



Gubernatorial Candidates Tell RDC Why They Are The Right Choice To Be Alaska's Next Governor

As the November 7th General Election fast approaches, Alaskans will have a choice between three major distinguished candidates for Governor. Each brings a unique perspective to the challenges and opportunities facing our state. The victor will preside over a period of potentially enormous change for Alaska.

Declining oil production on the North Slope, a booming mineral exploration and development industry, shrinking gas supplies from Cook Inlet, the possibility of finally commercializing our immense North Slope gas resources, diversifying our private sector economy, managing Alaska's fish and wildlife populations, dealing with the impacts of climate change, creating a

more stable fiscal regime – these are just a handful of the issues, of particular interest to RDC's membership, the new governor will face beginning in 2007.

We've asked each candidate – Andrew Halcro (I), Tony Knowles (D) and Sarah Palin (R) – to tell RDC members why they are the right choice to be Alaska's next governor. In addition to this special supplement in the Resource Review, RDC will cohost with the Alaska Forest Association, the Alliance and the Alaska Miners Association a gubernatorial debate featuring these candidates on October 26 at the Hotel Captain Cook in Anchorage. Please visit the RDC website to register for the event. Most importantly, remember to vote November 7!

The following biographies were provided by the candidates

Andrew Halcro

Andrew Halcro moved to Alaska in 1965 and over the last 40 years has seen tremendous changes in Anchorage and all around Alaska. For the past 20 years since returning home from college, he has helped grow a successful statewide family business.

During his time managing the statewide business, Andrew witnessed first hand the economic damage of the state's boom and bust mentality.

In 1998, he was elected to the House of Representatives and served two terms during one of the most difficult fiscal periods in Alaska's history. During his four years in Juneau, he was a leading advocate for a long range fiscal plan and was successful in helping create the only bipartisan coalition to date, the Fiscal Policy Caucus.

For his hard work in Juneau, Andrew was named the best majority lawmaker and the best business lawmaker by the Alaska Legislative Digest in 2002.

Tony Knowles

Tony Knowles was born January 1, 1943 in Tulsa, Oklahoma. He has been married to Susan Morris Knowles since 1968. They have three grown children – Devon, Like and Sara. Tony served in the U.S. Army (1962-65) 82nd Airborne, Military Assistance Command, Vietnam intelligence unit. He has a bachelor's degree in economics from Yale University..

After graduation, he moved to Alaska and worked on oil drilling rigs on the North Slope and in Cook Inlet. In 1969, he started his first of four restaurants.

Tony began his political career at the local level, serving on the Anchorage Assembly and two terms as Mayor, 1982 to 1988. He was elected Governor in 1994 and re-elected in 1998.

In addition to holding elective office, Tony has served on the North Pacific Fishery Management Council; Pew Oceans Commission; and the Boards of Directors for KAKM, March of Dimes, Anchorage Chamber of Commerce and Anchorage Convention and Visitors Bureau.

Sarah Palin

After graduating from Wasilla High, Sarah Palin earned her Journalism degree from the University of Idaho and worked in media and the utility industry before beginning public service 14 years ago.

Sarah was elected to two terms on the Wasilla City Council, and then two terms as the Mayor, working as CEO of Alaska's fastest growing community. Sarah's mayoral peers elected her as President of the Alaska Conference of Mayors. In this role, she worked with local, state and federal officials to promote solutions to the needs of Alaska's communities.

Sarah served as Chairman of Alaska's Oil and Gas Conservation Commission. She also worked with the Interstate Oil and Gas Compact Commission. She is married to the three-time Iron Dog champion and is the proud mother of four children. Sarah enjoys hunting, fishing, Alaska history, and all that Alaska's great outdoors has to offer.



WHY RDC MEMBERS SHOULD VOTE FOR HALCRO

• Experience

Growing a statewide family business and making a payroll in a dozen communities over the last twenty years has provided me with valuable experience other candidates lack.

I was making a payroll in Sitka in 1994 and Ketchikan in 1996 when their timber mills closed and I watched as these communities lost 50% of their tax base. I was in Valdez in 1998 during the realignment of Alyeska Pipeline at the same time local tourism was dying due to lack of state investment. All of these devastating economic collapses happened during a period when state government was unable to respond and provide stability due to the state's fiscal instability.

Today my business is facing the same challenges as RDC members. Aging work force, rising health care costs and increasing workers compensation rates with no relief in sight. The reason? Alaska continues to elect governors who campaign on creating jobs although they haven't created private sector jobs in decades. Alaska continues to elect governors who don't make a payroll and are unaware of the rapidly changing socio-economic environment that small business is facing.

• Leadership

For the last several years, the Resource Development Council's top priority has been a long range fiscal plan. During my four years in Juneau as a state legislator, I was one of the very few voices for a long range fiscal plan.

For the last thirty years, Alaska has based its annual investments in education, public safety and critical infrastructure on the price of a barrel of oil.

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In 1999, we had a golden opportunity to finally achieve fiscal stability, but former Governor Knowles bailed out on Alaskans and insisted on putting the long range plan to a vote of the people. This is what has hurt Alaska; politicians without backbone that are more concerned about re-election than reality.

As we look ahead to the future, fiscal stability will be even more important. A graying of the workforce, an in-migration that continues to put pressure on government budgets, an aging population driving Medicare costs, but more importantly, a serious decline in oil production.

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• Vision For Alaska

Supporting the only natural gas pipeline option that makes fiscal sense for Alaska; the highway route.

No waffling, no hedging and no filling Alaskans with false theories about possible alternatives. This project is too important to the future of Alaska, especially when you consider the bills coming due in the next decade. Several economic studies have been done and the results are clear. The highway line is the best route for Alaska.

Supporting an immediate fiscal plan to protect Alaska's economy.

A POMV plan to provide a safety net and stabilize the dividend. This will allow Alaska the necessary safety net to move forward without having to worry about the price of oil while we plan for the future.

Curing Alaskans of the entitlement mentality.

For far too long we have enabled Alaskans by creating false economies. With decreasing federal dollars in the future, it's time for us to regain our individual independence and recognize that economic growth requires investment and sacrifice.

For more policy positions visit my website at www.andrewhalcro.com.



Knowles Ready To Stand Up For Alaska

The single most important issue facing our state is building a gas pipeline to ensure the economic prosperity we need for the benefit of all Alaskans. The stakes are high, and the current agreement is stalled. The question is: **Whom do you trust to get the project moving so we can finalize a contract that is in the best interest of all Alaskans?**

I believe that my experience as governor, mayor, and a small businessman make me the best prepared to take on this challenge. I can quickly and efficiently assemble the right team to do the state's business. And I have a record to prove it.

As governor I **laid the groundwork for the current negotiations on a gas line contract** at a time when gas prices were one third of what they are today. I formed the **Natural Gas Policy Council** to listen to Alaskans and industry experts, and make recommendations for moving the gas line forward. The preferred project included a pipeline that followed the Al-Can Highway, a spur line to Southcentral Alaska, and the availability of gas and gas liquids to build our economy. **This same strategy still holds today.**

My administration revitalized Alaska's oil patch through incentives for development of marginal fields that not only stopped the decline but actually increased North Slope production for the first time in a decade. Through a bipartisan effort, **Northstar** came on line after sitting idle for 17 years, with modules required to be constructed in Alaska. The same effort was applied to develop **Alpine**. **The two projects** resulted in total new production of more than 160,000 barrels per day – now more than 20 percent of North Slope production.

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I successfully lobbied President Clinton to **open NPR-A** to exploration, the first lease sale in 15 years. Bringing industry, resident Inupiat Eskimos and environmentalists together resulted in a **textbook example of how to expedite leasing and protect critical habitat without controversy or litigation**. We negotiated for **50 percent of the revenues** going to the state, an unprecedented share for petroleum reserves owned by DOD.

I also worked to encourage the industry to invest in Alaska at a time when oil prices were as low as \$9 per barrel by introducing legislation that **clarified the terms for collection of oil taxes**. This resulted in payment of \$3 billion worth of back taxes to the Alaska treasury and an **end to litigation and disputes** over past and future taxation.

I have applied the same approach to promoting mining, timber, and fisheries. My administration **consolidated permitting processes** and approved **mining credits** to encourage new exploration and jobs in the mining industry. Most recently **I called upon three environmental groups to drop their federal court appeal over tailings from the Kensington Gold Mine**. This is an environmentally responsible project that will benefit Juneau's economy and should go forward.

When federal timber sales in Southeast dropped significantly, my administration redoubled its efforts to **make**

timber available from state lands, substantially raising the total volume available to local mills and businesses, and promoting high value wood manufacture. I fought for initiatives that would **promote catching and marketing of Alaska's fish while protecting the resource** to assure the long-term health of the industry.

I have never hesitated to stand up for Alaska and fight the federal government in order to promote responsible development. As governor, I challenged the closure of Glacier Bay to commercial fishing and joined in the Steller Sea Lion lawsuit to help our fishermen. I fought EPA's arbitrary air and water quality rulings at Red Dog Mine on behalf of our miners. I opposed the Clinton roadless rule closing off large tracts of the Tongass Forest to support our logging industry.

I have appointed the right professionals who work as a team to get the job done and would do so again — public servants of the caliber of a John Shively (DNR), Michelle Brown (DEC), Wilson Condon (DOR), Debby Sedwick (DCED), and AG Bruce Botelho.

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SARAH PALIN

REPUBLICAN

PALIN: NEW ENERGY AND VISION

Alaskans are ready for new energy in their government. Both Sean Parnell and myself have the energy and a vision for Alaska that includes getting a natural gas pipeline built and moving our state forward. We see this campaign being about who will bring this energy into our state:

- Energy for all Alaskans to profit from the environmentally-responsible development of our natural resources
- Energy that nurtures the growth of small businesses and independent entrepreneurs

Both of us were raised in Alaska, educated in our schools, and have served in public office at both the state and local level. Our qualifications and background will serve us well toward building a team that unites Alaskans across the entire state.

When it comes to getting a natural gas pipeline project built, I have stated from the beginning of my candidacy that I want a competitive process that puts all viable options on the table.

In my administration, **all** qualified entities will have the right to compete. Through a competitive process, the large three oil companies currently operating on the North Slope may even come out on top. Again, the key is that these negotiations will go forward as a law of general application – not under the Stranded Gas Development Act (SGDA). The benefits of proceeding in this manner include allowing more entities to come to the negotiating table, as well as avoiding cost overruns and delays that are created from litigation risks inherent in the SGDA process.

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In the meantime, my support for Alaska’s oil and gas industry remains consistent, strong and sensible. In developing our resources for Alaska’s maximum benefit, our Constitution is protected and Alaska’s economy grows hot and energized.

The mining and timber industries have played a key role in Alaska’s history and can continue to play a major role in our future. Through a fair and nonpolitical permitting system, we can have safe and responsible operations that provide an ability to address local concerns so they can continue to provide important and high-paying jobs for Alaskans.

I look forward to building a team that will put Alaskans first! I believe in fairness and inclusion and will call on the public to work together for Alaska’s common good. I refuse to use divisive tactics that polarize us for political gain.

As Mayor of Wasilla, the fastest growing area of Alaska; as President of the Alaska Conference of Mayors; as Chair of the Alaska Oil and Gas Conservation Commission; and as a business owner and mom, I approached issues with a fair, balanced, common-sense approach. I love the challenge of hiring and appointing the best people to serve with me and I will bring this positive approach to Alaska as Governor. In building a public service team, my commitment to my home state is to always put Alaskans first and never allow special interests to take advantage of us.

I know that government has its place, but it should be limited. My focus is on those basic public services mandated by the State Constitution – education, public safety and health, and transportation infrastructure to our resources.

As manager of our vast public resources, the Governor must act as an effective CEO on behalf of all Alaskans in negotiating the best deals for the state. I am prepared and ready for the challenge and the opportunity.