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of these acres are preserved in national parks and wildlife refuges which were created or expanded by the Alaska National Interest Lands Conservation Act of 1980. Unbv wetlands. like the Lower 48 states, many of which face signifi-Mayor John Handeland cant losses of wetlands, over of Nome points out that "his-99 percent of Alaska's wettory documents that Nome and other Alaskan commulands remain untouched and intact. RDC members who nities, of which approximately 98% (including 200 closely follow the wetlands of 209 remote villages in issue are very excited about many of the proposed Alaska) are located in or adchanges which consider the jacent to wetlands, have reunique features of Alaska. sponsibly developed a small

This edition

May 1995

By Ken Freeman

regulatory changes influ-

encing development on

wetlands in the Lower 48

and Alaska has passed the

floor of the U.S. House of

Water Act Amendments of

1995, grants new flexible

wetlands policy for Alaska

provisions in H.R. 961 were

originally drafted by Repre-

sentative Jimmy Hayes

(D-LA). The wetlands lan-

guage has evolved to include

many provisions specific to

Alaska thanks to the endur-

ing efforts of Alaska's con-

gressional delegation, which

has worked many years to

amend federal wetlands

lion acres in Alaska are clas-

sified as wetlands. Millions

Approximately 170 mil-

regulations.

H.R. 961, the Clean

Many of the wetlands

Representatives.

and the nation.

A bill outlining major

Wetlands bill

passes U.S.

House

Alaska provisions included in bill

sponsored by

"History documents that Nome and other Alaskan communities, of which approximately 98% (including 200 of 209 remote villages in Alaska) are located in or adjacent to wetlands, have responsibly developed a small percentage of wetlands. This has been for such basic needs as housing and community infrastructure, including that to support fishing, processing, recreation and tourism."

- Mayor John Handeland, Nome





Nome resident Cussy Reardon confers with federal officials and RDC staff regarding a wetlands permitting problem. Reardon has been seeking a permit to expand her home, but the lot is surrounded

percentage of wetlands. This has been for such basic needs as housing and community infrastructure, including that to support fishing, processing, recreation and tourism."

Many communities in Alaska which have no alternative to "wetlands" for development welcome regulatory changes directed at easing restrictions on development in abundant, lower-value wetlands.

The proposed revisions include classifying wetlands into three categories according to ecological significance. This is particularly important for Alaska where local communities have been urging federal regulators to classify wetlands according to function and value.

The newly-proposed regulations would release

(Continued to page 4)

Montana Legislature revises water quality standards

The Montana Legislature passed several bills revising the state's water quality standards and requiring that treatment standards be economically, environmentally and technologically feasible.

The revisions were sparked by deficiencies in the existing statutes that led to inefficiency and unfairness in administration and enforcement of the statutes.

Legislation passed by the Montana Legislature and supported by Governor Rasicot revised the human health risk level from 1 in 1 million to 1 in 100.000 and adjusted the standard for arsenic from 1 in 1 million to 1 in 1,000 risk.

The revisions were made after local communities and businesses throughout Montana were unable to obtain waivers from stricter standards

which were economically and technologically infeasible.

Senator Lorents Grosfield, Chairman of the Montana Senate Natural Resources Committee, noted the new arsenic standard is still three times stricter than the federal drinking water standard. He pointed out that natural background levels of arsenic in many streams are higher than the new standards.

Understanding water quality standards

By Senator Lorents Grosfield Chairman, Montana Senate Natural Resources Committee

First of two parts

It's important to remember that when you take a shower, that soapy water doesn't just go down the drain. Whether you live in town or in the country, it goes through a pipe to some kind of a treatment process and then it is

Alaska's largest private nomic development or velop Alaska's natural manner and to create a	pment Council (RDC) is aly funded nonprofit eco- ganization working to de- resources in an orderly a broad-based, diversified ig and enhancing the envi-
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> Writer & Editor Carl Portman @ GCIU 722C

released back in the environment in what is called a discharge. The average daily water use in the United States is over 100 gallons per person, but little of that water actually

disappears. Virtually all of it returns to our environment in the form of a discharge. And virtually all of these discharges are subject to meeting water quality standards.

So what's a water guality standard? It's an amount of a contaminant in water, generally in parts per billion, that has been set by a government agency as a regulation above which the water would be unsafe. Each contaminant has its own standard. Theoretically, these standards are scientifically based on health considerations, whether health of humans, fish or other living things. In order for states to run their own water quality programs, they must generally adopt standards at least as strict as those that have been set by the federal EPA. These have been designed, after much research, to protect public health and aquatic life. The effect of these standards is that most water discharges from human activities have to be cleaned up to meet the water guality standards, or the discharges will be in violation of the law.

Certainly we all want and deserve standards that protect public health and that protect our fisheries and favorite swimming holes. Many of the treatment costs we don't even question, such as the need to treat our sewage.

But obviously, treatment of water discharges costs money. And all these costs are, in the final analysis, added

onto bills paid either by taxpayers or by consumers. Generally, the more restrictive the standards, the more expensive the treatment required. And the more expensive, the bigger the chance that some activities will be made economically infeasible.

We as consumers and taxpayers don't want to - and shouldn't have to - pay extra for unnecessary strict regulations. For example, while there may be some disagreement over what "unnecessarily strict" might mean, most of us would oppose a regulation requiring our city or town to clean up its municipal sewage discharge to the point that it is as pure as distilled water if we knew it was unnecessary for the protection of our health and our environment, and that it would cost each of us an additional \$10,000 per year, or even \$1,000 per year.

Ordinarily, when we think of clean water, we think of water that is crystal clear and is nothing else. That kind of water, however, exists only in a very sophisticated laboratory. Today, when we can measure in parts per billion, we can find contaminants - many of them naturally occurring - in virtually any water anywhere. Groundwater, stream water, all water carries in it a variety of minerals and other substances. Clean water is never really 100% pure.

As a result, one of the troubling policy questions that we must continually weigh is, how "clean" does "clean" need to be? If we are discharging water into a stream, should "clean" mean as clean as we can get to totally pure? Should it mean cleaner than the water naturally occurring in the stream? (Continued to page 4)



by George N. Ahmaogak, Sr., Mayor, North Slope Borough

North Slope residents welcome oil industry

The people of the Arctic have an ageless tradition of relving on the land and sea to provide the basic necessities of our subsistence way of life. Our whalers and hunters have always made the most efficient use of limited resources, and they have always taken care of the land so their grandchildren could continue the traditions.

In the 20th century, however, our ability to practice selfreliance came under increasing pressure. Explorers, traders and settlers replaced our subsistence economy with a cashbased system and exploited the whale, fur and ivory resources of our region.

With the discovery of oil in our land in 1968 and the establishment of the North Slope Borough in 1972, we were able to enter the new economy and regain the ability to monitor and safeguard the use of our resources. From modest beginnings, the North Slope Borough has

evolved into a modern municipal government providing services never before available in the Arctic. Our school district provides vocational and academic education for young and old alike. Borough health clinics provide modern medical services to residents of even the smallest villages. The Municipal Services Department operates water, sewer and electric utilities, plows roads and runways, maintains sanitary landfills and provides bus service. Other borough departments provide police and fire protection, search and rescue services, and rental housing.

I can state unequivocally that the people of the North Slope Borough support the presence of the oil industry in our land. This support extends to exploration and development in the coastal plain of ANWR. North Slope oil has already provided immense benefits to our people and to our country. We should continue our

As Native people, we have always had to fight for the right successful policy of prudently developing our resources. to determine our own future. Self-determination was at the The wisdom of our elders teaches us the value of hunting heart of the land claims settlement, and it is central to the where game is most plentiful. Likewise, it makes sense for issue of ANWR development as well. We are the people our nation to seek oil in an area that even the U.S. Secretary whose lives will be most impacted by oil development in of the Interior has identified as the country's best prospect for ANWR, and we believe our desires and the evidence of our new petroleum deposits. own experience should prevail. Some Americans have voiced concerns that the coastal

plain of ANWR is a pristine wilderness that should be closed off forever to human activity. But this is no unpopulated, untouched wilderness. It is our homeland. We have lived here and used the land for thousands of years, and we will continue to do so.

Unlike most Americans, we do not have the option of working in a variety of industries. Well-meaning people crusading against ANWR development would deny us our only opportunity for jobs - jobs providing a comfortable standard of living for the first time in our history.

Guest Opinion

"Some Americans have voiced concerns that the coastal plain of ANWR is a pristine wilderness that should be closed off forever to human activity. But this is no unpopulated. untouched wilderness. It is our homeland. We have lived here and used the land for thousands of years, and we will continue to do so."

Our people have an ageless respect and concern for our land. With centuries of perspective, we know the oil will someday be gone. We share a determination to protect our land and the traditional subsistence lifestyle it supports for the benefit of future generations.

We also have a clear-eved understanding of the potential hazards of oil field operations. As a modern government, we have exercised our regulatory powers to hold the oil industry to strict environmental protection and public health standards.

The results have been an unqualified success. Our fish and wildlife resources are flourishing. For example, the Central Arctic caribou herd has grown from 3,000 in 1972 to 23,000 today. Many residents with full-time jobs use their vacations to gather subsistence food not far from their work sites.

The past twenty years have enabled the North Slope Borough to help its residents enjoy a life which, while common to our countrymen, had long been denied to us. As Prudhoe Bay oil production declines, we fear this new life could disappear as fast as the Arctic summer, leaving residents of the North Slope once again out in the cold.

We in the North Slope Borough see oil development in the coastal plain of ANWR as our only opportunity to continue building on the achievements of the past 20 years and to keep pursuing the American dream of living and working in the land of our ancestors.

n brief

EPA considers marine disposal of tailings for A-J

The Environmental Protection Agency may propose changing federal rules to allow Echo Bay Alaska Inc., to dispose of A-J mine tailings underwater near Stephens Passage.

The company has been working on a plan to reopen the gold mine near downtown Juneau, but the EPA rejected a proposal to dump tailings behind an impoundment in Sheep Creek Valley. In a press release, the EPA recently announced that it could make the change to marine disposal of tailings if such an option is deemed environmentally acceptable.

David Stone, Echo Bay's spokesman, said the company is pleased EPA is considering marine disposal of tailings. He said Echo Bay is considering several options. including marine disposal. The company is expected to release its plans on tailings disposal this fall.

Gold rush is on

The largest claim-staking gold rush in Fairbanks history got underway this spring with some of the largest mining companies in North America racing to stake claims in the hills along the Chatanika River.

La Teko Resources of Salt Lake City is the current front-runner, staking 16,131 acres 38 miles northeast of Fairbanks. Other companies staking claims in the area include Cypress Amax, North America's largest mining company, Placer Dome Inc., of San Francisco and Fairbanks Gold Mining Co.

The Fairbanks district is now one of the hottest areas in the United States for staking claims after the State Division of Geological & Geophysical Surveys released the results of an aerial survey done in August. Geologists say the new geophysical data maps should help pinpoint mineral deposits large enough to be worth exploring.

Dick Swainbank, a state mining development expert, said the recent activity is the most he has seen in 25 years. The Fairbanks district was once the largest producer of gold in Alaska.

More Tongass set-asides loom

With over two-thirds of the commercial forested lands in the Tongass National Forest already closed to timber harvesting, the U.S. Forest Service may soon propose increasing the size of existing buffer zones along rivers and streams and extend them to include lakes and wetlands.

The buffer zone expansion proposal is expected to be included in a long-term management plan for the Tongass that is now being developed by the Forest Service. The plan is expected to be released for public comment this fall and completed next year.

The Tongass is the only national forest in America with mandated buffer zones. The 100-foot buffers are the result of the 1990 Tongass Timber Reform Act, but environmentalists and fishermen claim the buffers need to be wider to adequately protect fish stocks.

An earlier fisheries protection plan known as PACFISH would have tripled the size of the buffers and extended them to lakes and wetlands. The State claimed that the PACFISH buffers would have cut the annual harvest from the Tongass in half, costing 1,700 jobs.

The timber industry has fought a blanket expansion of buffer zones, noting strong fish runs and stringent forest practices measures.

Survey indicates **Interior Alaskans** support logging

A majority of Interior Alaskans support increased timber harvesting in the Tanana Valley, according to a University of Alaska Fairbanks School of Management survey.

The survey showed that 63 percent of its respondents said they were willing to vote "yes" on a referendum that allowed increased logging.

The survey was mailed to 1,584 randomly selected registered voters living in the Tanana Valley. Of those, 42.3 percent responded.

Nearly 90 percent of respondents said they used the forest for recreation. Of those, 30 percent thought that timber harvesting would leave them worse off. 20 percent thought they would be better off. 18 percent felt it would both help and hurt them and 17 percent said it would have no effect.

The survey had a margin of error of plus or minus 4 points.

Becky Gay chairs royalty board

RDC Executive Director Becky Gay has been elected chair of the Alaska Oil and Gas Royalty Development Advisory Board.

The Board serves in an advisory role to the Governor on oil and gas royalty issues.

Serving on the board are Commissioner John Shively. DNR, Commissioner Wilson Condon, Department of Revenue, Commissioner Willie Hensley, Department of Commerce, as well as Lynn Aleshire and Thomas Cook.

Gay is also involved in public service at the federal and local level. She serves as a stakeholder on the federal OCS Policy Task Force and a commissioner on the Heritage Land Bank.

Governor signs timber salvage bill

Governor Tony Knowles has signed into law legislation allowing the sale of salvage timber stands. Under HB 121, sponsored by Rep. W.K. Williams, salvage timber sales may be negotiated with a local mill in areas where there is "a high level of unemployment, underutilized manufacturing capacity, an under-utilized cut of timber that will lose substantial economic value due to insects. disease or fire or timber to be cleared for nonforest uses."

Specifically, the bill allows salvage sales to be offered without appearing on the five-year schedule for two years before they are sold.

Over 20 million trees are estimated to have died due to insects and disease in Alaska last year. HB 121 creates an opportunity to access those dead and dying trees while there is still some economic value left in the timber.



Thoughts from the President by David J. Parish



Risk-cost-benefit analysis

What it is and why policy makers need it

How can we make sure that environmental health and the United States' closest competitor in environmental programs, spends 1.6 percent of its Gross Domestic Product on In the early 1980s, environmental laws dealt with issues environmental protection. The U.S. spends 2.3 percent more than any other nation in the world. A more effective approach is needed.

safety laws benefit society? such as preservation of America's scenic wonders and habitats. These laws created our national parks and protected our waterways from becoming waste disposal sites. It is time new tools and processes were used by our

In the 1960s, following publication of Rachel Carson's environmental policy makers. To be both economically combook, "The Silent Spring," people became more concerned petitive and a leader in safety and environmental protection, about the quality of air, the water they drank and swam in and Alaska and the nation must weigh the costs versus the environmental conditions that threatened animals such as potential benefits of state and federal laws and regulations. the bald eagle, our national symbol. Risk-cost-benefit analysis is a tool that should be used to sort In response, seventeen environmental and safety laws out complex environmental issues.

and regulations were passed in rapid succession, including the Clean Air Act, Clean Water Act, Safe Drinking Water Act, Resource Recovery and Conservation Act and the Coastal Zone Management Act. To enforce these laws, two new agencies, the Environmental Protection Agency and the Occupational Health and Safety Administration, were established.

From the 1960s through the early 1980s, the need for such laws was not seriously questioned. The United States economy was prosperous and growing, and questions about the cost versus the benefits of such legislation were raised regulations.

Americans, whether they live in Alaska or Florida, all only by those responsible for implementing the complex want a clean, safe world in which to live. By applying sound science and risk-cost-benefit analysis in setting environmen-Global competitiveness, however, demands efficiency in tal laws and regulations, we all will be more certain of everything, including environmental legislation. Germany, achieving that goal.

Risk-cost-benefit analysis makes comparisons, uses the best, most current and objective scientific information and expert opinions and assesses which issues pose the greatest risk to human health and the environment.

It also requires the calculation of all costs and benefits from preparing, enforcing and complying with the regulations to how much risk is reduced to human health or the environment. These are ranked and prioritized so that we address the worst first and achieve the maximum risk reduction for every dollar spent.

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U.S. House considers Alaska-specific exemptions in wetlands legislation

(Continued from page 1)

lower-value wetlands from the most burdensome aspects of current regulations, but wetlands with high-value functions would retain a high level of protection.

Other important provisions include changes to wetlands delineation so that a "clear evidence" of wetlands hydrology, soil, and vegetation is required for a positive delineation to be made.

Another important aspect of the new bill is the inclusion of several "takings" provisions, which would provide appropriate compensation to property owners if wetlands regulation diminishes the fair market value of private property.

Other comprehensive changes include directing the Corps of Engineers to establish regulations for a mitigation banking system, a 90day deadline for permitting decisions and the issuance of general permits on a programmatic, state, regional and nationwide basis. Additionally, a system will be established to administer applicant appeals.

Changes specific to Alaska include regulatory exemptions for critical infrastructure, log transfer facilities, ice pads and roads, and for the construction of tailings impoundments utilized for treatment facilities for mining.

If H.R. 961 is enacted by both houses of Congress, Alaska would be relieved from the strictest requirements of wetlands permitting - avoidance and compensatory mitigation. It retains the requireIf H.R. 961 is enacted by both houses of Congress, Alaska would be relieved from the strictest requirements of wetlands permitting avoidance and compensatory mitigation.

ment of minimization. Avoiding wetlands in many parts of Alaska is nearly impossible. and compensatory mitigation was originally designed to compensate for large losses to wetlands in the Lower 48. Avoidance and compensatory mitigation measures discourage development of basic infrastructure in rural communities, including schools, roads, medical facilities, and airports.

Critics of the bill contend it will repeal protection of all wetlands in Alaska. This is simply not true. Many from the non-development community ignore the fact that wetlands in Alaska are protected by other environmen-

"H.R. 961 is good public policy for Alaska because it allows more resources to be spent protecting truly valuable habit. rather than a scatter-shot approach focusing on low-value. abundant. wetlands. -Becky Gay

tal law and regulations, including the Fish and Wildlife Coordination Act. the Rivers and Harbors Act, and the Alaska Coastal Zone Management Program.

They also ignore the history of development in Alaska. According to the U.S. Fish and Wildlife Service, between 1780 and 1980, approximately onetenth of one percent of Alaska's original wetlands base was lost; no other state even comes close to that conservation record.

"H.R. 961 is good public policy for Alaska because it allows more resources to be spent protecting truly valuable habit, rather than a scat-



Congressional staff addresses wetlands permitting issues during an Alaska Wetlands Coalition tour to Juneau.

ter-shot approach focusing on low-value, abundant, wetlands," said Becky Gay, RDC's Executive Director. "H.R. 961 provides the necessarv tools to ensure future wetlands regulation in Alaska is tailored to provide flexibility commensurate with the overall vast amount of wetlands, the conserved wetlands set-aside for special protection and the low historic loss of wetlands in Alaska."

The Alaska Wetlands Coalition and RDC will now track the progress of H.R. 961 and similar wetlands legislation in the Senate.

Through the efforts of the Alaska Wetlands Coalition, RDC has asked communities across Alaska to chime in on wetlands regulatory reform. A number of communities have recently passed resolutions supporting wetlands regulatory reform measures.

If your community has not vet sent a resolution to RDC, it's not too late! Please contact RDC for more information. Send resolutions to RDC, 121 W. Fireweed Lane, Suite 250, Anchorage, AK.

Water Quality ...

(Continued from page 2)

Should it mean as clean as the water we're discharging into? Should it mean clean enough to meet all the water quality standards that have been set to protect our health and environment?

Next month: Montana's SB 331 and the arsenic cancer risk.

New Mining Law reform measures before Congress

For the first time in years there is widespread optimism that significant, yet sensible mining law reform may prevail in Congress, as opposed to earlier legislation pushed by environmentalists that would have brought future exploration to a near halt.

The Senate Energy and Natural Resources Committee, chaired by Senator Frank Murkowski, is now marking up S. 506, a bipartisan bill introduced by Senators Larry Craig (R-ID), Harry Reid (D-NV), Richard Bryan (D-NV) and Murkowski. A hearing on the bill occurred March 30 and Murkowski's committee is expected to vote on the measure in June.

There has been significant solidarity shown to date among land users in support of the Craig-Murkowski bill, which addresses true environmental concerns while reguiring companies to pay fair market value for patented lands. The bill proposes:

· A 3 percent net proceeds royalty, with an exemption for miners with gross vields of less than \$500,000. One-third of the royalty revenues would go to the state. one-third to the state's abandoned mine funds, and onethird to the U.S. Treasury.

• A requirement to pay fair market value for the surface of mineral lands and use of the patented lands for good faith mining purposes only; the Interior Secretary would be required to diligently process all pending patent applications.

 Reclamation standards set by the states, along with applicable federal environmental laws.

• A maintenance fee of \$100 per claim per year, with an exemption for miners with 25 unpatented claims or less. Small miners could substitute assessment work in lieu of the fee.

 Establishment of a federal fund to allocate the royalties for abandoned mine reclamation, and authorization by states to receive funds directly for cleanup activities. Richard Lawson, President of the National Mining Association, said the new Craig-Murkowski bill "proposes true reform while offering a balance between environmental concerns and economic realities."

Secretary Babbitt has taken the lead, along with Congressman George Miller (D-CA) in criticizing the measure and calling it insignificant.

"The facts contradict all the charges made by Secretary Babbitt and Rep. Miller," said Murkowski. "The truth is that the environment will remain protected by every conceivable environmental law that they can think up to impose on the industry to make public land use more difficult and to put the U.S. mining industry more at a disadvantage in competing in a global metals market." S. 506 faces a number of obstacles, including a pos-

sible filibuster and/or a Presi-

dential veto.

In the House, a companion bill to S. 506 was to be introduced this month. It is expected to differ only slightly from the Craig-Murkowski bill

But passage of an S. 506-type bill in the House is far from certain. In the last Congress, a large bipartisan majority supported a radical reform measure sponsored by Rep. Nick Rahall (D-WV), and about 60 Republicans who supported the Rahall bill are still in the House, including Speaker Newt Gingrich.

This year, Rahall introduced HR 357 on the opening day of Congress, and

Meanwhile. Senators Bennett Johnston (D-LA) and Ben Nighthorse Campbell (R-CO) have introduced their own reform bill (S.639). This bill, which has little chance for passage, has been labeled by some as a sellout against miners.

RDC members can help support miners by faxing Senator Craig (202-224-2573) or Murkowski (202-224-5301) or writing to them at the U.S. Senate, Washington, D.C., 20510. State your support for S. 506 and sensible mining reform.

Since the biggest challenges to reasonable mining law reform will come in the House, it is important for

Mining Facts

 Every American uses an average of 40,000 pounds of new minerals each year. A television alone uses 35 different minerals and a telephone requires 40 minerals.

• The hardrock mining industry alone employs 120,000 people in the U.S. Mining support industries employ 3 million.

• Mining accounts for 5 percent of America's gross national product and provides exports worth as much as \$6 billion a vear.

· Mining activity has touched less than one-quarter of one percent of all land in the U.S. Only about 3 million acres of public lands have gone into private ownership from mining. compared to 94 million acres granted to railroads or 288 million acres given as agriculture homesteads. Source: People for the West

Senator Dale Bumpers (D-AR) introduced S. 504 on March 6. Both bills are considered all-out assaults on the mining industry. They call for an 8 percent gross royalty on minerals mined from public lands, as does an equally-harsh HR 721 introduced by Rep. Miller. The Bumpers bill would also end patenting.

While these anti-mining bills do have some support, they don't enjoy the prominence they had in the last Congress.

RDC members outside Alaska to write their congressman. Vocal grassroots support is critical in pushing through proactive, positive reform.

In recent comments on S. 506, Sen. Reid noted that "mining companies cannot be faulted for intransigence, they have always been ready and willing to negotiate.

"Instead of taxing the industry to death, sending good jobs overseas, mining reform should protect this vital industry."