



March 21, 2012

Sent Via Email: representative_bill_stoltze@legis.state.ak.us

Representative Bill Stoltze
State Capitol Room 515
Juneau, AK. 99801

Dear Representative Stoltze:

Ahtna, Incorporated (Ahtna) is pleased to submit the following comments in response to the current version of the 27th Alaska Legislature House Bill 9.

Ahtna's lands extend from the Nenana River in the north to the Chugach Range in the south. The Alaska-Canada border forms the eastern border and the western portion reaches into Denali National Park and Preserve. Ahtna's fee simple land ownership includes 1.77 million acres. Ahtna has more than 1,730 shareholders. Many of Ahtna's shareholders reside in semi-remote villages with few economic opportunities. Ahtna's headquarters are located in Glennallen, Alaska.

Ahtna's mission is to promote the economic and social well-being of our present and future shareholders, to strengthen the Native way of life of our Alaska Native shareholders, to responsibly develop and enhance our land and resources, reflecting from the Ahtna vision statement; our Culture unites us, our Land sustains us, our People are prosperous.

The current version of House Bill 9 has 32 Sections of which most deal with amendments, repeals and additions of previous State Regulations and Statutes. However, there are numerous important legal issues associated with House Bill 9 that Ahtna is very concerned with and the concerns are identified below:

- I. Exercise eminent domain and acquire private property rights necessary or convenient for owning or operating the pipeline without consultation and negotiation. Approximately 33-miles or 264 acres of the Alaska Gasline Development Corporation (AGDC) Alaska Stand Alone Pipeline project will directly impact Ahtna conveyed or selected ANCSA lands.
- II. All State agencies and entities, i.e. Alaska State legislature, will be burdened with giving priority to AGDC requests for information.
- III. The AS 38.34.050(c) amendment, besides transferring the right from AHFC to AGDC, would specify that the real property lease be given at no cost or rental fee and that the lease is not subject to the lease requirements contained in AS 38.35.120(a)(1), (2), (5), and (7). These paragraphs of current law would require that AGDC operate the pipeline as a common carrier and that it be subject to regulation by the Regulatory Commission of Alaska. With this change, these paragraphs of current law would not apply to AGDC's lease.
- IV. HB-9 adds a new subsection to AS 38.35.200, judicial review of decisions of commissioner on an application. This subsection is modeled after the Trans-Alaska Pipeline Authorization Act provision to foreclose lawsuits against any phase of development and/or construction. This subsection only allows those who have standing to bring about an action alleging that an action will deny rights under the state Constitution or challenging the invalidity of this section. The complaint must be filed in a state Superior Court and the court may not grant injunctive relief with the exception of a final judgment. It also exempts an appeal of a permitting decision by the Department of Environmental Conservation under AS 46.03 (Environmental Conservation) and AS 46.14 (Air Quality Control) that is delegated to the department by the Environmental Protection Agency. We recommend that this subsection be deleted in its entirety to allow for reasonable public due process and judicial review.

- V. Amends AS 40.25.120(a), Public records; exceptions, certified copies. Allows AGDC and the provider or recipient of the information to enter into confidentiality agreements that would not be subject to public disclosure. Ahtna is very concerned with this language and recommends that it be significantly amended to clearly define what public documents will be exempt from public disclosure.

Over the course of the previous 40-years the State of Alaska and Ahtna have issued oil and gas exploration leases and drilled several gas and oil wells within the Copper River Basin. In 2010 Ahtna drilled a natural gas well near Glennallen which proved natural gas reserves adjacent to State owned lands. The unresolved issues of accessing and shipping on an AGDC developed pipeline bring serious limitations to future natural gas development in our region. The current version of House Bill 9 reduces and eliminates private property rights; burdens State agencies and entities to prioritize AGDC specialized requests for information and permitting needs; and leaves many unanswered legal questions. For these reasons Ahtna cannot support House Bill 9 in its current form.

Thank you for your consideration of these comments,

A handwritten signature in black ink that reads "Michelle Anderson". The signature is fluid and cursive, with a large, sweeping initial "M".

Michelle Anderson, President
Ahtna, Incorporated

Cc: Rep. Anna Fairclough
Rep. Mia Costello
Rep. Mike Doogan
Rep. Les Gara
Rep. David Guttenberg