

**THE
JUNEAU
SCENE**

The Council has been represented in Juneau lately by Vice President and Special Consultant Bob Fleming.

Subjects under discussion with various legislators, the Lt. Governor and Administrative Assistant Jerry Reinwand were: Tax reduction for small corporations in Alaska, modification of oil and gas

tax, bills to streamline the permitting process, handling of the Alpetco contract, a bill dealing with "alternative energy sources" by oil producers and CSSCR 41, a resolution calling for economic development and stability in the state.

All the above issues bear heavily on orderly development of Alaska's resources.

**YOU'RE
TERRIFIC!**

In our recent Red Alert opposing the use of tax money for a variety of "public interest" activities proposed for Alaska, we enclosed a copy of H. Peter Metzger's report entitled "Government Funded Activism: Hiding Behind the Public Interest."

The mailing went to 1500 individuals and firms who were asked to contact legislators and distribute the Metzger report further. We asked you to let us know what you did.

From the responses we received, FIVE THOUSAND COPIES of the Metzger report were reproduced and delivered to other Alaskans within ONE WEEK! Incredible.

One member wrote the General Accounting Office requesting an investigation of federal funds used for public interest activities and a GAO representative was in Anchorage the next week. The result was that future audit procedures of the GAO will include analyses of public expenditures for these purposes. Rest assured the matter will not be dropped.

Another member in Seattle proposed a class action lawsuit against the government to halt such activities.

We think there are more people who read and distributed the report within their organizations but didn't tell us. Did you?

TRANS-ALASKA OIL PIPELINE COLLECTORS' ITEMS

Commemorative plaques and desk weights certified to contain oil from the FIRST BARREL OF OIL received at Valdez, Alaska, from Prudhoe Bay, July 28, 1977:

WALNUT PLAQUES Distinctive and elegantly designed, each plaque is numbered for one of 799 pipeline miles. The map of Alaska is carved in bas relief, set off by inset brass corners and inscribed plate, raised lettering and miniature pipeline containing Prudhoe Bay oil. Size: 12" x 14" Cost: \$200

DESK WEIGHTS Clear lucite desk weight measures 4½ x 3¾ x 1½ inches with red base. Tube of oil, pipeline mile and inscription in center. Cost: \$30

True collectors' items, only 799 of each were manufactured. Register of owners maintained at Resource Development Council. Send check or money order to (Resource Development Council), Box 516, Anchorage, Alaska 99510.

 **Resource Development Council**
for Alaska, Inc.

Box 516, Anchorage, Alaska 99510

BULK RATE
U.S. POSTAGE
PAID
ANCHORAGE,
ALASKA
PERMIT NO. 377

ADDRESS CHANGE
REQUESTED
Return Postage Guaranteed

Resource Development Council for Alaska, Inc. **RESOURCE REVIEW**

BOX 516

ANCHORAGE, ALASKA 99510

MAY 1980

EXECUTIVE COMMITTEE ELECTED AT ANNUAL MEETING

The Council has been most fortunate each year in its excellent mix of conscientious executive committee members. This year the fifteen-person board was expanded to sixteen, making room to retain the outgoing president on the committee for the sake of continuity. Three members dropped off, two of them with five years of longevity -- from RDC's beginnings as OMAR. They are Lee Fisher, managing partner of the CPA firm of Coopers and Lybrand, attorney Homer Burrell, and Terry Brady of Forests North, Ltd. All served the Council in the most dedicated manner.

In their place are new members Dan Hinkle, attorney for Marathon Oil Company, Dorothy Jones, Matanuska-Susitna Borough Assembly and Darrel Rexwinkel, Managing CPA of Coopers & Lybrand.

Returning to the board after resignation while he became a political candidate for governor of

Alaska is Tom Fink of Schroer-Fink Insurance Agency. Remaining as one of two vice presidents is Andy Piekarski of Laborers Local 341. The other vice presidential position is held by Bob Fleming, former broadcaster and now special consultant to RDC. Other officers of the committee are Darrel Rexwinkel, treasurer and Robert Swetnam of Phillips Petroleum, secretary.

Other members of the executive committee are: Pete Casper, Green Construction Company, Paul Dunham, Machinists Local 601, past president Bud Dye of Lee Houston and Associates, Easy Gilbreth, Alaska Oil and Gas Association, Glen Glenzer, Associated General Contractors, Jed Holley, Alaska Brick Company, Tom Pargeter, National Bank of Alaska, Frank Chapados, H & S Warehouse, Fairbanks, and John Kelsey, Valdez Dock Company.

MESSAGE FROM THE PRESIDENT

When it comes to elections, you win some and lose some. Winning the election by the executive committee of the Council to be president of RDC for the coming year gives me an opportunity to work at some of my favorite projects. Resource development in Alaska has run into serious snags in the past ten years and we need all the help we can muster getting them untangled and back on track.

We now have over 7,000 RDC members, which is a solid base of support. I'm counting on the executive committee, statewide board and general membership to provide the help, input and support we need, especially during times when RDC must become more vocal on issues, and as we work toward our stated goals.

-- Tom Fink

ACTION GUIDELINES FOR 1980-1981

After a lengthy series of meetings, RDC leaders pinpointed five key areas that continue to require urgent attention, not only by RDC but by other groups as well. As approved unanimously at the council's annual meeting, these guidelines will direct the organization's activities:

LITIGATION

File class-action lawsuits when private rights are threatened by laws, regulations and policies.

Assist, through RDC's liaison office, develop-

ment of cases for Pacific Legal Foundation to undertake.

REGULATORY REFORM

Educate the public on impacts of regulatory costs on productivity and profits and actions needed for change.

Increase member involvement in substantiating and reporting experiences with regulatory excesses and abuses.

Lobby to change unnecessary laws and regulations.

Continued next page

DEVELOPMENT POLICIES/
INVESTMENT CLIMATE

Oppose legislation and policies leading to more government control and expansion of the bureaucracy.

Focus on development policies of state government; when inadequate, get constructive policies implemented.

Promote stable investment, tax and leasing policies.

Provide sound recommendations for streamlining development functions in state government; press for appointment of economic advisory council members to assist governor.

Support rational development of transportation and public facilities to enhance local economies.

Explore means of creating and using capital for private-sector expansion.

RESOURCE DEVELOPMENT

Work with other organizations to support policies and programs for developing agriculture, fisheries, timber, mining, energy.

Pursue courses of action that result in moderate taxation of resource harvesting, instate processing when economic and manageable regulations.

STATE/FEDERAL LAND POLICIES

Monitor state and federal regulations, disposal policies, energy and mineral leasing programs, resource allocations; press for rational decisions at all levels.

Prepare testimony for RDC and others, lobby and support multiple use for majority of Alaska's land.

Encourage Congress to support return of Rare II Wilderness Study land to multiple use, resolve wetlands controversy and delay BLM wilderness inventory.

FIFTH ANNUAL MEETING FEATURES PACIFIC LEGAL FOUNDATION

The Howard Rock Ballroom of the Anchorage Sheraton Hotel was filled to capacity April 25 for the annual meeting, luncheon and election of new officers. The crowd could have filled a larger room.

Ron Zumbrun, President of the Pacific Legal Foundation was the featured speaker, explaining the function and purpose of public interest legal foundations in general and that of the PLF in particular. He also announced the new alliance with RDC making the Council the Alaska liaison office for PLF.

The PLF is party to the plaintiffs in a lawsuit involving the cities of Skagway, Haines, Wrangell and Marina County Water District in California versus Douglas M. Costle in his official capacity as Administrator of the U.S. Environmental Protection Agency (EPA) and the EPA itself as defendants, filed in a Ketchikan court. The suit concerns sewage disposal plants and is of national significance.

PLF literature and membership applications were made available to all present.

NOTABLE QUOTES:

"I have been cutting logs 41 years in the Chilkat Valley. Twelve thousand acres of a 127 thousand-acre forest have been harvested. During this time the eagle has flourished and his numbers increased."

John Schnabel, Haines, Alaska Lumberman

"... this year the Amway Corporation sales will cross the billion-dollar mark; the company employs 500,000 distributors. Taxpayers, Ralph Nader. By the way, Ralph, how many jobs have you created lately?"

Patrick J. Buchanan
Anchorage Times
(on Big Business Day)

"The big guys can outspend us at every turn, but as soon as we can outvote them, we're going to start winning."

Brock Evans, Associate Director, Sierra Club

"The recent legislation enabling a dividend and state income tax reprieve for the Alaska resident raises an interesting point. Namely, the acceptance of these benefits by those activists and advocacy groups who have been opposed to the very development responsible for this oil money. To now force these benefits upon these people would be a disservice, as it would degrade their causes, along with making the recipient a hypocrite."

--Anchorage Assemblyman Fred Chieji, Jr.

"But we don't dare lose our sense of outrage about federal spending. We are being stung, taken, bamboozled, boondoggled, flimflammed, hoodwinked, misled, exploited, suckered and robbed by an army of bureaucrats that has swollen out of control. We are being forced to buy more government than most of us can afford (it'll cost \$2,786 for every man, woman and child of us next year for the federal government alone, or \$11,144 for that basic family of four) and more than most of us want."

Joan Beck in Anchorage Times

RESOURCE REVIEW

Published monthly by

The RESOURCE DEVELOPMENT COUNCIL for ALASKA, Inc.

SIGN UP TEN NEW MEMBERS THIS MONTH!

Membership Categories

Corporate/Business

Two categories of membership are available to businesses which include all publications and services,

- (1) **Sustaining:** \$100 to \$2,000 (maximum) per month payable monthly, quarterly or annually
- (2) **Supporting:** \$100 to \$1,200 per year, payable annually

Individual

Three categories of membership are available to individuals. Members in first two categories receive all membership privileges, are placed on priority mailing list and encouraged to participate in Red Alert campaigns.

- (1) **Sustaining:** \$25 (or more) per month includes monthly Resource Review
- (2) **Subscribing:** \$50 (or more) per year includes monthly Resource Review
- (3) **Supporting:** \$ 5 to \$40 per year

Business/Individual name _____ Phone _____

Person to contact _____ Home Phone _____

Mailing address _____ Zip _____

Type of membership desired: _____ Sustaining _____ Supporting _____ Subscribing _____

Full payment enclosed in the amount of \$ _____

Please send monthly _____ quarterly _____ statement in the amount of \$ _____

Dated _____ Signature _____

(The Resource Development Council is a non-profit trade association which operates under Internal Revenue Code Section 501 (c)(6). Business membership fees are tax deductible.)

Red Alert Authorization

The Resource Development Council is authorized to place my name on its Red Alert System. (All membership information, including your name, is confidential and may be released only with your permission.)

I will communicate - at my own expense -- with legislators, administrative leaders, and/or members of Congress, etc. when Red Alerts are called. I understand "Red Alert" may come to me by telegram, letter or telephone. I will notify you of address or telephone changes to keep your records current.

Signature _____

find the taxpayer paying for:

- 1) Public utilities operating free of competition under monopoly license "IN THE PUBLIC INTEREST."
- 2) Regulatory agencies established by law to regulate utilities "IN THE PUBLIC INTEREST."
- 3) Public advocacy groups intervening in utility rate regulation "IN THE PUBLIC INTEREST."

I believe that the public has really had about all the "interest" of this type that is necessary. I agree with Mr. Love of AkPirg ("The Need for A Public

Advocacy Corp." -- Daily News -- Compass -- 4/24/80) and with Rep. McKinnon -- Alaska State Legislature -- that something is wrong with our present system. But I am certain that more intervention and more public payroll is CERTAINLY NOT THE ANSWER! It seems obvious to me that the idea of a free market to regulate utilities by competition would have been a whole lot cheaper in every way. Then, at least, all those regulatory cultures and counter-cultures might be working productively instead of burning up tax dollars arguing with each other.

- guest editorial by Chuck Adams

SORRY, VIRGINIA.

The other day this old editor of the Resource Review opened a letter from a little girl named Virginia. It was tear stained. It said that her little friends had been telling her that oil companies will not pay the windfall profits tax. Much as we wanted to perk the little lady upwards a little, we had to answer as follows:

Dear Virginia:

Sorry honey, but your little friends were laying it on you straight. I'm a little surprised that even the children have figured out who really pays the windfall profit tax; they're the same ones, sweetheart,

who pay all the other taxes and extra costs that government, environmental groups and consumer advocates get tacked onto the cost of things: Your mommy and daddy who work every day for their money (minus tax deductions) and this old editor, here.

That's not all, baby doll. When you grow up and start making your own living, you'll be paying them, too. T'would be nice to leave you there in fantasyland, but you may as well know the truth now. Have a good day anyway.

DEVELOPMENT FUNCTIONS GET FACELIFT

THE BEST NEWS IN A LONG TIME comes in the form of a reorganization plan for the development functions of state government.

Supported by the governor and key commissioners, the program would kick off July 1 this year and involve some fancy footwork and desk moving.

Research functions now under the Division of Economic Enterprise would be beefed up and placed in the Governor's Office.

Our long hoped-for Council of Economic Advisors would be appointed and its three members would meet quarterly with the governor, supported by the research unit.

Highlights of the proposed organization are: (1) the economic development unit would utilize management-by-objective techniques; (2) the

development unit would be divided by industry specialization rather than function; (3) highly skilled individuals would be hired to serve as development directors for mining, forest products, fisheries and the petroleum industry.

The changes would result in a variety of development functions now being carried out by other state agencies being put under the roof of the Commissioner of Commerce and Economic Development.

RDC's support of this streamlined approach is well-known in Juneau. On May 19 the Council urged full funding for the program and is looking forward with anticipation to its implementation.

Among others, Leonard Lane & Associates did a fine job developing the plan and recommendations.

BUREAUCRATIC BURDEN NO. 999

In case you missed the report in the Anchorage Daily News, Big Bend Community College in Moses Lake, Washington, had to send back a \$1,000 check to the federal Department of Energy, a grant that was too expensive to accept.

To keep the money, the school would have had

to comply with so many demands for paperwork and application documents that the cost of applying for the grant exceeded the amount of the grant.

Beware of: "I'm from the government and I'm here to help you."

EXERCISE PROGRAM FOR RDC MEMBERS

- (1) Leap before you look
- (2) Run from temptation
- (3) Jump to conclusions
- (4) Side-step responsibilities

- (5) Jog your memory
- (6) Sit up and take notice
- (7) Stoop to anything
- (8) Stretch to new depths

YOU'LL NEVER GUESS WHO WROTE THIS LETTER!

"Dear Mr. President:

. . . I am most concerned about the need to assure continued U.S. access to strategic minerals.

"I think we can develop our natural resources in an environmentally acceptable fashion if we plan ahead . . . As a beginning, I urge you to take the following steps:

--Direct the Secretary of Interior to review lands with high mineral potential and to open those lands appropriate for mining as soon as possible.

--Ask the Secretaries of Interior and Agriculture to cooperate in planning uniform guidelines to incorporate minerals activity into land-use plans and

decisions."

Without quoting the entire letter or revealing the author's name, we wanted you to know that he is the same person who signed a recent fundraising appeal for the Sierra Club Legal Defense Fund. In that letter he said dollars were needed to "assure that the mistakes which have been made in the Lower 48 in land use planning are not made again. To insure that the face of Alaska is not destroyed and denuded by drilling, strip mining, timbering, pollution and urban sprawl."

If you haven't guessed by now, it's incumbent candidate Morris K. Udall of Arizona.

SIERRA STEPS UP CAMPAIGN TO STOP URANIUM, COAL DEVELOPMENT

The Nevada Mining Association BULLETIN reports that the Sierra Club and other preservationist groups are actively continuing a nationwide attack on development of the nation's energy reserves.

Specifically, they are urging residents of southern Oregon to seek a statewide general election vote on a proposed uranium mine being developed by Placer-Amex, Inc.

Recent discoveries of uranium in South Dakota have spurred the Sierra Club in that state to mount organized opposition to development of the energy source there.

In Utah the Sierra Club, in concert with other groups, has filed a petition with the federal Office of Surface Mining seeking to have certain federal

lands declared unsuitable for the mining of coal.

- NOTE -

Pacific Legal Foundation's NUCLEAR POWER POSITION: The State of New York Energy Planning Board has adopted a State Energy Plan which calls for a moratorium on the construction of all nuclear power generation in the state. PLF's position is that such a moratorium is clearly unconstitutional in that nuclear power development has been preempted by the federal government. In 1979 PLF was successful in having such a moratorium on nuclear power plants in California declared unconstitutional. In 1980 a federal court again ruled that such California laws are unconstitutional.

JUNE SPEAKERS (CALENDAR)

JUNE 5: Clarissa Quinlan, Director of Division of Energy and Power. She will talk about in-state use of fuel and what will be required to make Alaska energy independent by the year 2,000.

JUNE 12: Jerry Allison, Manager of the Alaska Division of Charter Resources Company. He will speak about Charter's role in resource development in Alaska.

JUNE 19: Representative Dick Randolph of Fairbanks will speak about the Tundra Rebellion, Alaska's role in the Sagebrush Rebellion.

JUNE 26: Jack Wilburn, Director of International Trade Administration, U.S. Department of Commerce. His subject will be, Alaska's Role in International Trade.

POLICY RESOLUTIONS ADOPTED

At its annual meeting the council adopted sixteen policy resolutions for the coming year dealing with: Employment and the Economy, Taxation, Fisheries, Renewable Energy Resources, Transportation, Resource Exploration, Coal, Agriculture, Regulatory Reform, Land Classification, Oil and Gas Leasing, Forestry, Roadless Area Review and Evaluation (Rare II), Coastal Zone Management, Petrochemical Industry, and last, but certainly not least, Wetlands. All resolutions adopted by the Council at its April 25, 1980 annual meeting call for Action; there is nothing passive in their wording. Our taxation resolution calls for reduction of taxes at all levels and specifically zero-based corporate tax for the first \$150,000 of net income per year.

The Renewable Resource resolution resolves that state leaders shall be urged to expedite development of power projects on the Upper Susitna River, Bradley Lake and already studied projects offering long-range potential for meeting residential and industrial needs.

The transportation policy resolution stipulates a number of specific projects which should be developed as quickly as is feasible such as the Copper River highway and the Knik and Turnagain Arm Crossings.

Resolutions are forceful and unambiguous in all of the council's areas of interest and concern. Copies of resolutions are available to members on request.

ANNUAL SUBSCRIPTION \$25.00

**DOW
CHEMICAL/
RDC
MEETING**

At the Council's May 22 general breakfast meeting at the Holiday Inn, speakers were Joe Brunt and Edward Nussbaum of Dow Chemical USA. In a slide presentation before a full house, Alaskan plans by Dow were unveiled perceiving Alaska as one of the company's major installations in the world.

Dow Chemical's plans for Alaska hold the promise of about 2,500 permanent new jobs. Further, Dow is interested in other projects besides petro-

chemicals, such as coal.

Nussbaum received a round of applause when he said the state asked for a feasibility study, but Dow maintains that what the state needs more than a feasibility study is a petrochemical plant.

The Council has not heard from other firms proposing developments using the Prudhoe Bay gas liquids.

**d-2
GOES
EAST**

Virtually all of Alaska's support for its d-2 land points up to now has come from other western states which perceive the problem as relating to their own land issues and potential problems.

Now from east of the Mississippi, the Alabama legislature has spoken out criticizing federal land

withdrawals in Alaska that "... compromise Statehood Act selection rights and threaten, or severely restrict, if not preclude altogether, both traditional lands and resource use activities and opportunities for resource development through much of Alaska."

**LET'S
HEAR
IT
FOR
THE
STATE**

The state has a brand new form to fill out, but that's not bad. It replaces three others. In a move to simplify its system of issuing placer gold-mining permits, our state of Alaska consolidated three permits into one. Used to be to get a placer gold-mining permit you had to fill out permits forms for: The Department of Fish and Game, the Department of Natural Resources and Department of Environmental Conservation.

That's progress. But don't stop now, there's a long way to go. For instance, if the legislature passes the right legislation, you could see the permit system streamlined even more. SB 548, for instance, would limit the length of time a state agency can sit on a permit application. They would either grant, deny, or the permit would be automatically granted when the time limit expires.

**GOLD
RUSH
EXPRESS**

About 300 climbed aboard the Gold Rush Express on a Saturday morning in May and journeyed from Anchorage to Talkeetna for a day of fun, food and a few glasses of their favorite refreshment. The Council's fund-raiser was a grand success and a lot of good comment was heard about the train trip committees coordinated by Bill Purrington. Jim Streed, Armand Pepe, Kevin Hyde, Jerry Jean, Hameed Ahmad, John Briski, Bob Hamilton and Karen Beck headed committees designed to assure that everything was at the right place at the right time. Railroad Coordinator was Wadeen Hepworth.

Twelve musical groups performed aboard the train - the best music ever - with sound systems provided by Dave Molletti of Mass Sound.

It all came together and went off smoothly. When the train arrived in beautiful downtown Talkeetna the Susitna Valley Stage Band was serenading. The costumes of those climbing off the train were spectacular; photographers' heyday. Apparently no one was left or lost, no one hurt, and people of the town of Talkeetna performed like a bunch of pros with their booths and cookout.

**AND A BIG
THANKS TO
OUR TALKEETNA
FRIENDS!**

A highlight of the day was the Royal Talkeetna Airforce in its command performance, ala the Blue Angels, complete with fly-bys and a handsome "bomb burst" maneuver that got a cheer from the ground for sheer guts and careful planning. Too bad the guys in the sky couldn't hear all the admiring comments below.

A lot of chicken, chili, noodle salad and beer was dispensed and consumed around the mess tents, the entertainment bands took turns from the steps of B & K Trading Post and following a rousing softball game, so ably refereed by Dick Shepherd, Marcusinthemorning received an appropriate trophy, and then the auction and raffle began ... back on B & K's front steps. Sande Wright from Denton-Wright auctioneers did an outstanding job handling the auction of some fine donated merchandise. Bidding was active and all went well.

Then the raffle for which a lot of people had bought memberships in the Resource Development Council which also gave them a chance at prizes of gold and silver ingots. First prize winner of a 2-ounce gold bar was Ronald Martin of Haines; Second prize of a one-ounce gold bar, Arthur Robson of Fairbanks; third prizes of 10-ounce silver bars went to J. C. Wingfield of Fairbanks; Kelly Gay of Anchorage; Paul Dunham of Anchorage; George Pederson of Oakland, California, and Byrl A. Peterson of Anchorage.

Some passengers took riverboat and plane rides, the weather cooperated in nearly sunny Talkeetna and finally at 6 o'clock a happy, well-fed crowd piled back on the train for a few more rounds of drinks, some gambling in the black-jack cars, some going-home music from the bands and a trip down the valley to Anchorage.

Where to next, coach?

**MORE
ON
WETLANDS**

RDC's Thursday, May 8 meeting was devoted to the subject of "wetlands." Speakers were Col. Lee Nunn, Corps of Engineers, Dick Markham, Department of Environmental Conservation and Mark Mayo from Senator Gravel's office. Col. Nunn explained the permitting process required by the Corps and Dick Markham followed with an explanation of how his department planned to cooperate in expediting permits.

The point at issue, a clear definition of Wetlands, was left hanging. Generally speaking, according to Nunn, the types of vegetation and moisture content of soil are the basic determining factors in identifying wetlands, but other departments and bureaus may inject other criteria which affect their particular areas of responsibilities. The other criteria remain ambiguous, unidentified and dangerous in the eyes of many, judging from questions from the audience which followed the speakers. Within the natural ecosystem involving water, soil and vegetation, it was pointed out that, viewed broadly, all continents drain to the sea beginning at the peaks of the highest mountains and within definitions of wetlands heard so far, most of the areas of drainage could conceivably be construed as wetlands.

**THE
CASE
FOR
THE
CONSUMER**

Recently there has been a ground swell of public concern over public utilities. The public has been saying that their interests are not being adequately protected. There has been a call for the creation and state funding of a public advocacy group to intervene in utility rate cases between the utilities and their regulatory commissions. This idea in Alaska was first developed in proposals by Rep. Joe McKinnon concerning the need for a consumer advocacy section in the department of law and has developed into the call for a public advocacy has been interesting and requires some historical prospective.

The "counter-culture" of interest groups arising to protest the consumer utility rates and services is interesting and timely, and historically speaking, has been inevitable. Since the turn of the century public utilities have been given special license and monopolistic control over the various services they provide to regulated areas. Competition has been disallowed by law in exchange for the utilities agreeing to abide by rigid governmental regulations. The various utilities have had to reveal every income source and be subject to strict audit scrutiny by the public. The financial regulations have been so rigid that special accounting systems and techniques have evolved just to satisfy regulatory requirements "in the public interest." Very strict accounting laws have been established just to make certain the public interest is really protected. Many of the accounting requirements unique to this field do not even follow "generally accepted accounting principles" as normally taught in universities. A whole unique professional practice has been created to

Federal law places almost all wetlands in Alaska, including moist tundra, under the protective umbrella of the Environmental Protection Act and the Water Quality Control Act. It is for this reason Senator Gravel has stated that the state may be giving out deeds as "phony as a \$9 bill" and why Col. Nunn has cautioned that anyone who disposes of land has "a moral obligation to let people know they may have to go through the Corps of Engineers permitting process."

Alaskans caught between d-2 and the Antiquities Act may now find both feet mired in the hydrological mud-trap of wetlands. As an example, Col. Nunn points out that in the absence of local plans to manage lands in most areas, the permits will most likely be denied. So, if the zoners and borough planners don't do in your plans for that prize parcel of land, very likely the Corps' permitting process will.

Not a happy or optimistic picture, but that's where we are right now. RDC and all its friends and supporters will be studying future developments in the wetlands controversy and possible legal cases.

manage utility accounting problems and regulation "in the public interest." The utility has become, effectively, an agency of the government which regulates it and is licensed accordingly. The public, meanwhile, can do nothing but pay and complain. Naturally the public feels outraged and frustrated. There is no competitive utility or service to turn to. There is no alternate source of satisfaction.

Utilities can be investor-owned or publicly owned but it makes no real difference to the rate payor. The question of profit has long been submerged in the philosophy that investor-owned utilities are theoretically more efficient and hold costs down in the interest of investment gain. The amount of utility profit allowed is very rigidly controlled and the rates allowed to either type are significantly the same since they are a function of "cost" and cost is carefully defined in the regulatory agency accounting system which the utility must use whether it works for them or not! The public utility culture of regulators and regulatees has been established and operating over a long period of time.

Now, the counter-culture of outraged consumers has risen up in protest and to complain that the system is all wrong. They feel, apparently, that the taxpayer should not only pay the utility rates AND the taxes to support regulation of those rates (a mass of regulatory officials working through a maze of strange accounting principles). But that the taxpayer must now also support a wealth of "expert witnesses and first rate legal talent" to act as consumer advocates "in the public interest." So now we

Continued next page