RESOURCE DEVELOPMENT COUNCIL
Growing Alaska Through Responsible Resource Development

# BREAKFAST MEETING

*Thursday, February 6, 2014*

1. Call to order – Phil Cochrane, President
2. Head table Introductions
3. Staff Report – Carl Portman, Deputy Director
4. Program and Keynote Speaker:

***Updates from Governor Parnell's Administration:***

***More Alaska Production Act & Heads of Agreement***

Bruce Tangeman, Deputy Commissioner, Alaska Department of Revenue

Next Upcoming Meeting:
Thursday, February 20: Chancellor Brian Rogers, University of Alaska Fairbanks

*Please add my name to RDC's mailing list:*

Name/Title: ______________________________

Company: ______________________________

Address: ______________________________

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121 West Fireweed Lane, Suite 250, Anchorage, Alaska 99503
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**Going back to ACES would be a mistake**
**By Rick Rogers | Posted: Saturday, February 1, 2014 12:00 am**
**Community perspective**

There is at least one thing Vic Fischer and I agree on: Our constitution mandates that Alaska's natural resources, including oil and gas, be developed for the maximum benefit of the people. Where we part ways is that his approach to maximum benefit would overtax the industry, killing Alaska's golden goose. Oil taxes and royalties constitute more than 90 percent of state revenue.

In spite of historically high oil prices, seven years of the tax system Mr. Fischer wants you to vote for in August, Alaska's Clear and Equitable Share, resulted in an oil production decline of almost one-third. Counter to the claims of Fischer and the disgruntled minority, the Legislature thoughtfully crafted a new oil tax that incentivizes new oil production.

The state gained an increased base tax rate, which guarantees more revenue at lower prices in exchange for taking less speculative revenue at high prices. Given recent projections of declining oil prices by the U.S. Energy Information Administration, in hindsight this deal makes our legislators look like geniuses.

The biggest threat to the state treasury is continued oil production decline. Legislators from both sides of the aisle have publicly stated that ACES was broken. At oil prices around $100 per barrel, the Alaska Department of Revenue concludes the new tax is revenue neutral. The advantage to the producers is that it is predictable, and should prices escalate they can share in the upside. But if prices decline as anticipated, the state collects more than under ACES.

Absent the outrageous claims lacking a factual foundation, such as "giveaways" and constitutional malfeasance, proponents of going back to ACES have no plan.

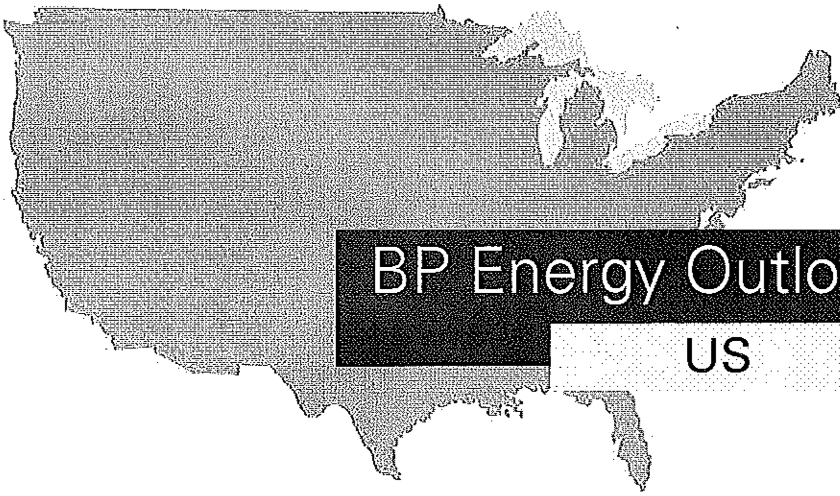
How will they address continued declines in production and associated revenue? How will they mitigate the risk to the treasury of falling oil prices, which under ACES results in less tax revenue coupled with burdensome tax credits that fail to incentivize production? How do they expect Alaskans to benefit from North Slope gas when a healthy oil industry is vital to developing a gas line? How will they provide needed support for public education with declining production and, with it, shrinking tax and royalty revenues?

Oil tax reform has been in place for one month. Already companies are upping their investments with more than $4.5 billion in near-term projects expected to produce 55,000 barrels per day in new production by 2018. In testimony before the House Finance Committee on Jan. 24, David Teal, director of the nonpartisan Legislative Finance Division, characterized the administration's revenue forecast as conservative as it does not factor in recent announcements of new investment. The new tax law needs time to demonstrate its positive impact on slowing decline in production.

Contrary to the rhetoric, the Legislature did not give away the farm. Instead, after three years of in-depth deliberation, it improved upon a politically motivated punitive tax system, ACES, that was passed in about 30 days. ACES drove investment out of Alaska and exacerbated our biggest threat, production decline. Going back to ACES all but guarantees more of the same.

Rick Rogers is executive director of the Resource Development Council for Alaska.

http://www.newsminer.com/opinion/community_perspectives/going-back-to-aces-would-be-a-mistake/article_77dd5356-8b1d-11e3-9075-0017a43b2370.html?mode=print



# BP Energy Outlook 2035

## US

**We project that by 2035 the US will be energy self-sufficient while maintaining its position as the world's top liquids and natural gas producer. Here are a few reasons why:**

- US energy production rises by 24% while consumption expands by just 3%.
- Large declines in oil (-18%), coal (-12%), and nuclear (-17%) demand are more than offset by consumption growth in natural gas (+21%) and renewables in power (+277%).
- With large declines in oil and coal consumption, US $CO_2$ emissions from energy use decline by 6% to levels not realized since the late 1980s.
- Natural gas replaces oil as the leading fuel in US energy consumption around 2027 – rising from 30% today to 35% in 2035. Oil's share falls from 36% to 29%.
- Fossil fuels still account for 80% of US energy demand in 2035, down from today's 85%, driven by the increase of renewables in power generation from 2% to 8%.
- Energy consumed in power generation rises by 10% and while coal remains the dominant fuel source, its share drops from 43% to 35%.
- Energy consumed in transport falls by 18%. Oil remains the dominant fuel source, but its share falls from 95% to 83% as both biofuels and natural gas capture an 8% share by 2035.
- US energy production as a share of consumption rises from 84% in 2012 to 101% in 2035.
- Rising US production of oil (+37%) and natural gas (+45%) outpace declines in coal (-20%). Oil output will surpass its previous peak (1970) while natural gas continues to rise from today's record levels.
- US tight oil output will triple to 4.5 Mb/d in 2035, accounting for a third of liquids production. Shale gas production should more than double to 65 Bcf/d, reaching nearly 70% of the total.
- With large increases in oil and natural gas production US oil imports drop by nearly 75% to the lowest level on record and the country becomes a net exporter of natural gas by 2017.
- US share of global demand falls from 18% to 13% in 2035 as China rises from 22% to 27%, having passed the US in 2010 as the largest consumer.
- The US will remain the world's largest producer of natural gas, accounting for nearly 20% in 2035. The US will also be the world's largest liquids producer starting in 2013.
- US energy intensity will be 40% lower in 2035, falling faster than the global average of 36%. Per capita energy use will be the lowest on record.

Oil | Renewable energy | Natural gas

Nuclear energy | Coal | Hydroelectricity

www.bp.com/energyoutlook

Anchorage Office • 3900 C Street, Suite 801 • Anchorage, Alaska 99503-5963 • 907.339.6000 • FAX 907.339.6028 • 1.800.770.2772

arctic slope
® regional corporation

**Press Release**

January 31, 2014

Contact: Tara Sweeney
Senior Vice President
907-339-6066
tsweeney@asrc.com

## ENVIRONMENTAL LAWSUITS THREATEN ARCTIC COMMUNITIES

*Uncertainty in the Arctic looms as eNGOs block projects important to communities*

Arctic Slope Regional Corporation (ASRC) is deeply disappointed in the recent decision by the U.S. Court of Appeals for the Ninth Circuit which invalidated key sections of the Environmental Impact Statement (EIS) for the 2008 Outer Continental Lease Sale for the Chukchi Sea.

ASRC president & CEO, Rex A. Rock, Sr. explained, "This decision will have a negative impact on our region and the entire state of Alaska. It is critical for the Department of Interior to define a clear path forward so businesses can move ahead with certainty and our people can continue to have meaningful employment opportunities."

The ASRC family provides tangible benefits to its shareholders and other Alaskans through employment opportunities like the Shell exploration and production program. "Our region has benefitted from this project through jobs and growth of small businesses. Delay and uncertainty threaten our businesses, jobs, contracting opportunities, and instability in this process thwarts our efforts for capacity building at the local level," said ASRC Chairman, Crawford Patkotak.

President Rock further stated, "eNGOs do not consider the holistic impact their controversial actions have on our communities. They fail to see the picture that includes the survivability of our communities in the Arctic. Instead, they prefer to slowly suffocate our villages with long protracted lawsuits like this and a litany of others."

ASRC supports an EIS process that is fair to the public, the environment, the resources and the developer. We urge the Department of Interior to work in a swift, prudent and fair manner to respond to the Ninth Circuit Court's decision. We encourage certainty in the process. The triple threat of litigious eNGOs, court actions and federal agency drag continues to wound the spirit of an exploration frontier in Alaska.

### About ASRC

Arctic Slope Regional Corporation is owned by and represents the business interests of the Arctic Slope Iñupiat. Since opening enrollment in 1990 to Alaska Natives born after 1971, the corporation's shareholder base has nearly tripled, growing from the 3,700 original enrollees to around 11,000 today. Corporate headquarters are based in Barrow, Alaska, with administrative and subsidiary offices located in Anchorage and throughout the United States. ASRC, along with its family of companies, is the largest Alaskan-owned company, employing approximately 10,000 people worldwide. The company has five major business segments: petroleum refining and marketing, energy support services, construction, government services and resource development.

FLINT HILLS resources Alaska

North Pole Refinery
Flint Hills Resources Alaska, LLC
1100 H & H Lane North Pole, AK 99705
(907) 488-2741

February 4, 2014

Press Release

Embargoed until 3:00 PM Alaska Standard Time

Contact: Jeff Cook, Regional Director External Affairs
Koch Companies Public Sector – FHR North Pole Refinery
907-488-5104 office. 907-322-2146 Cell

Flint Hills Resources Alaska, LLC (FHRA) announced today that it would cease crude oil processing at its North Pole refinery in the next few months. The extraction unit at the refinery will be shut down on May 1, 2014, ending gasoline production. Crude unit #2 will shut down shortly thereafter, depending on operational requirements, but no later than June 1, 2014. The closure of crude unit #2 will end production of jet fuel and all other refined products. The company will continue to market fuels through its terminals in Anchorage and Fairbanks. The supply for those terminals will come from another source.

Mike Brose, the Vice President of FHRA and the refinery manager stated "this has been a difficult decision made after a long, thorough and deliberative process. Our company has spent an enormous amount of money and resources addressing soil and groundwater contamination that was caused when Williams owned the refinery and the State of Alaska owned the land underneath it. So far, neither Williams nor the State of Alaska have accepted any responsibility for the cleanup. With the already extremely difficult refining market conditions, the added burden of excessive costs and uncertainties over future cleanup responsibilities make continued refining operations impossible."

Brose went on to comment that "North Pole residents who live in the area affected by the groundwater contamination will continue to be protected from sulfolane exposure. Those residents are protected by alternative water sources provided by FHRA. We will also continue to meet our regulatory commitments to operate our groundwater remediation system to actively remove sulfolane from the aquifer on site." He also noted that "FHRA will entertain offers for the assets associated with the refinery as an ongoing enterprise or as a terminal/marketing operation."

In a meeting with employees earlier today, the company said they expect about 35 employees to be retained for operation of the North Pole Terminal. The tank farm associated with the terminal has 720,000 barrels of product storage, which equate to approximately 30 million gallons of product. Product for distribution to local markets can come into the FHRA

North Pole terminal by truck or rail. About 10 employees will also be retained at the Port of Anchorage terminal.

Flint Hills Resources has been growing rapidly in other locations, so employees not retained for Alaska terminals services will be encouraged to apply for positions at other company facilities located throughout the lower 48 states. The company will provide relocation assistance to employees taking positions at other locations.

*About Flint Hills Resources*

Flint Hills Resources, LLC, through its subsidiaries, is a leading refining, chemicals and biofuels company. It has expanded its operations through capital projects and acquisitions worth more than $7.6 billion since 2002. With more than 4,000 employees, Flint Hill Resources strives to create value for customers and society. More at www.fhr.com.

THE
pebble
PARTNERSHIP

For Immediate Release
February 3, 2014

## John Shively to Assume Role of Chairman of Pebble Board
## PLP Names Tom Collier as CEO for Pebble Project

**Anchorage, AK** - The Pebble Partnership today announced that Pebble CEO John Shively will assume the role of Chairman of the Board of Directors for the Pebble Project – a move that allows Shively to be a part of the strategic leadership team for advancing the project. With this move, PLP will appoint Tom Collier to the position of CEO for the company.

"This is a complex project and to successfully advance it will take several phases. I have been working with Tom for the last two years on the many issues presented by the EPA's flawed Bristol Bay report and have found his strategic guidance very helpful on this issue and others associated with the complexities of federal permitting for the project. Our goal in the year ahead is to focus on advancing the project and to initiate permitting. This is another step along that road and I remain committed to this important project for Alaska's future," said Shively.

Shively noted that Collier is no stranger to Alaska having represented many Alaska based clients over the course of his forty year career with law firm Steptoe and Johnson with a specialty for guiding companies successfully through the federal environmental permitting process and the 404 wetlands permit in particular, a critical permit overseen under the Clean Water Act by the U.S. Army Corps of Engineers. Collier has worked with Alyeska Pipeline Service Company and Conoco Phillips on important Alaska issues including the reauthorization of TAPS, Alpine development, and the CD-5 issue.

"It is extremely important to me in accepting this role to have John in a strategic leadership capacity so we can move this project forward. John has overseen the tremendous engineering and environmental work to design a mine that can protect the critical salmon fishery in Bristol Bay and we both believe a mine can be built that will meet the high expectations Alaskans have for development. I look forward to advancing this important work," said Collier.

Shively has served as PLP's CEO since April of 2008 and brought extensive knowledge about Alaska resource issues and a passion for advancing opportunities for Alaska Natives to the job. Shively served two Alaska governors and helped bring the Red Dog Mine to reality at Nana Regional Corporation.

In addition to his extensive legal career with Steptoe and Johnson, Collier has worked for the U.S. Department of the Interior as Chief of Staff for former Secretary Bruce Babbitt and at the U.S. Department of Housing and Urban Development. Collier noted that his experience at Interior taught him three things about complex issues:

- natural resource development and environmental protection can co-exist.
- science is the key to resolving controversial environmental issues.
- the National Environmental Policy Act (NEPA) required Environmental Impact Statement process is the best way to resolve scientific disagreements.

"I will bring these lessons and my extensive experience with the section 404 permitting process to the Pebble Project. I am confident that Pebble can succeed in getting its permit, notwithstanding the challenges along the way and I am committed to making that permit a reality," Collier said.

The Pebble Deposit is a world class copper, gold, and molybdenum mineral resource on state of Alaska land. A recent economic analysis by IHS Global Insights stated that responsible development of the minerals at Pebble could establish thousands of new jobs, provide hundreds of millions in state and local tax revenues, and generate over a billion dollars of annual economic activity for Alaska's economy.

**For more information contact:**
Mike Heatwole
Vice President, Public Affairs
907-339-2600

Sean Parnell
Governor
P.O. Box 110001
Juneau, AK 99811-0001
www.gov.state.ak.us

STATE OF ALASKA
OFFICE OF THE GOVERNOR

Sharon Leighow
Press Secretary
907.269.7450
cell: 907.240.7943
sharon.leighow@alaska.gov

**FOR IMMEDIATE RELEASE** **No. 14-010**

## State, Walmart Announce Agreement on Alaska Seafood Sustainability

January 24, 2014, Juneau, Alaska – Following focused efforts by the State of Alaska to educate, inform, and reassure Walmart about Alaska's commitment to responsible fisheries management, Governor Sean Parnell today announced that Walmart and the state had come to an agreement, and that the retailer will continue to purchase Alaska seafood.

"This is great news for Alaska's seafood industry and the state as a whole," Governor Parnell said. "We are very happy to hear that Walmart, the world's largest retailer, will continue to buy Alaska seafood. I want to especially commend the Alaska Department of Commerce, Community, and Economic Development, the Department of Fish and Game, and the Alaska Seafood Marketing Institute (ASMI) for their hard work in showcasing the sustainability of Alaska seafood. Maintaining choice in seafood sustainability certifications is important to the State of Alaska and the fishing industry, and Walmart's decision is a major step in the right direction."

Representatives from ASMI and several state officials have been working with Walmart and The Sustainability Consortium (TSC) for several months, including a delegation visiting corporate headquarters in Bentonville, Arkansas last September. Just a couple of weeks ago, Walmart sent a delegation to Alaska to continue discussions clarifying aspects of the Responsible Fisheries Management Certification program, and to see firsthand the work being done to ensure Alaska's fish are harvested responsibly.

In addition to continuing to purchase Alaska seafood, Walmart has amended its sourcing policies to allow for multiple certification programs that meet principles outlined by TSC. The state will continue working with TSC as ASMI considers the recently released TSC principles.

###

# RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development



February 5, 2014

Senator Cathy Giessel, Chair
Senate Resources Committee
Alaska State Senate
Juneau, AK 99801

Re: Support for SJR 15: *A resolution opposing any international designation of Alaska land or water as an international park, world heritage site, biosphere reserve, Ramsar site, or other classification of land or water that affects the use of land or water by the state or an Alaska Native Corporation without approval by the United States Congress and the Alaska State Legislature.*

Dear Chairwoman Giessel and members of the Senate Resources Committee:

The Resource Development Council for Alaska, Inc. (RDC) is writing in support of SJR 15, a resolution opposing any international designation of Alaska land or water as an international park, world heritage site, biosphere reserve, Ramsar site, or other classification of land or water that affects the use of land or water by the state or an Alaska Native Corporation without approval by the United States Congress and the Alaska State Legislature.

RDC is an Alaskan business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, tourism, and fisheries industries. Our membership includes all of the Alaska Native regional corporations, local communities, organized labor, and industry support firms. RDC's purpose is to expand the state's economic base through the responsible development of our natural resources.

It is a policy of RDC to advocate for access to and across lands in Alaska for resource and community development. RDC is concerned the proposed Memorandum of Understanding (MOU) for the creation of the Beringia International Park (Beringia) will create another level of bureaucracy inhibiting access to areas in Alaska.

The area under consideration in this proposed MOU is vast and surrounds many rural communities. The MOU lacks consultation and coordination with local and state government, as well as ignores possible impacts to resources, such as oil and gas, and mining exploration and development.

It is also a policy of RDC to advocate for multiple-use of lands, and resource development in the area could provide economic benefits to the region where well-paying jobs are scarce, as well as improved or added infrastructure and access to areas for multiple-users.

RDC maintains that multiple uses should include mining (exploration, leasing, development) for oil and gas, coal, and minerals, as well as recreational and other potential uses. With less than one percent of Alaska in conventional private ownership, access should be available on other lands, and should not be restricted by an unprecedented one-size fits all MOU that will likely add another layer of federal bureaucracy.

SJR 15 is timely, given the MOU has yet to be signed by the President. Input from those most knowledgeable about Alaska and Alaska's resources should not be ignored. This MOU could seriously jeopardize the ability to access resources that fall in and around Beringia. In addition, past federal government promises assured access to allow resource development in this area and others not set aside through the Alaska National Interest Lands Conservation Act (ANILCA). The passage of ANILCA in 1980 set aside 106 million acres of federal lands in Alaska as conservation system units. Today, Alaska accounts for 70 percent of all national park lands in the United States, as well as 53 percent of designated Wilderness for all of the U.S.

RDC thanks Senator Giessel for introducing this resolution, and urges the Alaska Legislature to pass SJR 15 and to continue to assert the State of Alaska's rights, and consult with the State on this and any future designations of the State's lands and resources.

Sincerely,

Marleanna Hall

Marleanna Hall
Projects Coordinator

# RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development



February 3, 2014

Mr. Tim Pilon
Alaska Department of Environmental Conservation
Division of Water Wastewater Discharge Authorization Program
555 Cordova Street
Anchorage, AK 99501

*Via email to: tim.pilon@alaska.gov*

Re: APDES Permits for the Red Dog Mine and Delong Mountain Transportation System Port Facility

Dear Mr. Pilon:

The Resource Development Council for Alaska, Inc. (RDC) is writing to comment on the proposal to issue Alaska Pollutant Discharge Elimination System (APDES) Permits for the Teck Alaska Inc. Red Dog Mine Delong Mountain Transportation System Port Facility (DMTS Port Facility).

RDC is a statewide, non-profit, membership-funded organization founded in 1975. The RDC membership is comprised of individuals and companies from Alaska's oil and gas, mining, timber, tourism, and fisheries industries, as well as Alaska Native corporations, local communities, organized labor, and industry support firms. RDC's purpose is to link these diverse interests together 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 is writing to support the timely approval of the APDES permits for the DMTS Port Facility. APDES permits place stringent standards to ensure more than adequate protection of water quality and human health. RDC believes the permit modification will continue to meet or exceed State of Alaska standards for protections.

The Red Dog Mine provides hundred of jobs to the Northwest Alaska economy and funds the entire tax base of $13 million to the Northwest Arctic Borough. In 2012, royalties of nearly $124.7 million to NANA Regional Corporation, with as much as $76.4 million dispersed to all other Alaska Native Corporations, were paid by the Red Dog Mine.

This routine permit is required for continued operation, and will keep the project in compliance with regulations. Thank you for the opportunity to comment.

Sincerely,

Marleanna Hall

Marleanna Hall
Projects Coordinator

121 West Fireweed Lane, Suite 250, Anchorage, Alaska 99503
Phone: 907-276-0700 • Fax: 907-276-3887 • Email: resources@akrdc.org • Website: akrdc.org

RESOURCE DEVELOPMENT COUNCIL
Growing Alaska Through Responsible Resource Development



January 22, 2014

Ms. Jolie Harrison
Office of Protected Resources
National Marine Fisheries Service
1315-East-West Highway
Silver Spring, MD 20910

Re: Proposed Incidental Harassment Authorization to Apache in Cook Inlet

Dear Ms. Harrison:

The Resource Development Council for Alaska, Inc., (RDC) is writing to support the issuance of the proposed Incidental Harassment Authorization for Apache Corporation's proposed seismic survey in Cook Inlet between March 1 and December 31, 2014. Given extensive mitigation measures and monitoring requirements, the survey is not likely to adversely affect Cook Inlet species or stock.

RDC is an Alaskan business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, tourism, and fisheries industries. Our membership includes all of the Alaska Native Regional Corporations, local communities, organized labor, and industry support firms. RDC's purpose is to expand the state's economic base through the responsible development of our natural resources.

Given tight energy supplies in Southcentral Alaska, the proposed seismic survey could ultimately lead to the development of much needed energy resources for Alaska's most populous region. The survey is clearly in the public interest as it could give Apache the information it needs to potentially secure a stable source of energy for local communities and utilize a valuable resource for Alaskans.

More than half of the state's population depends on natural gas from the Cook Inlet region for home heating, electricity and commercial enterprise. Continued development of Alaska's natural resources is critical to local communities and the state's economy and the quality of life of our residents.

Development of potential energy resources in the Cook Inlet basin will provide new jobs in the region and revenues to the State of Alaska. Operation of Apache's 2011-12 seismic program resulted in some 225 direct, indirect, and induced jobs resulting in more than $22.5 million a year

121 West Fireweed Lane, Suite 250, Anchorage, Alaska 99503
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in payroll. Because of Apache's local hire policies, 60 percent of these jobs went to Alaska residents.

Apache has acquired over 800,000 acres of oil and gas leases in Cook Inlet since 2010 with the primary objective to explore for and develop oil and gas resources in Cook Inlet. Except for the location and the size of the survey area, the activities proposed for the 2014 survey season are essentially the same as those conducted during Apache's first survey season in 2012. As shown during the 2012 seismic survey, which resulted in no takes of Beluga Whales, the mitigation measures and operating standards imposed by the company were exceptional.

Given Apache's proposed measures, as well as other actions considered by the Service, the proposed mitigation measures would result in the least practicable impact on marine mammals species or stocks and their habitat. With the proposed mitigation and related monitoring, no injuries or mortalities to marine mammals are anticipated to occur as a result of Apache's proposed seismic survey in Cook Inlet. Additionally, the animals in the area are not expected to incur hearing impairment or non-auditory physiological effects. The number of takes that are anticipated and proposed to be authorized by the Service are expected to be limited to short-term behavioral harassment. Animals are not expected to permanently abandon any area that is surveyed, and any behavioral that are interrupted during the activity are expected to resume once the activity ceases. Only a small portion of marine mammal habitat may be affected at any time, and other areas within Cook Inlet will be available for necessary biological functions. In addition, the area where the survey will take place is not known to be an important location where beluga whales congregate for feeding, calving, or nursing.

Mitigation measures such as controlled vessel speed, dedicated marine mammal observers, non-pursuit, and shutdowns or power downs when marine mammals are seen within defined ranges will further reduce short-term reactions and minimize any effects. In all cases, the effects of the seismic survey are expected to be short term, with no lasting biological consequence.

RDC supports Apache's efforts to explore for potential oil and gas resources in the Cook Inlet basin based on its continued community outreach efforts, economic support, and efforts to work with local, state, and federal agencies on their Cook Inlet program. Moreover, development of potential resources is clearly in the public's interest, as noted above.

RDC is confident Apache will work diligently to insure a successful, environmentally-sound project. We urge the Service to clearly recognize the many benefits of seismic surveys and subsequent development of energy resources to Alaskans and the local economy.

RDC encourages the Service to issue this Incidental Harassment Authorization in a timely manner.

Sincerely,

Carl Portman
Deputy Director

# RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development



January 17, 2014

Ms. Jorjena Daly
Bureau of Land Management
Anchorage Field Office
Attn: BSWI RMP
4700 BLM Road
Anchorage, AK 99507

*Via email to BSWI_RMP_Comment@blm.gov*

Re: Bering Sea-Western Interior Resource Management Plan/Environmental Impact Statement

Dear Ms. Daly:

The Resource Development Council for Alaska, Inc. (RDC) is writing to comment on the Bureau of Land Management's (BLM) Bering Sea-Western Interior Resource Management Plan/Environmental Impact Statement (BSWI RMP) scoping plan.

RDC is a statewide, non-profit, membership-funded organization founded in 1975. The RDC membership is comprised of individuals and companies from Alaska's oil and gas, mining, timber, tourism, and fisheries industries, as well as Alaska Native corporations, local communities, organized labor, and industry support firms. RDC's purpose is to link these diverse interests together 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 appreciates the opportunity to comment on the RMP scoping, and respectfully requests the BLM incorporate the following comments and suggestions in the RMP.

One of RDC's priorities is to encourage the new exploration and responsible development of Alaska's mineral resources. RDC encourages the BLM to incorporate resource management, such as opening the area to resource development, increased access for exploration, mineral leasing, mining, and oil and gas development. Much of Alaska's federally managed lands are closed to responsible resource development, and the RMP should include provisions to open more areas to resource development activity.

**Rare Earth Elements are a much-needed commodity**

Alaska contains known and likely unknown deposits of Rare Earth Elements (REEs). Many of these REEs are imported to the United States, often from countries with lesser environmental regulations. According to the Mineral Commodities Summaries 2013 report by the U.S. Geological Survey, the U.S. depended on imports of 50-100% of needs for 41

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minerals in 2012, some of which are found in Alaska. Keeping areas open to mining in Alaska not only provides the opportunity for future responsible resource development, it may also improve national security.

Therefore, areas like the BSWI that have not been inventoried, should be open to mineral development, and should be mapped by the U.S. Bureau of Mines, and listed as favorable for mineral discoveries. RDC asserts that the potential for mining in the area should be fully considered and designated as such in the RMP.

**Benefits of maintaining multiple use areas**

The area under consideration in this RMP is 60 million acres, and surrounds many rural communities. Resource development in the area could provide economic benefits to the region where well-paying jobs are scarce, as well as improved or added infrastructure and access to areas for multiple use.

RDC maintains that multiple uses should include mining (exploration, leasing, development) for oil and gas, coal, and minerals, as well as recreational and other potential uses. With less than one percent of Alaska in conventional private ownership, access should be available on other lands.

Additionally, RDC encourages the BLM to recognize that multiple use activities often incorporate mitigation measures, and that a one-size fits all plan should not be considered.

**Much of the area has wilderness like qualities and is unexplored**

Much of the areas within the RMP have wilderness like qualities, and should not require designation to retain such qualities. RDC is opposed to the BLM listing lands as Areas of Critical Environmental Concern, designating additional Wild and Scenic Rivers, and no areas should be considered for Wilderness designation.

Federal acreage dedicated to Conservation System Units in Alaska is nearly 148 million acres, accounting for 70 percent of all national park lands in the U.S., 80 percent of wildlife refuge acreage, and 53 percent of federally-designated Wilderness, at 58 million acres.

The Alaska National Interest Lands Conservation Act of 1980 (ANILCA) was the final word on additional conservation units for Alaska. The RMP should explicitly acknowledge the unique compromises of ANILCA, which include identification of sufficient conservation lands.

Furthermore, the area included in the RMP should be further evaluated for mineral potential before restrictive land designations are implemented. Sufficient mapping and geological information should be acquired, and until then, the area should be left open to all uses.

**Conclusion**

RDC encourages the BLM to incorporate resource management, such as opening the area to resource development, increased access for exploration, mineral leasing, mining, and oil and gas development. Thank you for the opportunity to comment on this important issue.

Sincerely,

Marleanna Hall

Marleanna Hall
Projects Coordinator