

BREAKFAST MEETING

Thursday, April 3, 2008

- 1)Call to order –John Shively, President
- 2)Self Introductions
- 3)Headtable Introductions
- 4)Staff Report Jason Brune, Executive Director
- 5) Program and Keynote Speaker:

Groundfish Fisheries Off The Coast Of Alaska: Current Status, Future Outlook Stephanie Madsen, Executive Director,

At-Sea Processors Association

Next Meeting: April 17: Marvin Yoder, Galena Nuclear Power Project

Please add my name to RDC's mailing list

NAME/TITLE:		
COMPANY:		
ADDRESS:		
CITY:	STATE:	ZIP:
PHONE/FAX/FMATL ·		



Alaska's Fishing Industry – A Jewel in Our Crown

By Governor Sarah Palin

Alaska fisheries – sport, commercial and subsistence – in the ocean and in freshwater, are the best-managed, most sustainable in the world. Fisheries man-

agers work hard every day, making necessary adjustments in season, to ensure that enough fish make it upstream to spawn, and manage for abundant harvests for all user groups.

The importance of Alaska's seafood industry is widely recognized. The four billion pounds of seafood harvested in 2006 were worth \$1.4 billion to commercial fishermen, the highest value since 1999. Last year Alaska's seafood exports topped \$2 billion for the first time. That's an additional \$333 million in export value in just two years. Including all seafood harvesting and processing, Alaska's commercial fishing industry is one of the largest private-sector employers in the state. The industry accounts for more than 50 percent of basic private-sector employment in many of our coastal communities. The importance of the commercial fishing industry to our state is undeniable.

Once it's caught, seafood continues to create jobs and economic opportunity. It is processed, marketed and shipped to locations worldwide. The seafood industry creates thousands of processing jobs as well as indirect employment in support industries.

Beside commercial fisheries, our fish bring tremendous value to Alaska's economy and way of life. Every year, thousands of people travel to Alaska, and many come mainly to enjoy our world-class sport fishing. These visitors support numerous local businesses, contribute to the economy and go home with not only fish, but wonderful memories of their experience.

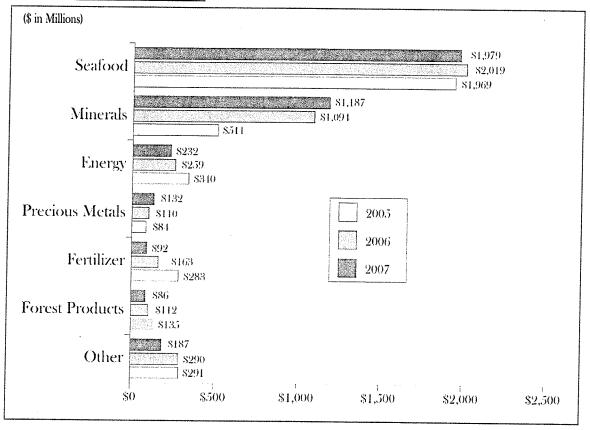
Many Alaskans rely on our fisheries for subsistence, which has been elemental to Alaska Natives and their cultures for thousands of years. It also has become a way of life for many non-Natives in Alaska. Fish comprise 60 percent of subsistence foods taken each year and 95 percent of rural households consume subsistence-caught fish. More than just a food source, this tradition allows a love of fishing to be passed from one generation to the next.

With careful management, our fisheries are an infinitely renewable resource that can provide economic opportunities for generations to come.

Challenges face us, certainly. We need to continue to aggressively market our products against increasing global competition. However, growing consumer awareness of food safety and sustainability issues have led to increased demand for our products, with consumers willing to pay a premium for wild Alaskan seafood.

While I cannot overstate the contribution of fishing to the economy of our coastal communities, it is also an invaluable part of the culture of Alaska. We have a stellar international reputation for responsible management. And we're going to continue to put the health of the resource first so we can celebrate the contribution of fishing far into the future.

Alaska's Major Exports





For Immediate Release April 2, 2008

PEBBLE PARTNERSHIP ANNOUNCES NEW CHIEF EXECUTIVE OFFICER

Anchorage – The Pebble Partnership today announced that long-time Alaska business leader John Shively has been named Chief Executive Officer (CEO) of the company seeking to develop a globally significant copper deposit in the Bristol Bay region of southwest Alaska.

"We're extremely pleased that an Alaskan of John's experience and personal integrity has agreed to lead the Pebble Project into the future," said Cynthia Carroll, CEO of Anglo American plc, one of two companies that comprise the Pebble Partnership. "Today's announcement represents an important milestone in our efforts to develop the Pebble Project consistent with our stated principles."

"John shares our view that Pebble must go beyond compliance to ensure that the project can co-exist with clean water and healthy fisheries. He is also passionate about working in partnership with local communities to develop the project in a way that generates the greatest possible benefit for Alaskans."

Mr. Shively was most recently employed as Vice President of Government & Community Relations for Holland America Line, where he served since 2002. He is a former Commissioner of the Alaska Department of Natural Resources (1995 – 2000), a former Chief of Staff to Governor Bill Sheffield and served 17 years with NANA Regional Corporation.

Shively was actively involved with NANA in obtaining the land selection rights for the area in which the Red Dog zinc mine is currently located. He and other NANA leaders negotiated the terms and the process by which the Red Dog mine was developed and permitted in partnership with Teck Cominco.

Born and raised in New York State, Shively moved to Alaska in 1965. He has served on numerous boards over the course of his career – including the Alaska Permanent Fund, the University of Alaska Board of Regents and, most recently, the Alaska Legislature's Climate Impact Assessment Commission.

Since 2003, he has served as President of the Board of Directors for the Resource Development Council (RDC). In 1992, the Alaska Federation of Natives (AFN) honored him with the prestigious Denali Award for his contributions to the Native community. He is an avid bicyclist and has been a fundraising leader and participant in the American Lung Association's annual Clean Air Challenge for the past five years.

"In my view, the Pebble Project presents a tremendous opportunity for the people of Bristol Bay and all Alaska," he said. "The global significance of the mineral deposit at Pebble is without question. Our challenge now is to see if we can find a way to work together to develop the resource that's consistent with the values and priorities of local communities, of Alaska Natives and the citizens of the state. And that's precisely the challenge I've been brought on to address."

Shively said that Alaska's mineral resources can play a key role in the future of the state's economy – particularly for rural communities. He added that what happens at Pebble may have a significant impact on the future of mineral development in Alaska.

"I happen to believe this is an important project and an important moment in the state's economic history," he said. "I'm going to do everything in my power to work with local people and all Alaskans to see if this project can be developed responsibly, and in a way that generates the greatest possible benefit for the state."

.

Based in Anchorage, Alaska, the Pebble Partnership was formed in July 2007 as a 50-50 partnership between a wholly owned U.S. subsidiary of Anglo American plc and a wholly owned affiliate of Canadian mineral exploration company Northern Dynasty Minerals Ltd.

The Pebble Partnership is currently exploring the potential to develop a globally significant copper deposit in the Bristol Bay region of Alaska, approximately 200 miles southwest of Anchorage. The Pebble Project is located on state land designated for mineral resource exploration and development.

.

For more information contact: Sean Magee 907-339-2600



FOR IMMEDIATE RELEASE Contact: Sharon Wilson, 907-271-4418 Pamela Eldridge, 907-271-5555 News Release No. 08-13 Date: 4/02/08

BLM Seeks Resource Advisory Council Nominees; Application Deadline Approaches

ANCHORAGE --- The Bureau of Land Management (BLM) is calling for nominations to its statewide 15-member advisory council. The BLM is seeking qualified individuals to fill positions in the following categories: **energy/minerals** (two positions),

conservation/environmental (one position), dispersed recreation (one position), public-atlarge (one position).

The Alaska Resource Advisory Council provides advice and recommendations to the BLM on land management issues for approximately 80 million acres of public lands in Alaska. Members serve three-year terms and may be reappointed for consecutive terms. Council members serve without salary but are reimbursed travel expenses. The council includes a cross section of Alaskans from around the state representing energy and minerals, tourism and outdoor recreation; environmental, archeological and historical interests; elected officials, Alaska Native organizations and the public.

Individuals may nominate themselves or others. Nominees should have appropriate background and experience to give informed, objective advice on a broad array of public lands issues, and a demonstrated commitment to collaboration in seeking solutions to those issues. All nominees must be Alaska residents.

Call the BLM at 271-5555 to request a nomination packet or visit <u>www.blm.gov/ak</u> (select "Resources," then "Resource Advisory Councils"). Nominations must be accompanied by letters of reference from the interests or organizations to be represented. Nominations are accepted until April 14, 2008. Final selection will be made by the Secretary of Interior. Appointments become effective October 1, 2008.

The BLM, an agency of the U.S. Department of the Interior, manages 258 million surface acres — more land than any other federal agency. Most of this public land is in 12 Western states, including 80.8 million surface acres in Alaska. The Bureau also administers 700 million acres of sub-surface mineral estate throughout the nation. The BLM's multiple-use mission is to sustain the health and productivity of the public lands for the use and enjoyment of present and future generations. The Bureau accomplishes this by managing such activities as outdoor recreation, livestock grazing, mineral development, and energy production, and by conserving natural, historical, cultural, and other resources on the public lands.

AJOC Editorial: Don't let greed rule over common sense

Publication Date: 03/30/08

Bristol Bay is a rare gem. The region contains one of the few sustainable salmon fisheries left on the planet. It is among the most biodiverse areas in the world.

Given the riches of this area and the vital interests, both from a cultural and an economical standpoint, it is sure to be a robust conversation that surrounds two significant proposals currently gaining steam.

The Pebble mine project is well onto the radar, but another upcoming proposal may be every bit as controversial: The offshore lease sale for oil and gas in Bristol Bay.

Multiple interests converged at the ComFish conference held earlier this month in Kodiak. Folks from a variety of fields, including fishing groups, local chefs and international corporate suits, gathered there. Everyone engaged had a stake, some whose livelihoods hang in the balance of the decisions that will be made in the next few years.

Currently Alaska has it all. It has resource development in the form of oil, gas, mining, timber and salmon. The fact that the debate is beginning to gain momentum should not be surprising. What surprises is when those who represent the business interests - specifically the heavy industry interests of oil, gas and mining - seem to be offended by the idea that the opposition even exists and is raising legitimate questions.

To be blunt, people have decimated this planet; from an environmental standpoint we have all but destroyed it either through reckless development or toxic pollution. Most of the major fisheries in the world are either extinct or greatly diminished. Look at the West Coast: In an unprecedented move, federal officials closed commercial fishing along the coast for the first time ever.

The devastation man has wrought upon the environment is indisputable. So why is it, then, when business interests implore the people to "trust them," they seem offended if anyone chooses not to fall unblinkingly in step?

The global track record when it comes to conservation is deplorable. Greed has led the world down a polluted path in the name of profit.

Now, as a business industry, we are all about profit. But when business entities rubber-stamp everything in terms of development they fail to realize they are

Untitled

marginalized when it comes to the public.

Listen to the comments from some of those in the resource industry and a blatant lack of thought quickly becomes evident. Their comments often aren't thoughtful, don't take into account the valid concerns of others and are rarely helpful, especially when ignoring past abuse and misstep.

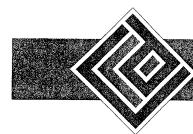
These discussions are of epic proportion for the people of Alaska. To dismiss out of hand any rational or scientific argument because it doesn't support your motive smacks of arrogance.

The state has it all now, but could lose it all if the right decisions aren't made. If we leave it to the monied industry interests or the radical who wants to stop all development, the entire state will pay a heavy price.

We are not suggesting that Alaskans should continue to develop their resources on a magnanimous scale. But if we choose to, it should be decision for all of us and one that should be measured, thoughtful, researched and not done for the wrong reasons.

We cannot allow greed to negate common sense, as it has in the past. What is at stake simply is this: The world's largest salmon fishery and the state's future. Click here to return to story: http://www.alaskajournal.com/stories/033008/hom 20080330035.shtml

© The Alaska Journal of Commerce Online



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

Founded 1975

Executive Director Jason W. Brune

2007-2008 Executive Committee John T. Shively, President Rick Rogers, Sr. Vice President Wendy Lindskoog, Vice President Scott L. Thorson, Secretary Stephanie Madsen, Treasurer Patty Bielawski Allen Bingham Phil Cochrane Marilvn Crockett Steve Denton Jeffrey Y. Foley Stan Foo Paul S. Glavinovich Mark Hanley Craig A. Haymes Teresa Imm Thomas Maloney Denise Michels Lisa M. Parker Keith Sanders Robert B. Stiles Brian Wenzel

> Directors Tim Arnold F. Gregory Baker John A. Barnes Mark Begich Jason Bergerson John Binkley Bruce Botelho Frank M. Brown Al Burch Patrick Carter **Richard Cattanach** James L. Cloud Stephen M. Connelly Robert E. Cox Paula P. Easley Ella Ede Joe Everhart Eric Fielstad Carol Fraser Becky Gay Charles I. Greene Scott Habberstad John K. Handeland Karl Hanneman Rick P. Harris Len Horst Mike Jungreis Diane Keller Frank V. Kelty Kip Knudson Thomas G. Krzewinski Francis LaChapelle Thomas Lovas Sean Magee David L. Matthews Karen Matthias Ron McPheters James Mery Lance Miller Jim Palmer Tom Panamaroff Judy Patrick Debbie Reinwand Elizabeth Rensch Thyes J. Shaub Lorna Shaw Kenneth Sheffield Keith N. Silver Jeanine St. John William Stewart John L. Sturgeon Jim Taro Cam Toohev Clayton Walker John Williams

Ex-Officio Members Senator Ted Stevens Senator Lisa Murkowski Congressman Don Young Governor Sarah Palin March 25, 2008

Yukon Flats EIS Project Office c/o ENSR 1835 S. Bragaw, Suite 490 Anchorage, AK 99508

To Whom It May Concern:

On behalf of the Resource Development Council for Alaska, Inc. (RDC), I am writing to support the proposed land exchange in the Yukon Flats National Wildlife Refuge between Doyon Limited and the U.S. Fish and Wildlife Service. RDC strongly supports the Proposed Action Alternative and Alternative 1.

RDC is a statewide, non-profit, business association comprised of individuals and companies from Alaska's oil and gas, mining, timber, tourism and fisheries industries. Our membership also includes Native regional and village corporations, local governments, organized labor and industry support firms. RDC's mission is to help grow Alaska's economy through the responsible development of the state's natural resources.

RDC has followed this issue since its inception and supported the land exchange in a previous comment period. With release of the Draft Environmental Impact Statement (DEIS), RDC continues to believe the proposed land exchange is in Alaska's best interest.

The exchange would allow the Service to achieve its conservation goals and consolidate land ownership. It would allow the agency to acquire many of the highest-priority fish and wildlife habitats on Doyon lands. In fact, as stated in the DEIS, "there would be a net gain of water bodies and fish habitat, high value waterfowl habitat, wildlife habitat, aquatic mammal species, known cultural resource sites, and lands for subsistence use." The Service would end up administering more land, with consolidation of surface ownership and reduced refuge boundaries.

The land exchange would allow Doyon to consolidate its holdings within the Yukon Flats as well, improving the economics of drilling for oil and gas. While the entire flats show favorable signs of oil and gas, the highest petroleum potential lies under land proposed for exchange.

It is important to recognize that Doyon will likely proceed with oil and gas development on its existing lands inside the refuge, even if the land swap does not happen. Under the terms of the Alaska National Interest Lands Conservation Act (ANILCA), Doyon would have the right to cross refuge lands, including the lands that the corporation would have gained in the exchange, to develop the corporation's oil and gas interests. After all, the Yukon Flats Refuge was established after Doyon selected its lands -- for the purpose of future development. Before the refuge was created, Doyon recognized the potential for significant oil and gas discoveries in the Yukon Flats Basin and worked with villages in the region to maximize future development of the resource.

Regardless of whether oil and gas is ever discovered, the land exchange is a gain for the national wildlife refuge system. Doyon would relinquish a larger area of surface land than it would gain, including high-value habitat. Under the proposed trade, Doyon would turn over 150,000 acres rich in fish and game resources. In exchange, Doyon would receive oil and gas rights to 200,000 prospective acres. However, Doyon would have surface rights to less then 110,000 of those acres, most of which is in the uplands with lesser habitat values. The remaining acreage would be reached only by directional drilling. If Doyon discovers and produces oil and gas on the lands acquired through the exchange, the Service would receive a production payment equal to 1.25% of the value at the wellhead and a commitment from Doyon to sell up to 120,000 acres more land to the Service. In addition, Doyon would reallocate 56,000 acres of remaining entitlement within the refuge to locations outside the refuge.

The benefits of the land exchange to Doyon, its shareholders, the State of Alaska and the nation are significant. The Yukon Flats could hold large quantities of natural gas and oil. The U.S. Geological Survey offers a mean estimate of 5.5 trillion cubic feet of recoverable natural gas and 173 million barrels of recoverable oil. A recent private-sector assessment by Petrotechnical Resources of Alaska estimated the area could hold 300 million to almost 1 billion barrels of oil and 15 trillion cubic feet of natural gas. The area is potentially another energy province on the scale of the Cook Inlet Basin and could hold two Alpine-size oil fields.

If commercial discoveries of oil and gas are confirmed, billions of dollars would be pumped into Alaska's economy. State revenues would grow and new energy supplies would flow into local and energy-hungry Lower 48 markets. The land exchange and subsequent discovery of energy resources would allow for the creation of a long-term economic base in an economically-disadvantaged part of rural Alaska. Development could create 1,000 or more good-paying jobs. It would help fulfill the promise of the Alaska Native Claims Settlement Act (ANCSA) to enhance social and economic well-being of Native people, creating jobs and other opportunities for Doyon shareholders.

Other benefits include village and regional Native corporation revenue sharing under ANCSA, which means more revenue statewide for these entities and their shareholders – Alaska Natives.

At recent public hearings on the EIS, opponents of the proposed exchange claimed it would set a precedent for oil and gas development inside refuges and that such development is incompatible with the refuge. We strongly disagree. First, historical Page 3 of 3, RDC Comments on DEIS for Yukon Flats Land Exchange

record and reality clearly show responsible development is already occurring in national refuges, including the Kenai National Wildlife refuge in Southcentral Alaska. Second, oil and gas development can take place in compliance with strict state and federal laws and regulations, mitigating impacts and protecting surrounding resource values. In fact, if Doyon is successful in finding and developing oil and gas, less than one percent of the Yukon Flats would be disturbed, leaving vast areas available for subsistence and other multiple-use activities.

In concluding, while the EIS may have some minor deficiencies, RDC believes it represents a comprehensive and thorough analysis. The exchange is certainly in the best interest of Alaska and the nation. It will benefit Doyon shareholders and is a win-win for the refuge and Doyon. RDC strongly supports the land exchange and encourages the Service to immediately move forward with the Proposed Action Alternative or Alternative 1.

Thank you for the opportunity to present comments on this important issue.

Sincerely,

RESOURCE DEVELOPMENT COUNCIL

For Alaska, Inc. Ford 22 (Ma)

Carl Portman Deputy Director



Founded 1975 Executive Director

2007-2008 Executive Committee John T. Shively, President Rick Rogers, Sr. Vice President Wendy Lindskoog, Vice President Scott L. Thorson, Secretary

Stephanie Madsen, Treasurer Patty Bielawski

Jason W. Brune

Allen Bingham Phil Cochrane

RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

March 7, 2008

Mr. John Duffy, Borough Manager Matanuska-Susitna Borough 350 E. Dahlia Avenue Palmer, AK 99645

Dear Mr. Duffy:

The Resource Development Council (RDC) is writing to support the Port MacKenzie Rail Expansion, connecting the port to existing Alaska Railroad track in the Matanuska-Susitna Borough.

RDC is a statewide business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, tourism, and fisheries industries. RDC's membership 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.

The expansion of rail in the Matanuska-Susitna valley to connect to Port MacKenzie would extensively promote resource development, in both the region and statewide. Transportation of materials, shipment of commodities, and delivery of fuel are all areas of significant cost to many businesses and communities in our state. Improving transportation routes can dramatically reduce these costs to enable responsible resource development while achieving maximum economic benefit. Moreover, track expansion will create exciting new opportunities and promote expansion of current projects, all of which provide jobs to Alaskans, stimulate the economy, and provide needed funding for our government.

Additionally, the connection of Port MacKenzie with the railroad will increase traffic and usage of the port. While other area ports remain overwhelmed and congested, the deeper waters of Port MacKenzie can accommodate large vessels and, with a railroad at port site, deliver supplies to the outlying areas.

Thank you for the opportunity to support this important project.

Sincerely,

Suger a Suc

Jason Brune Executive Director

Marilyn Crockett Steve Denton Jeffrey Y. Foley Stan Foo Paul S. Glavinovich Mark Hanley Mark Hanley Craig A. Haymes Teresa Imm Thomas Maloney Denise Michels Lisa M. Parker Keith Sanders Pochart B. Cilco Robert B. Stiles Brian Wenzel Directors Tim Arnold F. Gregory Baker John A. Barnes Mark Begich Jason Bergerson John Binkley Bruce Botelho Frank M. Brown Al Burch Patrick Carter Richard Cattanach James L. Cloud Stephen M. Connelly Robert E. Cox Paula P. Easley Ella Ede Joe Everhart Eric Fielstad Carol Frase Becky Gay Charles J. Greene Scott Habberstad John K. Handeland Karl Hanneman Rick P. Harris Len Horst Mike Jungreis Diane Keller Frank V. Kelty Kip Knudson Thomas G. Krzewinski Francis LaChapelle Thomas Lovas Sean Magee David L. Matthews Karen Matthias Ron McPheters James Mery Lance Miller Jim Palmer Tom Panamaroff Judy Patrick Debbie Reinwand Elizabeth Rensch Thyes J. Shaub Lorna Shaw Kenneth Sheffield Keith N. Silver Jeanine St. John William Stewart John L. Sturgeon lim Taro Cam Toohey Clayton Walker John Williams

Ex-Officio Members Senator Ted Stevens Senator Lisa Murkowski Congressman Don Young Governor Sarah Palin

Founded 1975 Executive Director Jason W. Brune 2007-2008 Executive Committee John T. Shively, President Rick Rogers, Sr. Vice President Wendy Lindskoog, Vice President Scott L. Thorson, Secretary Stephanie Madsen, Treasure Patty Bielawski Allen Bingham Phil Cochrane Marilyn Crockett Steve Denton Jeffrey Y. Foley Stan Foo Paul S. Glavinovich Mark Hanley Craig A. Haymes Teresa Imm Thomas Maloney Denise Michels Lisa M. Parker Keith Sanders Robert B. Stiles Brian Wenzel Directors Tim Arnold F. Gregory Baker John A. Barnes Mark Begich Jason Bergerson John Binkley Bruce Botelho Frank M. Brown Al Burch Patrick Carter Richard Cattanach James L. Cloud Stephen M. Connelly Robert E. Cox Paula P. Easley Ella Ede Joe Everhart Eric Fjelstad Carol Fraser Becky Gay Charles J. Greene John K. Handeland Karl Hanneman Rick P Harris Len Horst Mike Jungreis Diane Keller Frank V. Kelty Kip Knudson Thomas G. Krzewinski Francis LaChapelle Thomas Lovas Sean Magee David L. Matthews Karen Matthias Rom McPheters James Mery Lance Miller Jim Palmer Tom Panamaroff Judy Patrick Debbie Reinwand Elizabeth Rensch Thyes J. Shaub Lorna Shaw Kenneth Sheffield Keith N. Silver Joseph Sprague Jeanine St. John William Stewart John L. Sturgeon Jim Taro Cam Toohey John Williams

> Ex-Officio Members Senator Ted Stevens Senator Lisa Murkowski Congressman Don Young Governor Sarah Palin

RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

March 6, 2008

AGIA License Office State of Alaska, Department of Revenue 550 West 7th Avenue, Suite 1820 Anchorage, AK 99501

Dear Commissioner Galvin and Commissioner Irwin:

Thank you for the opportunity to submit comments on the current status of the Alaska Gasline Inducement Act (AGIA), and specifically the determination of whether the TransCanada application qualifies for the issuance of a license under the terms of AGIA.

RDC is a statewide business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, tourism, and fisheries industries. RDC's membership 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 has a long-term and abiding interest in the commercialization of North Slope gas resources and has been intimately involved in trying to achieve this goal since its inception.

While developing our comments, RDC's Board of Directors received several presentations directly from TransCanada as well as ConocoPhillips. We also considered our previous positions on the AGIA statute and fiscal terms for resource development projects. Our specific comments are detailed below.

- 1. RDC did not support the AGIA legislation as an appropriate vehicle to advance commercialization of gas. For your reference, I have attached a copy of our comments submitted during the AGIA legislative hearings (April 30, 2007).
- 2. We were disappointed, but not surprised, that only five bids were submitted under AGIA. The Administration correctly determined that four of the applications clearly did not meet the requirements of AGIA. We are not questioning the Administration's completeness determination of TransCanada's application. We do question, however, whether the analysis of only one proposal will allow Alaskans to determine if the project sufficiently maximizes benefits to Alaskans.

The AGIA process is not the only way to commercialize North Slope gas. However, given the Administration has determined TransCanada has complied with the AGIA application requirements, their application should be evaluated to determine if its benefits and risks result in a determination that the TransCanada proposal sufficiently maximizes the benefits to Alaskans and merits issuance of a license under AGIA.

- 3. The Administration was inconsistent in allowing a Liquefied Natural Gas (LNG) strawman to be created for comparison, yet not allowing the ConocoPhillips proposal to be reviewed. In her letter to Backbone II (January 30, 2008), Governor Palin indicates, "My administration is committed to undertake a detailed evaluation of likely LNG project designs before determining whether a pipeline that goes through Canada will sufficiently maximize the benefits to the people of Alaska and merits issuance of a license." Proposals either met, or did not meet, the requirements of AGIA. If the Administration is not happy with the quality of applications it received, it should revise AGIA and re-open the bidding process to allow bidders as much flexibility as possible to encourage competition and allow the free market to work.
- 4. In order for a gasline to come to fruition either as part of, or outside of, AGIA, the Alaska Legislature and the Administration must ensure a fiscal framework is in place that is conducive to a successful open season. The recent ACES special session, which raised tax rates for the third time in three years, demonstrates why future shippers on a gasline are wary, and why an open season if held today, would likely be unsuccessful.

In fact, TransCanada stated in its application, "TransCanada would rely on the State of Alaska to take all feasible actions exclusively within its authority as a sovereign power to ensure a favorable economic environment for potential Shippers on the Project. Those actions include: engaging with the ANS Producers to reach agreement on a commercially reasonable and predictable upstream fiscal regime that balances the needs of the State and the ANS Producers." TransCanada has also testified on the record before the Legislature stating "No customers, no credit, no pipeline." ConocoPhillips has requested the same in its proposal submitted outside of AGIA, "We believe it is critically important to define a framework for gas fiscal terms now such that we can complete a successful open season in 2010." Alignment on a future tax system will lead to the lowest cost distribution (tariff) and ultimately the highest netback to the state. We implore the Administration to work to make this happen.

Thank you for your consideration of RDC's comments. We look forward to continue working with you and the Legislature so that we Alaskans will benefit from the construction of a pipeline and the resulting gas economy.

Sincerely,

Juren W. See

Jason W. Brune Executive Director Cc: Members of the 25th Alaska Legislature



Founded 1975 **Executive** Director Jason W. Brune 2006-2007 Executive Committee John T. Shively, President Rick Rogers, Sr. Vice President Wendy Lindskoog, Vice President Thomas Maloney, Secretary Stephanie Madsen, Treasurer Patty Bielawski Allen Bingham Phil Cochrane Marilyn Crockett Steve Denton Jeffrey Y. Foley Carol Frase Paul S. Glavinovich Mark Hanley Craig A. Haymes Ron McPheters Thomas Panamaroff Lisa M. Parker Keith Sanders Robert B. Stiles Scott L. Thorson Brian Wenzel

> Directors Tim Arnold John A. Barnes Mark Begich Jason Bergerson Bruce Botelho Frank M. Brown Al Burch Patrick Carter Richard Cattanach James L. Cloud Stephen M. Connelly Jeffry J. Cook Bert Cottle Robert E. Cox Paula P. Easley Ella Ede Stanley T. Foo Charles J. Greene John K. Handeland Karl Hannemar Rick P. Harris Teresa Imm Mike Jungreis Diane Keller Frank V. Kelty Kip Knudson Thomas G. Krzewinski Francis LaChapelle Thomas Lovas Sean Magee David L. Matthews Karen Matthias William Harry McDonald James Merv Denise Michels Lance Miller lim Palmer Judy Patrick Debbie Reinwand Elizabeth Rensch Thyes J. Shaub Lorna Shaw Kenneth Sheffield Keith N. Silver Joseph Sprague Jeanine St. John John L. Sturgeon Jim Taro Cam Toohey

Ex-Officio Members Senator Ted Stevens Senator Lisa Murkowski Congressman Don Young Governor Sarah Palin April 30, 2007

The Honorable Sarah Palin Office of the Governor P.O. Box 110001 Juneau, AK 99811-0001

Dear Governor Palin:

At the unveiling of the Alaska Gasline Inducement Act (AGIA), I committed the diverse membership of the Resource Development Council (RDC) to helping make a gas pipeline come to fruition, and I stand by that commitment. This letter outlines RDC's current position on AGIA and reiterates our willingness to help.

RDC is a statewide private economic development organization with the mission to grow Alaska's economy through responsible resource development. RDC's membership encompasses all of Alaska's basic industries — oil and gas, tourism, fisheries, mining and timber. Our membership also includes construction companies, labor organizations, Native corporations, local communities and a wide variety of industry support firms.

From the producers to the independents to the pipeline companies, our members stand to be directly affected by any forthcoming legislation. Therefore, we did not take the responsibility to develop a position on AGIA lightly. We all agree Alaska needs a gas pipeline and needs it soon. The gas pipeline project will generate tens of billions of dollars in new tax and royalty revenues, countless jobs and business opportunities, and a new gas economy for decades to come.

Recently, RDC board members held an all-day meeting where they were briefed by various potential stakeholders that may be affected by AGIA. Presentations were made by the Department of Natural Resources, the Department of Revenue, BP, ExxonMobil, ConocoPhillips, Anadarko, the Alaska Natural Gas Development Authority, Enbridge, TransCanada, the Alaska Gasline Port Authority, and Representative Ralph Samuels. Mid-American was invited, but did not return calls.

As this diverse group of presenters demonstrates, the development of RDC's position did not occur in a vacuum. Following the work session, the RDC board engaged in a lengthy meeting finalizing our position on AGIA.

RDC members, like you, strongly support a gas pipeline and see it as vitally important to Alaska's future. We applaud your administration for moving forward in an expeditious manner and concur with many of your guiding principles, including your insistence on a transparent process. Unfortunately, RDC believes AGIA does not get Alaska a gas pipeline, unless amendments occur prior to passage.

Several important points of consensus were reached by our statewide Board:

• AGIA should strive to maximize the number of bidders: In order to maximize applicants, RDC suggests individual bidders be given as much flexibility as possible. This will encourage competition and allow the free market to work and generate the greatest quantity and quality of proposals. A flexible bidding process is likely to generate bids that will provide the foundation for a successful project.

• AGIA should maximize transparency in the process: Alaskans can better evaluate the resulting ideas in each proposal through an open and transparent process. It is likely that new, more creative ideas will be advanced from such a process. We believe AGIA achieves this goal.

• Bid requirements set out in AGIA are too prescriptive and should be replaced with broad objectives: The number of bid requirements should be minimized and flexibility should be maximized. AGIA should be amended to establish broad objectives the state needs to achieve and allow applicants to compete on how best to meet those objectives. Such modification to AGIA would encourage creativity in meeting the state's needs.

During its deliberations, the RDC board refrained from considering specific modifications to AGIA's many key elements as each of our affected member companies, and in fact, each legislator, will have different perspectives as to how best amend the proposed law.

Lastly, we would like to express our appreciation to Commissioner Pat Galvin, Commissioner Tom Irwin, and Deputy Commissioner Marty Rutherford for the time and effort they have devoted to educating our board about AGIA.

Thank you for your consideration of RDC's comments. We look forward to continue working with your administration and the Legislature to improve AGIA so that we Alaskans will benefit from the construction of a pipeline and the resulting gas economy.

Sincerely,

Win alige

Jason W. Brune Executive Director

Cc: Members of the 25th Alaska Legislature Commissioner Tom Irwin Commissioner Pat Galvin

Close Window

Print Page

adn.com

Anchorage Daily News

Reasonable opposites

The Tilestons' long marriage has accommodated their political differences, and a new award celebrates the art of compromise

By DEBRA McKINNEY dmckinney@adn.com

(03/13/08 01:25:06)

At first glance, it seems a match made in a very hot place. Like, if you held their resumes side by side, they'd burst into flames.

Which explains the new award named in their honor.

First, a little background:

Peg Tileston, 76, is the greenie type, a pioneer of Alaska's environmental movement and recipient of the Alaska Conservation Foundation's Lifetime Achievement Award.

Jules Tileston, 75, is the hard-hat type, a resource development guy and former director the state Division of Mining and Water Management.

When the topic of opening the Arctic National Wildlife Refuge to drilling comes up, they don't even speak the same language.

To Peg, it's "the Arctic refuge."

To Jules, it's "the 1002 area."

And the Pebble Mine? Don't even go there.

Imagine the dinner conversations in that house.

"You want to have a lively discussion, throw out one of those hot topics and kind of sit back and watch," daughter Nancy Tileston said of her parents. "Oh, it was fun. In fact, it still is."

The Tilestons often get asked how they do it. Live under the same roof. Not get into food fights at the dinner table.

It requires a certain amount of "selective listening," Peg says.

"There's absolutely no selective listening," Jules says. "She just doesn't hear me."

"Ditto."

They're kidding. Kind of.

It helps that they have so much respect for each other, and always have, even back when she was a Democrat and he a Republican and their votes cancelled out each other. (Both are Democrats now.) It also helps that neither is an extremist.

"I've always looked at mom as a middle-of-the-road environmentalist and dad as a middle-of-the-road developer," Nancy Tileston said. "Both have a solid understanding of why the other side is important, even if they don't agree."

These two have been married for more than half a century; they obviously worked this out long ago. There were going to be areas of disagreement, they agreed. But they've always shared a love of the outdoors. Canoeing, sailing, fishing, hiking. Watching birds, spying on bears.

The couple's ability to avoid seeing issues as black or white -- and to make an implausible union work for 53 years -- inspired the creation of the Peg and Jules Tileston Award.

There's nothing quite like it.

The award is being offered jointly by another couple you might expect to see in divorce court -- the Alaska Conservation Alliance and the Resource Development Council. Just as with the Tilestons, things are not as they appear with these two.

The Tileston Award is neither a green award for the business crowd nor a business award for green crowd. "It's its own flavor," says Kate Troll, executive director of the Alliance.

A press release from the two groups describes the award as honoring "organizations, individuals and/or businesses that create solutions and innovations advancing" both environmental and development goals.

(The prize brings no money, said Troll, just "special recognition at an event hosted by both organizations," date yet to be determined. "We also anticipate giving the winner a piece of art and a certificate.")

"I've worked with Jules and I've worked with Peg and found them both to be very

reasonable, roll up the sleeves, let's get practical when dealing with the issues," Troll said. "When someone comes at it from that perspective, you may end up not agreeing, but you walk away with respect for where they're coming from."

TESTY TIMES

Jules and Peg grew up in nearby small towns in Indiana, where their families had known each other for years. Jules remembers the dress Peg wore the first time she caught his attention -- "it was yellow with flowers" -- but they didn't start dating until they were juniors at Earlham College, a Quaker school in Richmond, Ind.

As a favorite family story goes, after announcing their engagement, a professor caught Peg before she'd had her morning coffee and asked how the two of them met.

"We're cousins," she said.

"My stepmother and his grandfather were second cousins," Peg explained. "So it's convoluted."

"But it stops a conversation," Jules said.

"Very rapidly," said Peg.

Peg was teaching junior high school when Jules' work with the Department of the Interior brought them and their three young daughters to Alaska in 1972. They were going to stay two years. That was the life span of Jules' project, heading up Wild and Scenic Rivers studies, one of many leading to passage of the 1980 Alaska National Interest Lands Conservation Act. Those ANILCA years were the testiest of times. Dubbed by developers as the biggest land lockup the world had ever known and by environmentalists as conserving Alaska for future generations, ANILCA created more than 100 million acres of new national parks, refuges and other protected areas.

At the time, Jules was with the Bureau of Land Management, which would lose many of its prime holdings. Peg was on the board of the Alaska Center for the Environment, which had no problem with that.

Of the many lessons Peg learned from those days: "Don't write to the secretary of the interior while I'm working for the secretary of the interior," Jules said.

But hey, James Watt really ticked her off.

And then there was the time Jules was heading up environmental impact studies for a trans-Alaska liquefied natural gas pipeline while Peg was on the national Sierra Club board. And the Sierra Club was involved in a legal fight over the project. Technically, they weren't supposed to even talk to each other.

Both the Tilestons' resumes seem to list the work of several lifetimes: She as co-founder of Trustees for Alaska. He as special assistant to the commissioner of the Alaska Department of Natural Resources. She as a founder of Alaska Common Ground. He as co-author of the Implementing Reclamation Reform Act of 1982. She as editor of What's Up, a natural resource and environmental calendar distributed by e-mail. He as a board member of the Alaska Society of Outdoor & Nature Photographers.

And that's just a taste.

What is each's favorite accomplishment by the other?

For Peg, it's Jules' Wild and Scenic Rivers work.

And for him?

"It's very simple," he said. "She's tolerated me for 50-some years."

Find reporter Debra McKinney online at adn.com/contact/dmckinney.

PEG AND JULES TILESTON AWARD: Nominations are due by March 31. The forms can be found at

www.tilestonaward.com

Print Page) (Close Window)

Copyright © Thu Mar 13 2008 13:27:55 GMT-0800 (AKDT)1900 The Anchorage Daily News (www.adn.com)

Alaskans Against the MINING SHUTDOWN



Overview

ALASKANS SHOULD OPPOSE THE ANTI-MINING INITIATIVES

So-Called "Clean Water" Initiatives Would Shutdown Alaskan Mines, Jobs, Revenue and Opportunity.

INITIATIVES WOULD SHUT DOWN EXISTING MINES AND PROHIBIT FUTURE MINES

DNR's Director Of Mining, Land And Water Richard Mylius: "Mining will be impossible" under these initiatives. "The third prohibition in 07WATR prohibits the storage or disposal of metallic mineral mining wastes and tailings... All large-scale metallic mineral mines have wastes and tailings... Such wastes and tailings must be disposed of or stored in land or water. If land and water may not be used to store or dispose of wastes and tailings that generate chemicals. mining will be impossible."

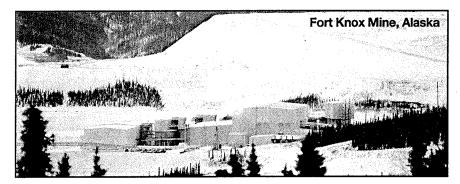
(Richard Mylius, Deposition In The Superior Court For The State Of Alaska Third Judicial District At Dillingham, 8/28/07, p. 3-4)

INITIATIVES WOULD ARBITRARILY OVERRIDE ENVIRONMENTAL AND SCIENTIFIC REVIEW PROCESS

- A decision to prohibit or allow a new or existing mining project should not be made until all necessary environmental studies have been completed.
- Alaskans benefit from a rigorous and open review process.

INITIATIVES WOULD SHUT DOWN THOUSANDS OF EXISTING AND FUTURE JOBS

- State report finds Alaska's mining industry employed over 3,000 full-time employees and added almost 200 new jobs in 2006.*
- A shutdown of Alaskan mining would affect thousands of jobs because mines and mining employees purchase goods and services from local businesses. **
- Mining workers live in over 100 communities throughout Alaska, often in rural areas where few other jobs are available. **
 - (Elizabeth Bluemink, "State Mineral Industry Value Rises More Than \$1 Billion," Anchorage Daily News, 3/22/07)
- ** (The McDowell Group, "The Economic Impacts of Alaska's Mining Industry," January 2008)



INITIATIVES WOULD SHUT DOWN SIGNIFICANT SOURCES OF REVENUE TO RURAL COMMUNITIES, NATIVE ALASKANS AND THE STATE

- Mining provides \$175 million a year in state government revenue through royalties, rents, fees, and taxes. **
- Mining provides \$14 million a year in local government revenue, including property taxes and payments in lieu of taxes. **
- Mining provides \$170 million a year in payments to Alaska Native Corporations. **
- An estimate by the state of Alaska predicts the initiative could cost the state billions in lost revenues. "One state estimate projected that the initiative could cost the state \$10 billion in lost revenues over the next 30 to 40 years." ***
- *** (Stefan Milkowski, "Clean Water Initiatives Aimed At Pebble Could Reach Far Beyond," Fairbanks Daily News-Miner, 1/2/08)

Alaskans Against the MINING SHUTDOWN



Initiatives will shutdown mining

Alaska Superior Court Judge says initiatives will BAN mining

"Accepting all of these arguments still leaves us with the conclusion that the new large metallic mines will be banned for the foreseeable future if the initiative becomes law."

"What the plaintiffs say instead is that 07WATR does not affect small mines, that it doesn't apply to existing mines and that by its terms the initiative 'merely places a number of restrictions upon how mining is done.""

"But accepting all of these arguments still leaves us with the conclusion that the new large metallic mines will be banned for the foreseeable future if the initiative becomes law, and it makes sense to start from this premise."(Memorandum Of Decision On Motions For Summary Judgment, 10/27/07)

> – Judge Fred Torrisi, Alaska Superior Court Judge

Alaska Mental Health Trust Land Office Executive Director says initiatives will SHUT DOWN mining

Initiatives would effectively prevent large scale metallic mineral mining on TLO and other lands.

"The adoption of 07WATR I <u>would effectively</u> prevent large scale metallic mineral mining on TLO and other lands. ... The adoption of 07WATR III, as it is written, also would effectively prevent large scale metallic mineral mining on TLO and other lands." (Notarized Affidavit In The Superior Court For The State Of Alaska, Fourth Judicial District At Fairbanks, 12/31/07)

> - Harry Noah, Executive Director, Alaska Mental Health Trust Land Office and Former DNR Commissioner

Initiatives would shut down existing mines and prohibit future mines

Mining will be impossible under initiatives.

The third prohibition in 07WATR prohibits the storage or disposal of metallic mineral mining wastes and tailings "All large scale metallic mineral mines have wastes and tailings. . . . Such wastes and tailings must be disposed of or stored in land or water. If land and water may not be used to store or dispose of wastes and tailings that generate chemicals, mining will be impossible." (Deposition In The Superior Court For The State Of Alaska Third Judicial District At Dillingham, 8/28/07, p. 2-3)

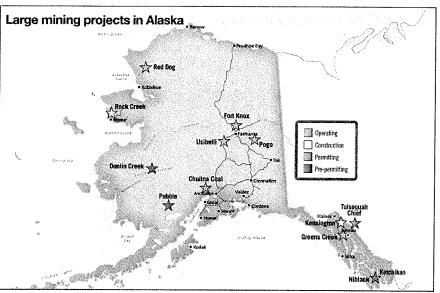
- Richard Mylius, DNR, Director of Land & Water State of Alaska

- Richard Mylius, DNR, Director of Land & Water

State of Alaska

Initiatives would prohibit existing mines from renewing or obtaining new permits.

"In sum, if the bill proposed by 07WATR were to be enacted into law, <u>it</u> would effectively prohibit new large scale metallic mineral mines in Alaska. <u>It would make new mining impossible</u>. To the extent that the bill applies to existing large scale metallic mineral mines, it would prohibit such mines from expanding or obtaining new or renewing permits. Many of the authorizations for existing large mines require periodic revision and renewal, this bill could prevent such renewals." (Deposition In The Superior Court For The State Of Alaska Third Judicial District At Dillingham, 8/28/07, p. 4)



Initiative's exemption for existing mines wouldn't work.

"The first clean water initiative exempts major mines that have all their operating permits by the time the initiative goes into effect. Mylius said the exemption likely wouldn't work because existing mines often need new permits."

– Stefan Milkowski Fairbanks News Miner 1/2/08 Contact: Willis Lyford 907-868-3202

March 12, 2008 — Alaskans Against the Mining Shutdown (AAMS) today announced that Cynthia Toohey of Anchorage will serve as Chair of the group's citizens committee.

Cynthia Toohey is a longtime Alaskan and registered nurse whose family has a long history in mining in Alaska. Ms. Toohey served as a state legislator from West Anchorage from 1992 to 1996. She serves on the board of Alaska Regional Hospital and LifeAlaska, an organ donation organization, and has been active in cancer research and education in Alaska.

Cynthia Toohey and her family have a strong connection to mining in Alaska. The Toohey family has owned and operated the historic Crow Creek Mine in Girdwood for nearly 40 years. A working gold mine, Crow Creek has been run by numerous members of the Toohey family over the last four decades.

About Alaskans Against the Mining Shutdown

Alaskans Against the Mining Shutdown is a statewide coalition concerned about the negative effects of two proposed ballot initiatives on the mining industry.

By devastating a growing sector of the Alaskan economy, the proposed mining shutdown initiatives would rob Alaskan communities and the Alaska Native population of a significant source of jobs and revenue. The proposals would arbitrarily override the state and federal environmental and scientific review process.

Among the groups already publicly opposing the anti-mining ballot measures are the Alaska Federation of Natives (AFN), the Alaska State Chamber of Commerce, and the ANSCA Regional Corporation President's Association, representing the leaders of many Alaska Native corporations.

207 East Northern Lights Blvd., Suite 200 Anchorage, Alaska 99503 | Tel: 907 868 3202 | Fax: 907 868 4049



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

121 West Fireweed Lane, Suite 250 Anchorage, Alaska 99503 (907) 276-0700

www.akrdc.org

Membership Application

Resource Development Council for Alaska, Inc. 121 W. Fireweed Lane, Suite 250 Anchorage, AK 99503-2035 Phone: (907) 276-0700 Fax: (907) 276-3887

Name:	
Title:	
Company:	
Mailing Address:	
City/State/Zip:	
Phone Numbers Wk:	
Email Address:	
Website Address:	
Referred by:	

Ann	ual Membershi	ip Categories	
	<u>Corporate</u>	Individual	
Platinum	\$3000 or more	\$500 or more	10 10 10 10 10 10 10 10 10 10 10 10 10 1
Gold	\$1500	\$300	
Silver	\$ 750	\$150	
BASIC	\$ 500	\$ 75	

Please circle 1 or 2 topics of most interest:

Oil & Gas • Timber • Mining • Fisheries • Transportation • Agriculture Energy • Labor • H2O • Tourism • Land (Wetlands)

Method of payment: Enclosed is a check for: \$_____ or

MC/VISA/AMEX#

Exp. Date:

The **Resource Development Council for Alaska**, **Inc.** is classified a non-profit trade association under IRS Code 501(c)(6). Membership dues and other financial support may be tax deductible as an ordinary and necessary business expense, however, 15.9% of the dues are non-deductible. Dues are not deductible as charitable contributions for federal income tax purposes.



Alaska Coal Association



Coal Classic

Golf Tournament

Wednesday, June 18, 2008 at Anchorage Golf Course

Registration & Hosted Driving Range 6:00 a.m., Shotgun Start 7:00 a.m.

Proceeds benefit the Alaska Mineral & Energy Resource Education Fund

AMEREF is an industry-state partnership whose mission is to provide Alaska's students with the knowledge to make informed decisions relating to mineral, energy, and forest resources. AMEREF is a 501(c)(3) non-profit, tax ID number 92-0117527

SPONSORSHIP OPPORTUNITIES

_____ \$500 Beverage Cart/Station Sponsor

_____ \$400 Breakfast Sponsor

____ \$600 Lunch Sponsor

_____ \$1,000 Par-3 Poker Sponsor

_____ \$200 Driving Range Sponsor

\$300 Hole Sponsor

ENTRY FORM

\$800 Team (four players) (*Register early - Maximum 36 teams*) _ \$250 Individual Golfer

Great Prizes and Lunch Included

Team Name	·		
Players _			
-	(We do not i	ueed your golf handicaps)	
Contact pers	son		
Address			
Phone		Email	
VISA/Maste	erCard	Expiration	
Return this form with your check payable to AMEREF			

121 W. Fireweed Lane, Suite 250 Anchorage, AK 99503 • Fax 907-276-3887 • golf@ameref.org **Please register by Wednesday, June 4, 2008**