BREAKFAST MEETING
Thursday, January 18, 2018

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

Update on Doyon’s Nenana Basin Exploration
Jim Mery, Sr. Vice President Lands and Natural Resources, Doyon Ltd.

Next Meeting: Thursday, February 1, 2018
Alaska-born-and-raised GCI: Growing with Alaska for nearly 40 years
Featuring Brad Spees, Vice President of Business Operations, GCI
Dena’ina Convention Center

Sign up for RDC e-news online!
This breakfast packet and presentation may be found online at:

akrdc.org
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.

TOURISM FISHERIES OIL & GAS MINING FORESTRY

AKHDC.ORG
ACTION ALERT
New Five-Year OCS Lease Sale Draft Plan
Anchorage Public Hearing: Tuesday, January 23, 2018, 7:00 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 DPP and the proposed Arctic lease sales. 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, Tuesday, January 23, Dena’ina Center, 7:00-10:00 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, 2019
FOR IMMEDIATE RELEASE
January 16, 2018
Stand for Alaska
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Email: Kati@StandforAK.com
Phone: 907.306.6222

Proposed Initiative Threatens Alaska’s Economy, Jobs, Communities

The Stand for Alaska (SFA) campaign said today that a proposed ballot initiative that would overhaul regulations affecting virtually any type of project in Alaska poses “a dangerous threat to Alaska’s economy, communities and jobs.” The proposed initiative will likely go before Alaska voters later this year, pending state review and certification of signature petitions filed today with the State Division of Elections.

The SFA campaign formed last October to organize opposition to the potential initiative. The group represents a broad statewide coalition, including Alaska Native corporations, trade unions, business and industry organizations and a growing coalition of Alaskans concerned about the state’s economic future.

SFA said the Stand for Salmon initiative campaign—much of whose funding came from out-of-state special interest groups—threatens current development activities, as well as future public infrastructure projects such as roads, airports, ports and wastewater treatment. Existing resource development activities like oil and mineral production, timber harvests and tourism could be negatively impacted and even brought to a halt, the group said.

SFA co-chair Joey Merrick of the Laborers’ Local 341 said the initiative poses a grave risk to his members’ jobs. “Alaska already is in a serious recession with one of the nation’s highest unemployment rates. The last thing we need is more expensive, time consuming, and unnecessary policies that cost Alaskans their livelihoods,” Merrick said.

Campaign co-chair Aaron Schutt of Doyon Ltd., an Alaska Native corporation based in Fairbanks, said passage of the initiative will hurt communities and people in rural Alaska.

“Projects like building a road or a water treatment plant in rural Alaska will be nearly impossible if this measure becomes law. Our communities cannot grow and thrive under policies like this,” he said.

Campaign co-chair Marleanna Hall of the Resource Development Council for Alaska asserts that the initiative is too broad and vague and “is based on the mistaken belief that current regulations are inadequate to protect salmon habitat.”
Stand for Alaska believes state regulatory policies should be based on sound-science and developed under a fair and transparent process inclusive of Alaska citizens. The language in this initiative, SFA said, was drafted in private, not subject to a public review process and much of the funding to place it on the ballot was paid for by outside special interest groups.


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Alaska Support Industry Alliance’s 35th Annual Meet Alaska Conference & Tradeshow
Friday, January 19, 2018
Hotel Captain Cook

You’ll hear from:

- Janet Weiss, Regional President, BP Alaska
- Joe Marushack, President, ConocoPhillips Alaska
- Bob Warren, Vice President – Onshore Division, International Association of Drilling Contractors
- Riki Ellison, Founder and Chairman, Missile Defense Advocacy Alliance
- Mike Smith, Interstate Oil and Gas Conservation Commission
- Brent Sheets, Acting Director of the Petroleum Development Laboratory at UAF
- Alaska Resource Education’s Energy Einsteins

Additional details and sponsorship opportunities available at www.alaskaalliance.com