

BREAKFAST MEETING

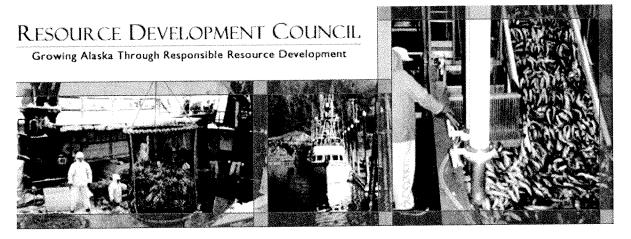
Thursday, April 2, 2009

- 1)Call to order Rick Rogers, President
- 2)Self Introductions
- 3)Headtable Introductions
- 4) Staff Report: Carl Portman, Deputy Director
- 5)Program and Keynote Speaker:

The Seafood Industry In Alaska's Economy David Benton, Executive Director, Marine Conservation Alliance

Next Meeting: April 16: Kim Elton, Special Advisor for Alaska Affairs, Office of the Secretary, U.S. Department of the Interior

Please add my name to RDC's mailing list



Alaska's Fishing Industry

Background

With over 3 million lakes, 3,000 rivers and 34,000 miles of coastline, Alaska is one of the most bountiful fishing regions in the world, producing a wide variety of seafood. Five types of salmon, three species of crab, many kinds of groundfish, shrimp, herring and Pacific halibut are all harvested from Alaska. The Alaskan Pollock fishery is the largest fishery in the world, harvesting upwards of 2 billion pounds annually. The Alaska salmon industry is the only and largest salmon industry in the world to be certified as sustainable by the Marine Stewardship Council. Alaska's state fish, the King salmon, can weigh up to 100 pounds. The state marine mammal is the bowhead whale.

Alaska is the only state to have coastlines on three different seas: Arctic Ocean, Pacific Ocean and Bering Sea. Fifty percent of the nation's commercially harvested fish come from Alaska, nearly four times more than the next largest state. Eight of Alaska's ports consistently rate in the top 30 U.S. ports in terms of volume and value of seafood delivered. Dutch Harbor-Unalaska and Kodiak have consistently ranked as the top ports in the nation in terms of seafood value and pounds harvested.

Seafood has been and remains Alaska's top export commodity. In 2007, the value of the state's seafood exports was the second highest ever at \$1.98 billion, a 1.9 percent decrease from the previous record year. This amounted to 51 percent of the state's total exports. Japan was Alaska's largest customer of seafood, accounting for \$588 million of Alaskan seafood exports, a decrease of 19 percent from 2006. Exports to China increased 27.1 percent to \$411 million while exports to Korea decreased 14 percent to \$306 million. The ratio of total value to total volume for seafood exports increased in 2007 over 2006.

The vast fishery resources of Alaska are of tremendous importance to the economies of the state and the nation. In recent years, commercial fishermen have landed over 5 billion pounds of fish and shellfish annually worth over \$1 billion. These resources are self-renewing if properly managed, and it is the mission of both state and federal fishery management agencies to maximize the production of seafood and economic benefits for generations to come.

Many Alaskans rely heavily on their fisheries for subsistence. Fish comprises 60 percent of subsistence foods taken each year and 95 percent of rural households consume subsistence-caught fish.

Facts & Economic Impact

• The Alaska Department of Fish and Game is forecasting a total harvest of approximately 137 million salmon in 2008, making this year the 18th largest harvest since 1960. The total harvest is expected to be comprised of an estimated 672,000 chinook salmon, 47.1 million sockeye salmon, 4.4 million coho salmon, 66 million pink salmon and 18.7 million chum salmon.

- Both the two largest pink salmon producing areas in the state, Southeast and Prince William Sound, are expected to have modest returns in 2008 and are the reasons the total Alaskan pink salmon harvest could be the smallest harvest since 1992. In contrast, the sockeye and chum salmon harvest in the state is expected to be up in 2008. Bristol Bay is anticipating one of its larger sockeye harvests in recent years and the overall statewide sockeye harvest is expected to be among the top ten since 1960.
- Over 5.9 billion pounds of fish and shellfish worth at least \$1.4 billion were harvested in Alaska waters in 2006. This was the highest exvessel value since 1999 and the highest value in the past ten years. The total exvessel value comprises \$346 million from salmon, \$148 million from shellfish, \$164 million from halibut, \$8 million from herring and \$758 million from groundfish.
- Preliminary estimates for 2007 indicate commercial fishermen harvested 212 million salmon, which had an estimated total value of \$374 million. The harvest was the fourth largest since statehood, about 33 million fish above the preseason forecast and above the most recent ten-year average of 164 million fish.
- The preliminary statewide total exvessel value of the 2007 salmon harvest was nearly \$28 million higher than the final exvessel value in 2006, and significantly higher than the most recent ten-year average of \$277 million.
- Bristol Bay's sockeye salmon harvest of 29.5 million fish was the tenth largest since 1983. The preliminary exvessel value of \$106 million was slightly lower than the final 2006 Bristol Bay sockeye value of \$108 million.
- The statewide 2007 pink salmon harvest of 143 million fish was the third largest since statehood. It compares to the all-time record harvest of 161 million fish in 2005, and is well above the long term historical average of 64.8 million fish. The statewide chum harvest of 17.3 million fish ranks within the top 10 harvests of all time, with an exvessel value of \$39.5 million, compared to the most recent ten-year average of \$32 million.
- The 2007 Norton Sound coho salmon harvest of 126,000 fish ranks second only to the 2006 record harvest of 131,000 fish. In the Port Clarence District, there was a commercial salmon fishery, targeting sockeyes, for the first time since 1966.
- Recent salmon returns to the Arctic-Yukon-Kuskokwim region provided further indications that salmon stocks in northwestern Alaska are recovering from a period of poor productivity that resulted in some closures of the region's commercial and even subsistence fisheries.
- In recent years, the fishing industry generated more than 49,000 jobs. However, many of these jobs were of short seasonal duration, ranging from one week to several months. On a monthly average adjusted basis, there were 6,700 direct jobs in Alaska attributed to the fishing industry, generating nearly \$1 billion in gross earnings.
- Fish harvesting and processing combined accounted for six percent of all jobs in Alaska. Alaska residents were responsible for approximately 40 percent of the total industry harvest value and 20 percent of the volume was captured by Alaskans.
- Fishing is the core economy for much of coastal Alaska where fish harvesting and processing often provide the only significant opportunities for private sector employment and where fisheries taxes are the largest source of local government revenues.
- Salmon generate more jobs than any other fishery, but in terms of value and volume of the catch, the state's largest fishery is groundfish where a fairly small number of boats catch an enormous amount of fish, predominantly Pollock.
- Southwestern Alaska has had the largest share of fish harvesting employment, at nearly 44 percent. It's also the region that suffered the steepest loss from 2000 to 2002, a 25 percent decline in employment. Of more than 900 jobs lost over those two years, 83 percent were in the salmon fishery.
- Revenues generated by the fishing industry in 2007 totaled more than \$65 million to the State of Alaska. These revenues ranged from fish processing and corporate taxes to fishery resource landing taxes, license fees, and seafood marketing assessments.
- There are about 7,000 active fishing permit holders in Alaska and at least 2,800 of those had Alaska wage and salary employment.
- The Community Development Quota (CDQ) is a unique fishery management system that allocates a portion of the total allowable catch for all federally-managed Aleutian Island and Bering Sea fishery species to eligible communities in Western Alaska for use

in community development. Since its 1992 inception, CDQ has injected over \$200 million into Western Alaska and generated over \$45 million in wages, education and training benefits.

Web Links

- http://www.adfg.state.ak.us/
- http://www.labor.state.ak.us/
- http://www.dced.state.ak.us/oed/seafood/seafood.cfm

Sources

- Alaska Department of Fish & Game
- Alaska Department of Labor
- Alaska Seafood Marketing Institute
- World Trade Center Alaska

Resource Development Council for Alaska, Inc. 121 West Fireweed, Suite 250 Anchorage, AK 99503 resources@akrdc.org Phone: 907.276.0700 Fax: 907.276.3887



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Executive Director Jason W. Brune

2008-2009 Executive Committee Rick Rogers, President Wendy Lindskoog, Sr. Vice President Phil Cochrane, Vice President

RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

March 30, 2009

Mr. Eric Olson, Chairman North Pacific Fishery Management Council 605 W. 4th Avenue, Suite 306 Anchorage, Alaska 99501

Re: Salmon Bycatch in the Bering Sea

Dear Chairman Olson:

The Resource Development Council for Alaska (RDC) appreciates the opportunity to submit comments to the North Pacific Fishery Management Council on salmon bycatch in the Bering Sea.

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.

The pollock fishery provides needed jobs and economic opportunities to many coastal communities in Alaska. RDC urges the Council to consider the impact a hard cap could potentially have on these coastal communities through decreased employment and revenues. Mitigating options, such as salmon exclusion equipment should be carefully considered.

RDC requests the Council remain cautious when making a final decision on salmon bycatch regulations, and encourages ongoing assessment of this very sensitive and important issue.

Thank you for the opportunity to provide comment.

Sincerely,

MARIESUMS DOTO

Marleanna Soto Projects Coordinator

Stephanie Madsen, Secretary Tom Maloney, Treasurer John T. Shively, Past President Patty Bielawski Allen Bingham Marilyn Crockett Steve Denton Eric Fjelstad **Jeff Foley** Stan Foo Paul S Glavinovich Craig A. Haymes Len Horst Teresa Imm Erec Isaacson Tom Lovas Ethan Schutt Scott Thorson Cam Toohey Directors Greg Baker Jason Bergerson Bob Berto John Binkley Frank M. Brown Al Burch Patrick Carter James L. Cloud Stephen M. Connelly Bob Cox Paula P. Easley Ella Ede Mark Eliason **Ioe Everhart** Carol Fraser Becky Gay Charles J. Greene Scott Habberstad Mark Hanley Karl Hanneman Rick P. Harris Tom Henderson Becky Hultberg Bill Jeffress Mike Jungreis Diane Keller Frank V. Kelty Kip Knudson Thomas G. Krzewinski John MacKinnon David L. Matthews Karen Matthias Mary McDowell Ron McPheters James Mery Denise Michels Lance Miller Jim Palmer Tom Panamaroff Lisa Parker **Judy Patrick** Debbie Reinwand Elizabeth Rensch Ralph Samuels Keith Sanders Lorna Shaw Kenneth Sheffield Keith N. Silver **Tiel Smith Robert Stiles** eanine St. John John L. Sturgeon Jim Taro **John Williams** John Zager **Ex-Officio Members** Senator Mark Begich

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RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

February 17, 2009

The Resource Development Council for Alaska (RDC) appreciates the opportunity to submit comments on the proposed Critical Habitat designation for the Southwest Alaska Distinct Population Segment of the northern sea otter.

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.

Subsection (5)(C) of Section 3 of the Endangered Species Act of 1973 (ESA) states "... critical habitat shall not include the entire geographical areas which can be occupied by the threatened or endangered species." We feel 15,000 square kilometers is excessive and the proposed critical habitat areas should be significantly decreased.

Sea otters have long lived in conjunction with fishing, transportation, oil & gas development, and other related activities. Indeed the most likely cause of decline of this stock of sea otters is through orca predation. As was demonstrated through the recent stellar sea lion example, the impacts to the economy and the welfare of the people living in the affected areas through the designation of such excessive critical habitat could be extreme.

The ESA specifically allows for areas to be excluded from critical habitat for economic reasons. Subsection (2) of Section 4 of the ESA, "The Secretary may exclude any area from critical habitat if he determines that the benefits of such exclusion outweigh the benefits of specifying such area as part of the critical habitat, unless he determines, based on the best scientific and commercial data available, that the failure to designate such area as critical habitat will result in the extinction of the species concerned."

In specific, RDC requests the Secretary exclude the following areas of proposed critical habitat from the final rule for economic considerations, as doing so will not lead to the extinction of this stock of sea otters:

- 1. Areas surrounding activities relating to existing fishing and transportation on islands, including, but not limited to: Attu, Atka, Adak, Unalaska, Akutan, Kodiak and Afognak. Fishing alone is often the largest taxpayer for many coastal communities. Over 50% of our nation's total fishing catch comes through these ports.
- 2. Areas immediately surrounding established villages and existing transportation access for the villages in the area. Barging is a lifeline to many communities in this area, and jobs in transportation are vital.

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- 3. Areas where State of Alaska oil & gas leases have been issued, including but not limited to, Herendeen Bay and Port Moller. These areas are likely rich in natural gas and continued access may improve the nation's domestic energy situation, provide needed economic stimulus to coastal communities and the state, and generate new jobs for local residents.
- 4. Areas in western Cook Inlet, into the Lake Iliamna area from Williamsport which will be used for fuel and supplies for residents as well as for potential large scale mining projects, including the Pebble Project which could bring needed economic diversification into the region.
- 5. Areas used for access by logging transportation around the Kodiak archipelago, including, but not limited to Kazikof Bay on Afognak Island. The presence of ship mooring buoys, log storage areas, and log transfer facilities are essential to logging. Nearly 40 million board feet per year generating 100 logging and related longshoreman jobs on Afognak are a major source of income for the village of Ouzinkie, where other economic opportunities are extremely limited.

Thank you for the opportunity to comment on this important issue.

Sincerely,

MARIESIMA DOTO

Marleanna Soto Projects Coordinator



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

RDC Comment Letter: Support of HB20-Fisheries Loans for Energy Efficiency

February 3, 2009

Representative Bryce Edgmon, Chairman House Fisheries Committee Alaska State Legislature State Capitol, Room 416 Juneau, AK 99801

RE: HB20-Fisheries Loans for Energy Efficiency

Dear Representative Edgmon:

On behalf of the Resource Development Council for Alaska, Inc., (RDC), I am writing in support of HB20-Fisheries Loans for Energy Efficiency.

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.

Throughout the last several years, Alaskans have been struggling with high energy costs. Fuel costs and usage have escalated as fisherman are required to go further out for catch due to impacts from endangered species listings, critical habitat designations, marine protected areas, and fish movement. Opportunities to improve energy efficiency through state loans are important not only for the pocket books of the fisherman who harvest over half of this nation's total catch, but also for the environment—increased efficiency will likely lead to lower costs and ultimately decreased carbon emissions.

We encourage the committee to vote in favor of this bill. Thank you for your consideration.

Sincerely, Resource Development Council for Alaska, Inc.

> Resource Development Council for Alaska, Inc. 121 West Fireweed, Suite 250 Anchorage, AK 99503 <u>resources@akrdc.org</u> Phone: 907.276.0700 Fax: 907.276.3887



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

March 30, 2009

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Representative Craig Johnson and Representative Mark Neuman, Co-Chairmen House Resources Committee Alaska State Legislature State Capitol Juneau, AK 99801

Re: HJR28, Urging the President and U.S. Congress not to restrict energy exploration, development, and production in federal and state waters around Alaska

Dear Representative Johnson and Representative Neuman:

On behalf of the Resource Development Council for Alaska, Inc., (RDC), I am writing in support of HJR28, which urges the President and U.S. Congress not to restrict energy exploration, development, and production in federal and state waters around Alaska.

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.

Oil and gas resources located in the Outer Continental Shelf out to 200 miles are vital to the economic viability of a gas pipeline to the Lower 48 and the continued operation of the Trans Alaska Pipeline System. Indeed, an additional 15 TCF of natural gas must be discovered for either the Trans-Canada or Denali pipeline projects to be economically viable over the long term. In addition, throughput in TAPS continues its decline from 2.1 million barrels of oil per day in the late 80s to one-third of that today. This trend can be reversed with production from the OCS where we should be encouraging development, not hampering it.

No one has more care for the environment than Alaskans, and OCS development has a strong track record. It has coexisted with other industries including fishing, in Cook Inlet, the North Sea, and the Gulf of Mexico. Energy exploration, development, and production in federal and state waters around Alaska will occur in an environmentally-sensitive and responsible manner overseen by the strongest of regulatory regimes. When necessary, seasonal operating restrictions and mitigation measures to avoid conflicts with other resource users will be employed.

Given the nation will remain heavily reliant on oil and gas development for decades, America must harness the significant energy resources beneath its most promising onshore and offshore oil and gas basins. It is important to take into consideration, when formulating public policy, that for every barrel of oil America refuses to develop domestically, it will have little choice but to import an equal amount from overseas – where weaker environmental regulations often apply.

With the impact high-energy prices have on Americans and their economy, the U.S. has a moral obligation to develop domestic energy sources, and the OCS is the ideal location. The resources located in the OCS will buy us the time we need to develop the alternative and renewable energy resources that will someday break our reliance on foreign oil. We encourage the Committee to vote in favor of this resolution. Thank you for your consideration.

Sincerely,

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Jason Brune Executive Director



Founded 1975

Executive Director

Jason W. Brune 2008-2009 Executive Committee

Phil Cochrane, Vice President Stephanie Madsen, Secretary

Rick Rogers, President Wendy Lindskoog, Sr. Vice President

RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

March 27, 2009

Representative Stoltze and Representative Hawker House Finance Committee Alaska State Legislature, State Capitol Juneau, AK 99801

RE: HB127-Subjecting the Alaska Railroad to the Executive Budget Act

Dear Representative Stoltze and Representative Hawker:

On behalf of the Resource Development Council for Alaska, Inc., (RDC), I am writing in opposition of HB127-Subjecting the Alaska Railroad to the Executive Budget Act.

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.

Unfortunately, HB 127 seeks to make a fundamental change in the operation of the railroad, despite the fact that the current operational structure has served the state well for over 20 years and has produced substantial benefits for Alaska since it was acquired from the federal government in 1985. The Alaska Railroad is a well-run, self-sustaining transportation asset that has provided safe, economical, and efficient transportation services to residents, visitors, the military, and many of RDC's members. Since the railroad fell under state ownership, it has been profitable for 20 years and it has made hundreds of millions of dollars in capital improvements.

An in-depth assessment of the Alaska Railroad conducted before the transfer to state ownership determined that most of the financial problems encountered under federal ownership resulted from following federal budgeting procedures rather than allowing its management to develop operating and capital programs on the same basis as a privately-owned railroad. I think it is imperative we heed the advice of this assessment and not doom the railroad to a similar fate where we would only have ourselves, but more importantly our elected officials, to blame.

In concluding, the business model as it exists today works very well for the Alaska Railroad. Although the railroad is exempt from the Executive Budget Act, there is still significant state oversight over operation and management practices. Our members believe the railroad provides a valuable, efficient service. We are proud of the fact that it pays its own way and has a good relationship with its customers, nearly all of whom are members of RDC. In our view, it makes no sense to make sweeping changes when something isn't broken. Thank you for your consideration.

Sincerely,

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Jason W. Brune, Executive Director

Tom Maloney, Treasurer John T. Shively, Past President Patty Bielawski Allen Bingham Marilyn Crockett Steve Denton Eric Fielstad Jeff Foley Stan Foo Paul S. Glavinovich Craig A. Haymes Len Horst Teresa Imm Erec Isaacson Tom Lovas Ethan Schutt Scott Thorson Cam Toohev Directors Greg Baker Jason Bergerson Bob Berto John Binkley Bruce Botelho Frank M. Brown Al Burch Patrick Carter James L. Cloud Stephen M. Connelly Bob Cox Paula P. Easley Ella Ede Mark Eliason **Ioe Everhart** Carol Fraser Becky Gay Charles J. Greene Scott Habberstad Mark Hanley Karl Hannemar Rick P. Harris Tom Henderson Becky Hultberg Bill Jeffress Mike Jungreis Diane Keller Frank V. Kelty Kip Knudson Thomas G. Krzewinski John MacKinnon David L. Matthews Karen Matthias Mary McDowell Ron McPheters James Mery **Denise Michels** Lance Miller Jim Palmer Tom Panamaroff Lisa Parker **Judy Patrick** Debbie Reinwand Elizabeth Rensch Ralph Samuels Keith Sanders Lorna Shaw Kenneth Sheffield Keith N. Silver **Tiel Smith Robert Stiles** eanine St. John John L. Sturgeon Jim Taro John Williams John Zager **Ex-Officio Members** Senator Mark Begich Senator Lisa Murkowski

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RDC Action Alert: Offshore energy hearing, Tuesday, April 14th in Anchorage

Overview:

U.S. Interior Secretary Ken Salazar will host a public hearing in Anchorage on Tuesday, April 14 to present findings on Outer Continental Shelf (OCS) energy resources and take comments from the public, state and local community officials, advocacy groups, and energy producers on offshore development. The meeting will be held at the Dena'ina Convention Center beginning at 9 a.m.

The Obama administration intends to develop a new offshore energy plan over the next six months. Secretary Salazar is seeking input on where and how his department should move forward in developing the traditional and renewable energy resources of the OCS. Unlike earlier hearings, this meeting will not focus on specific lease sales. It will gauge public opinion on the development of an offshore energy plan that will likely emphasize renewable energy, with some new oil and gas development in certain areas, but not necessarily in Alaska. It is vital the Secretary hear from Alaskans who support offshore energy development off the coast of Alaska.

Points to consider for your testimony:

• A comprehensive energy plan for the nation must include Alaska, which accounts for over 30 percent of the nation's technically recoverable oil and gas resources.

• OCS development has an outstanding safety and environmental record spanning decades in Cook Inlet, the Gulf of Mexico, the North Sea and elsewhere.

• Oil and gas production can occur in a responsible manner under a strong regulatory system, seasonal operating restrictions as needed, and mitigation measures to avoid conflicts with other resource and subsistence users.

• The Alaska OCS is an important future source of U.S. energy supply with an estimated 27 billion barrels of oil and 132 trillion cubic feet of natural gas potentially in place. By comparison, total production from the North Slope since 1977 has been approximately 15.5 billion barrels.

• The Chukchi Sea is considered the nation's most prolific, unexplored offshore basin in North America.

• Access to Alaska's OCS resources may be a key element in the economic feasibility of the proposed natural gas pipeline from the North Slope to the Lower 48. Additional gas reserves beyond those already discovered are needed to make the project economic.

• Access to the OCS will help reverse the decline in North Slope oil production and increase throughput in the trans-Alaska oil pipeline, which is currently operating at one-third capacity.

• Development of both conventional and renewable energy resources offshore Alaska are vital to the economy.

• OCS production in Alaska would provide many benefits, including hundreds of new jobs in rural and urban areas, additional tax income to the state and local governments, new local sources of fuel and energy, and improved search and rescue operations.

• OCS revenue sharing is an effective means to address impacts to local communities. It should be enacted in Alaska.

• Given demand for energy will rise as the economy recovers, America must continue to pursue new oil and gas development, even as the nation slowly transitions to the new energy sources of the future.

• Increased emphasis on renewable energy should not preclude or require less oil and gas development. America needs more of both to reduce its reliance on foreign oil.

• For every barrel of oil America refuses to develop domestically, it will have little choice but to import an equal amount from overseas – where weaker environmental regulations often apply.

Mark your calendar and plan to present brief comments on Tuesday, April 14th

2 3	Submitted by: ASSEMBLY MEMBER BIRCH Reviewed by: Assembly Counsel CLERK'S OFFICE For reading: March 24, 2009 APPROVED 3-24-69 ANCHORAGE, ALASKA AR NO. 2009–80 A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY TO SUPPORT NEW OIL AND GAS LEASE SALES IN THE ALASKA OUTER CONTINENTAL SHELF INCLUDING IN THE CHUKCHI AND BEAUFORT SEAS.				
4 5 6 7 8 9	WHEREAS, the U.S. Minerals Management Service seeks comments on the development of energy resources in the Outer Continental Shelf (OCS) and intends to use such input to develop an energy plan over the next six months for offshore areas; and				
 WHEREAS, leasing, exploration and development of both conventional a renewable energy resources offshore of Alaska are vital to the economy; and 					
13 14 15 16	WHEREAS, Outer Continental Shelf development could be a significant driver of the next generation of economic activity by extending the duration of the petroleum industry in the state; and				
17 18 19 20 21	WHEREAS, Outer Continental Shelf production in Alaska would provide many benefits, including thousands of new jobs in rural and urban areas, additional tax income to the state and local governments, new local sources of fuel and energy, and improved search and rescue operations; and				
22 23 24 25	WHEREAS, access to the Chukchi Sea and Beaufort Sea Outer Continental Shelf resources may be a key factor in the economic feasibility of the proposed natural gas pipeline from the North Slope to the Lower 48; and				
26 27 28 29 30 31 32 33	WHEREAS, a comprehensive energy plan for the nation must include Alaska, which accounts for over 30 percent of the nation's recoverable oil and gas resources; and				
	WHEREAS, the Alaska Outer Continental Shelf is an important future source of U.S. energy supply with an estimated 27 billion barrels of oil and 132 trillion cubic feet of natural gas potentially in place; and				
34 35 36 37	WHEREAS, The Chukchi Sea is considered the most prospective unexplored offshore basin in the U.S.; and				

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AM 186-2009

AR 2009-80 Page 2 of 2

WHEREAS, the responsible development of Alaska's offshore energy resources would help meet future U.S. energy demand and offset declining production from mature basins; and

WHEREAS, Outer Continental Shelf development has an outstanding safety and environmental record spanning decades in Cook Inlet, the Gulf of Mexico, the North Sea and elsewhere; and

WHEREAS, oil and gas production can move forward in the Alaska Outer Continental Shelf in an environmentally-sensitive and responsible manner through a strong regulatory regime, state-of-the-art oil spill response, seasonal operating restrictions as needed, and mitigation measures to avoid conflicts with other resource and subsistence users; and

WHEREAS, revenue sharing from the Outer Continental Shelf with local communities should be enacted to help address local economic impacts; and

WHEREAS, demand for energy will continue and development of the nation's oil and gas resources is necessary in the transition to the new energy sources of the future; and

WHEREAS, increased emphasis on renewable energy does not preclude or require less oil and gas development as the nation works to reduce its reliance on foreign oil;

NOW, THEREFORE, THE ANCHORAGE ASSEMBLY HEREBY RESOLVES:

- 1. The Municipality of Anchorage strongly supports new oil and gas leasing, exploration, development and production in the Outer Continental Shelf of Alaska, including in the Chukchi and Beaufort Seas.
- 2. This Resolution of the Anchorage Assembly shall be presented to United States Secretary of the Interior Kenneth Salazar.

PASSED AND APPROVED by the Anchorage Assembly this 24^{μ} day of March__, 2009.

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ATTEST:

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FOR IMMEDIATE RELEASE

No. 09-65

Governor Announces Alaska's Exports Remain Strong Alaska's 2008 exports at \$3.6 billion

March 26, 2009, Anchorage, Alaska - Governor Sarah Palin today announced another strong year for Alaska's trade performance. The value of the state's exports reached \$3.6 billion in 2008, the fourth-best year ever for exports.

"Alaskans benefit from export activity. Given what is happening in economies around the world, it's clear that Alaska's economy remains strong and our resources are still highly valued," said Governor Palin.

The governor noted Alaska's international activity also includes more than just export of natural resources. International interest in Alaska creates jobs across the state. In addition to traditional export of goods and services, there are Alaskans working in the visitor industry, at the state's international ports and airports, and in education and language programs.

The \$3.6 billion in Alaska exports represents an 11 percent decline from the previous year. World commodity prices and demand are beyond any state's control. The decrease in the value of the Alaska's 2008 exports comes as prices for key resources fluctuated worldwide.

The value of Alaska's gold exports rose on smaller export volume, to \$143 million. Zinc prices, which have driven the value of Alaska's total exports to the highest levels ever in the past two years, declined during 2008. The total value of zinc, lead and copper ore exports was \$691 million.

Japan remains Alaska's top export market at \$1.1 billion, followed by China at \$733 million, Canada at \$370 million, Korea at \$366 million, Germany at \$208 million, and Switzerland at \$148 million.

In 2008, the value of Alaska's annual seafood exports was \$1.8 billion, the fourth-highest year ever and a 9.1 percent decrease from the previous year. Alaska exported \$553 million to Japan, the state's largest seafood export market, \$404 million to China, \$226 million to Korea, \$168 million to Germany, and \$449 million to other markets around the world.

"Wild Alaskan seafood is the cleanest, healthiest, tastiest protein on earth, and more people are discovering it everyday. We're fortunate to have the Alaska Seafood Marketing Institute pushing hard for our wonderful seafood in key international markets," said Governor Palin. "We want to increase the value of our state's sustainable fisheries in every way possible."

In 1999, Alaska seafood exports to Europe accounted for less than 5 percent of the total seafood exports. In 2008, European markets continued their upward trend in importance to

the Alaska seafood industry and accounted for 24.7 percent of the value of Alaska's seafood exports.

The state's 2008 energy exports of \$501 million included \$322 million of Liquefied Natural Gas to Japan. The export of LNG to Japan has occurred on a regular basis since 1969. In 2008, the operators of the LNG plant on the Kenai Peninsula received a two-year extension of the federal export license through 2011.

Refined petroleum product exports from Alaska in 2008 totaled \$156 million to China, Canada, and Japan. The value of the state's coal exports grew in 2008 to \$23 million of sales to Pacific Rim countries.

The rising price of gold brought the value of Alaska's 2008 export of gold to \$143 million from \$131 million in 2007. Switzerland is the major market for Alaska's gold exports.

High world-market prices increased the value of Alaska's zinc and lead ore exports in 2006 and 2007, more than tripling the value of those exports in less than three years. The 2008 drop in zinc prices has resulted in mineral exports valued at \$691 million compared to \$1.3 billion in 2007 on slightly smaller volume. Red Dog Mine, in northwest Alaska, is the world's largest zinc mine. Canada was Alaska's largest ore market in 2008 followed by Japan, China, Korea, Germany, Belgium, Finland, Spain, and Mexico.

The value of Alaska's 2008 export of forest products was \$83 million, down 3.23 percent, primarily to Japan, Korea and China.

The source of the Alaska export numbers is the U.S. Census Bureau. The numbers do not reflect Alaska resources first transported to and warehoused in other U.S. states before export. For more information, contact trade specialist Patricia Eckert at (907) 269-7450.

Charts of Alaska's exports and exports by commodity and country can be found at: http://www.gov.state.ak.us/pdf/AlaskaExportCharts2008.pdf

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Alaska Coal Association

Coal Classic



Golf Tournament

Wednesday, June 17, 2009 at Anchorage Golf Course Breakfast, Registration & Hosted Driving Range 6:00 am, Shotgun Start 7:00 am 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 related to mineral, energy, and forest resources. AMEREF is a 501(c)(3) non-profit, tax ID #92-0117527

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Please register by Wednesday, June 3, 2009