Prudhoe Bay development has helped to fuel the nation and fund state government. It has also assisted the North Slope Borough as we develop the Arctic’s human resources through educational programs, social services and employment training for our people.

Our job is to strike a balance among many interests. These include resource development, cultural traditions and environmental protection. The North Slope Borough is proud of the relationship we’ve developed with industry over more than two decades as we work to maintain this balance of interests. It is a record of success in developing the region’s natural - and human - resources.

We look forward to a continuing relationship of mutual respect as we promote ANWR development and other promising ventures in our back yard.

Mayor George N. Ahmaogak, Sr.
NORTH SLOPE BOROUGH

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Page 8 / RESOURCE REVIEW / May 1995

Oil and gas aren't the only resources being developed on the North Slope

Wetlands bill passes U.S. House

Alaska provisions included in bill

By Ken Freeman

A bill outlining major regulatory changes influencing development on wetlands in the Lower 48 and Alaska has passed the floor of the U.S. House of Representatives.


Many of the wetlands provisions in H.R. 961 were originally drafted by Representative Jimmy Hayes (D-LA). The wetlands language has evolved to include many provisions specific to Alaska thanks to the enduring efforts of Alaska’s congressional delegation, which has worked many years to amend federal wetlands regulations.

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Approximately 170 million acres in Alaska are classified as wetlands. Millions of these acres are preserved in national parks and wildlife refuges which were created or expanded by the Alaska National Interest Lands Conservation Act of 1980. Unlike the Lower 48 states, many of which face significant losses of wetlands, over 99 percent of Alaska’s wetlands remain untouched and intact. RDC members who closely follow the wetlands issue are very excited about many of the proposed changes which consider the unique features of Alaska.

Historical documents that Nome and other Alaskan communities, of which approximately 98% (including 200 of 209 remote villages in Alaska) are located in or adjacent to wetlands, have responsibly developed a small percentage of wetlands. This has been for such basic needs as housing and community infrastructure, including that to support fishing, processing, recreation and tourism.”

Mayor John Handeland, Nome

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- Mayor John Handeland, Nome

(Continued to page 4)
Montana Legislature revises water quality standards

The Montana Legislature passed several bills revising the state's water quality standards and requiring that treatment standards be economically, environmentally and technologically feasible. The revisions were made by deficiencies in the existing statutes that led to inefficiency and unfairness when you take a shower, that soapy water doesn't just go down the drain. Whether you live in town or in the country, it goes through a pipe to some kind of a treatment process and then it is released back in the environment in what is called a discharge.

The average daily water use in the United States is over 100 gallons per person, but little of that water actually disappears. Virtually all of it returns to our environment in the form of a discharge. And virtually all of those discharges are subject to meeting water quality standards.

So what is a water quality standard? It's the amount of a contaminant that can be in water, generally in parts per billion, that has been set by a government agency as a regulation above which the water would be unsafe. Each contaminant has its own standard. Theoretically, these standards are scientifically based on health considerations, whether it be human health, fish or other living things.

In order for states to run their own water quality programs, they must generally adopt standards at least as stringent as those that have been set by the federal EPA. These have been designed, after much research, to protect public health and aquatic life. One of the main features of these standards is that most water discharges from human activities have to be cleaned up to meet the water quality standards, or the discharges will be in violation of the law.

Certainly we all want stringent standards that protect public health and that protect our fisheries and favorite swimming holes. Many of the treatment costs we don't even question, such as those to treat our sewage.

But obviously, treatment of water discharges costs money. And all these costs are, in the final analysis, added onto bills paid either by taxpayers or by consumers. Generally, the more restrictive the standards, the more expensive the treatment required. And the more expensive, the bigger the advantage that some activities will be made economically infeasible.

Some economists and taxpayers don't want more expensive treatment to be necessary for unnecessary strict regulations. For example, there may be some disagreement about how much arsenic is safe, but we found that for normally, most of us would oppose a regulation requiring our city or town to clean up its municipal sewage discharge to the point that it is pure as distilled water if we believed it was unnecessary for the protection of our health and our environment, and that it would cost between additional $10,000 to $20,000 per year or even $1,000 per year.

Ordinarily, when we think of clean water, we think of water that is crystal clear and is nothing else. That kind of water, however, exists only in a very sophisticated laboratory. Today, when we can measure in parts per billion, we can find contaminants — many of them naturally occurring — in virtually any water anywhere. Groundwater, stream water, all water carries in it a variety of unidentifiable and other substances. Clean water is never really 100% pure.

As a result, one of the troubling policy questions that we must continually weigh is, how "clean" does "clean" need to be? If we are discharging water into a stream, should "clean" mean an absence of all that we can get to totally pure? Should it mean cleaner than the water naturally occurring in the stream? (Continued to page 4)

North Slope residents welcome oil industry

The people of the Arctic have an ageless tradition of relying on the land and sea to provide the basic necessities of our subsistence way of life. Our whalers and hunters have always made the most efficient use of limited resources, and we have always taken care of the land so their grandchildren could continue the traditions.

In the 20th century, however, our ability to practice self-reliance and understand our subsistence environment has been undermined. Explorers, trappers and settlers replaced our subsistence economy with a cash-based system and exploited the whale, fur and ivory resources of our region.

With the discovery of oil in our land in 1968 and the establishment of the North Slope Borough in 1972, we were able to order the new economy and regain the ability to move and safeguard the use of our resources. From modest beginnings, the North Slope Borough has evolved into a modern municipal government providing services never before available in the Arctic. Our school district provides vocational and academic education for young and old alike. Borough health clinics provide medical services to residents of even the smallest villages. The Municipal Services Department operates water, sewer and electrical utilities, plows roads and shoreways, maintains sanitary landfills and provides bus service. Other borough departments provide police and fire protection, search and rescue services, and rental housing.

Our state unequivocally that the people of the North Slope Borough support the presence of the oil industry in our land. This support extends to exploration and development in the coastal plain of ANWR. North Slope oil has already provided immense benefits to our people and to our country.

We as consumers and taxpayers don't want to — and shouldn't have to — pay extra in order for states to run their own water quality programs. The revisions were made after long deliberation and adjustment of the standards for arsenic from 1 in 1 million to 1 in 1,000 risk. Certainly we all want and deserve a healthy environment, but this is no unpopulated, untouched wilderness. It is our homeland. We have lived here and used the land for thousands of years, and we will continue to do so.

North Slope residents welcome oil industry

Our people have an ageless respect and concern for our land. With centuries of perspective, we know the oil will someday be gone. We share a determination to protect our land and the traditional subsistence lifestyle it supports for the benefit of future generations.

We also have a clear-eyed understanding of the potential hazards of oil field operations. As a modern government, we have exercised our regulatory powers to hold the oil industry to strict environmental protection and public health standards.
EPA considers marine disposal of tailings for A-J

The Environmental Protection Agency may propose changing federal rules to allow the A-J mining company to dispose of A-J mine tailings underwater near Stephens Passage.

In a press release, the EPA recently announced that it would consider marine disposal of tailings if an underwater mining operation on a plan to reopen a gold mine near downtown Juneau, but the EPA said the marine disposal would be considered only if it is environmentally acceptable.

With over two-thirds of the mineBOOK DISTRICTS in the Tongass National Forest already closed to timber harvesting, the U.S. Forest Service may soon propose increasing the size of existing buffer zones along rivers and streams and expanding them to include lakes and wetlands.

The buffer zone expansion proposal is expected to be included in a long-term management plan for the Tongass that is now being developed by the Forest Service. The plan is expected to be released for public comment this fall and completed next year.

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The survey that showed that 3 percent of residents said they were planning to vote "yes" on the referendum that allowed increased logging.

The survey was mailed to 1,584 randomly selected registered voters living in the Tanana Valley. Of those, 42.3 percent responded.

Nearly 90 percent of respondents said they used the forest for recreation. Of those, 30 percent thought that timber harvesting would leave them worse off, 20 percent thought they would be better off, 18 percent felt it would both help and hurt them and 17 percent said it would have no effect.

The survey had a margin of error of plus or minus 4 points.

The company is expected to release its plans on tailings disposal this fall.

Gold rush is on

The largest claim-staking gold rush in Fairbanks history got underway this spring with some of the largest mining companies in North America racing to stake claims in the hills along the Chatskana River.

La Teka Resources of Salt Lake City is the current front-runner, staking 16,131 acres 38 miles northeast of Fairbanks. Other companies staking claims in the area include Cypress Amax, North America's largest mining company, Placer Dome Inc., of San Francisco and Fairbanks Gold Mining Co.

The Fairbanks district is now one of the hottest areas in the United States for staking claims after the State Division of Geological & Geophysical Surveys released the results of an aerial survey done in August. Geologists say the new geophysical data maps should help pinpoint mineral deposits large enough to be worth exploring.

Dick Swainbank, a state mining development expert, said the recent activity is the most he has seen in 25 years. The Fairbanks district was once the largest producer of gold in Alaska.

More Tongass set-asides loom

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U.S. House considers Alaska-specific exemptions in wetlands legislation

(Continued from page 1)

• If H.R. 961 is enacted by both houses of Congress, Alaska would be relieved from the strictest requirements of wetlands permitting - avoidance and compensatory mitigation.

The most burdensome aspects would retain a high level of protection. Other important provisions include changes to wetlands delineation so that a “clear evidence” of wetlands hydrology, soil, and vegetation is required for a positive delineation to be made.

Another important aspect of the new bill is the inclusion of several “takeouts” provisions, which would provide appropriate compensation to property owners. If H.R. 961 is enacted, wetlands regulation diminishes the fair market value of private property.

Other comprehensive changes include directing the Corps of Engineers to adopt the Fair Market Value standard for wetlands in many parts of Alaska. They also ignore the history of development in Alaska. According to the U.S. Fish and Wildlife Service, between 1870 and 1980, approximately one-tenth of one percent of Alaska’s original wetlands base was lost; no other state has been to that conservation record.

H.R. 961 is good public policy for Alaska because it allows more resources to be spent protecting truly valuable habitat, rather than a scatter-shot approach focusing on low-value, abundant, wetlands,” said Becky Gay, RDC’s Executive Director.

H.R. 961 provides the necessary tools to ensure future wetlands regulation in Alaska is tailored to provide flexibility commensurate with the overall vast amount of wetlands, the conserved wetlands set aside for special protection under the low historic loss of wetlands in Alaska.

The Alaska Wetlands Coalition and RDC will now track the progress of H.R. 961 and similar wetlands legislation in Congress.

Through the efforts of the Alaska Wetlands Coalition, RDC has asked community leaders across the state to chime in on wetlands regulatory reform. A number of communities have recently passed resolutions supporting wetlands regulatory reform measures.

If your community has not yet sent a resolution to RDC, it’s not too late! Please contact RDC for more information. Send resolutions to RDC, 121 W. Fireweed Lane, Suite 250, Anchorage, AK 99501.

Water Quality... (Continued from page 2)

Should it mean as clean as the water we’re discharging into? Should it mean clean enough to meet all the water quality standards that have been set to protect our health and environment?

Now Montana’s SB 331 and the arsenic cancer risk.

For the first time in years the new mining law reforms set that significant, yet sensible mining law reform may preclude in Congress, as opposed to earlier legislation pushed by environmentalists that would have brought future exploration and development to a standstill.

The Senate Energy and Natural Resources Committee, chaired by Senator Frank Murkowski, is now marking up S. 506, a bipartisan bill introduced by Senators Larry Craig (R-ID), Harry Reid (D-NV), Richard Bryan (D-NV) and Murkowski. A hearing on the bill occurred March 6 and 7. Murkowski’s committee is expected to vote on the measure in June. The bill has a significant similarity to the proposal to eliminate land users in support of the Craig-Murkowski bill, which addresses true environmental concerns while requiring companies to pay fair market value for patented lands. The bill proposes:

• A 3 percent net proceeds royalty, with an exemption for miners with gross yields of less than $500,000.

• The third of the royalty revenues would go to the state, one-third to the state’s abandoned mine funds, and one-third to the U.S. Treasury.

• A requirement to pay fair market value for the surface of mineral lands and use of the patented lands for good faith mining purposes only; the Interior Secretary would be required to diligently process all pending patent applications.

• Reclamation standards set by the states, along with applicable federal environmental laws.

• A maintenance fee of $100 per claim per year, with an exemption for miners with less than 15 patented claims.

Small miners could substitute assessment work in lieu of the fee.

• Establishment of a federal fund to allocate the royalties for abandoned mine reclamation, and authorization to distribute royalty payments directly for cleanup activities.

• Allow mining law reform will come in the House, it is important for Senator Dale Bumpers (D-AR) introduced S. 504 on March 6. Both bills are considered moderate, were seen as a sellout against miners. Mining reform should protect this industry to death, sending good jobs overseas, mining reform should protect this vital industry.

Meanwhile, Senators Bennett Johnston (D-LA) and Ben Nighthorse Campbell (R-CO) have introduced their own reform bill (S-639). This bill, which has little chance for passage, has been labeled by some as a sellout against miners.