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BREAKFAST MEETING

Thursday, May 2, 2013

1. Call to order – Phil Cochrane, President
2. Head table Introductions
3. Program and Keynote Speaker:

CIRI: Harnessing Potential, Powering Growth

Sophie Minich, President and CEO, Cook Inlet Region, Inc.

Upcoming Breakfast Meeting

Thursday, May 16: Chris Aadnesen, President, Alaska Railroad Corporation

Please add my name to RDC's mailing list:

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Action Alert: Bristol Bay Area Plan
Comment Deadline is May 6, 2013

Overview:

The State of Alaska Department of Natural Resources (DNR) is taking public comment on the proposed draft determination of reclassification and plan amendment to the 2005 Bristol Bay Area Plan (BBAP). The comment period closes on May 6, 2013.

The BBAP will manage approximately 19 million acres of State land. Much of the lands in the BBAP are resource rich, and much of the area is designated for mining.

DNR agreed to a plan amendment process as part of a stipulation entered into between the DNR and the plaintiffs in a lawsuit, Nondalton Tribal Council et al. v. State of Alaska, 3DI-09-46CI. The plaintiffs in the lawsuit include the Nondalton Tribal Council, Trout Unlimited, and other entities, opposed to mining activities in the area.

Many of the issues raised by the plaintiffs in that case concern the management approach and classification changes in the 2005 BBAP from the 1984 BBAP. Plaintiffs and other groups that oppose resource development, particularly mining exploration and development, claim the 2005 BBAP favors mining above all other uses and fails to adequately protect wildlife habitat and subsistence.

Please consider submitting your own comments to rebut these claims by those who oppose managing state lands for multiple uses.

The plan amendments are generally technical in nature. Among other changes, the proposed reclassification would increase the lands classified for "wildlife habitat" and "public recreation" by 723,811 acres, and revise the management intent for an additional 1.3 million acres classified for "resource management."

The classification of land in Alaska is important because land classifications represent management intent, and some classifications can limit how the land is treated. For example, land classified as Wildlife Habitat cannot be selected for municipal entitlement. The addition of Habitat land would remove that land from potential selection by the Lake and Peninsula Borough, and could have the potential to reverse some existing Borough land selections.

DNR has said that "the cumulative impact of these proposed changes is that more lands in the Bristol Bay region would be managed for wildlife habitat and public recreation than under either the 1984 or 2005 area plans." Significantly, these lands are to be managed for multiple use.

The state's proposed revisions to the 2005 BBAP adequately protect wild game, salmon, subsistence, recreation, sport fishing, or other public uses of land, fish, and game.

Further, groups opposing resource development in the area are urging the public to submit comments to DNR, and to ask the agency to create a new classification specifically for subsistence, to increase habitat classifications for wildlife and fish even more than DNR has already proposed, to prohibit metallic sulfide mines in the Nushagak and Kvichak drainages, and to implement a new Mineral Closing Order that would ban new mining claims on or along salmon spawning streams.

Action Requested:

Submit comments to DNR asserting that the 2005 BBAP struck an appropriate balance between various stakeholder interests, and proposed amendments beyond those agreed to in the settlement of Nondalton Tribal et al v. State of Alaska, are not necessary. Furthermore, the revisions set a dangerous precedent for future area plans.

Comment Deadline is May 6, 2013

Submit comments:

Mail:

Mr. Ray Burger

Resource Assessment and Development Section

Alaska Department of Natural Resources

550 West 7th Avenue, Suite 1050

Anchorage, Alaska 99501-3579

Email: dnr.bbapamend@alaska.gov

Fax: (907) 269-8915

To read the full plan, or to submit comments online, visit:

<http://dnr.alaska.gov/mlw/planning/areaplans/bristol/amend/>

Points to Consider in Your Comments:

- DNR has a constitutional obligation to manage state-owned lands for the “maximum public benefit” based on the directive in Article VIII Section 1 of the Alaska Constitution: “to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest.” Sole designation of large sections of the state for wildlife or recreation is contrary to constitutional mandates.
- DNR agreed to a settlement, which led to this plan revision, to make six changes to the Bristol Bay Area Plan. Considering that the original plan went through the normal process of public hearings and review, the changes should be limited to those agreed to in the case.
- Using litigation to force further changes in an area plan sets a dangerous precedent to let groups opposing specific projects hold sway, especially over an area plan that impacts 19 million acres.
- Area planning should be seen in the context of the broader permitting scheme – this does not mean, for example, that because an area has been classified as “mineral” that a mine has been or will be permitted – the classification identifies resource potential, not fully permitted activities.
- Banning certain activities in an area plan ignores constitutional mandates that include development and multiple use.
- The 2005 BBAP does not favor mining above other uses. More lands were classified as “mineral” lands in this version because of the additional inventories done between 1984 and 2005 that reflected this potential use. “Mineral” lands are still managed for multiple use, and in most cases are still available for recreation, hunting, fishing, and subsistence activities.
- Subsistence activities are included in the regulatory definition of “Wildlife Habitat Land,” so there is no need to add a separate category for “subsistence.” Additionally, subsistence is a generally allowed use on state land, and area plans do not affect “generally allowed uses.”
- Managing “Subsistence” activities is outside of DNR’s jurisdiction. DNR manages land, and the Board of Game decides what subsistence and hunting activities occur in that area.
- Alaska contains known deposits of Rare Earth Elements (REEs). Many of these REEs are imported to the United States, often from countries with lesser environmental regulations. According to the Mineral Commodities Summaries 2012 report by the U.S. Geological Survey, the U.S. depended on imports of 50-100% of needs for 43 minerals in 2011, some of which are found in Alaska. Keeping areas open to mineral extraction in Alaska not only provides the opportunity for future responsible resource development, it may also improve national security.
- Resource development in the area could provide economic benefits to the region, as well as improved or added infrastructure and access to areas for multiple use.
- Multiple uses should include mining (exploration, leasing, development), as well as recreational and other potential uses. With less than one percent of Alaska in conventional private ownership, access should be available on other lands.
- The area included in the BBAP should be further evaluated for mineral potential before restrictive land designations are implemented. Sufficient mapping and geological information should be acquired, and until then, the area should be left open to all uses.

Comment Deadline is May 6, 2013

Revised Draft Assessment is Available for Review

Bristol Bay, Alaska

April 2013

The revised draft Bristol Bay Assessment is available for public review and comment at www.epa.gov/bristolbay. Comments are invited until **Friday, May 31, 2013**.

EPA revised the May 2012 draft assessment after considering 233,000 public comments, consulting and coordinating with tribes, and receiving input from twelve expert peer reviewers. EPA heard from Bristol Bay residents, commercial fisherman, seafood processors, the mining industry, sportsmen, members of the faith-based community, conservation organizations and many others.

Why A Revised Draft?

EPA is releasing this draft as part of our continued commitment to provide opportunities for public involvement. Our objective is to ensure that we are using the best available science and that we heard and considered all comments received in response to the May 2012 draft assessment.


EPA is arranging for the 12 expert peer reviewers to evaluate the changes that were made to the draft assessment to make sure we addressed the comments they provided in 2012. This follow-up with peer reviewers should occur in May 2013 about the same time as the public comment period.

About the Bristol Bay Assessment

In May 2010, nine federally-recognized tribes and others concerned about how large-scale mining could impact Bristol Bay fisheries formally requested that EPA use Clean Water Act authorities to prevent the construction of large scale mines in the watershed. Other tribes and stakeholders requested that EPA wait for mining permit applications to determine the potential environmental impacts of mining.

In February 2011, EPA launched the Bristol Bay assessment to gain a better understanding of the watershed and the potential impacts of large-scale mining in the area. The assessment will provide a scientific and technical foundation for future decision-making, helping EPA evaluate options consistent with our role under the Clean Water Act. EPA has made no decisions about using Clean Water Act authorities in Bristol Bay.

How to Submit your Comments to the EPA Public Docket

- *This is the preferred method:* **Submit them online** at www.regulations.gov
Specify Docket # EPA-HQ-ORD-2013-0189.
- Send EPA an e-mail to ORD.Docket@epa.gov
Include EPA-HQ-ORD-2013-0189 in the subject line.
- Fax them to: (202) 566-9744.
Include EPA-HQ-ORD-2013-0189 in the subject line.
- Send a letter to the EPA Bristol Bay docket at:
Office of Environmental Information
(Mail Code: 28221T)
Docket # EPA-HQ-ORD-2013-0189
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., N.W.
Washington, DC 20460
- Make a request to accommodate language or other special needs by contacting Judy Smith at  smith.judy@epa.gov or (503) 326-6994

Changes Made as a Result of Public Comment and Peer Review

EPA revised the May 2012 draft assessment based on valuable feedback from peer reviewers, tribes and members of the public. Key changes include:

- We reorganized the assessment to better reflect the ecological risk assessment approach and to clarify the purpose and scope.
- We refined the mine scenarios and explained how they are based upon worldwide industry standards for porphyry copper mining and specific preliminary mine plans submitted to state and federal agencies related to the Pebble Mine project.
- We incorporated modern conventional mining practices into mine scenarios and clarified that projected impacts assume those practices are in place and working properly.
- We added an appendix describing potential methods for compensating for impacts to wetlands, streams and fish.
- We added additional details about water loss and water quality impacts on stream reaches, drainage of waste rock leachate to streams, and mine site water balance to assessment of potential mine impacts.
- We expanded information on the potential transportation corridor to include analysis of diesel pipeline spills, product concentrate spills, truck accidents involving process chemicals and culvert failures.

Next Steps

It is EPA's goal to finalize the assessment in 2013 after reviewing additional public comments, consulting and coordinating with tribes and considering input from the expert peer reviewers. A separate document providing responses to all comments will accompany the final assessment report when it is released later this year.



For More Information:

Join the Bristol Bay listserv to get regular e-mail updates about EPA's work. Send an e-mail message to smith.judy@epa.gov or click the link on the web page.

Web page: www.epa.gov/bristolbay

Email: r10bristolbay@epa.gov

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For Immediate Release
April 26, 2013

PEBBLE PARTNERSHIP CALLS ON THE EPA TO ABANDON FLAWED, BIASED REPORT

Anchorage, Alaska, April 26, 2013 — Pebble Partnership CEO John Shively issued the following statement in response to the U.S. Environmental Protection Agency (EPA) releasing a second draft Bristol Bay Watershed Assessment evaluating the estimated environmental impacts of a hypothetical mine on the Bristol Bay Watershed:

“While we need to review the document in detail, it seems the EPA has not changed its deeply flawed approach of creating and evaluating a completely hypothetical mine plan, instead of waiting until a real, detailed mine plan is submitted to regulators as part of a complete permit application. By continuing on this course, the EPA is ignoring a chorus of scientific, legal and regulatory criticism, not to mention the legitimate questions that have been raised by at least three different committees of the U.S. Congress.

“We have spent the better part of 10 years working on designing a development plan for a mine at the Pebble Deposit utilizing some of the premiere mining engineers and environmental scientists in the world. The EPA has spent two short years on a desktop exercise with little or no input from miners. Anyone can design a mine that fails. We’ll design a mine that will operate safely and responsibly and will meet the high regulatory standards for development in Alaska.

“At a time when the entire executive branch is having to cut important program funding because of sequestration, it is stunning that the EPA continues to pursue this matter instead of waiting for a permit application to review through the well-established regulatory process. I think the public and our elected officials have the right to know how much taxpayer money has been spent on this unnecessary effort thus far.

“Even more disturbing is the fact that the EPA’s actions are consistent with the demands of those who want to deny the Pebble Partnership the right to submit a permit application. Their threat of a “preemptive veto” is not only unprecedented but also precludes and biases the lengthy, transparent, rigorous, and science-based process set out by the National Environmental Policy Act (NEPA) that has been used to evaluate such proposals for decades.

“EPA has stated that this flawed watershed assessment will inform agency decision making, and that is of great concern. Every year across America, development projects worth roughly \$200 billion rely on that process to obtain Section 404 permits; even the threat of a “preemptive veto” will introduce uncertainty into the process that threatens to hurt the entire U.S. economy, not just a proposed mine in Alaska.

“The Pebble Partnership is simply asking for due process: the right to submit a permit application, and to have our plans reviewed, based on the best-available science and the relevant federal, state and local laws. We know this process will last several years and many questions will be asked about whether a large-scale copper and gold mine can safely co-exist with the surrounding environment, and especially the salmon fishery of the Bristol Bay region. As we have consistently stated, if we can’t build a mine that co-exists with a healthy fishery, we will not build the mine.

“We will carefully review this new draft before providing more detailed comments. We remain committed to working with the EPA under NEPA when we have submitted a detailed mine plan for state and federal review.”

(Continued)

BACKGROUND ON THE EPA'S DRAFT WATERSHED ASSESSMENT

The EPA's assertion that it has the legal authority to preemptively veto development projects and the agency's first version of the Draft Bristol Bay Watershed Assessment (DBBWA) have been roundly criticized.

Alaska Attorney General Michael Geraghty has stated the EPA's actions are "premature and unprecedented" and the agency should be "waiting to evaluate real proposals, as Congress clearly intended" when it passed the Clean Water Act. Alaska's Department of Natural Resources has warned that the DBBWA "provides examples of impacts from mines developed from the late 1800 and early 1900s" and fails to consider "current mine technology or regulatory framework and oversight to prevent environmental harm." Nuna Resources Inc., an Alaska Native group that advocates for a sustainable economy in the Bristol Bay region, said the EPA "based its report on a hypothetical mine that was poorly built, poorly run and therefore guaranteed to harm the environment."

Even more criticism of the DBBWA came from the experts who served on the peer-review panel. For example, Charles Slaughter of the University of Idaho used the term "hogwash" to describe the "statistical probabilities that were assigned to various scenarios" in the DBBWA. Panelist Dirk van Zyl of the University of British Columbia said "it is impossible to know whether the hypothetical mine scenario is realistic," and therefore it is "not sufficient for the assessment." Geologist Steve Buckley criticized parts of the DBBWA for containing "no detailed discussion of engineering practices" and "a lack of any detailed research into applicable engineering and mitigation methods" to protect the surrounding environment.

The Brattle Group consulting firm has estimated roughly 60,000 development projects, worth about \$220 billion, need Section 404 permits every year. For this reason, the National Mining Association has warned the EPA's actions in Bristol Bay "are premature and will have a stifling effect on investment" across the entire U.S. economy. According to the NMA, the DBBWA raises the following question: "How can companies believe that industry is given a fair chance in the U.S. when the government releases incendiary, one-sided studies based on rocky science and questionable legal authority that effectively stir up public fear and act as a roadblock to project development?"

The chilling effect of the threat of a preemptive veto using a hypothetical scenario developed by the EPA has also prompted criticism and many questions from lawmakers in Washington, and at least three committees are closely examining the circumstances surrounding the DBBWA. In addition to this criticism, Alaska's senior Senator Lisa Murkowski, who leads Republicans on both the Senate Energy and Natural Resources Committee and the Interior and Environment Appropriations Subcommittee, has criticized the agency for choosing to "evaluate a hypothetical mine that was basically designed to violate modern environmental standards" and produce "a work of fiction rather than sound science." U.S. Sen. David Vitter (R-La.), the top Republican on the Senate Environment and Public Works Committee, joined with Sen. Roger Wicker (R-Miss.) to call on the EPA to "disavow this unjustified power grab and instead allow the permitting process designed by Congress to move forward."

In the U.S. House of Representatives, the Oversight and Government Reform Committee has said the EPA is using an "unprecedented and legally questionable interpretation" of the Clean Water Act, and the Science, Space and Technology Committee has said it is "difficult to view [the DBBWA] as anything other than an attempt by EPA to create additional unnecessary regulatory hurdles," and warned that "EPA should not stack the deck in one party's favor."

For more information contact:

Mike Heatwole
Vice President, Public Affairs
907-339-2600

ACES Choked off Oil Investment

April 29, 2013, Anchorage Daily News

By ROGER MARKS

The enactment of ACES in 2007 represented a very large tax increase to one of the highest in the world among jurisdictions similar to Alaska. By 2008 the tax rate was five-fold what it had been just two years earlier. Many corporations consider such actions no different than a seizing of assets.

At that time on the North Slope there was upwards of \$60 billion in infrastructure from past investments that had nowhere to go. It was "captive" investment. This infrastructure was put in place to produce oil over an extended number of years, including the present and the future.

So after 2007, production from that past investment continued, paying much higher taxes. The state made lots of money, and some of that money no doubt did good things, but it has come at a price.

Whereas worldwide investment has increased 75 percent since 2007, when oil prices were \$60 per barrel, in Alaska it has only increased 25 percent. North Slope production has dropped from 734,000 to 538,000 barrels per day (bpd) in that time. Under ACES, production is forecast to drop to 300,000 bpd in 10 years.

The legacy (currently producing) oil does not produce itself. If the producers were to abandon the North Slope nothing would be produced. It takes a combination of old and new investments to produce oil. The producers could be spending more to produce more, or spending less to produce less. In that regard all oil is new oil. The legacy oil here competes with the legacy oil everywhere else.

The policy enacted in 2007 effectively punished production from past investments that couldn't go anywhere, because some production from this previous investment would continue anyway.

In the oil tax debate many have insisted on a promise from the producers to produce more if taxes were reduced. Funny, no one made them promise not to produce less when taxes were raised in 2007. Yet the economic response was quite predictable. Economic principles demonstrate it should work the other way with reduced taxes.

There are many reasons corporations cannot make these promises. In their budget cycles they need to line up projects to see how they compete. And there are forces out of their control, like oil prices or regulatory delays.

But at a deeper level, there cannot be a commitment because the state is legally forbidden from any such arrangement. The state constitution prohibits one Legislature from binding a future Legislature. The state could unravel any deal at any time.

This is exactly what we see happening now. Hardly is the ink dry on the new oil tax bill (SB 21) and there is a referendum to repeal it, sponsored by those who insist on these promises.

And this from a state that set a dangerous precedent of baiting investors with lower taxes and then in 2007 punishing them once the investment could not go anywhere. This is a game you may only be able to play once. How will Alaska ever get a \$65 billion gas line if this is the way it does business?

Insisting on these promises, which the state cannot honor, is a self-fulfilling prophecy. The producers may not invest, or promise to invest, when the threat of 2007 happening again is always just a referendum or a legislative vote away.

The trap ACES has created is that there will be lead times for the production response from competitive tax rates, and the state will lose money in the short run. Under SB 21 it would only take a long-term increase of about 40,000 bpd to bring in more total petroleum revenue (royalties and production, property, and state corporate income taxes) under the new tax than ACES. There is no question the additional oil is there.

The oil tax debate is a trade-off between current and future revenue. When the state constitution calls for the use of natural resources for the maximum benefit of its people, it presumably means future Alaskans too. Let us not vilify those looking after them.

Roger Marks is a petroleum economist in private practice. He has worked as a consultant to the Alaska Legislature and is a former senior petroleum economist with the state Department of Revenue.



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April 29, 2013

VIA PORTAL AND FACSIMILE

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Fax: (503) 224-1851

PLANNING DIRECTIVES - RIN 0596-AD06

Re: Forest Service Planning Rule; Resource Development Council for Alaska Comments on Proposed Directives to Implement Rule Published February 27, 2013

Dear Secretary of Agriculture and Forest Service representatives:

This letter provides comments on behalf of the Resource Development Council for Alaska (RDC) regarding the above referenced proposed Forest Service Manual and Handbook directives, for which notice of issuance was published in the Federal Register at 78 Fed. Reg. 13316-13319 (Feb. 27, 2013) ("Proposed Directives"). We understand that the proposed directives are intended to provide guidance for implementing the new revised regulations for national forest system land and resource management planning issued in final form in April 2012 and now codified at 36 C.F.R. Part 219 (the "Planning Rule").

RDC is an Alaskan, non-profit, membership-funded organization founded in 1975. The RDC membership is comprised of individuals and companies from Alaska's oil and gas, mining, timber, tourism, and fisheries industries, as well as Alaska Native corporations, local communities, organized labor, and industry support firms. RDC's purpose is to link these diverse interests together to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

RDC commented on the (then proposed) planning rule in May 2011, raising serious concerns with the rule. At that time we stated...

...in our view, the proposed rule fails to build on the Multiple Use Sustained Yield Act (MUSYA) and follow the requirements of the NFMA. Moreover, the rule fails to comply with current direction for regulations to be shorter, more flexible, and less costly and burdensome. The rule is excessively long, detailed, and encumbered with inflexible mandatory requirements that will prevent it from being a practical, workable, and affordable rule. We believe it will provide fertile ground for litigation that will create additional disputes and obstruct planning and management activities.

By commenting on the proposed directives RDC does not waive or discount problems we see with the text of the rule itself. Our comments are in no way exhaustive. Our concerns that the rule is excessively long and detailed extend to the proposed directives, which are lengthy and not well indexed. Our comments are not exhaustive as we lack the resources to conduct an exhaustive review of the directives that exceed 400 pages.

The directives need to address unique Alaska-Specific authorities and requirements

The proposed FRM and FSH inadequately reference the unique provisions of the Alaska Native Claims Settlement Act (ANCSA) and the Alaska National Interest Lands Act (ANILCA) for Forest Service Region 10 (Alaska). This shortcoming needs to be remedied soon as the Chugach Forest is an "early adopter" in the process of a plan revision under the new Planning Rule. Specific guidance applicable to Alaska national forest planning should be established in Alaska Region (R10) FSM and FSH supplements with appropriate references to such supplements in the overview of the FSH and FSM directives. FSH Chapter 90 should reference Alaska specific authorities or point to the same in the Alaska supplements.

Simplify and provide timeframe guidance if for no other reason to be more cost effective

The TSH and TSM should support simplified processes so Alaskans can more affordably participate in the plan revision process and limited federal resources can be more judiciously utilized. The directives need to be shortened, indexed and condensed to be more user-friendly. A goal of the new planning rule was to shorten plan revision timelines, yet the FSH and FSM provide little guidance as to how plans are to be revised in a more reasonable timeframe.

Ecological sustainability and diversity of plant and animal communities

These provisions appear to dominate the proposed directives. There is a major contrast between the volume of material regarding these components of the Planning Rule, compared to the sparse text regarding economic and social sustainability and related topics. The proposed directives exacerbate this imbalance beyond what is present in the Planning Rule. Chapters 23 and other sections in the proposed directives which address ecosystem concepts and rule requirements need to be reviewed and reformed to eliminate mandatory and expansive, detailed prescriptive direction. These sections need to be revised to focus upon useful, practical guidance for planning tasks to implement the rule's ecological sustainability and diversity provisions in a way that conforms to multiple use production of tangible good and services and the needs of human communities that depend upon national forest resources.

More emphasis needed on active forest restoration and health management

There is a lack of reference in the proposed directives to restoring and maintaining forest "health," or to insects, disease, or fire as direct and active agents of change to address in the planning process. There is no apparent reference to the Healthy Forests Restoration Act or other current law that supports and facilitates more active vegetation management to address insect, disease, and fire threats. Proposed Chapter 90 does not include these authorities, but does selectively include the Wilderness Act and Wild & Scenic Rivers Act.

No retroactive or mandatory application of directives.

The final version should clearly provide that the directives guidance is prospective only; that no forest will be required to redo, modify, or revisit plan revision, amendment or other steps that it has commenced prior to the effective date of the final updated directives in order to conform with or address updated directives items. This is particularly important to avoid delaying or confusing "early adopter" forests like the Chugach

in the plan revision processes that they have already begun. The nonbinding guidance rather than mandatory nature and effect of the directives should also be made clear in the final version.

FSH 1909.12, Chapter 23 - Resource Requirements for Integrated Plan Components

Section 23.11a - Riparian Areas

This section should be covered for Alaska in an Alaska Region FSM and FSH supplement. Extensive riparian area management provisions have already been developed for the Tongass and Chugach in coordination with those applicable to adjacent nonfederal lands under the Alaska Forest Resources Act, AS 41.17.010 *et seq.* and implementing regulations at 11 AAC 95. These requirements are adapted to the unique ecological, social, and economic conditions in Alaska, and any review or update of these provisions should likewise be Alaska-specific.

Section 23.12c: Best Management Practices ("BMPs") for water quality

The national approach to BMPs apparently contemplated by 36 C.F.R. 219.8(a)(4) still must provide for variation in BMPs among regions and states based on the wide range of topographic, climate and other field conditions present, and to be consistent with various state forest practice acts and other BMP regulation. Forest Service BMPs should incorporate and adopt existing state BMPs. This is particularly compelling in Alaska, where there are proven effective BMPs included in the Alaska Forest Resources Act and implementing regulations that have been developed and refined collaboratively among stakeholders over many years. The national directives and BMPs should expressly provide for this state level flexibility, and the Alaska Region FSM or FSH Supplement can incorporate the Alaska BMPs.

FSH 1909.12, Chapter 60 - Forest Vegetation Resource Planning

The Forest Service should assure that the final version fully reflects the multiple-use and adaptive flexibility balanced with basic protection of land and water resources that is codified in the National Forest Management Act provisions regarding timber resource planning and management.

FSM 1923 and FSH 1909.12, Chapter 70 - Wilderness Evaluation

This chapter needs to be rewritten to provide guidance for a focused and cost-efficient inventory and evaluation of eligibility and suitability that is based upon and informed by existing forest plan and travel plan reviews and designations, RARE reviews, nationwide and state-specific roadless area rule reviews and designations, and state-specific and other wilderness legislation, such as ANILCA and the Tongass Timber Reform Act. Consideration of areas for wilderness designation need only be addressed on a limited update basis as part of plan revisions, given the exhaustive amount of consideration and designations that have already been completed. This is particularly true for the Chugach and Tongass National Forests, in light of the explicit restrictions ANILCA places on the consideration of additional conservation system units in Alaska.

As currently drafted, the FSM 1923 and FSH Chapter 70 provisions suggest a "start over" all-inclusive new inventory without reference to the extensive reviews and designations that have already been completed, many of them quite recently. Section 71.22 appears to require areas with existing forest system roads to be included in the inventory of areas eligible for wilderness evaluation, as well as other historic or established roads, and should be corrected to exclude all such areas with existing roads. Likewise, areas with roads providing access to existing patented or unpatented mining claims or other nonfederal lands or operating areas should be excluded. The criteria for area eligibility in Section 71.2 should be narrowed to be no

broader than those in current FSH 1909.12, Chapter 70 -- the new Planning Rule did not change those criteria. Proposed Chapter 70 should at least reference FSH 1909.12 Sec. 22.22 regarding already designated Wilderness and roadless rule areas as a focus for determining whether updated recommendations are needed.

Chapter 70 and its overly broad and inclusive, "start over" approach to wilderness area eligibility and suitability is another example where the extensiveness of the evaluation suggested by the proposed directives is contrary to stated Planning Rule objectives for more cost-effective and focused plan revisions, and which is likely to unnecessarily bog down and sidetrack plan revisions with overly cumbersome process and turmoil over battles that have already been largely fought. Further evaluation of roadless areas for potential wilderness recommendations should be instead limited to "need to change" based on significant new information or circumstances and public comment regarding specific areas of interest.

Inclusion of level 1 and 2 roads in any "new" inventory of Wilderness potential is completely inappropriate.

FSM 1923 and other FSM and FSH provisions regarding management of areas recommended for wilderness, wild & scenic river, or other designations.

Likewise, these provisions need to be corrected and clarified to be consistent with existing law and realistic. For example, proposed FSM 1923.03 numbered item 3 on page 15 is erroneously broad and general.

FSM 1925 - Management of Inventoried Roadless Areas

Directives for Alaska national forests, where ANILCA and other existing direction and reviews specific to the Chugach and Tongass National Forests apply, should be in an Alaska Region Supplement to the FSM and FSH.

Conclusion


In closing, RDC endorses the comments of the Alaska Forest Association, Sealaska Corporation, the American Forest Resource Council, and the Northwest Mining Association on the proposed Forest Service Manual and directives. Our broad interests agree the proposed directives magnify the flaws of the Planning Rule and that the rule and the directives, as drafted, will not resolve the planning gridlock within the agency.

The new rule and proposed directives launch an excessively broad and unnecessarily complex planning framework. The proposed framework is even more unwieldy than that of the 1998/2000 regulations. Unfortunately, the rule and handbook will require staff to create an inflated planning process far removed from on-the-ground management needs.

RDC strongly agrees with the closing statement of the Northwest Mining Association's comments on the proposed directive (April 29, 2013): "The efficient and sustainable development of the natural resources located on Forest Service lands is vital to our national security and economic growth. The Forest Service therefore has a responsibility to promulgate clear, concise planning directives...in a way that fosters such development and is guided by the congressionally mandated principles of multiple- use and sustained yield."

Thank you for the opportunity to provide comments on the proposed directives

Sincerely,

A handwritten signature in black ink, appearing to read "Carl Portman". The signature is fluid and cursive, with the first name "Carl" being more prominent than the last name "Portman".

Carl Portman
Deputy Director

cc: Governor Sean Parnell
Rick Harris
Owen Graham
Dave Phillips
Deantha Crockett

LEAD NORTH

Lead:North is excited to invite young professionals to participate in the

2013 Emerging Leaders Dialogue May 19-22 + Kodiak, Alaska

How do we support, build and sustain healthy Alaska communities?

The annual Emerging Leaders Dialogue provides an important space for young professionals from various sectors across Alaska to come together to discuss some of the most important – and often most sensitive – issues facing our state.

At this participatory dialogue for Alaska's up-and-coming leaders we will address topics such as:

- Common hurdles and cross-cutting challenges at work and in the community
- Career development and networking strategies for young professionals
- Handling statewide policy issues and having a role in their resolution

Participants will join other young professionals from across the state to work toward positive outcomes for key issues facing our communities and our state as a whole. They will learn from the diverse group of individuals while also cultivating their professional networks.



This year, Lead:Kodiak will host us in their incredible community—and we have timed the Emerging Leaders Dialogue so that those who wish can stay for Memorial Day and the famed Kodiak Crab Festival.



We hope that you will consider supporting the emerging leaders at your organization by sending young professionals in your organization or networks to this important dialogue, and/or by sponsoring the 2013 Emerging Leaders Dialogue. Like you, Lead:North is committed to providing opportunities for the next generation of Alaska leaders to connect and advance in key policy discussions, political and civic engagement, and professional development. Your support makes a big difference for young professionals and for Alaska's future!

Registration information is included – return the registration form and payment to the Institute of the North or register online at www.institutenorth.org/leadnorth/ELD.

2013 Lead:North
SPONSOR AND REGISTRATION FORM

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These are the emerging leaders at my organization *attach additional names as needed

Name	Email	Phone

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If you have questions or need additional information, please contact Abigail Enghirst at aenghirst@institutenorth.org or (907) 786-6327.



The Alaska Coal Association

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Breakfast, Registration & Hosted Driving Range 6:00 am, Shotgun Start 7:00 am

Proceeds benefit Alaska Resource Education

Alaska Resource Education's mission is to educate students about Alaska's natural resources.

Alaska Resource Education is a 501(c)(3) non-profit, tax ID #92-0117527

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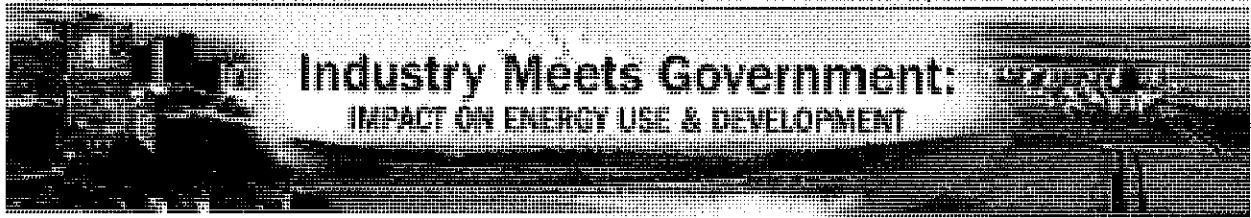
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To guarantee your slot, please register by Friday June 7, 2013

32nd USAEE/IAEE NORTH AMERICAN CONFERENCE - JULY 28-31, 2013 - ANCHORAGE, AK - HOTEL CAPTAIN COOK



"To keep on doing business, the modern company still needs a franchise from society, and the terms of that franchise still matter enormously." John Micklethwait and Adrian Wooldridge, *The Company: A Short History of a Revolutionary Idea**

Discounted Registration Ends May 31, 2013

United States Association for Energy Economics (USAEE)

32nd Annual Conference

Anchorage, Alaska - Hotel Captain Cook

July 28-31, 2013

Updated program enclosed.

The first time in Alaska, the conference will bring together a diverse group of international and U.S. experts from private enterprise, government, and academia.

The USAEE has over 1,000 members. The affiliated International Association for Energy Economics (IAEE), has 4,000 members in over 100 countries. This will be a unique opportunity to discuss and debate the energy economic issues germane to Alaska and the Arctic, as well as other international areas.

Further information about the conference, including online registration, can be found at <http://www.usaee.org/USAEE2013/>.

The USAEE Conferences are funded largely by sponsorships. Details on sponsorship opportunities follow.

For further information please contact Roger Marks of the Anchorage Chapter of the Association, conference program chair, at 907-250-1197 or rogmarks@gmail.com



RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

Membership Form

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.

To view a list of current members, please visit <http://www.akrdc.org/links/>

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