



ACCESS GUIDE FOR PARK INHOLDERS DRAWS SHARP COMMENTS FROM ALASKANS

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Based on the number of concerns raised during an initial public comment period this spring, the National Park Service has decided to revise a draft user's guide to help Alaskans understand the process they must follow to gain access to their inholdings inside park units. The second draft will be released for additional comment later this year.

Within Alaska's national park units, there are more than 1.6 million acres of land owned by private individuals and Native corporations, the State of Alaska and local governments. These owners and other valid occupants are entitled to "adequate and feasible access" to their property, but in most cases there is no practical access except across federal lands under Park Service jurisdiction.

The Park Service received dozens of comment letters from individuals, Native corporations and governments on the draft describing how landowners and valid occupants can secure access rights under Section 1110 (b) of the Alaska National Interest Lands Conservation Act (ANILCA). This section of ANILCA addresses motor-



Mt. McKinley stands tall from the Gold King inholding on Quigley Ridge in Kantishna, Denali National Park. Within Alaska's national parks, there are more than 1.6 million acres of land owned by private individuals and Native corporations, the State of Alaska and local communities.

ized access to inholdings, as well as access that would require improvements such as construction or maintenance of a road, power line or landing strip on park land.

"Comments covered a wide variety of concerns, and these will be considered when revising the document," said NPS Regional Director Marcia Blaszak.

While RDC believes a formal user's guide will be a valuable resource for those seeking access to inholdings, Executive Director Tadd

Owens expressed several concerns, including language in the guide referencing the National Environmental Policy Act (NEPA).

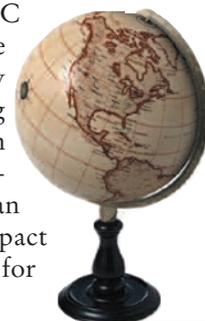
"Given access to private property within Alaska's national parks is a right guaranteed by ANILCA, RDC does not believe the cumbersome, costly and time-consuming process associated with either an environmental assessment or an environmental impact statement is necessary for

the Park Service to grant proper access," said Owens in comments submitted to the federal agency.

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NPDES PRIMACY: ALASKANS PROTECTING ALASKA'S WATER

“Oil and gas, timber, mining, and fishing all depend on and expect a clean water supply. These industries deserve a permitting program that effectively protects water quality, yet is free from unnecessary delays that waste time and money.”

This session, the Legislature made a bold move and passed Governor Murkowski's National Pollutant Discharge Elimination System (NPDES) primacy bill. Senate Bill 110 directs the Department of Environmental Conservation (DEC) to assume “primacy” of the NPDES program. This program is a centerpiece of the Clean Water Act which requires that discharges to surface waters be authorized by permit. Currently the U.S. Environmental Protection Agency (EPA) implements the program in Alaska, as it does in Idaho, New Mexico, New Hampshire and Massachusetts. In the remaining states, the NPDES program is implemented as a state program – as the Clean Water Act intended.

Today, industries discharging to Alaska surface waters must obtain an NPDES permit from EPA, which DEC then certifies. This is a duplicative and time consuming arrangement that requires Alaskans to work with state and federal employees to receive permission to discharge. When a state assumes NPDES permitting primacy from EPA, it then becomes the sole permitting agency. In other states, NPDES primacy has resulted in a more effective permitting process. With Alaska's unique environment and physical and psychological distance from EPA's Seattle-based permitting staff, there is no reason to believe the positive effects of primacy will be any less.

Senate Bill 110, which included elements to be incorporated into the state NPDES program design, was carefully crafted by a workgroup of representatives of those most affected. These represented industries and local governments are cornerstones of Alaska's economy. They collectively employ a significant number of Alaskans and generate billions of dollars of economic activity from which we all benefit. Oil and gas, timber, mining, and fishing all depend on and expect a clean water supply. These industries deserve a permitting program that effectively protects water quality, yet is free from unnecessary delays that waste time and money.

Senate Bill 110 will soon be signed into law as the first step on the road to state NPDES primacy. Over the course of next

year, DEC staff and the workgroup will prepare and submit a primacy application to EPA by June 30, 2006. A key part of the primacy application will be the regulations governing the state-run

NPDES program. Draft regulations will be developed and proposed for public consideration this fall and early next year. Once EPA receives our application, they will then spend the next year soliciting public input on the application and proposed state program, including the implementing regulations, and consulting with other federal agencies and Alaska's federally-recognized Tribes as required by federal law. EPA's approval of the state application is scheduled mid-summer of 2007. Its approval is followed by a five-year transition period. During the transition period, EPA and the State of Alaska share the program while incrementally transferring program responsibility until all responsibility for the program rests entirely with the State.

The entire NPDES primacy process spans seven years. While the road to primacy is long, it is only right that as the State of Alaska approaches its 50th birthday we take bold steps to gain responsibility for critical programs like NPDES. Alaskans are committed to developing our valuable natural resources which provide livelihoods for Alaskan families, while ensuring the environment is protected. These two goals can be best met when regulatory programs, like NPDES, are managed by Alaskans for Alaskans, who are most familiar with and committed to our great state. DEC looks forward to listening to and working with Alaskans as we continue making progress toward NPDES primacy assumption

KENSINGTON PROJECT REACHES ANOTHER MILESTONE

The U.S. Forest Service has approved the Plan of Operations for the proposed Kensington Gold Mine north of Juneau.

“I am extremely pleased with this important step forward for the Kensington project,” said Governor Frank Murkowski. “Kensington represents high-paying careers and economic diversity for northern Southeast Alaska. This decision demonstrates yet again that we can have major mine development in Alaska while protecting our environment. I look forward to participating in the project's groundbreaking in the near future.”

The mine must still obtain a U.S. Army Corps of Engineers Clean Water Act permit and an Environmental Protection Agency National Pollutant Discharge Elimination System Permit which are expected soon.

Kensington is expected to employ approximately 225 people when in full operation. Mine construction will generate more than 200 jobs.

ALASKANS WEIGH IN ON ACCESS TO PRIVATE PROPERTY INSIDE PARKS

(Continued from Page 1)

If the Park Service determines it is legally bound to follow the NEPA process, Owens said it should seek a categorical exclusion from the requirement of NEPA for access associated with ANILCA inholdings.

Chugach Alaska Corporation, which owns 139,000 acres of surface and subsurface estate within park boundaries, noted Congress made ANILCA senior to other federal laws such as NEPA.

“ANILCA did require the Park Service to regulate access, but in the context and under the authority of ANILCA,” explained Rick Rogers, the corporation’s Vice President for Lands, Resources and Tourism. Rogers argued that the guidance document did little to bring the Park Service access policy in line with the access rights Congress reserved for inholders in the passage of ANILCA.

Rogers said in order for Alaska Native corporations to realize the full economic benefits of their lands as Congress intended, the ability to obtain access across Park units in a timely and pragmatic manner, without additional fees or commercial land-use charges, is essential.

Because of the unique provisions of ANILCA and the circumstances leading up to its passage, inholders in Alaska should not be required to pay user fees for



Above is an inholding owned by Doug Frederick on Copper Lake inside Wrangell St. Elias National Park and Preserve. Frederick has reached his land via a surface route that was in place before the park was created in 1980. He is currently at odds with the Park Service regarding year-round surface access to his property.

easements or rights of ways to access their lands, Rogers said. He explained that ANILCA clearly acknowledged inholders have pre-existing property rights.

Doyon Native Corporation, which owns or has valid selection rights to 300,000 acres of surface and subsurface estate within park units, emphasized that ANILCA’s access provisions are fundamental to the purposes of the lands act and without them, there would be no ANILCA or national parks created under the act.

Jim Mery, Doyon’s Senior Vice President, Lands and Resources, was critical of the Park Service’s process to date in developing the user’s guide.

“The process of drafting this user’s guide has been exclusively a government process that improperly fails

to include or consider the viewpoints of the stakeholders on this issue, those that possess inholdings in national parks in Alaska,” Mery said. “One round of written public comment following the issuance of the draft guide is inadequate to compensate for the lack of stakeholder participation in a process that has spanned over a year.”

Mery suggested the Park Service withdraw the guide, then involve inholder representatives in the process, and create a new guide that reflects the participation of those who are most affected by its content.

Doyon also took exception to the permitting process proposed by the Park Service, calling it “unduly burdensome” and lacking clear guidance on when permits are required. Moreover, the corporation predicted the

process would lead to delays in issuing a permit – up to 19 months if an environmental impact statement is required. Mery also took aim at proposed permitting fees, calling them unreasonable and excessive. He warned that the permitting process would discourage and frustrate adequate and feasible access because of excessive costs, length of time and unpredictable results.

The Alaska Miners Association (AMA) encouraged the Park Service to recognize and clarify the different types of valid occupancies in park units.

“One gets the sense from the draft guide that the document focuses on residents who live on inholdings, but access to these inholdings is just one part of the picture,” said Steve Borell, AMA Executive Director. “Other valid inholdings with access needs include private property that is patented land, Native allotments, mining claims, subsurface estate and access to state-owned land and waters.”

Borell recommended the Park Service recognize and treat existing pre-park access and associated facilities different from access rights that involve new construction.

“There needs to be a clear mechanism to assure access accompanies the title of the inholding so the existing access is properly documented as a permanent right, which was intended by Congress,” Borell said. He urged the Park Service to recognize and designate all historic routes, roads, trails, airstrips, and barge landings through existing mechanisms such as “des-

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PARK ACCESS CRITICAL TO THE WELL-BEING AND ECONOMIC VIABILITY OF ALASKA FAMILIES AND BUSINESSES

(Continued from Page 4)

ignated park roads.”

With regard to permitting, Borell said “the guide needs to make it clear that a ‘permit’ is not a discretionary option for the administrator because access to an inholding is a right.”

The State of Alaska, itself a major inholder, told the Park Service in its comments that honoring ANILCA’s commitment to existing and future access to inholdings is critical to the well being and economic viability of individuals, families and businesses throughout the state.

The State strongly urged the Park Service to evaluate ways “to quickly and simply provide inholders with the security of a permanent au-



Above is the Pilgrim inholding inside Wrangell St. Elias National Park and Preserve. The family’s access dispute with the National Park Service has attracted national media attention.

thorization” for access to inholdings which already exist. It also requested the guide be expanded to address impacts inholders may face if access is restricted by regulation. For example, if airplane landings

by the general public are restricted by regulation because of public safety concerns or to prevent resource damage, how will this affect those who have historically relied on airplanes to reach their

land?

Recommendations offered by the State included a standardized procedure designed to process applications for access to inholdings; a precise timeline for processing an access application; further guidance concerning compliance with NEPA, and additional guidance on what constitutes reasonable stipulations governing access.

The State also said fees should be very small or eliminated in cases involving access to inholdings, especially where the route has been used previously. The State also suggested that visits by Park Service personnel to an inholder’s residence, as well as low-flying aircraft, be noticed in advance.

13TH ANNUAL COAL CLASSIC



A sold out field of 38 teams participated in the 13th Annual Coal Classic Golf Tournament last month at the Anchorage Golf Course. Proceeds from the event benefit AMEREF’s resource education efforts in Alaska schools.



Above, the Lynden team observes professional golf etiquette. At left, AMEREF Board member Nick Enos and RDC President John Shively keep teams happy and well refreshed with the beverage cart.



RDC TURNS 30



The Resource Development Council elected its 2005-2006 Statewide Board of Directors at its 30th Annual Meeting June 2nd in Anchorage. New board members include Tim Arnold, Coeur Alaska, Inc., Juneau; Stan Foo, Placer Dome, Anchorage; Karl Hanneman, Teck-Pogo, Fairbanks; Steve Hansen, Tesoro Alaska, Kenai and Ken Sheffield, Pioneer Natural Resources, Anchorage. Board members attending the meeting are pictured at left on the jade staircase of the Sheraton Anchorage Hotel. Officers pictured above from left to right are Treasurer Stephanie Madsen, Pacific Seafood Processors Association; Senior Vice President Rick Rogers, Chugach Alaska Corporation; President John Shively, Holland America Line; Vice President Wendy Lindskoog, Alaska Railroad Corporation and Secretary Tom Maloney, Veco. Shively was re-elected to his third consecutive term as president.



More than 500 people attended RDC's 30th Annual Meeting Luncheon to hear very different perspectives on Alaska's future from three prominent Alaskans: Byron Mallott, John Binkley and Kay Brown. Mallott, a long-time Alaska Native leader who now heads the First Alaskans Institute, said Alaskans still have a chance to do things right. "We have a small population in a huge land with incredible resource wealth," Mallott said. "There are incredible opportunities, but they also bring obligations." Mallott challenged Alaska business and Native corporation leaders to make Alaska a better place for all. Binkley, a former state legislator and prominent Fairbanks businessman, said Alaska has a bright future in resource development if Alaskans rise above partisan politics and establish infrastructure that encourages economic growth. He said energy will remain the elephant in Alaska's economy, but there is strong potential in minerals, timber and tourism. In mining, he said the state's potential has barely been scratched. Brown, a former state legislator and director of the state Division of Oil and Gas, told RDC that Alaskans should maximize resource development through value-added industries to protect and build on the state's quality of life features. She encouraged entrepreneurs to develop sustainable industries and would like to see the state get more tourists out to rural Alaska. She said renewable energy development could create new industries in Alaska. Large wind-driven power facilities could manufacture hydrogen, which is important to fuel cells. At far right, President John Shively presents long-time RDC board member and former president Joe Henri, President of Southcentral Timber Development Corporation, with an engraved gold pan. Henri has served on the RDC board for 25 years.





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FACTS GET LOST IN FOREST DEBATE

The Tongass National Forest has received plenty of media attention lately about issues such as the economics of timber harvesting and road building. Some staggering numbers were attributed to both programs on the Tongass.

Although I'll address those issues frankly, simply and honestly, I also want to let you know some of the other things we are accomplishing as stewards of your national forest. The Tongass is one of the "crown jewels" of public lands – and we intend to keep it that way.

Our fiscal 2004 expenditure to produce forest products was actually about \$25 million of the \$48 million cost discussed in some stories. The rest of those funds were spent on overall administrative costs, road and bridge construction unrelated to timber harvesting, and other engineering projects.

For those who want a detailed breakdown of all the numbers, we are in the process of printing a fiscal 2004 "The State of the Forest" brochure. It will be available online at <http://www.fs.fed.us/r10/tongass/index.shtml>.

Last year, the small, family-owned wood products businesses in Southeast Alaska were only able to harvest about 46 million board feet of timber, largely because most of the wood we have wanted to offer for sale the past few years has been tied up in lawsuits. What they cut in 2004

was only about a third of the demand, and not really even enough to keep them fully operating. These businesses are in a state of transition, moving toward producing more finished products from Alaskan wood, and selling them in Alaska and the rest of the United States. We support this move, but it will take some time to get there.

There are also reports of "massive roadbuilding" that is supposedly occurring on the Tongass. In reality, less than seven miles of new road were constructed last year for timber harvest activities on the entire 17-million-acre forest. Most of the other road activities were for maintenance of existing roads.

Are roads we build important? Well, just ask the 32 communities within the boundaries of the Tongass who depend on access to the natural resources of the forest for their economic and social health.

Most Southeast Alaska communities also lack road and utility connections to other communities, or even to much of the lands surrounding them.

The Tongass contains about 3,600 miles of Forest System Roads. It's about the size of West Virginia and Delaware combined – two states not often thought of as highly urbanized. Together, however, they contain nearly 50,000 miles of road, according to the Statistical Abstract of the United States. The Tongass is still one of the

least roaded forests in the National Forest System.

Here's another fact that seems to get lost when roads, timber harvest, and the Tongass are discussed: of the more than nine million Tongass acres affected by the roadless rule, timber harvest will be considered on less than 330,000 acres.

In other words, well over 80 percent of the Tongass is currently roadless and undeveloped, and will stay that way. About four percent is open for consideration of wood production over the next century.

So we agree with people who want roadless areas protected. That's why our forest plan allows us to harvest timber on only 2 percent of the forest that is unroaded today.

With all the misinformation swirling around about roads and timber, sometimes our other accomplishments and results get lost in the dust. Here are just a few of the things the more than 500 Tongass public servants accomplished in fiscal year 2004:

We worked hard to support subsistence harvests of fish and wildlife – keeping the "grocery store" open for thousands of rural Alaskans. We continued our efforts to correct old fish passage problems by investing in stream crossing improvements and design. We developed an invasive species strategy to help prevent non-native plants – weeds, in other words – from becoming the same kind of

problem they are on Lower 48 national forests.

The Stikine River welcomed a federal subsistence fishery for the first time in 50 years. Widespread watershed restoration work continued on the Tongass with riparian thinning, wildlife-emphasis thinning, and in-stream large woody debris insertions. The Redoubt Lake Restoration and Management Program near Sitka garnered national recognition for collaborative fisheries management.

Here's the bottom line: we spent over \$28 million on recreation, visitor services, heritage, wilderness, minerals, vegetation, watershed, subsistence, wildlife and fish habitat, fire suppression, and land acquisition. And that figure doesn't include administrative costs either.

The Tongass Forest Plan is our contract with the public. It tells you how we will care for this crown jewel of a forest, and how we will follow the laws and spend the money we're given.

You can rest assured that we will continue to implement this "contract" as efficiently and effectively as possible while protecting the health of the forest. Good and reasonable stewardship will ensure the Tongass will continue to thrive while meeting the needs of people

Editor's Note: A similar version of this opinion piece appeared in Southeast Alaska newspapers.

FINAL ROADLESS RULE RECOGNIZES VALUE OF LOCAL INPUT

Ending a long, contentious dispute, the Bush administration has issued a final roadless rule for America's national forest lands.

The final rule provides an 18-month timeframe during which governors can petition the Secretary of Agriculture to adopt state recommended regulations for management of roadless areas in national forests. If the petition is not brought to the Secretary, the applicable federal forest management plan will govern those areas.

Governor Frank Murkowski complimented the Forest Service on issuance of the final rule and thanked the agency for its recognition of the importance of local input into roadless decisions.

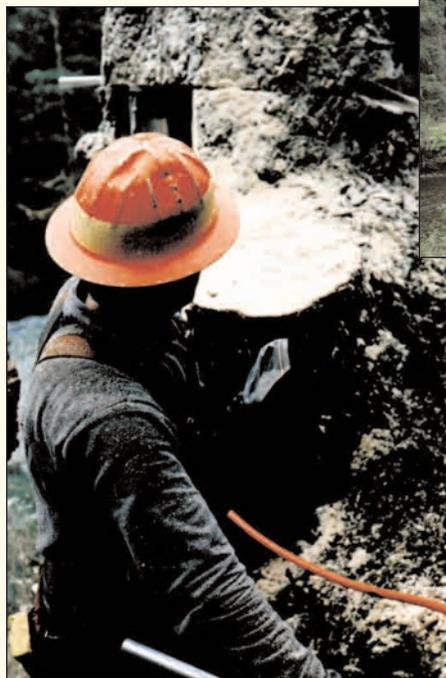
"This has been a long, controversial process for those in impacted communities," said the governor. "This new rule is an example of a good federal-state partnership and provides for better communication, cooperation and coordination between our federal government and state governments."

The governor noted this decision would bring some certainty to forest management in Alaska, facilitating social and economic development.

"Instead of management by arbitrary rules based on the size of particular areas, development can be anchored in sound science, good management and public support," said the governor. "This will benefit all categories of forest users, from the weekend recreator to those who make their livings through responsible mining and timber harvest."

Agriculture Secretary Mike Johanns said the final rule will provide environmental benefits and help ensure the needs of local communities are considered in roadless area conservation.

"USDA is committed to working closely with the nation's governors to



Under existing forest management plans, road construction is prohibited on 90 percent of the Tongass and Chugach National Forests, and logging will not occur on over 95 percent of roadless areas.

meet the needs of our local communities while protecting and restoring the health and natural beauty of our national forests," Johanns said.

The final rule was developed after the previous regulation, issued in the final days of the Clinton administration, was struck down by a U.S. District Court in July 2003 and deemed in violation of both the National Environmental Policy Act and the Wilderness Act.

One goal of the final rule is to ensure roadless area management is implemented with reliable information and accurate mapping, including local expertise and experience.

For those states wishing to designate roadless areas inside their national forests, a petition must be developed identifying specific areas for inclusion. The petition may include ways to pro-

tect public health and safety, reduce wildfire risks to communities and critical wildlife habitat, maintain critical infrastructure (such as dams and utilities), and ensure citizens have access to private property.

Once a state has submitted its petition for the designation of roadless areas and the secretary accepts it, the



Forest Service will work with the state to develop and publish a subsequent state-specific rule that addresses the management requirements set forth in the petition. If a state does not produce a petition within 18 months, forests within the state's boundaries will be managed by the existing plan.

While 38 states and Puerto Rico have inventoried roadless areas on National Forest System lands within their boundaries, 56.6 million acres, or 97 percent, of all inventoried roadless areas in the country are contained within 12 states. Those states are Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming.

In 2001, former Alaska Governor Tony Knowles sued the Department of Agriculture to prevent the Clinton roadless rule from applying to the Tongass and Chugach, the nation's two largest national forests. The Tongass had just undergone an exhaustive 10-year, \$13 million management review, and a new Chugach plan was nearing completion.

A settlement agreement was reached in June 2003 that would eventually allow the Tongass and Chugach to be removed from the rule and be governed by their existing management plans. Under these plans, road construction is prohibited on some 90 percent of roadless area lands, and timber management will not occur on over 95 percent of roadless area lands.

SELLING ARCTIC KETA

By Lee Stoops
Economic Development Director, Northwest Arctic Borough

They are known as chum salmon to some and dog salmon to others. In Kotzebue, where they begin their run for the Noatak and Kobuk River systems in early July, they are billed as the Arctic Keta – the northernmost commercially harvested salmon in North America.

An important staple in the subsistence life of the Inupiat people of the region, these fish are known for their firm flesh and high oil content. Over the last twenty years, the commercial catch has ranged from as high as two million pounds to as low as nearly none at all. The gillnet fishery came to a virtual halt from 2001-2003, as the price paid to fishermen dropped to less than fifteen cents per pound and local processing ceased altogether.

In a part of the State in which far less than half of all the working age adults have employment and the only exports are ore from the Red Dog Mine and some Native arts and crafts, the Northwest Arctic Borough has focused on bringing the fishery and the spirit of the fishermen back to life. While obstacles include fairly low market prices for an H&G product and the high cost of transporting the fish to Anchorage by air, the reward for overcoming them is substantial: 150-200 seasonal jobs for residents in a city with a population of 3,000 and an entire region with just over 7,000 residents.

A re-birth of the fishery began in 2004 with the assistance of the Bering Sea Fisherman's Association (BSFA), which received a state fisheries development grant to equip and operate a processing facility in

ice-making capability, a shortage of well-trained processing workers, and inconsistent availability of air transport space to Anchorage. While less than half a million pounds were processed and marketed, the



According to Lenny Makue, manager of the Kotzebue Sound Fisheries Association, orders are already in place for at least 650,000 pounds of Arctic Keta. The local fishery is coming back to life, offering new jobs to local residents and an important healthy staple to residents across rural Alaska.

Kotzebue. The Northwest Arctic Borough provided required matching funds and NANA Regional Corporation provided the use of a waterfront building for seasonal use. The Kotzebue Sound Fisheries Association (KSFA) was developed and incorporated to assist BSFA with the initial year of operation and, ultimately, to assume management.

Commercial openings were limited last season by factors including a lack of sufficient

year ended without a financial loss and the Arctic Keta earned recognition as a high quality product.

As we prepare for the 2005 season, efforts have been made to increase ice capacity and develop freight agreements with air carriers that will allow a catch of up to a million pounds. An additional state fisheries grant of \$100,000 and Borough matching funds will provide needed improvements to the processing plant prior to the

season, which will start about July 7. The local fisheries association, KSFA, has assumed management and hired Lenny Makue to return as the manager. According to Makue, orders are already in place for at least 650,000 pounds of Arctic Keta.

On June 8, the Borough Assembly held a special meeting and passed an ordinance providing a \$300,000 loan to KSFA for operational start-up, or "bridge" financing for the season. Those funds will allow the Association to purchase fish from the permit holders, pay wages to processing staff, and transport fish to market prior to receiving payment for the product.

The long range plan for the fishery includes production of fillets, which would bring far greater value to the region in terms of both price for the product and additional employment. However, that effort will require investment in still more equipment. Another goal is to produce ground salmon patties, or "salmonburgers," with the darker-skinned fish that are caught after the first week in August.

Salmon patties were tested in the Kotzebue school lunch program last winter with very good results. With school lunch menus featuring items like corndogs and nachos on a fairly routine basis these days, nutritional foods like salmon would represent major improvement.

It is believed that frozen patties from Kotzebue would be welcomed in school districts throughout rural Alaska, where there is an absence of valued traditional foods on school menus.

RDC NEWS DIGEST

INSECTS, DISEASE, WARM WEATHER STRESS ALASKA FORESTS

There was a 40 percent increase in active spruce beetle infestations in Alaska last year, according to the annual forest health report published by the State of Alaska Division of Forestry and the U.S. Forest Service.

The majority of the beetle activity occurred on the Seward Peninsula where more than 80,000 acres of infested spruce were detected.

In 2004, forest damage from insects and disease, totaled 1,178,743 acres. Above average temperatures and below average precipitation contributed to stressed forest conditions.

The most important chronic diseases and declines in Alaskan forests during the year were wood decay of live trees, root disease of white spruce, hemlock dwarf mistletoe and yellow cedar decline. In Southeast Alaska, approximately one-third of the gross volume of forests was defective due to stem and butt rot fungi. Hemlock dwarf mistletoe continued to cause growth loss, top-kill and mortality in old-growth forests.

Active spruce bark beetle infestations were observed in several areas that have received beetle pressure since the outbreak peaked in 1996, although most of these stands experienced only light to moderate infestation as residual stands of susceptible spruce were attacked.

New spruce beetle activity was mapped on nearly 5,000 acres of the Kenai Peninsula in 2004, a 72 percent decrease. However, beetle activity continued in discrete pockets. In Anchorage, beetle activity appeared to be building again near Indian and Bird Creek, and was still occurring in remote, localized pockets from Potter to Eklutna.

U.S. HOUSE CONSIDERS ENDANGERED SPECIES ACT REVISIONS

The U.S. House Resources Committee is in the final stages of deciding what provisions will go into a draft bill for Congress to consider in updating and modernizing the Endangered Species Act (ESA).

The Committee is expected to release the draft bill within the next couple of months. From there it will begin a difficult road through the committee process and on to the House floor. If it passes, it will then begin a similar difficult tour

through the Senate.

Compensation is a critical issue to proponents of updating the ESA. They say the law needs to be fixed so it can actually recover species. At this point, it is considered by many a failure, having helped recover only 10 out of 1,300 species listed.

Congressman Richard Pombo is leading the effort in the House to update the law. Pombo said voluntary habitat management and incentive-based language are critical cornerstones of a new act. He said landowners must be compensated when land is taken out of production to benefit a species. Proponents would also like listing decisions to be based on science, with any restrictions subject to consideration of economic and social factors.

BLM DEVELOPING NEW NPR-A PLAN

The Bureau of Land Management is developing a land use plan for 9.2 million acres in the southwest portion of the National Petroleum Reserve-Alaska. The BLM is opening the "scoping" period during which the public is invited to identify issues and suggest how the land should be used. Public hearings will be held in local villages and across the state beginning in mid-July.

BLM completed plans for and sold oil leases in the northwest and northeast planning areas of the reserve. The plans drew lawsuits from environmental groups.

The oil and gas potential to the southwest is lower than in the northern areas, but the area is one of the most mineralized regions of Alaska. RDC is encouraging BLM to open the area to mineral entry and make provisions for transportation corridors to facilitate development of industrial minerals and coal.

PLANS EXPAND FOR ROCK CREEK PROJECT

NovaGold Resources has expanded its plans for the Rock Creek gold mine near Nome.

"We're finishing up our evaluation," said Doug Nicholson, NovaGold vice president and Rock Creek project manager. "We're getting everything in line and ready to submit permits starting this summer."

NovaGold has decided to bring the nearby Big Hurrah property into its Rock Creek plan after encouraging exploration work last summer. The company is currently pulling together a mine schedule that incorporates the two prospects.

While a mineral resource has not yet been publicly released for Big Hurrah, the potential satellite contains a higher grade of gold than that at Rock Creek.

Plans to incorporate the two properties call for a split mining schedule, with roughly half of the Rock Creek fleet working a few months each year at the Big Hurrah pit. The mining there would create a stockpile that would be trucked to the Rock Creek mill for processing.

This year Nova Gold plans to spend \$4 million for environmental and engineering work on Rock Creek. An additional \$1.75 million is expected to be spent on drilling at Big Hurrah. The company hopes to complete regulatory approval in order to start construction at Rock Creek in 2006.



Active spruce bark beetle activity continues across Alaska, although at reduce levels in Southcentral areas of the state.

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