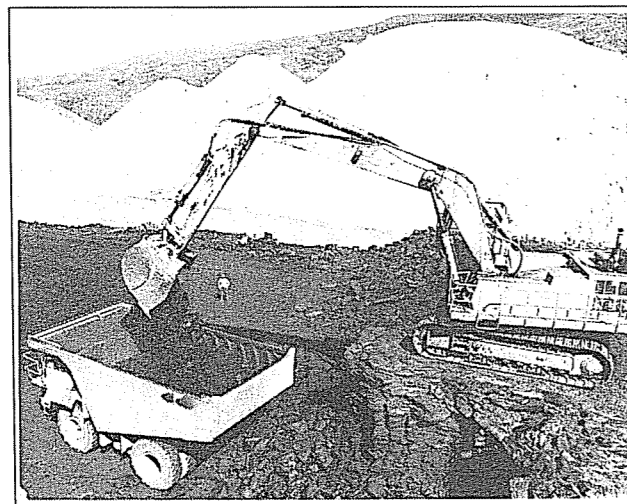
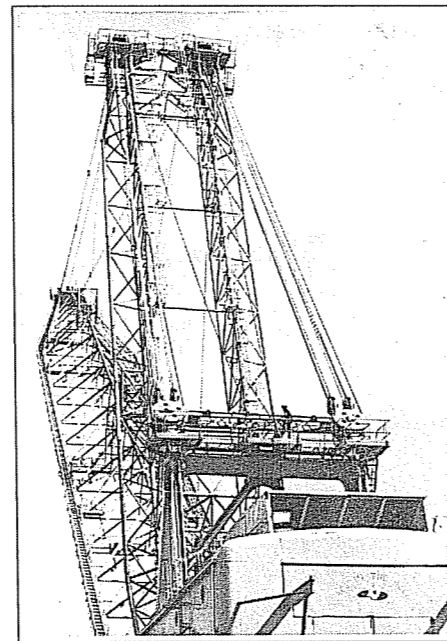
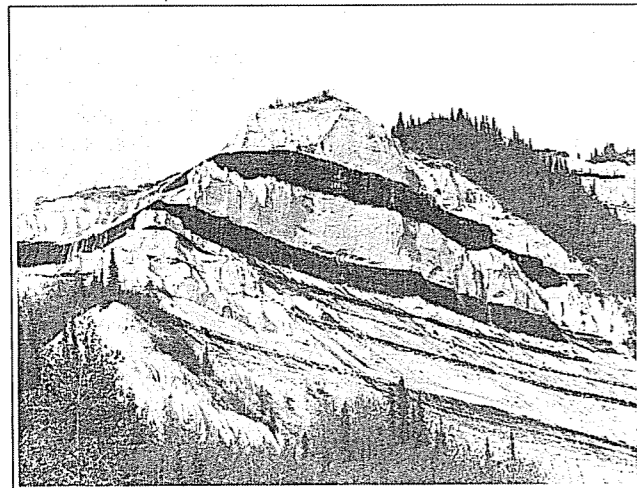


A heritage deeply rooted in Alaska's past.
A solid commitment to Alaska's future.



2173 University Ave. So.
Suite 101
Fairbanks, Alaska 99709
(907) 479-2630

P.O. Box 1000
Healy, Alaska 99743
(907) 683-2226

Opinions expressed in this publication do not necessarily represent the views of its sponsors.

This edition
Sponsored by: **Usibelli Coal Mine, Inc.**

Bulk Rate
U.S. Postage
PAID
Anchorage, AK
Permit No. 377

ADDRESS CHANGE
REQUESTED
Return Postage Guaranteed

Resource Review

Resource Development Council for Alaska, Inc. Box 100516, Anchorage, AK 99510
October 1986

New coalition forms

Groups support drilling in refuge

Alaskans to inform Congress on all aspects of issue

Six pro-economic development organizations in Alaska have formed a coalition to support opening the coastal plain of the Arctic National Wildlife Refuge to environmentally-responsible exploration, development and production of petroleum resources.

The Alaska Oil and Gas Association, the Resource Development Council, Inc., and the Alaska Support Industry Alliance have joined the Alaska State Chamber of Commerce, the Alaska Chapter of Associated General Contractors and Arctic Slope Regional Corporation to form the Steering Committee of the new Alaska Coalition For American Energy Security. The Coalition will combine its efforts with the Washington, D.C.-based Coalition for American Energy Security to assure that members of Congress are fully informed about all aspects of the ANWR issue before deciding whether to open the coastal plain to exploration and development or designate it wilderness.

See related stories on pages 2 and 7.

Secretary of the Interior Donald Hodel considers the upcoming congressional action on ANWR one of the most important resource management decisions to be made in the last quarter of the 20th century.

Wilderness designation would prohibit development of the highly prospective oil and gas lands in the 1.5 million-acre coastal plain. These lands are within 65 miles of Prudhoe Bay and the trans-Alaska pipeline. Geologists believe the coastal plain, which accounts for

INSIDE

• Candidates Support...	3
• Coal Reclamation...	4
• Minerals Commission...	5
• RDC Board Meets ...	6
• ANWR...	7

approximately 8 percent of the refuge, represents the nation's best prospect for discovery of large oil reservoirs, possibly in the dimension of Prudhoe Bay.

The Steering Committee will head the coalition effort by charting strategy and policy. A Coastal Plain Committee has been formed to work directly on the various issues.

The Alaska group is working with numerous other organizations, companies and communities to establish a broad base of support for opening the refuge. The Coalition is developing a speakers bureau to address issues relating to ANWR.

"Contrary to what many people may believe, this is not an issue of energy development versus environmental values," said Tom Cook, a coordinator for the Steering Committee. "The petroleum industry has consistently demonstrated its ability to operate in conditions similar to those found on the coastal plain in a safe, responsible manner without significant adverse environmental impacts."

Cook said the Coalition's effort will be based on factual information that shows opening the coastal plain to oil and gas exploration and development is in the nation's best interests.

Organizations wishing to join the Coalition should contact Cook at (907) 561-8641 or write to Box 10-1515, Anchorage, Alaska 99510-1515.



A coalition of pro-development groups plan to make the public aware that the petroleum industry has an exceptionally responsible environmental record in the Arctic.

Message from our executive director

by Paula P. Easley



"Beware!" here comes November 4

"BEWARE!" warns the invitation to RDC's Halloween Masquerade Ball. That event takes place Saturday, November 1 and is a painless way to offer financial support for your organization. You have a blast spending the \$40 per ticket and we get to fund RDC projects with the profits.

"Beware" also on an even more important day, November 4, the day of Alaska's statewide election.

To make the right decisions, November 4 requires some homework on your part. Whatever you do, don't be misled by candidates' pronouncements of support for such issues as "economic development," "diversifying the economy," "jobs," etc. Some candidates are saying the right words, but there's no functional substance behind them. That's why you must ask the right questions and read between the lines on their campaign literature.

For example, have you noticed how many candidates propose to diversify the economy by "encouraging" only two industries--fisheries and tourism? That should make you see red flashing lights. Do you suppose they can't comprehend that neither government nor private industry could pay the bills very long with income from just these two industries?

If we operate on the premise that Alaska's secondary industries will thrive if its basic industries are flourishing, candidates ought to be presenting positive platforms for improving output from timber, agriculture, mining and oil and gas — not just fisheries and tourism which traditionally receive broad state support. Are candidates demonstrating positive support for these other industries, and how will that support be manifested?

You'd best start asking some pointed questions about their positions on access to resource lands, land ownership and management, developing transportation systems, permit procedures, resource taxation, industry incentives, eliminating unnecessary regulations, spending policies and restructuring state government.

Remember, too, when people talk about "marketing" the state's resources and putting more dollars into education, both worthy causes, that we must first have access to natural resources, a monumental roadblock in our recent history. And it doesn't do much good to provide the widest educational opportunities if our educated citizens have to move out of Alaska for a job.

Once again I commend RDC's *New Strategies for Advancing Alaska's Economy, 1986-1990*, as an excellent guideline for helping you determine the right questions to ask. If you don't, you'll be sorry! (We will be, too.)

Special forum to highlight oil range

"The Arctic National Wildlife Refuge Coastal Plain: Issues and Opportunities," will be the subject of a special luncheon forum on Friday, November 21 at 12:00 in the Alaska Room of the Anchorage Hilton Hotel.

Sponsored by the Resource Development Council, the program will feature Charles diBona, President of the American Petroleum Institute, economist Bob Richards, and a representative from the oil industry.

diBona will focus on the national interest implications of opening the 1.5 million-acre Coastal Plain of the refuge to oil and gas exploration and development while the industry representative will address the resource potential of the Coastal Plain. Richards will discuss the economic opportunities associated with oil and gas exploration and development within the Coastal Plain.

The event will target leaders from all economic sectors of Alaska and is intended to focus on the various issues that Congress will consider when it decides on whether to open the Coastal Plain to oil and gas exploration and development or designate it wilderness, thereby prohibiting development.

In a recent meeting with RDC executive committee members and division directors, Secretary of the Interior Donald Hodel said the upcoming congressional decision on ANWR will be one of the most important resource management decisions to be made in the last quarter of the 20th century. He expressed strong support for the Council's efforts to generate public awareness of the issues surrounding oil and gas development in the Coastal Plain.

Tickets to the ANWR luncheon are \$25 per person. Reservations may be made by calling RDC at 276-0700.

RDC urges Tacoma to support efforts on opening refuge

The Resource Development Council is seeking backing from the Port of Tacoma in securing congressional support for oil and gas exploration in the Arctic National Wildlife Refuge.

In a meeting with Tacoma officials last month, RDC stressed that although the refuge is in Alaska, it is not just an Alaska issue. The economic impact associated with oil and gas development in the refuge, the Council emphasized, is much broader than the state of Alaska.

As far as the Port of Tacoma is concerned, jobs are the key issue. Thousands of Washington state residents have been employed at the Port of Tacoma for many years building modules used for oil recovery on the North Slope. In addition, hundreds of companies outside Alaska have benefited directly from oil and gas development in Alaska's Arctic.

After three years of building modules, Tacoma now stands to lose employment because no new orders have been placed.

"The whole oil industry has had an impact on the Port of Tacoma in employing plumbers and pipefitters, as well as longshoremen and other employees involved in the shipment of these barges up to Alaska," said John McCarthy, President of the Port of Tacoma Commission.

"One major point we want to make to Congress is to let them know that Alaskan trade and development has a big impact on Pierce County and the state of Washington," said Commissioner McCarthy.

Tacoma handles 65 percent of the waterborne shipping to Alaska, a state that receives 85 percent of its revenues from oil and gas production.

The Resource Development Council has asked Lawrence Killen, executive director of the Port of Tacoma, to take a leading role in speaking with Washington state senators Dan Evans and Slade Gorton about supporting environmentally-sound oil exploration and development in the Coastal Plain of ANWR.



RDC Board members at the Southeast Conference in Petersburg September 17-19 included (from left) Phil Holdsworth, Juneau; Karen Hofstad, President of the Southeast Conference, Petersburg; Dick Griffin, Sitka; and Don Finney, Ketchikan. Becky Gay, Deputy Director, participated in a panel discussion on "Economic Diversification-Do's and Don'ts," and toured Petersburg and Ketchikan projects.

Restored Lands ... (Continued from page 4)

The fertilizing and seeding is done in the spring or early summer to take advantage of the intense Alaskan growing season with its ample sunlight and plentiful rainfall. Substantial growth takes place during June, July and August, leaving the reclaimed slopes with a thick covering of grass.

Reforestation follows the seeding by a year or more, after soil has gained a sufficient nut-

rient level. Native trees and shrubs are grown in the Palmer Nursery and replanted when they are three to six inches in height.

UCM has reclaimed over 3,600 acres of land since the inception of the reclamation program in 1971. Dall sheep and other wildlife now graze where heavy equipment once operated.

RDC gets community service award

The Resource Development Council was honored last month with the Anchorage Chamber of Commerce 29th annual Gold Pan Award for distinguished community service.

In awarding RDC the Gold Pan for distinguished community service, the Chamber noted the Council's statewide efforts on meeting the most serious economic challenges facing Alaska. The Council was specifically recognized for bringing Alaska's competitive position in the global marketplace to the forefront at its Sixth Annual International Conference on Alaska's Resources last February.

The conference featured assessments of market potential in global trade for the basic industries supporting Alaska's economy. The conference also considered constraints to Alaska's development and innovative approaches to improving the state's competitive position.

RDC's new report on advancing Alaska's economy through resource development also drew strong applause from the Chamber. "New Strategies for Advancing Alaska's Economy, 1986-1990," outlines specific actions for advancing Alaska's oil and gas, minerals, wood products, agriculture, fisheries and tourism industries.

Notable Quotes

"The system doesn't work very well unless we have equal pressure on both sides."

— Audubon President Peter Berle on government land managers balancing competing interests

"Japan imports 99.8 percent of the country's oil, 90.7 percent of its natural gas and 81.8 percent of its coal. We are an energy dependent nation and that's why there is much interest in Alaska's mineral resources."

— Masafumi Ishii, Energy Resources Division, Japanese Ministry of Foreign Affairs

"There will be no wealth to divide and distribute to Alaskans until we wrest it from the earth."

— Robert B. Horton, Chairman and Chief Executive Officer, Standard Oil Co.

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 7:30 a.m. in the Northern Lights Inn. Reservations are requested by calling 276-0700.

Executive Committee Officers

President Boyd Brownfield
Vice President John Forcaskie
Vice President Joseph Henri
Vice President Shelby Stasny
Secretary O.K. "Easy" Gilbreth
Treasurer Larry Laughman
Past President Charles Webber

Staff

Executive Director Paula P. Easley
Deputy Director Becky L. Gay
Public Relations Director Carl Portman
Projects Coordinator Mike Abbott
Membership Relations Director Lynn Gabriel
The RDC business is located at 807 G Street, Suite 200, Anchorage.

Resource Review is the official monthly publication of the Resource Development Council, Box 100516, Anchorage, Alaska 99510 — (907) 276-0700.

Material in the publication may be reprinted without permission provided appropriate credit is given.

Carl Portman
Editor & Advertising Manager

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.

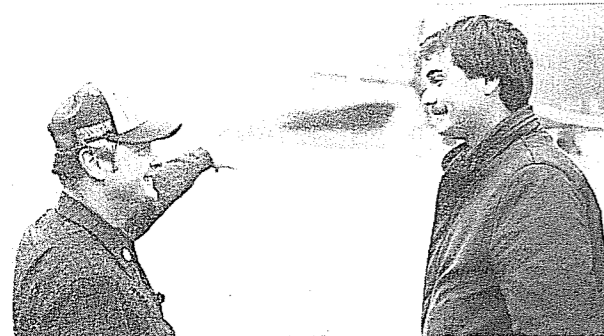
Seward welcomes RDC's Board



The Resource Development Council's Board of Directors discussed economic development and exchanged new ideas with Seward residents at a mid-year board meeting September 26 in the Resurrection Bay community.

Mayor Harry Gieseler and Kerry Martin escorted the RDC board on a community tour that included visits to the Alaska Vocational Technical Center, the Spring Creek Correctional facility, Seward Fisheries, the Marine Industrial Center and the Suneel coal facility.

At top left, the RDC board, spouses and staff stand before a ship bound for South Korea with a load of Usibelli coal. At top right, the group inspects facilities at Seward Fisheries. RDC President Boyd Brownfield and Board member Joseph Usibelli, Jr., overlook Suneel Alaska operations at bottom left while at right President Brownfield presents hostess and board member Sharon Anderson with flowers at a warm reception following a productive day of meetings and tours.



Minerals commission...

(Continued from page 5)

- Metal prices and other international economic factors have been unfavorable to mineral development in Alaska.
- The outcome of the permitting process in Alaska is uncertain. In initiating a project in Alaska, the developer cannot be certain of the cost or outcome of the permitting process, making it difficult to convince company directors to undertake projects in Alaska than other states, even those such as California which have very strict regulations but a well defined and predictable permitting process.
- There is a lack of commitment by state government to having a viable mining industry. This is manifested by excessive, overlapping, time consuming, contradictory, changing, unnecessary and in some cases, unattainable regulations.
- The State does not have a clearly enunciated mineral policy.
- Alaska is unwilling to use the Attorney General's office to assert its state's rights on federal issues.
- Neither the Alaska National Interest Lands Act nor the Alaska Native Claims Settlement Act clearly addressed mineral policy in Alaska and both acts have resulted in diminished mineral development.
- Alaska heavily subsidized all competitors of its domestic coal industry, spending millions of dollars on hydro-projects and selling its royalty natural gas at below market levels.
- Alaska has failed to implement genuine permit reform.
- Delays by litigation have increased the risk and cost of mineral

development.

- There have been no consideration of the economic costs of regulations.
- There has been no state emphasis on geologic mapping or mineral assessments.

At its first meeting in August, the Commission elected Earl Beistline, former Dean of the UAF School of Mineral Engineering, as its chairman. Beistline also serves on the RDC Board of Directors. During the course of the meeting, the Commission adopted bylaws, created five committees and assigned committee chairs.

Pacific Legal to open Alaska office

The Pacific Legal Foundation will soon open an office in Anchorage. Rob Rivett, environmental law section chief for PLF, said the firm received foundation support to supplement Alaska contributions to open the office here.

Based in Sacramento, California, PLF has been active in Alaska land-use issues for many years. The move will allow the organization to respond more quickly and effectively to Alaska issues.

The office initially will be staffed by attorney Jim Burling and a secretary. Burling is currently representing mining interests in two lawsuits, one filed against the National Park Service last year and the other against the Bureau of Land Management earlier this year. Both lawsuits were filed by preservation groups demanding environmental assessments before mining was allowed on federal lands.

The Resource Development Council has worked closely with PLF and Burling for nearly ten years, and has acted as a liaison office for the non-profit law organization.

Candidates support RDC's Economic Development Program

Some 40 candidates running for state office have endorsed the Resource Development Council's "New Strategies for Advancing Alaska's Economy, 1986-1990." Others have endorsed certain aspects of the Council's report.

With the endorsement action, candidates resolved to work "for the goals and objectives of 'New Strategies for Advancing Alaska's Economy, 1986-1990.'" The candidates pledged to "recognize the merits of this program and support it as legislative, administrative and judicial efforts are mounted to implement the actions recommended."

"The broad cross-section of Alaskans who produced this report, along with many who have reviewed it, believe that a 'can-do' attitude will bring about positive changes in Alaska's economy," said Paula Easley, the Council's executive director. "For this reason, we asked candidates to endorse this approach to expanding the state's economic base. It is an important first step that must be taken soon after the legislature convenes and the new administration is sworn in."

Candidates demonstrating the strongest support of the development strategies are designated with a ● while those candidates endorsing only certain aspects of the strategies are designated with a ○.

Governor		House, cont.	
Arless Sturgulewski	●	District 9-B	
Steve Cowper	○	Alyce Hanley	●
Lt. Governor		District 10-A	
Terry Miller	●	Red Boucher	●
Steve McAlpine	●	District 10-B	
Senate		Virginia Collins	●
District A		District 11-A	
Bob Zeigler	●	Dave Donley	○
District E-B		Roger Jenkins	●
Barbara Lacher	●	District 11-B	
District F-B		Wally Barker	●
Jan Faiks	●	District 12-A	
District G-B		Kay Brown	○
Malcolm Roberts	●	Bill Moffatt	●
Pat Roday	●	District 12-B	
District H-B		Johnny Ellis	●
Rick Uehling	●	Don Wilcox	●
Vic Fischer	○	District 13-B	
District I-B		Donna Estell	●
Tim Kelly	●	Terry Martin	●
District K-B		District 14-A	
Bettye Fahrenkamp	●	Ramona Barnes	●
District L		District 14-B	
Leo Rasmussen	●	Walt Furnace	●
House		District 15-A	
District 1-A		John Liska	●
Robin Taylor	●	District 15-B	
District 4-A		Randy Phillips	○
Bill Hudson	●	District 16-B	
District 4-B		Ron Larson	●
Fran Ulmer	○	District 17	
District 5-A		Dick Schultz	●
Tom Wagoner	●	District 20-A	
District 7		Steve Frank	●
Jim Zawacki	●	District 20-B	
Dana Brockway	●	John Ringstad	●
District 8-A		District 21	
Fritz Pettyjohn	●	Gary Copus	●
District 8-B		District 23	
Steve Rieger	●	Caleb Dotomain	●
District 9-A		Henry Springer	●
Drue Pearce	●		

Mark your calendar for ...



Resource Development Council, Inc.

FUNdraiser

Halloween Masquerade Ball

Saturday
November 1, 1986
Anchorage Hilton Hotel
BALLROOM

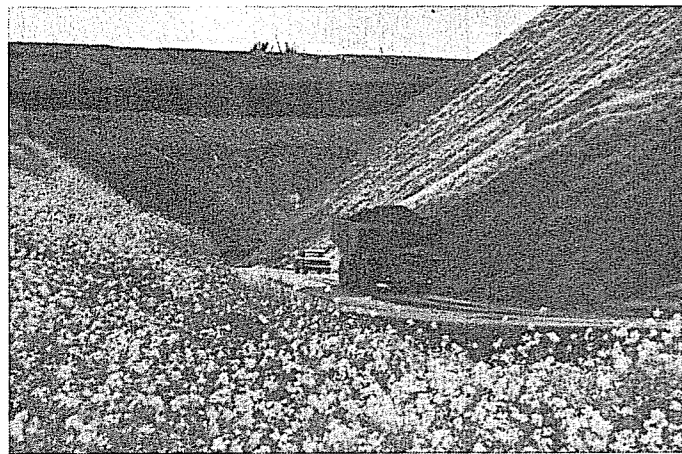
8:00 p.m. to the
"Witching Hour"

- Writhing music
- Frightening hors d'oeuvres
- "Cryptic" photo opportunities

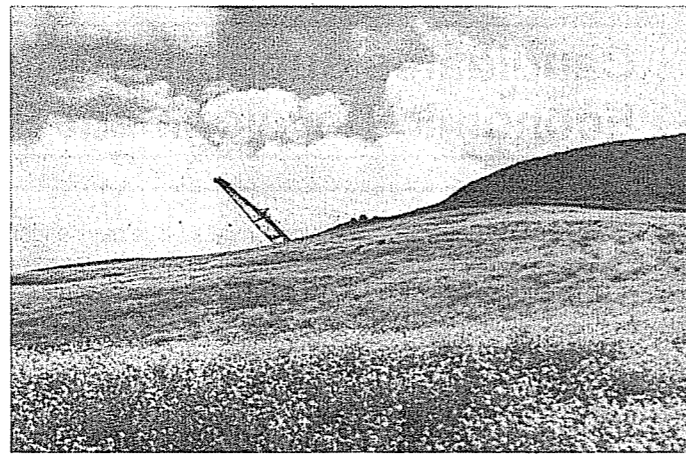
Costume Prizes

- Best table theme
- Most original couple
- Best witch or warlock
- Most Hilarious Scariest

TICKETS: \$40.00 per person
TABLE RATE: \$350.00/Table of 10
RESERVE NOW
FOR BEST TABLE:
RDC: 276-0700



Only three months after planting, reclaimed fields flourish at Usibelli Coal Mine.



Restored lands flourish at coal mine

Usibelli Coal Mine, Inc., situated in the Nenana Coal Field of Interior Alaska, produces 1.5 million tons of sub-bituminous steam coal annually, used in part to generate electricity and heat for the railbelt and much of the Fairbanks area. The operation has been supplying coal to satisfy the energy needs of Interior Alaska since 1943, when it was founded by Emil Usibelli.

The mine, still owned and operated by the Usibelli family, has evolved into a state-of-the-art mining operation. Economically, the Interior profits greatly from the mine, which provides over 120 year-round jobs with an annual payroll of nearly \$10 million. Recent expansion of UCM allowed the operation to begin exporting coal to South Korea in 1984, representing the first significant export of an Alaska mineral resource.

The highly-efficient mining operation at Healy has moved mountains of coal from the Nenana Coal field for over 40 years. Yet despite all this development, the environment and wildlife continue to flourish, demonstrating that development of resource-rich Alaska

can occur without significant adverse impact to the environment.

UCM has been widely recognized for its successful reclamation program, established six years prior to legal requirement. Dall sheep and other wildlife from the Alaska Range feed on the grass of reclaimed fields during winter and have their young in the former mining sites in the spring.

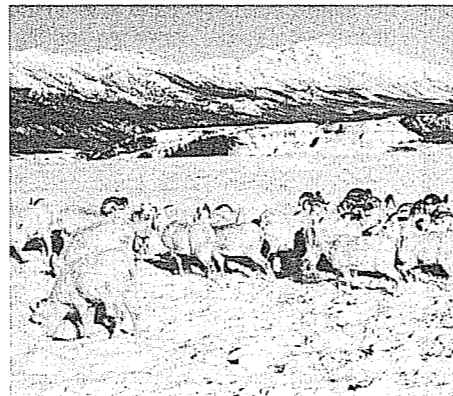
Reclamation, the final phase of the mining process which restores the disturbed land to its original contour and vegetative covering, is an ongoing phase of operation at UCM.

In 1971, UCM initiated its reclamation program. The Healy mine contracted with Stanley Weston, an internationally acclaimed agronomist from Vancouver, B.C., to develop a program suitable to the severe environment of Interior Alaska.

On-site demonstration plots were developed on mine spoil dumps using seed mixtures of 27 species of grass in different combinations. A mixture of 12 grasses and legumes used with fertilizer developed from the favorable results of these tests. Over the



The initial reclamation stage involves regrading the disturbed land.



Dall sheep from the Alaska Range feed on grass and have their lambs in areas where heavy equipment once operated.

next two summers, over 1,600 acres of previously-mined lands were reclaimed.

During the exploration phase, photos and surveys of the pre-mining landscape provide information in order to return the land to its original contour. Spoil piles of overburden, created during the mining phase, are planted with grass to stabilize the soil and reduce erosion until the spoil can be reclaimed.

The initial reclamation stage at UCM involves regrading the disturbed land. Crawler tractors regrade the spoil piles to the approximate slope of the original terrain, compact the soil and slightly furrow it to better hold fertilizer and seed.

Upon completion of the ground preparation, a low-flying aircraft supplies fertilizer to the area at a rate of 300-500 pounds per acre. The fertilizer, which is manufactured in Kenai, aids plant growth in the nutrient poor soil.

The seeding process, following fertilizer application, reestablishes plant growth with commercial seed from Alaska, Canada and Oregon. The aircraft spreads a mixture of perennial and annual grass and leguminous plants over the reclaimed area.

(Continued on page 7)

Suntrana: Birthplace of Alaska's coal industry

By
Catherine Usibelli



Horse-drawn sleds haul coal from the Suntrana coal field in the 1920s.

Little is known about the early mining days in the Healy area. What remains are some names, places and a few old photographs. Mining began in 1918 when construction of the Alaska Railroad reached the Healy River Coal Field located in the Nenana Coal Basin. The miners who first settled this area built their underground mines in a place called Suntrana.

Suntrana is located just east of Healy along Healy Creek which flows out of the Nenana River. Outcropped on the steep bluffs which flank the Suntrana Valley are prominently displayed coal seams. These steeply inclined black seams are a constant reminder of the abundance of coal found in this region.

Elements of time have eroded the landscape into unique layers of coal, sandstone and clay, rich with plant fossils and capped by thick accumulations of gravel. Many of the visible coal seams spontaneously burn, causing smoke to rise from the surface of the hillside. Early settlers in this valley were Athabaskan Indians who gave Suntrana its name which means "burning hills."

In and around Suntrana are remains of past mining operations; closed-up entrances to tunnels, pieces of old machinery and historic structures. Coal was transported by horse-drawn sleds to Healy where it was used during construction of the railroad. The Healy River Coal Corporation, founded by Austin "Cap" Lathrop, was the first commercial coal mining operation in Suntrana. In 1922, a railroad spur was built connecting Suntrana to the main line at Healy. Final completion of the Alaska Railroad occurred in 1923 when it reached the booming

Minerals commission to draft Alaska policy

The Alaska Mineral Commission has voted to draft an Alaska minerals policy act to protect the interests of resource development.

Vice Chairman Darrell Spilde said a policy act would be a good vehicle to incorporate the Commission's goals and would provide a framework under which the Commission can address additional, more specific recommendations.

Spilde pointed out that Idaho adopted minerals policy legislation largely drafted by the Idaho Miners Association. It requires other legislation and regulations to reflect the objectives of the minerals policy. Both Idaho and Nevada have such policies.

"The most effective way to institutionalize change would be to legislate it," said Spilde. "The Commission's policy recommendations would be most effective if they were enacted as law."

Once in place, Spilde said all other government actions would have to be consistent with the Act. Spilde was recently appointed to RDC's State Board of Directors.

Paul Glavinovich, Director of the Resource Development Council's Minerals Division, told the Commission at its September 19 meeting that RDC is launching a legislative program to address problems with access, land use, water quality, permitting and regulations.

In terms of access and land use, Glavinovich said a major concern is the preservation of access across federal conservation units and

gold town of Fairbanks. A market was opened for supplying coal to Interior Alaska.

Until the early 1940s, the Healy River Coal Corporation produced nearly half the coal mined in Alaska. The rest came primarily from the Evan Jones Mine in the Matanuska Coal Field outside Anchorage. At this time a new market for coal developed as a result of the military build-up in Alaska during and after World War II. Coal was needed to fuel and heat newly established military posts and airfields. A number of mines were opened in and around Suntrana under U. S. Army mining licenses. Among these was a small surface mine, the first of its kind, located just east of Suntrana. It was owned and operated by Emil Usibelli.

This was the forerunner to present day Usibelli Coal Mine which has been the only commercial coal mine operating in Alaska for the last fifteen years. The mine has long since moved from the Suntrana Valley, expanding into outlying areas also rich with coal.

Many generations of coal mine families have lived and worked in the Suntrana area. Evidence of their past is limited to a few old mine trails and some abandoned buildings. Their role in developing Alaska's mining industry should never be forgotten. What is left of their memory should be preserved as a reminder to future generations. There is a place where old and new remain side by side, together, as the beginning and continuation of Alaska's coal mining heritage; a place called Suntrana.

vast areas of state land that have been classified into very restrictive land uses.

The RDC director said the Council plans to introduce legislation that would amend water quality standards and require a standard that is achievable through current technology. He said the Council intends to pursue policies that would designate the Division of Mining within the Department of Natural Resources as the lead agency in exploration and development permitting.

In addition, Glavinovich said "we will continue to argue that the regulation of mining be based upon cost benefit analysis with economic considerations reflected in final regulation."

At an earlier meeting in Fairbanks, the 11-member Commission focused on various factors contributing to the underdevelopment of Alaska's mineral industry. They include the following responses:

- Much of Alaska's land is unavailable for mineral entry or has significant restrictions on development.
- The legislature has no effective control over regulations, including authority to recall or annul administrative regulations that do not reflect legislative intent. In some cases, the legislature has given overlapping authority to more than one department.

(Continued on page 6)