



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

Founded 1975
 Executive Director
 Rick Rogers
 2013-2014 Executive Committee
 Phil Cochrane, President
 L.F. "Len" Horst, Sr. Vice President
 Ralph Samuels, Vice President
 Eric Fjelstad, Treasurer
 Lorna Shaw, Secretary
 Tom Maloney, Past President
 Bob Berto
 Patty Bielawski
 Pat Carter
 Steve Denton
 Ella Ede
 Stan Foo
 Paul Glavinovich
 Bill Jeffress
 Scott Jepsen
 Wendy Lindskoog
 Lance Miller
 Kara Moriarty
 Hans Neidig
 Ethan Schutt
 John Shively
 Jeanine St. John
 Scott Thorson
 Cam Toohey
 Directors
 Anna Atchison
 Greg Baker
 John Barnes
 Tom Barrett
 Dave Benton
 Jason Bergerson
 Rick Boyles
 Jason Brune
 Dave Chaput
 Steve Connelly
 Bob Cox
 Dave Cruz
 Paula Easley
 Brad Evans
 Corri Feige
 Mike Ferris
 Jeff Foley
 Pat Foley
 Carol Fraser
 Tim Gallagher
 Ricky Gease
 Matt Gill
 Dan Graham
 Scott Habberstad
 Karl Hanneman
 Rick Harris
 Rock Hengen
 Steve Hites
 Teresa Imm
 Michael Jerspersion
 Mike Jungreis
 Frank Kelly
 Thomas Krzewinski
 John Lau
 Tom Lovas
 Thomas Mack
 John MacKinnon
 Stephanie Madsen
 Karen Matthias
 Sam Mazzeo
 Ron McPheters
 James Mery
 Eddie Packee
 Lisa Parker
 Judy Patrick
 Charlie Powers
 Shannon Price
 Glenn Reed
 Mike Satre
 Keith Silver
 Lorali Simon
 John Sturgeon
 Jan Trigg
 Doug Ward

BREAKFAST MEETING

Thursday, December 19, 2013

1. Call to order – Ralph Samuels, Vice President
2. Head table Introductions
3. Self introductions
4. Staff Report – Rick Rogers, Executive Director
5. Program and Keynote Speaker:

More Than A Pipe Dream: An Alaska Grid

Meera Kohler, President and CEO, Alaska Village Electric Cooperative

Next Upcoming Meeting:
 Thursday, January 16: Preview of the 2014 Legislative Session, House Speaker
 Mike Chenault and Senator Cathy Giessel, Chair, Senate Resources Committee

Please add my name to RDC's mailing list:

Name/Title: _____

Company: _____

Address: _____

City: _____ State: _____ Zip: _____

E-mail: _____ Phone: _____

Ex-Officio Members
 Senator Mark Begich
 Senator Lisa Murkowski
 Congressman Don Young
 Governor Sean Parnell



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

FOR IMMEDIATE RELEASE

MEDIA CONTACTS:
Rick Rogers, Executive Director
Resource Development Council
907-952-3967
rogers@akrfdc.org

DECLINING OIL PRICES AND PRODUCTION NECESSITATE TOUGH BUDGET DECISIONS

December 12, 2013, Anchorage, Alaska - Concerned with the long-term health of Alaska's economy, the Resource Development Council (RDC) has been advocating for a long-term sustainable fiscal plan for over a decade. The Governor recognizes past budgets are unsustainable and in his FY 15 budget makes tough decisions without jeopardizing key state responsibilities, including education, health care, critical infrastructure, public safety, and stewardship of Alaska's public lands and resources.

Oil production that has been declining for years and oil prices that are forecast to drop necessitate these difficult budget decisions. The Department of Revenue expects the new oil tax law, which goes into effect January 1, to generate more revenue in FY 15 than the expiring ACES tax regime.

"The biggest threats to the State's long-term fiscal health are unsustainable spending and declining oil production," stated Rick Rogers, Executive Director of the Resource Development Council. "The Governor's proposed FY15 budget, along with increased investment on the North Slope resulting from the recent oil tax policy changes are both encouraging signs for a sustainable fiscal path forward for Alaska."

It is a policy of RDC to advocate for implementation of a comprehensive, responsible, and long-range state fiscal plan.

###

RDC is a statewide non-profit business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, fisheries and tourism industries. RDC's membership also includes Alaska Native corporations, local communities, organized labor and industry-support firms. RDC's purpose is to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

Founded 1975

Executive Director

Rick Rogers

2013-2014 Executive Committee

Phil Cochrane, President

L.F. "Len" Horst, Sr. Vice President

Ralph Samuels, Vice President

Eric Fjelstad, Treasurer

Lorna Shaw, Secretary

Tom Maloney, Past President

Bob Berto

Patty Bielawski

Pat Carter

Steve Denton

Ella Ede

Stan Foo

Paul Glavinovich

Bill Jeffress

Scott Jepsen

Wendy Lindskoog

Lance Miller

Kara Moriarty

Hans Neidig

Ethan Schutt

John Shively

Jeanine St. John

Scott Thorson

Cam Toohey

Directors

Anna Atchison

Greg Baker

John Barnes

Tom Barrett

Dave Benton

Jason Bergerson

Rick Boyles

Jason Brune

Dave Chaput

Steve Connelly

Bob Cox

Dave Cruz

Paula Easley

Brad Evans

Corri Feige

Mike Ferris

Jeff Foley

Pat Foley

Carol Fraser

Tim Gallagher

Ricky Gease

Matt Gill

Dan Graham

Scott Habberstad

Karl Hanneman

Rick Harris

Rock Hengen

Steve Hites

Teresa Imm

Michael Jespersen

Mike Jungreis

Frank Kelly

Thomas Krzewinski

John Lau

Tom Lovas

Thomas Mack

John MacKinnon

Stephanie Madsen

Karen Matthias

Sam Mazzeo

Ron McPheters

James Mery

Eddie Packee

Lisa Parker

Judy Patrick

Charlie Powers

Shannon Price

Glenn Reed

Mike Satre

Keith Silver

Lorali Simon

John Sturgeon

Jan Trigg

Doug Ward

Ex-Officio Members

Senator Mark Begich

Senator Lisa Murkowski

Congressman Don Young

Governor Sean Parnell

121 West Fireweed Lane, Suite 250, Anchorage, Alaska 99503

Phone: 907-276-0700 • Fax: 907-276-3887 • Email: resources@akrfdc.org • Website: akrfdc.org

2014 Resource Development Council Policy Positions

TOP LEGISLATIVE PRIORITIES

- Advocate for tax policy and incentives that enhance the State of Alaska's competitiveness for all industries.
- Support legislation to encourage new exploration and development of Alaska's oil and gas deposits, as well as enhanced production from existing fields.
- Encourage the State to promote and defend the integrity of Alaska's permitting process and advocate for predictable, timely, and efficient state and federal permitting processes based on sound science and economic feasibility.
- Support efforts to bring more accountability to the appeals and litigation processes for community and resource development projects.

General Issues

Fiscal Policy & Planning

- Advocate for tax policy and incentives that enhance the State of Alaska's competitiveness for all industries.
- Advocate for implementation of a comprehensive, responsible, and long-range state fiscal plan.
- Support efforts to limit unrestricted general fund spending to a sustainable level (\$5.5 billion annually, per ISER January 2013 update).
- Support some use of the Permanent Fund earnings as part of a fiscal plan.
- Oppose efforts to enshrine the Permanent Fund Dividend in the Alaska Constitution.
- Encourage and support foreign and domestic private sector investments in Alaska's resource industries and manufacturing.

Access

- Advocate for increased access to and across public lands for resource and community development.
- Advocate for multiple-use of public lands.
- Continue to assert the State's rights on navigable waters and submerged lands.

Regulation/Permitting

- Support efforts to bring more accountability to the appeals and litigation processes for community and resource development projects.
- Encourage the State to promote and defend the integrity of Alaska's permitting process.
- Encourage the State to use all available avenues to ensure reasonable and predictable decision making under the CWA Section 404 permit program.
- Advocate for predictable, timely, and efficient state and federal permitting processes based on sound science and economic feasibility.
- Provide adequate resources to permitting agencies for personnel, research, and science.
- Support the State of Alaska's efforts to challenge unwarranted Endangered Species Act listings and proposed critical habitat designations.
- Support reasonable mixing zones for resource and community development.
- Support efforts to reduce federal interference and devolve more authority to the states.

Infrastructure

- Support transportation and power projects that enhance resource and community development activities.
- Encourage development of new electrical generating and transmission systems to provide stable sources of electricity for economic development and existing consumers.
- Stimulate investment in power and transportation infrastructure by catalyzing private partnership investment through the public-private-partnership (P3) model.

Education

- Support programs, including the Alaska Resource Education program, to educate students and the general public on responsible resource development activities in Alaska.
- Support efforts to provide for a skilled and trained Alaska workforce necessary to support resource development industries.

Industry Specific Issues

Oil & Gas

- Support tax policies that establish a competitive tax structure and incentives to increase the exploration, production and development of all Alaska's oil fields (new and existing).
- Support policies to establish a competitive tax structure and legislative and administration efforts to increase the commercial viability of developing Alaska's natural gas resources.
- Educate and advocate for access to and development of oil and gas resources on federal lands; including the coastal plain of ANWR, NPR-A, and the Alaskan OCS.
- Advocate for federal revenue sharing and/or community impact assistance to maximize benefits of OCS development to Alaska.

Energy

- Support simplified leasing and efficient permitting of non-conventional fuel resources to encourage development of the state's resources and provide energy to local areas.
- Support utilization of Alaska's coal resources for value-added industries and power generation in addition to export to international markets.
- Support efforts to diversify Alaska's energy sources, including known renewable energy options.

Mining

- Encourage the expansion and increased production from existing deposits as well as new exploration and responsible development of Alaska's mineral and coal resources.
- Advocate continuation and expansion of airborne geophysical mapping and the on-the-ground follow up work required to realize the full benefits of the program.
- Support the State's efforts to maintain control of reclamation bonding.

Fisheries

- Support policies that ensure healthy and sustainable commercial, sport, and subsistence fisheries resources; access and markets for Alaska fishermen, sport charter businesses, and coastal communities; including a reasonable and stable regulatory environment.
- Support funding of fisheries and marine mammal research.
- Encourage programs that not only manage but in fact enhance the State's fisheries resources.

Forestry

- Advocate for a reliable and economical long-term State and federal timber supply.
- Support adequate funding and enforcement of the Alaska Forest Practices Act.
- Encourage funding of forest management initiatives that address long-term forest health and reforestation.

Tourism

- Advocate for a positive business environment to promote continued growth of the cruise and tourism industries in Alaska.
- Advocate for equitable environmental laws for cruise ships.
- Advocate additional aircraft landing sites and reduced restrictions on over-flights.
- Support South Denali infrastructure development to provide for a variety of visitor experiences and help accommodate future visitor needs in the region.
- Advocate for the reinvestment of a portion of visitor industry-related revenues to market Alaska as a destination.



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

Founded 1975
Executive Director
Rick Rogers
2013-2014 Executive Committee
Phil Cochrane, President
L.F. "Len" Horst, Sr. Vice President
Ralph Samuels, Vice President
Eric Fjelstad, Treasurer
Lorna Shaw, Secretary
Tom Maloney, Past President
Bob Berto
Patty Bielawski
Pat Carter
Steve Denton
Ella Ede
Stan Foo
Kim Fox
Paul Glavinovich
Bill Jeffress
Scott Jepsen
Wendy Lindskoog
Lance Miller
Kara Moriarty
Ethan Schuff
John Shively
Jeanine St. John
Scott Thorson
Cam Toohey
Directors
Anna Atchison
Greg Baker
John Barnes
Tom Barrett
Dave Benton
Jason Bergerson
Rick Boyles
Jason Brune
Dave Chaput
Steve Connelly
Bob Cox
Dave Cruz
Paula Easley
Brad Evans
Corri Feige
Jeff Foley
Pat Foley
Carol Fraser
Tim Gallagher
Ricky Gease
Matt Gill
Dan Graham
Scott Habberstad
Karl Hanneman
Rick Harris
Steve Hites
Rock Hengen
Teresa Imm
Michael Jespersion
Mike Jungreis
Frank Kelly
Thomas Krzewinski
John Lau
Tom Lovas
Thomas Mack
John MacKinnon
Stephanie Madsen
Karen Matthias
Sam Mazzeo
Ron McPheters
James Mery
Eddie Packee
Lisa Parker
Judy Patrick
Charlie Powers
Glenn Reed
Mike Satre
Keith Silver
Lorali Simon
John Sturgeon
Jan Trigg
Doug Ward
Ex-Officio Members
Senator Mark Begich
Senator Lisa Murkowski
Congressman Don Young
Governor Sean Parnell

December 4, 2013

Mr. Don Rees
Chugach National Forest
161 East 1st Avenue, Door 8
Anchorage, AK 99501

Re: Chugach National Forest Plan Revision

Dear Mr. Rees:

The Resource Development Council (RDC) appreciates the opportunity to provide comments on the Chugach National Forest Plan Revision process.

RDC is a statewide non-profit business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, fisheries and tourism industries. RDC's membership also includes Alaska Native corporations, local communities, organized labor and industry-support firms. RDC's purpose is to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

RDC believes the new Forest Planning Rule, which is guiding the process for the Chugach Forest Plan Revision, is inconsistent with the congressional mandates that created the agency. RDC, along with the Federal Forest Resource Coalition and other plaintiffs, is challenging the revised forest planning rule in DC District Court, Civil No. 12-1333. By providing these comments, RDC is in no way acknowledging the legitimacy of the Forest Planning Rule.

Because of the broad interests represented under the RDC umbrella, we have wide ranging concerns regarding future management of the forest. Our concerns can only be addressed through the continuation of the multiple-use mandate, which has been a cornerstone of Forest Service policy and set national forests apart from parks and refuges.

Our national forests were established under a working forest model. Unlike the national parks that were created for preservation, the national forests were established under the authority of the Organic Administration Act of 1897 to

conserve water flows and to furnish a continuous supply of timber and other resources for the American people. The notion of the working forest has been with us for over a century.

A working forest is one that recognizes the human component of our forest, incentivizes workforce development and local jobs, while providing opportunities to enhance wildlife habitat, recreation, and subsistence activities. A working forest provides many benefits to local communities and is a cornerstone of some economies.

As our nation grew and demands on our forests increased, additional acts of Congress refined but did not supersede the Organic Act. The 1960 Multiple Use Sustained Yield Act added outdoor recreation, range, fish, and wildlife to the balance of national forest uses. The 1976 National Forest Management Act (NFMA) established a framework for forest planning, however, nowhere did Congress alter the fundamental mandate to balance water, timber, mining, recreation, range, fish, and wildlife.

Multiple use means more than recreation, subsistence, and wildlife habitat. These uses are all important, but must go hand-in-hand with responsible resource development. It is vital that the Chugach be managed for multiple uses, including recreation, commercial tourism, mining, timber harvesting, and other resources, especially given the fact Alaska contains 70 percent of the nation's national park lands, 80 percent of its national wildlife refuge acreage, and 53 percent of federal Wilderness. These units, like most of Alaska, are primarily roadless and wild. The Chugach should not be managed as a national park where preservation is an overriding management priority. RDC believes that true multiple uses as outlined above should be reflected in the plan revision if the Chugach is truly to be a land of many uses.

A number of RDC members are concerned the decision process for the plan revision will be biased and predisposed to non-development, pro-wilderness designations. Rather, decisions should be grounded in good science, balancing economic and environmental considerations. Forest managers should resist decision-making based on aesthetics, misguided public opinion, and perceived impacts to the forest.

Forest Management

One of the original mandates of the national forest system is to provide a reliable source of timber to a domestic forest products industry. Yet in its June 2013 Forest Plan Revision Newsletter, the Forest Service did not even acknowledge timber harvests in its "15 Areas of Focus for the Assessment." Timber harvesting is not discretionary, no more so than habitat preservation, ecosystem management, watershed protection, and recreation.

While we acknowledge there is a relatively small percentage of high quality commercial timber in the Chugach, the plan revision should allow for specific actions to restore forest health and reduce the risk of wild fire. The revised plan should include measures for ecological restoration on the Chugach, which has seen forest ecosystems convert to grass and sedge ecosystems in the wake of beetle outbreaks. There should be an opportunity in the plan revision to introduce an annual

sales quantity (ASQ) to aid in restoration work and possibly support biomass production or other commercial endeavors in the region. A program of scheduled timber sales should be provided to meet predetermined allowable sale quantity.

The revision should also provide for modern silviculture practices to encourage natural regeneration. Forested portions of the Chugach should be managed toward a varied species composition and different age classes to reduce the risk of large beetle infestations in the future and help restore long-term forest health.

Minerals

There are many areas within the Chugach National Forest that may have moderate to high mineral potential. Areas with known mineralization or moderate to high mineral potential should be given a minerals prescription. It is important that access to these areas is not restricted. Moreover, no areas should be withdrawn from mineral entry unless they are in a specifically designated conservation system unit where mining is considered incompatible. Areas that are merely being considered for inclusion into a conservation system unit should not be closed to mineral entry. Much of the forest has yet to be adequately explored for its mineral values. Closing an area to mineral entry forecloses future exploration and development opportunities, even if the specific area is later found to be mineralized.

Access

Currently more than 90 percent of the Chugach is roadless. Roadless areas, as well as Wilderness and Wild and Scenic River designations, make access permits more difficult, thereby resulting in greater restrictions. Despite future needs, Wilderness designations would prevent the Forest Service from providing additional access, whether for resource extraction, forest health, recreation, or tourism. Less access to the public lands essentially means less multiple uses for the public and industries that provide products for consumers.

Access to timber, mining, recreation, and inholdings should not be precluded. The revised plan must explicitly acknowledge congressionally guaranteed rights of access to surface and subsurface lands conveyed to Alaska Native Corporations within the forest boundaries. The revised plan should be abundantly clear that the Alaska Native Claims Settlement Act (ANCSA) and the Alaska National Interest Lands Conservation Act (ANILCA) guarantee access to these lands to achieve the goals of ANCSA, a fair and just land settlement that addresses the real economic and social needs of Alaska Natives.

Moreover, improved access for destination tourism opportunities must be provided for in the plan revision. The plan should place a growing emphasis on how to accommodate a larger number of visitors, not just on how to limit or block access.

Since much of the forest is roadless, helicopter overflights and landings should be allowed in a variety of areas. Statistics show helicopter flightseeing and landings are among the most popular

and highest-rated activities for Alaska visitors. Helicopters often afford the only viable access to remote areas. It is often the only way for the physically impaired, aged or a traveler on a tight time schedule to experience remote, rugged lands up close.

Wild and Scenic Rivers and Wilderness Designations

RDC opposes new Wild and Scenic River designations as they are overly restrictive and would diminish multiple use, access, and potential mining activity. These single-purpose designations are not needed in the Chugach and could very well be used as a tool to block economic development, including activity on Native corporation land. RDC also opposes Wilderness designations in the Chugach National Forest and believes strict management for Wilderness is neither appropriate or necessary. Alaska already contains 57 million acres of federally-designated Wilderness – 53 percent of all federal Wilderness in the U.S. In addition, the state contains vast national park and refuge lands that remain in their original state. Alaska also includes vast acreage of state parks, putting it at the top of the list for acreage preserved under state conservation units.

Further consideration of federal conservation system units, including Wilderness and Wild and Scenic Rivers, is not consistent with ANILCA. Section 101(d) states that the need for future conservation system units in Alaska has been obviated by the ANILCA withdrawals and Section 102(4) includes Wilderness in the definition of a CSU. In addition, Congress recognized that for Alaska to “satisfy the economic and social needs of the State of Alaska and its people” access is essential. This point is acknowledged in Section 1326(a), which states that administrative closures, including the Antiquities Act, of more than 5,000 acres cannot be used in Alaska. Section 1326(b) adds emphasis to the “No More” clause in noting that federal agencies must first seek the permission of Congress before even studying lands in Alaska for Wilderness consideration.

The Forest Service should not proceed in revising the plan as if no Wilderness, national parks, or refuges exist in Alaska. The areas of the Chugach that are currently being managed as Wilderness should be re-evaluated and a more flexible management regime applied. Wilderness designations severely limit recreational and multiple use opportunities, impair access, and prohibit resource development. They would also hinder access for future generations, restrict commercial fishing and tourism. These designations represent an economic opportunity cost. It is important that the cumulative effects of such lost opportunity be studied before each new Wilderness designation is proposed.

Land Withdrawals from Multiple Use

The cumulative socio-economic impacts of numerous withdrawals and proposed withdrawals of land from multiple use management must be addressed in the revised plan. There should be a no net loss in the economic resource base. The Forest Service, in its revised management plan for the forest, should balance increases in land withdrawals with increases in resources available for multiple use.

RDC appreciates this opportunity to submit comments and share viewpoints on the future management direction of the Chugach National Forest. We look forward to working with the Forest Service to improve multiple use opportunities for the nation's second largest national forest.

Sincerely,



Carl Portman
Deputy Director

cc: Governor Sean Parnell
Senator Lisa Murkowski
Senator Mark Begich
Congressman Don Young
Chris Maisch, State Forester

RDC Membership Support - One-Invoice Plan

RDC's One-invoice plan allows members to be invoiced only once annually to include membership dues, as well as sponsorships of RDC events and other support opportunities. Please review the list below and select your preferences for 2014. If you have any questions, please don't hesitate to contact staff at (907) 276-0700.

RDC Corporate Membership

- \$500 Basic \$1,500 Gold Other _____
 \$750 Silver \$3,000+ Platinum

RDC Annual Meeting Luncheon Sponsorship - June, 2014 (Exact date TBD)

One of RDC's two fundraisers. This luncheon, held at the Dena'ina Center in Anchorage, draws crowds of 1,000 to hear a featured presentation regarding Alaska resource development issues.

- \$1,000 Silver Sponsor \$2,000 Gold Sponsor \$5,000 Denali Sponsor

RDC Annual Conference Sponsorship - November 19-20, 2014

This conference, held the week before Thanksgiving, features panels discussing resource issues and projects of importance to Alaskan industries and the economy. Attended by over 1,000 in 2013, the event includes networking opportunities, breakfasts and gourmet breaks, and keynote luncheons, as well as a reception for all attendees, closing champagne toast, and raffle drawing.

- \$1,250 Underwriter \$1,200 Exhibitor in Trade Show
 \$2,000 General Sponsor \$5,000 Eye-opener Breakfast Sponsor
 \$3,000 Cosponsor \$5,000 Gourmet Break Sponsor
 \$5,000 Platinum Sponsor \$6,000 Luncheon Sponsor
 Raffle Prize _____

Board Fly-In to Juneau Sponsorship - January 27-28, 2014

RDC Board members and staff travel to Juneau during the legislative session to meet and discuss issues of importance with legislators and administration officials. The 2014 Fly-In will feature a reception for Board, Legislators, and Administration officials.

- \$500 \$1,000 \$1,500 Other _____

Women In Resources Reception Sponsorship - February 12, 2014

RDC Women Board members and staff travel to Juneau during the legislative session to meet and discuss issues of importance with women legislators, administration officials, Native Corporation leaders, and other resource industry leaders at a casual networking reception.

- \$500 \$1,000 \$1,500 Other _____

Community Outreach Trip Sponsorship - September 17-20, Kenai Peninsula

Each fall, the RDC board and staff travel to an Alaskan community to explore a range of industry-related issues and gain a greater understanding of local operations in the area.

- \$500 \$1000 \$1,500 Other _____

Resource Review Newsletter Sponsorship

Only two ads are sold for each issue, published six times per year. Ads are page dominant, full-color, and sponsors are recognized on the cover of the issue.

- \$3,500 Full-page Ad