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## **Message From The Executive Director** By Paula P. Easley

## A Formidable Challenge

One of the most formidable challenges an organization such as RDC has is that of making its members - and the public - aware of how the organization's work affects them.

Sometimes we get so bogged down in actually "doing the work" that we forget to tell them; we mistakenly assume a higher level of awareness on some of these complex issues than may be the case.

Do realtors see the relationship of our long-standing legal battle for streamlined permitting in wetlands areas to their livelihoods?

Does a dry-cleaning establishment support our uphill struggle for reasonable controls over hazardous wastes and toxic substances?

Does the Fairbanks merchant realize the importance of regularly scheduled OCS sales?

Can most village corporation officials relate their long-term profitability potential to access across federal lands under ANILCA?

Do citizens throughout the state recognize the need for sensible land disposal policies and support our efforts for them?

When we go to bat for someone victimized by government regulations --e.g., the Southeastern pulp mills --- do enough people say, "There but for the grace of God go I'' and do what they can to help?

Do your eyes glaze over when the Bristol Bay Cooperative Management Plan is mentioned? Have we effectively communicated the long-term implications of this precedent-setting management plan and how we've worked to change it?

Are we making a strong case for multiple use of most of the state's available land? Do enough of us comprehend the adverse effects on Alaska's potential development caused by zoning away use of the land?

I suggest we're not doing a good enough job at getting people to realize that while a particular issue may not appear to affect them personally, today, at this moment, the issue still merits their concern and action.

Our new deputy director, Michelle Fleming, is dedicated to trying new approaches to bring these and other issues closer to home so that RDC's broadbased membership can be more informed and effective. Your understanding, cooperation and continued enthusiasm are part of the success formula.

COVER: ARCO Alaska's Sedco 708 semisubmersible drill rig lies at anchor in Dutch Harbor last year before being towed to the Navarin Basin. The federal OCS lease program off Alaska and other states may be falling victim to fear. See story, page 7.

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**Resource Review** encourages its readers to submit articles, announcements and letters to the editor for publication. Send all correspondence to Resource Development Council, Resource Review, Box 100516, Anchorage, Alaska 99510.

### **Resource Development** Council, Inc.

The Resource Development Council (RDC) is Alaska's largest privately funded nonprofit economic development organization working to develop Alaska's natural resources in an orderly manner and to create a broad-based, diversified economy while protecting and enhancing the environment.

RDC invites members and the general public to its weekly breakfast meeting featuring local and nationally-known speakers on economic and resource development issues. The meetings are held on Thursday at 7:15 a.m. Aesops/Suite 201, 711 H Street. Meeting charge is \$2 and reservations are requested by calling 278-9615.

## **Membership Information**

The Resource Development Council extends an invitation to all persons interested in the responsible development of Alaska's resources to join the Council's efforts. For membership information, contact:

### Mike Abbott Einancial Development Director

Executive Committee Officers	
President	. Charles Webber
Vice President	Dan Hinkle
Vice President	Tom Pargeter
Secretary	Dale Tubbs
Treasurer	.Shelby Stastny
Past President	Mano Frey

Staff Executive Director ..... Paula P. Easley Deputy Director ..... Michelle Fleming Administrative Manager..... . Mary Holmes Public Relations Director.....Carl Portman Research Analyst.....Larry Hayden Financial Development Director... Mike Abbott The RDC business headquarters are located at 444 West 7th Avenue in downtown Anchorage.



RDC trade mission delegates M.A. Higgins, Larry Dinneen, Paula Easley and Randy Goodrich meet with T.S. Lin, center, Chairman of the Board of Tatung Company, Taiwan.



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## **RDC** Trade Mission May 12 - 27, 1984

## Taiwan: May 13-16

Tatung Company Chinese Petroleum Corporation Fortune Tours Formosa Plastics Corp./Group American Institute in Taiwan

## Korea: May 16-22

Korea Tourist Bureau, Ltd. Kuk Dong Construction Co., Ltd. Korea Shipbuilding & Engineering Corp. Korea-U.S. Economic Council, Inc. Embassy of the United States of America Samsung Co., Ltd. Daewoo Corporation Hyundai Heavy Industries Co., Ltd. Hyundai Merchant Marine Co., Ltd. Hyundai Corporation

Japan: May 22-27 Mitsui and Company, Ltd. Embassy of the United States of America Alaska State Asian Office Nissho Iwai Corporation C. Itoh & Co., Ltd. Kawasaki Steel Corporation Kawasho Corporation

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# **NPLAC Extends** Easley's Term

Resource Development Council Executive Director Paula Easley has been re-appointed to the 21-member National Public Lands Adivsory Council (NPLAC) by Secretary of the Interior James Clark.

Easley was first appointed to the federal advisory position in 1982 by Secretary James Watt. The Council meets quarterly at various points around the nation to offer objective

advice on the many issues surrounding multiple-use management of the public lands, especially those affecting energy and mineral development and overall rangeland management.

RDC's executive director is Alaska's sole representative on the Council. She is also a member of the National Advisory Board of the American Land Alliance.

# Isn't It Time For You To **Get More Involved In RDC?**

We're not asking for money (although we've never been known to turn it down). What we **are** asking is your continued involvement and communication. When you respond to RDC red alerts, be sure to send copies for our files. If it's "Gripe Day,'' let us hear about it. And if you like, we'll even publish your gripe in the Resource Review. Or 'give' us an article on a subject close to your heart

- others want to know what's on your mind.

RDC needs to keep building its statewide network. We must keep reaching out to people who care about Alaska's economy and future and are willing to do something about the issues we address.

Here's a deal for you. Give us the names and addresses of three people you think should be part of the cause.

We'll send them three complimentary copies of the Resource Review. Of course we'll ask them to join after that, so put in a good word for us.

Keeping informed and communicating with each other through RDC are worthwhile activities --- if we don't, the train could run us over and we might not even see the headlights.

Here's to you, RDC's most valuable asset!

## **Recent** Activities

The Resource Development Council has provided testimony and written comments recently on a number of critical issues facing Alaska. For further information, call 278-9615.

- · Bristol Bay Cooperative Management Plan
- ANILCA implementation hearings
- DNR Parks and Outdoors regulations
- Corps of Engineers regulations for controlling certain activities in U.S. waters (Section 404)
- Cape Krusenstern Land Exchange
- Red Dog DEIS
- · Cook Inlet offshore prospecting permits
- Sohio seismic permit
- Alaska Railroad purchase and operation
- OCS Leasing Schedule
- Taiwan Procurement Mission Breakfast
- · Mining in Denali, Kantishna-Dunkle
- Project 1995, declining revenues
- · Cook Inlet Trans/Dev Task Force

A Letter From Our President

Βv Charles R. Webber **Our Asian Neighbors** A recent overseas trip sponsored by the Resource Development Council was an important step in expanding opportunities for resource development in Alaska. The visits by members of RDC provided an opportunity for the Council and its purposes to become better known in this large market area while at the same time giving the

# **RDC** Accomplishes Mission in Asia

Leading corporate officials in three key Pacific Rim nations showed a continuing sincere interest in Alaska as a potential source of energy, minerals, wood products and fishery opportunities before 20 visiting Alaskan business and labor leaders in May.

The Asian visit was conducted under the sponsorship of a 15-day Resource Development Council trade mission to Japan, Korea and Taiwan designed to develop relationships with potential investors and trading partners in pursuit of trade expansion. The Alaskans sought specific recommendations from their Asian hosts for enhancing Alaska's international trade policy and conveyed to potential partners information on Alaska's resources and the state's willingness to participate in projects of mutual interest.

According to RDC president Chuck Webber, the party garnered the interest of major companies in all three countries about doing business in Alaska. He said the fact that Alaska has abundant resources and is within acceptable distances to Asian markets is a key element in attracting with Europe.

nations.

**Notable** Quote

The fact that you can put a dozen inexperienced people in a room and conduct a brainstorming session that produces exciting new ideas shows how little relative importance ideas themselves have ... The scarce people are the ones who have the know-how, energy, daring and staying power to implement ideas . . . since business is a 'get-things-done' institution. creativity without actionoriented follow-through is a barren form of behavior. In a sense, it is irresponsible . . .''

-Theodore Levitt, Harvard University

# Log Site Permit Draws **RDC** Fire

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overreaching its statutory responsibility. He contended it is not within the EPA's authority to regulate activities other than those which result in direct water pollution.

"Water quality is a reasonable concern for Alaska, but there is no doubt that the increased regulatory activity of EPA and the resulting marginal benefits to water quality will not justify the potential closure of most logging activities around the state.'' said Henri.

attending RDC members a feeling for the verve and potential of Japan, Korea and Taiwan,

The discussions led by leading corporate officials in all countries attested to their continuing sincere interest in Alaska as a potential source of energy, minerals, wood products, and fishery opportunities. It should be noted that the extremely productive areas of the Orient are not only competing with the United States, but also with Europe, and have generally been successful in applying their labor to many relatively labor intensive industries formerly exclusive to some European nations.

Thus the Pacific Rim is not only providing goods for world consumption, but also purchasing energy and raw materials to make that production possible. Alaska can and should be an important part of that formula.

Asian leaders to Alaskan ventures.

All three Asian nations on the Council agenda are highly developed in electronics manufacturing, steel production, ship building, cement, plastic and petroleum products. Japan has become a giant exporting economy and is leading Asia into a gigantic economic power. Its 8.2 percent growth rate in the last decade far outpaces Europe's 2.7 percent. And since 1982 the United States has traded more with the Pacific Rim than

RDC Executive Director Paula Easley recognizes this market potential as the best choice for Alaska's exporting and importing needs. She pointed out that markets for most of Alaska's resources are not in the southern forty-eight states, but in Asia, "a land of endless market opportunities.''

Easley credited Alaska State Asian Office director Bill Overstreet for his efficient handling of numerous mission arrangements and high-level contacts. She also credited Overstreet's staff, especially Mariko Kuroda, Kimiko Muguruma and Tom Asakawa.

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RDC President Charles R. Webber presents host T.S. Lin, Chairman of the Board of Tatung Company of Taiwan, with a gift from the visiting Alaska trade delegation. President Webber has been instrumental in developing high-level trade contacts with key Pacific Rim

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# **RDC Supports Reagan's Enactment of ANILCA**

Former Nevada Congressman James D. Santini told a House subcommittee on Parks and Public Lands that the majority of Alaskans generally accept the Reagan administration's implementation of the Alaska lands act, even though they have some major disagreements with many of its provisions.

Santini testified on behalf of the Resource Development Council on the final day of the ANILCA oversight hearings in Washington, D.C. He pledged that Alaska's largest private economic development organization would continue, and expand, its efforts to protect the compromise reached in 1980 while pursuing reasonable resolution of the law's discretionary provisions to assure a healthy, balanced economy.

As a former chairman of the House Mines and Mining Subcommittee, Santini determined from the hearings that there will be no legislation offered in 1984 to change the Alaska lands act. However, in 1985, he predicted there will be an attempt by Congress "to come in and pick up any and all issues that might have been lost by some peoples' perception of the 1980 act.'' He emphasized that Congress should learn how to make the existing law work before devising more laws and regulations.

Santini said ANILCA and its mandates have been accepted as a fact of life by most Alaskans. However, he contended that many Alaskans have not accepted the continual challenges to the discretionary authorities specifically granted in ANILCA.

The RDC spokesman criticized environmentalists for not seeking a middle ground on mining, oil and cas development or a multitude of other issues requiring rational compromise. He said while Congress was sincere in its directives that some issues not be decided without further study. whenever those studies have mandated any form of multiple use or land

exchanges, opposition from national environmental groups has been intense.

"The Resource Development Council continues to be frustrated and discouraged with the lack of public discourse by environmentalists con-(Continued on Page 6)



James D. Santini



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# Cordova Highway Debate Surfaces Again As Economy Falters

The Cordova Chamber of Commerce is pushing for completion of a road link from its small Prince William Sound community to the Richardson Highway near Valdez to boost a dwindling economy.

Chamber president Margy Johnson said a road connecting the community of 2,500 residents is needed to put Cordova on an equal basis with other Prince William Sound communities. She said a highway would provide an alternative means of shipping goods into town and fish to market. The only access into Cordova now is by boat or plane.

In a 1982 non-binding straw vote, townspeople opposed completion of the Copper River Highway, which now extends 50 miles out from Cordova and ends at the "Million Dollar Bridge," a casualty of the 1964 earthguake. Construction beyond the bridge was halted by the quake, and later by an environmental lawsuit and government inaction.

Johnson indicated that a new vote might show a change of attitude among Cordova's residents. The 1982 vote was taken at a time when the economy was booming, but the small town is now feeling an economic pinch from the recent closure of two canneries and a shrinking tourist trade. City fathers believe a road link would help diversify the economy.

Nevertheless, many folks in Cordova still oppose a highway connection with neighbors in Southcentral Alaska, fearing a loss of solitude and increased pressure on hunting and fishery resources.

Johnson explained many commercial fishermen oppose a highway link, believing a flood of sport fishermen would invade their fishing grounds once the road is completed. She expressed dissatisfaction with some who ''seem to have little concern with what happens to Cordova outside of the fishing season." Many Cordova fishermen leave Alaska immediately following the end of the fishing season for homes in Washington and Oregon.

Meanwhile, ground has been broken in Valdez for a new Uncle Jim's Alaskan Seafood processing plant, the 10th such for owner Jim Poor. Poor, who operated a major plant in Cordova, envisions a full-blown canning and freezing operation in Valdez that will cater to tourists that visit the Prince William Sound community each summer via the Richardson Highway.

Cordova business leaders would like to cash in on some of this business with a link to the Richardson Highway, 22 miles north of Valdez.

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## **OCS Program Falls** Victim to Fear

Fear of the unknown has curtailed the nation's five-year offshore drilling program, reduced expected revenues and has cut chances of reducing foreign imports, according to Interior Secretary William Clark.

Testifying before a Senate panel reviewing the offshore leasing program, Clark said he knew of no evidence that OCS development endangers fish, and he said more oil is spilled into the ocean from foreign tankers delivering imports than from U.S. drilling rigs.

In 1978 one billion acres of the OCS were to be considered for leasing within five years. Less than 20 million acres have been leased and over 50 million acres are under moratorium.

Anticipated revenues from offshore drilling have fallen from \$10.5 billion in 1982 to \$6.6 billion in 1984. The U.S. spent over \$50 billion to import oil last year.

In a letter to Alaska's Congressional delegation, RDC Executive Director Paula Easley urged strong support for future Alaska OCS sales.

Easlev pointed out that by the year 2000, the majority of domestic production will have to come from fields yet to be discovered. She said within the next decade America must find at least 32 billion barrels of domestic crude just to replace what is being used.

The critical importance of the OCS is underlined by the fact that two-thirds of the undiscovered oil will come from this area.'' Easley said. "Yet less than 20 percent of the OCS area has been offered."

With more than 70 percent of all OCS lands, Alaska could play a tremendous role in contributing to America's future energy needs. RDC's position is that Alaska's OCS can be explored, and developed where appropriate, without undue risk to the environment. Industry's track records at Prudhoe Bay and in Cook Inlet stand as proof, the Council says.

In the Alaska OCS, 24 exploration wells and six stratigraphic test wells have been drilled in the OCS without any significant harm to the environment.



Despite very intense offshore oil operations in Cook Inlet over the past two decades, no significant harm has occurred to the environment.

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# Log Site Permit Unjustified

The Environmental Protection Agency's proposal to issue a special permit for certain discharges from Alaska log transfer facilities is viewed by the Resource Development Council as an unwarranted action that serves no recognizable purpose.

After lengthy study, RDC Executive Committee member Joseph Henri reports that the EPA's National Pollutant Discharge Elimination System (NPDES) in effect declares logs and bark as pollutants to the marine ecosystem. He maintains the EPA has proposed unreasonable, unjustified and uneconomic "Best Management Practices'' to control the amount of bark and associated wood ''pollutants'' entering the water.

Henri believes the NPDES permit is unnecesssary in terms of its marginal impact on water quality and because responsibilities for enforcing more reasonable, yet stringent, regulations are already lodged with the State of Alaska and the U.S. Army Corps of Engineers.

During a brief comment period this spring, RDC was instrumental in alerting operators of the latest regulations and their impacts. Few Southeast, or Southcentral timbermen were aware of the new EPA action and its impact prior to RDC's efforts.

No public hearings or studies have been conducted by the EPA on the effects of this permit on small timber businesses which comprise the majority of the Alaska industry. RDC has urged the EPA to evaluate the economic impact of the permit on operations.

In stipulating upland regulations, Henri charged EPA with (Continued on Page 8)

# Natives To Support Development

A North Slope native organization that has actively opposed offshore development in the Beaufort Sea hopes to begin construction next year on a specially-designed vessel to serve offshore exploration development activities in the arctic.

Anchorage.

activities.





Ukpeagvik Inupiat Corporation manager Dale Stotts and Canadian naval architect Derrick Cove detailed the organization's plans to assist industry in arctic waters at the Resource Development Council's June 21 breakfast forum in

Initial charter use of the UIC vessel is seen coming from oil companies, seabed mining firms and U.S. and Canadian government research agencies. Stotts said the UIC believes the technology implemented on its vessel will greatly reduce the chances of adverse environmental impacts from development

"If there is a less likelihood of harm to the environment from development activities, there will be more support from the Inupiat people," Stotts said.

The new icebreaker uses a compartment system which prevents sinking



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# **Red Dog DEIS Plan Gains Support**

The Resource Development Council has told the federal government it is pleased with the findings of a draft environmental impact statement on the Red Dog mine project in Northwest Alaska.

Although supportive of the DEIS selection of Alternative 1 as the preferred plan for developing the mine, RDC expressed concern with some points of the draft document through written comments submitted to the Environmental Protection Agency in May.

In its comments, RDC showed disappointment with zero discharge regulations adopted by the EPA. The standards seem overly restrictive, especially since Red Dog Creek is a naturally toxic stream. The mine discharge would be many times cleaner than the natural stream water is at present. RDC stressed that the mine development would actually enhance water quality.

In developing the isolated site 90 miles northwest of Kotzebue, Cominco Alaska Inc. and partner NANA Regional Corporation would construct a mine, mill and work camp, port complex and a 57-mile road connecting the port to the mine.



The Red Dog project is located in an area of rolling terrain 90 miles northwest of Kotzebue.

RDC believes the project, the world's largest zinc and lead deposit, would have little or no impact on caribou migrations or the surrounding environment.

In related comments to the National Park Service, the Council also strongly supported a proposed land exchange in Cape Krusenstern National Monument to facilitate plans for an environmentally-feasible route from the mine to the proposed port location. The Council pointed out the exchange would provide for the protection of the Monument and further the purposes of ANILCA.

Should the agreement providing for the exchange not proceed, the Red Dog project will be the ultimate test as to whether the National Park Service will honor in good faith one of the most important compromises of ANILCA, Title XI, which governs transportation corridors across national parks, monuments and wildlife refuges.

The Red Dog project and proposed land exchange have gained widespread support from all sectors, including area natives who fish and hunt in the region. Meanwhile, environmentalists claiming to represent the best interests of area residents oppose the plan, contending that dust from the road would harm the environment. One conservation group opposes Cominco's plan because it does not want to see development in the wilderness area.

# ANILCA

(Continued from Page 4)



cerning suggestions as to how proposed exploration and development might proceed in an environmentally sound way,'' Santini said. 'The 'just don't do it at all' attitude continues to prevail and can only be counterproductive.''

Should the Act be opened for substantial amendment, Santini warned the Council is ready to mobilize Alaskans and their allies in other states to fight whatever battle is necessary to gain additional concessions which its members believe Americans will ultimately find to be in the public interest.

**Editor's note:** Copies of the RDC ANILCA oversight hearing testimony are available at RDC headquarters, 444 W. 7th Avenue.