 million on Quartz

Hill, much of it on environmental studies

and protection.

But it was still a challenge. Nobody

had ever built a road that was

part of a national forest, within a na-

tional monument, surrounded by 2.3

million acres of statutory wilderness, and paralleling a major salmon

stream. However, having already fa-

cilitated the most intensive environmen-
tal studies of any comparable coastal

area in Alaska, the company was ready to meet the environmental and

engineering challenges.

Environmental permits in 20 dif-

cent categories from nine separate

federal and state agencies were need-
ed. Several permit categories re-

quired multiple permits. In addition,

the Forest Service required a detailed

access road construction monitoring

manual describing procedures to be

used in monitoring water quality.

Special environmental procedures

were used during construction includ-
ing specific blasting techniques and stag-

ed construction. Seismic monitoring

was done on all rock blasting in

critical areas. This included blasting

near anadromous fish streams or in

steep terrain.

Construction in many sections of

the road was staged to minimize en-

vironmental impacts. Construction

was delayed in critical areas until 90

percent of the salmon eggs in the af-

fected streams had developed to a

point that would minimize impact due
to potential increases in sediment.

Extensive monitoring of eagle

ness in the area was instituted under

a Forest Service eagle monitoring

plan. This included restrictions on

blasting within a half mile of any nest
during certain stages of the eagle

nesting cycle.

Bridge construction was also stag-

ed in accordance with salmon spawn-

ning cycles.

U.S. Borax President Dr. Carl

Randolph stated at the road dedic-

ation ceremony last fall, "As I have

pledged, we’ll do it right, with utmost
care and concern for environmental

values — in meticulous compliance with the Alaska National Interest

Lands Conservation Act. This I

believe is demonstrated by the ac-
cess road we’ve just built."