If Alaska were an independent nation, it would rank sixth in the world in terms of fisheries production. (C. Meacham photo)
Borax wins approval, but will hold off on Quartz Hill project

Although the operating plan for the Quartz Hill molybdenum project near Ketchikan has won final government approval, U.S. Borax does not plan to go ahead with the massive billion dollar project until markets for molybdenum improve.

Don Finney, Ketchikan manager of the Quartz Hill project, said the company is pleased with the final environmental impact statement issued by the U.S. Forest Service in October. The release of the EIS and the Record of Decision outlining the conditions under which the mine may operate, came after 14 years of debates, studies, public hearings and appeals. The approval sets the stage for development of the world's largest molybdenum mine.

Quartz Hill contains as much as 10% of the world's known reserves of molybdenum, a mineral essential for hardening and strengthening steel. Borax has spent well over $150 million into the Ketchikan economy. The state will collect $12 million in taxes each year while the transportation industry will have a new $4 million customer.

Finney, a long-time and active RDC board member, pointed out that U.S. Borax has spent well over $100 million on the project, including $75 million to build a 14-mile gravel road from tidewater to the mine site and to perform exploratory drilling. Some $26 million has been spent on environmental studies.

RDC helped influence QH decision

It took nearly one-half of a generation, but finally a positive operating plan for the Quartz Hill molybdenum project near Ketchikan has won approval.

The Quartz Hill deposit was discovered in 1974, but over RDC's objections, it was included in the Misty Fjords National Monument by the Alaska National Interest Lands Conservation Act (ANILCA). With considerable effort, Alaskans were successful in getting the Act to recognize the importance of the deposit and allow development under special environmental controls.

Over the past 14 years, U.S. Borax has spent over $150 million and has worked with some 15 government agencies to gain approval for developing the site. In November, the government issued its Record of Decision, one that will allow development of the mine when molybdenum prices rebound.

Throughout this long and exhaustive process, Borax has worked with a dozen government agencies to obtain permission to develop the mine. Before the mine is developed, at least 96 permits will be required along with $1 billion to build the necessary facilities.

While the markets for molybdenum may be down, Finney said a turnaround could occur suddenly.

“Our objective is to get through all the environmental requirements,” Finney said.

Quartz Hill documentation and testing.

“The more environmental background on that area than any area in the world,” Finney said.

The project has gone through a draft EIS, a revised draft, a final EIS, and a final EIS, with corresponding public comment periods.

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“Our objective is to get through all the environmental requirements” (continued on page 6)

Ten reasons why you should join RDC

Here are ten good reasons why you should become a member of RDC:

1. When you don't have time to attend every last public hearing or submit written comments on sand plans, RDC will be there to represent you and your pro-development point of view.

2. As a member, RDC will keep you abreast on resource issues. We'll be your ears and ears around the state. Once you join, you'll be in RDC's vital information flow.

3. You will benefit from timely resource development and issues analysis in our monthly newsletter, the Resource Review.

4. You'll also be invited to participate in RDC divisions, which are subgroups from each of the resource sectors that meet periodically to discuss pressing issues. And of course, you'll be invited to attend RDC's weekly breakfast forums, where we bring resource topics before the public.

5. RDC excels at consensus building among all economic sectors. Should the shoulder management jolt labor, professors and teachers join lawyers, accountants, bankers, native corporations, miners, farmers, and bricklayers to work with members from all resource sectors in the common cause of Alaska development.

6. As a member, RDC's lobbying team will work for you in Juneau and Washington, D.C. When a critical resource issue comes to the floor for a vote, you can be sure RDC was behind the scenes beforehand.

7. RDC is composed of recognized leaders from around the state who have distinguished themselves in the private and public sectors.

8. As a member you have access to the organization's resource section—a fully equipped bulk mail facility, fax, conference room, and vast library of periodicals, news clippings, and other reference documents.

9. RDC is the voice for all pro-development, productive citizens. No one contributor or one industry predominates or dictates RDC's course of action.

10. RDC has been a strong advocate for sound resource development for the last thirteen years. We're a unique organization in a unique state and we give it all we've got!

Remember, there are more than 20 non-development organizations working against resource development in Alaska. Most are supported nationally. The bottom line is: If you don't support RDC, who will?

RDC intern reflects on difficult tasks

By Sandra Scott

Spending the summer as an intern with RDC has been a very educational experience. I have met many wonderful people and have found the company to be an excellent team working to solve the issues facing our state.

Most importantly, I can now appreciate the immense obstacles faced by the pro-development cause.

One of the biggest issues facing Alaska is the debate over the Coastal Plain of ANWR. I have written several letters to congressmen, encouraging them to support the opening of the refuge. I have not yet received a reply but rather I have been discouraged by this fact. Inaction has opened my eyes to the size of the task facing us.

In providing support for Alaska development issues from both Juneau and Washington, D.C. is a large and difficult task. We must not only provide them with facts about the situation, we must also successfully dispel the myths about the negative effects of development.

The "Adopt-A-Congressman" campaign currently being worked on at RDC is an excellent way to provide this education. The more letters congressmen receive from individual Alaskans supporting the opening of the Coastal Plain, the better our chances of gaining their support.

I have become very interested, not only in developing our current industries more fully, but in discovering new areas of development for Alaska and securing new markets for our products. RDC has given me a new appreciation of its potential.

The members and staff of RDC are wonderful people who are extremely knowledgeable about the affects of development, not only on the economy, but on the environment as well. Seeing people who love the state as much as I do work to develop its potential in all areas from oil and gas to recreation has given me the desire to return to the state upon graduation and make my personal contribution to its development.

My time at RDC has been so fulfilling that I would encourage everyone to get involved. Development will not occur without a lot of hard work and energy. I encourage you to stop by the office, meet the Alaskan staff and find out what you can do to help. I'm sure your time at RDC will be just as enjoyable as mine.
Impact of new Congress on ANWR is unclear

A favorable decision in 1989?

Pro-development forces are looking ahead to 1989 for a positive decision from Congress on Alaska’s most important congressional legislation — oil and gas development in the Arctic National Wildlife Refuge. However, the prospects for a decision in 1989 for a positive decision from congressional legislation — oil and gas development in the Coastal Plain of the refuge to oil and gas exploration and development remains unclear following the November general election.

Generally, proponents of drilling were pleased to see Republican George Bush emerge victorious over Democrat Michael Dukakis. Bush supports environmentally sound development of ANWR’s potentially huge oil reserves while his opponent has designated the Central Arctic Refuge for Wildlife, the resource management agency for ANWR, a Wilderness designation for the area. Such a designation would close the door to development and deny the nation up to 25 percent of its future domestic oil production. However, the election also suggested a number of changes within Congress which could spell trouble for pro-development forces.

The greatest volatility exists in the Senate Energy and Natural Resources Committee where three members who support development were rejected by voters. A member who opposed drilling, Senator Dan Evans, R-WA, did not seek re-election.

The Senate committee was the first panel to pass a bill permitting drilling on the Coastal Plain. The key question is an area representing only eight percent of the refuge, 92 percent remains in minimal or Wilderness management. A development bill later passed the House Merchant Marine and Fisheries Committee and will likely be taken up by the Senate committee, but died in the Interior and Insular Affairs Committee, because of its time element in relationship to ANWR legislation. Democrats picked up six seats in the House, increasing their majority to 262-173 over Republicans. Since only six House incumbents lost, little change is expected in the makeup of committees influencing ANWR legislation. The extensive public hearing record is expected to hold and not be repeated.

A strong supporter of ANWR energy development, Senator Bennet Johnston, D-LA, is back as chairman of the Senate Energy Committee. Johnston, who is said to be Senate majority leader when Democrats elected George Mitchell of Maine for the important post, it remains to be seen if Mitchell will advance the ANWR issue in his new capacity.

The New Congress

Senate Before After

Republican 46 44
Democrat 54 54
Unresolved 2

House Before After

Republican 177 169
Democrat 205 252
Unresolved 14

Corvallis, Montana, will join Thomas Maloney, Director of the Wood Engineering Laboratory of Washington State University in discussing the utilization of pulp and paper, small diameter timber and panels.

The role of suppliers and processors will be discussed in a second panel discussion. Panelists include Bill Pickell, a logging contractor and consultant from Houlton, Washington, Frank Crawford, President of Crawford Sawmills in Albasca, Alberta and Michael Critchits, President of Chugach Alaska Corporation in Anchorage.

Dr. John Cown Kim, Professor and Executive Director of the Alaska Center for International Business, will deliver the Friday keynote luncheon presentation, “Competitive Realities in World Markets.”

The conference will close Friday afternoon following a panel presentation entitled, “Meeting the Market while Beating the Competition.” Panelists include John Ward, President of John V. Ward & Associates of Washington, D.C., Gaston Marette, President of Westerly Boarding Company in Timmins, Ontario and Bob Craig, President of Carroll Hatch International, Ltd., Watson Lake, Y.T.

The registration fee for the two day program, including lunches and the Thursday dinner banquet, is $75. To register yourself and a friend call 276-0700 and ask for Kim Duke or Carl Portman.

Conference set for December 8-9

Boreal forest conference designed to guide way to profitable industry

Speakers will outline new programs in advancing profitable timber projects

Forestry experts from across the United States and Canada will travel to Anchorage in December to address a two-day conference designed to guide the way and set an example of how to run profitable wood operations in northern-latitude forests.

Sponsored by the Resource Development Council Education Foundation and the University of Alaska, the conference, entitled “Development of Alaska’s Boreal Forest Industry,” will be held December 8-9 at the Anchorage Sheraton Hotel. Featured speakers will outline new techniques, forest management programs and market opportunities that have brought great progress in advancing positive timber projects in northern lands like Alaska.

“Forest industry companies are in business to make a profit and be environmentally responsible,” said conference chairman William W. Newbold, Deputy Commissioner for the Alaska Department of Natural Resources.

“Many of our state’s forest management programs now incorporate environmental protection in their planning and implementation,” Newbold said. “But we must also be aware of the need to develop our forests responsibly in a way that makes economic sense.”

The conference will be held Dec. 8-9, 1988, at the Anchorage Sheraton Hotel. For more information, contact conference chairman William W. Newbold.

A favorable decision in 1989?

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