BREAKFAST MEETING
Thursday, February 1, 2018

1. Call to order – Eric Fjelstad, RDC President
2. Self Introductions
3. Head Table Introductions
4. Staff Report – Marleanna Hall, Executive Director
5. Program

Alaska-born-and-raised GCI: Growing with Alaska for nearly 40 years
Brad Spees, Vice President of Business Operations, GCI

Next Meeting: Thursday, February 15, 2018
Egan Convention Center
To the U.S. Supreme Court and Back Again
John Sturgeon

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akrdc.org

121 West Fireweed Lane, Suite 250, Anchorage, Alaska 99503
907-276-0700 • resources@akrdc.org • akrdc.org
ACTION ALERT
New Five-Year OCS Lease Sale Draft Plan
Anchorage Public Hearing: Wednesday, February 21, 2018, 6:00 p.m.
Comment Deadline: March 9, 2018

Overview
The Bureau of Ocean Energy Management (BOEM) has issued a call for public comments on a new draft five-year Outer Continental Shelf (OCS) oil and gas leasing plan that would replace the current program that was crafted by the Obama administration and excluded most of the Alaska OCS, including the Arctic, from future exploration.

The Trump administration’s Draft Proposed Program (DPP) calls for 19 of 47 lease sales in federal waters off Alaska coasts beginning in 2019 and ending in 2024. The DPP offers three lease sales each in the Chukchi and Beaufort seas, two in Cook Inlet, and one each in 11 other areas, including the Gulf of Alaska. No sales are proposed in the North Aleutian Basin, which includes Bristol Bay and has been under a presidential withdrawal since 2014. The proposed plan is subject to change and it is unlikely that all 19 lease sale areas will be included when the plan is finalized.

The DPP proposes to offer the largest number of lease sales ever for U.S. waters with 25 of 26 planning areas proposed for leasing. The plan calls for multiple lease sales in the Pacific, the Gulf of Mexico, and in the Atlantic, where sales have not been held since 1983.

President Obama had removed 94 percent of the acreage that had been available for offshore leasing and this DPP proposes to do the opposite. The Interior Department said the proposed DPP allows for consideration an unprecedented increase in access to America’s extensive offshore energy resources, a critical component of the nation’s energy portfolio, and emphasizes the importance of producing American energy. Public comments along with future environmental analyses, including an Environmental Impact Statement (EIS), and other studies will inform BOEM on which specific areas may warrant special considerations. The Trump administration pledged to work closely with Alaska Native and subsistence hunters to ensure a balanced approach in Arctic lease sales.

Action Requested
Please submit comments supporting the proposed lease sales in the Arctic and Cook Inlet. Including at this stage the most prospective areas of the OCS for potential oil and gas discovery is consistent with advancing the goal of moving America from simply aspiring for energy independence to attaining energy dominance.

Public Meeting:
Anchorage, February 21st, Dena’ina Center, 6:00-10:00 p.m. The meeting will use an open-house format so participants can meet members of the BOEM team on a one-on-one basis and ask questions. Participants are encouraged to submit comments on the DPP, which will help inform the preparation of a Draft Programmatic EIS.

Online:

Mail: Ms. Kelly Hammerle, National OCS Oil and Gas Leasing Program Manager, Bureau of Ocean Energy Management (VAM-LD), 45600 Woodland Road, Sterling, VA 20166-9216

Additional Information: https://www.boem.gov/National-Program-Participate/
Points to Consider:

- The potential oil and gas resources that may be made available as a result of this DPP are fundamental to America’s energy security in the coming decades. The 2019-2024 OCS Oil and Gas Leasing Plan will provide the foundation for the nation’s energy supply into the middle of this century.
- Alaska’s Beaufort and Chukchi seas form one of the most prospective basins in the world. Together, these areas are estimated to hold over 24 billion barrels of oil and 133 trillion cubic feet of natural gas.
- Despite a surge in U.S. oil production in recent years, the U.S. still imported nearly eight million barrels per day last year to meet domestic needs.
- Offshore development would serve to help maintain the integrity of the Trans-Alaska Pipeline System (TAPS), a critical link to America’s energy distribution. TAPS has safely transported more than 17 billion barrels of oil since it came online over 40 years ago.
- Twenty-five years ago, North Slope oil production exceeded two million barrels a day, which accounted for a quarter of domestic crude oil production. However, TAPS throughput has now declined to approximately 528,000 barrels per day. Given the vast resources available in the Arctic OCS, future production could stem the decline, allowing for TAPS to remain viable for decades.
- Excluding the Alaska Arctic from future lease sales would severely compromise the long-term energy and economic security of Alaska and the nation.
- The Arctic’s untapped resources are of critical importance to both Alaska and the United States. Oil and gas development in the Arctic OCS is predicted to produce an annual average of 35,000 direct and indirect jobs over the next half century for Alaska alone. Those jobs would represent a total payroll of over $70 billion.
- From an economic standpoint alone, promoting and fostering Arctic OCS development would represent a windfall for the national economy. Revenues generated from Arctic OCS oil and natural gas production could amount to $200 billion to federal, state and local governments.
- Industry has shown that impacts to marine mammal subsistence activity can be avoided and mitigated through close cooperation and communication with primary subsistence users. Newly instituted technologies will further ensure that development and environmental protection can coexist in the Arctic.
- Leasing and subsequent Arctic OCS exploration and development would bring much-needed infrastructure to the region and would also provide additional response capabilities in an area where shipping and other activities are increasing.
- Major investments in research in the Arctic OCS over decades by industry, government, and academia will provide a strong platform for responsible development that minimizes risks to other resources.
- Over 72% of Alaskans have supported offshore development. (Consumer Energy Alliance poll, October 2014)
- BOEM lease sales provide some level of predictability and certainty for industry to engage in long-term strategies to develop the Arctic’s vast resources.
- Oil and gas development in the Arctic OCS could ultimately prove indispensable, given forecasts that predict this nation’s energy demands increasing over ten percent in the next quarter century. Even with dramatic increases in alternative energy sources, the majority of these growing energy demands will continue to be satisfied through use of fossil fuels.

Comment deadline is March 9, 2018
January 31, 2018

Bureau of Land Management
Attn: Ambler Road Comments
222 West 7th Avenue, Stop #13
Anchorage, Alaska 99513

Submitted via blm_ak_akso_amblerroad_comments@blm.gov

To Whom It May Concern:

The Resource Development Council for Alaska, Inc. (RDC) is writing to encourage the Bureau of Land Management (BLM) to include social and economic benefits, as well as other potential opportunities that access to the Ambler Mining District may create in the proposed Ambler Mining District Industrial Access Project (AMDIAP) Environmental Impact Statement (EIS).

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.

RDC supports the EIS process for projects in and around Alaska, and encourages the BLM to stay within the two-year timeline for this process. Timely reviews in the permitting process send a positive message about Alaska. Additionally, RDC believes the EIS process gives Alaskans and all stakeholders adequate time to review a project’s documents, and to provide input on the plans.

Further, RDC supports a rigorous permitting process that reviews and analyzes all potential impacts, including positive economic benefits. Potential benefits for both local communities and the state should be fully considered in the EIS process.

RDC requests the BLM include the following in the EIS: the social and economic benefits of this project to the region, state, and nation; the potential for lower cost energy options to the region; and, job opportunities leading to reduced out-migration, which will help maintain rural communities and schools.

That said, RDC believes the EIS should be timely, concise and meaningfully, and evaluate a limited number of issues.
RDC urges the BLM to adequately consult with stakeholders, such as Alaska Native corporations including Doyon Ltd. and NANA Regional Corporation, as well as the Alaska Industrial Development and Export Authority, and potential project proponents for responsible resource development in the Ambler Mining District.

Lastly, RDC urges the BLM to apply the proper section, Title II, from the Alaska National Interest Lands Conservation Act (ANILCA) to this project. The EIS, through ANILCA, will determine the best route, as well as the best terms and conditions for the permit.

While the road has not been formally proposed, and no mine has been submitted for permitting, RDC would remiss not to point out the potential benefits that could come from a project like this, including jobs, job training and lifelong skills, economic diversification, and other opportunities.

RDC appreciates the opportunity to comment and looks forward to the timely review of the Draft EIS.

Sincerely,

[Signature]

Marleanna Hall
Executive Director
Testimony before Alaska Department of Environmental Conservation
January 26, 2018
Anchorage, AK
Donlin Gold APDES and Waste Management Permits

Good evening, my name is Carl Portman, I am the deputy director for the Resource Development Council for Alaska, Inc. RDC is an Alaskan trade association with members in tourism, oil and gas, forestry, fishing, and mining, as well as the 12 regional Native corporations, labor, individuals, and others supporting the responsible development of Alaska’s natural resources.

RDC supports the approval of the APDES and Waste Management permits for the Donlin Gold project.

As stated in the APDES permit, the authorized discharge of treated wastewater to Crooked Creek will result from a net positive water balance thus necessitating the need to discharge excess water. According to the permit, the proper treatments will be in place, and there will be no mixing zone.

Further, Donlin Gold will monitor the treated water, and reports will be reviewed by DEC and available to the public.

In regards to the Donlin Gold project, the potential benefits of future production are significant, not only to the rural communities in the areas around the project, but also to the descendants and shareholders of Alaska Native corporations, as well as benefits that will be realized through jobs and other opportunities.

Through the exploration stages, Donlin has shown a strong commitment to local hire and for supporting communities and cultures in the region. A project like this truly is a rare opportunity to improve the local economy where few other opportunities exist.

If developed, RDC believes the project will be done in a way that creates opportunity for local employment and economic growth, while protecting the subsistence resources and culture of the region, and the environment.

We appreciate the opportunity to comment on this important part of Alaska’s rigorous permitting process that has already permitted the six large mines under the review of NEPA and the scientifically-based process which includes over 60 major state and federal permits and authorizations. Alaska’s existing mines are operating to the highest standards and in harmony with our renewable resources. Donlin’s project description demonstrates an understanding of environmental concerns, and features vigorous environmental management principles.

RDC will submit formal comments before the February 13 deadline. Thank you for the opportunity to comment today.
Advocate for a long-term fiscal plan

- Advocate to limit unrestricted general fund (UGF)* spending to a sustainable level and implement a meaningful limit to spending.
- Encourage the legislature to allocate a percentage of the Permanent Fund earnings to the UGF to support essential services.
- Advocate to diversify and expand the economy in Alaska, by reducing the budget deficit to encourage long-term investment in the private sector.

*UGF includes: Operating budget, capital budget, statewide obligations, but does not include deferral of liabilities.

Advocate for a stronger private sector

- Advocate for tax policy and regulatory stability that enhances the State of Alaska's competitiveness for all industries to attract new investment and grow the economy.

Fish Habitat Regulations

- Oppose major changes to fish habitat regulations that are already working.
- Encourage state agencies to defend existing, rigorous regulations.
Growing Alaska Through Responsible Resource Development

Sponsors of the RDC Board Fly-In • January 22-23, 2018
Pruitt’s Bad Pebble Precedent
*The Trump EPA ratifies a pre-emptive Obama veto on projects.*
The Wall Street Journal
30 January 2018

https://www.wsj.com/articles/pruitts-bad-pebble-precedent-1517357679

Scott Pruitt has done good work reining in his predecessor’s regulatory overreach. But that only makes the EPA Administrator’s decision late last week to rubber stamp a violation of due process toward a mine proposal in Alaska all the more disappointing.

The Environmental Protection Agency said it will no longer seek to withdraw the Obama Administration’s pre-emptive veto of the proposed Pebble copper and gold mine in southwest Alaska. The Obama EPA issued that unprecedented veto in February 2014, blocking Pebble’s progress through the regular Clean Water Act process in which a company files for permits and receives an environmental review from the Army Corps of Engineers. EPA’s job is to weigh in at the end of the review, not short-circuit the application.

EPA says that although the veto will remain in place, the agency will allow the Pebble Limited Partnership an additional three years to navigate the Corps process. This is less generous than it sounds. Pebble had already won that right in May 2017, when the EPA settled litigation Pebble had brought that had exposed EPA’s phony science and the collaboration by EPA employees with anti-mine activists and native tribes to sabotage the project. As part of that settlement, EPA agreed to start formally withdrawing the veto.

Mr. Pruitt’s about-face is the sort of arbitrary diktat that undermines capital investment. Shares in Northern Dynasty Minerals, which owns Pebble, fell 21% on Monday, the first trading day after the Pruitt announcement. EPA says its decision to maintain the veto is based on more than “one million comments” it has received since this summer that mostly oppose the mine, and Mr. Pruitt’s judgment that “any mining projects in the region likely pose a risk to the abundant natural resources that exist there.”

Based on what analysis? The Obama EPA ginned up a phony study based on a hypothetical mine to create a worst-case scenario and justify its veto. Even if the public comments are genuine (and not part of a spam campaign), they are informed by a faulty, partisan federal effort to discredit the mine.

Pebble didn’t file its permit application until Dec. 22, so the Pruitt EPA can’t possibly have analyzed the actual proposal. Mr. Pruitt is prejudging the project as egregiously as did the Obama EPA, even as he pays lip service to due process. And so much for Mr. Pruitt’s commitment to federalism, since the state of Alaska owns the mine site and is again getting rolled by the feds.

The broader concern is Mr. Pruitt’s embrace of a pre-emptive EPA veto power. This makes the agency a superregulator able to kill any mine, pipeline, bridge or oil well before companies can make a case, and regardless of support by one of the 50 states. The next Democratic EPA will take Mr. Pruitt’s precedent and run with it. Many lawyers argue that EPA lacks the statutory power to pre-empt the process, and EPA had never previously exercised a veto like it did with Pebble. If Mr. Pruitt now thinks the EPA has such pre-emptive power, Republicans in Congress need to know.

We take no position on the merits of the Pebble mine, but regulatory due process matters. We thought Mr. Pruitt believed in it too.
APICC
OPEN HOUSE

RSVP (not required) at apicc.org

Friday | Feb. 23 | 3pm to 6pm
2600 Cordova Street, Suite 105
Anchorage, Alaska