

ALASKA LEGISLATURE COMMITTEE FILES 1903-1904 0012

2843 SRES SB 232 - SB 272

1.	POSITION TITLE Clerk Typist II				RANGE/STEP 7/A	BARC. UNIT GGU	FORM 12 PAGE/LINE	COV.	APPROV.	DIS/PP.
2.	TYPE OF POSITION Perm-FT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anch.	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL		ADDITION		JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<p>This position will be responsible for clerical support to the indemnification program.</p> <p>Duties will include typing correspondence and documents, filing, maintaining forms and office supply inventories, answering telephone and other miscellaneous clerical duties.</p> <p>Current staff is not capable of absorbing additional work-load without severe impact on other mandated programs and activities.</p>					
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	PERSONAL SERVICES									
5.	Salary		1491.00							
6.	Benefits .1583		232.86							
7.	Supplemental Benefits .0613		90.17							
8.	Fixed Benefits		226.70							
9.	TOTAL PERSONAL SERVICES	01	2020.73	24.2						
10.	Travel	02								
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12.	Commodities	04								
12.	Equipment	05								
14.	Other									
15.	TOTAL COST									
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004								
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY										
4A KEY NUMBER _____										

AGENCY Environmental Conservation

PROGRAM NRMEC/Public Protection

BRU Seafood & Animal Industries

Seafood Industry

COMPONENT

13 REQUEST FOR
NEW POSITION

FY 85

Page of
Revised Date _____

(5) promulgate, repeal, and amend regulations consistent with existing law for

(A) the labeling and grading of milk and milk products and standards of cleanliness and sanitation, to at least the minimum of current recommendations of the United States Public Health Service, for the operation of dairies selling, or offering for sale, milk or milk products;

(B) the production and sale of ice cream and allied frozen desserts;

(C) the production and sale of imitation milk and imitation milk products.

(b) In this section, "commissioner" means the commissioner of environmental conservation. (§ 33-1-2(b) (c) (e) (f) ACLA 1949; am § 1 ch 193 SLA 1968; am § 1 ch 25 SLA 1972; am § 2 ch 58 SLA 1978; am Executive Order No. 51, § 3 (1981))

Revisor's notes. — The word "in" was substituted for "for purposes of" in subsection (b) by the revisor of statutes pursuant to AS 01.05.031.

Effect of amendments. — The 1978

amendment substituted "food animals, fish, poultry" for "animals and poultry" in paragraph (1) of present subsection (a).

The 1981 amendment added subsection (b).

Sec. 03.05.025. Seafood processing permits and plans of operation. (a) A person may not operate a seafood processing establishment or seafood processing vessel without a plan of operation approved in writing by the commissioner of environmental conservation and without a permit issued by the commissioner of environmental conservation that incorporates the plan of operation. To be valid, a plan of operation or a permit issued under this section must be renewed annually.

(b) A plan of operation required by this section shall describe:

(1) the proposed water supply and water treatment to be used for processing fish and fish products and for consumption by humans;

(2) the proposed means of waste treatment and disposal to be used;

(3) the proposed seafood and seafood product handling, cleaning, canning, freezing, storage, and transportation systems to be used;

(4) the proposed means to be used to ensure cleanliness, sanitation, wholesomeness, and prevention of contamination of the seafood and seafood products;

(5) the proposed means of surveillance to be used to assure product sanitation, integrity of the preservation process, and product safety; and

(6) other information that the commissioner of environmental conservation may require by regulation. (§ 2 ch 57 SLA 1982)

Effective dates. — Section 7, ch. 57, May 28, 1982 in accordance with AS SLA 1982, makes this section effective 01.10.070(c).

03.05.025

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Sec. 03.05.026. Seafood product quality standards and seals.

(a) The Alaska Seafood Marketing Institute (AS 16.51) shall design an "inspection" seal that may be used to signify that a seafood product has been packed in compliance with the requirements of a permit issued under AS 03.05.025.

(b) The Alaska Seafood Marketing Institute (AS 16.51) shall design a "premium quality" seal that may be used to signify that a seafood product has met the product specifications and standards under (d) of this section.

(c) The commissioner of environmental conservation shall authorize the use of an "inspection" seal for display on seafood products processed by a person who, at the time the products are processed, holds a permit to operate issued under AS 03.05.025, and who complies with regulations adopted under AS 03.05.025.

(d) The commissioner of environmental conservation, after consultation with the Alaska Seafood Marketing Institute, shall develop product specifications and standards for the use of the "premium quality" seal on Alaska seafood products. The commissioner shall authorize a seafood processor to display a "premium quality" seal on products that qualify for the seal if the processor meets the requirements of regulations adopted under this section and AS 03.05.025, and has been issued a permit to operate under AS 03.05.025.

(e) It is unlawful for a person to display a seal under this section without authorization from the commissioner of environmental conservation. (§ 2 ch 57 SLA 1982)

Effective dates. — Section 7, ch. 57, SLA 1982, makes this section effective May 28, 1982, in accordance with AS 01.10.070(c).

Editor's notes. — Section 6, ch. 57, SLA 1982 provides: "By January 30, 1983, the commissioner of environmental conservation shall refer it to the legislature"

proposal for implementing and financing the 'premium quality' seal program and for establishing an inspection program to ensure that products using the 'premium quality' seal meet the product specifications and standards developed under AS 03.05.026."

Sec. 03.05.035. Sale and labeling of frozen meat, fish and poultry. (a) Meat, fish or poultry which has been frozen may not be sold, represented or advertised as a fresh food.

(b) Meat, fish and poultry which has been frozen must be labeled as a frozen food, under regulations.

(c) The commissioner shall promulgate regulations which

(1) require frozen food labels for meat, fish and poultry which has been frozen; and

(2) provide for the examination and inspection of meat, fish and poultry to ascertain whether it has been frozen.

(d) In this section, "commissioner" means the commissioner of environmental conservation. (§ 5 ch 138 SLA 1974; am Executive Order No. 51, § 4 (1981))

BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

SSSB
232

February 2, 1984

The Honorable Jalmar Kerttula
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Kerttula:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a sponsor substitute for SB 232, relating to state indemnification from liability for injuries resulting from eating unwholesome seafood. This bill differs from the original version in that it covers only the seafood processing permit program rather than all programs in AS 03.05, and it takes an indemnification approach rather than an immunity approach.

Unfortunate instances of injury related to consumption of improperly processed Alaska seafoods have caused the state to become actively involved in monitoring of seafood processing and to develop a program of quality seals to promote public acceptance. This increased state involvement has correspondingly increased state liability exposure.

The responsibility for injuries resulting from consumption of deleterious seafood products should primarily be the responsibility of the seafood processing industry. Accordingly, this bill will require that processors responsible for injuries indemnify the state against liability which may be sustained by the state under these programs. Indemnification will promote the public interest of encouraging processors to use care, while at the same time assuring that in those instances where the processor is uninsured and judgment-proof there will remain state liability to the injured party.

To try to minimize the state's exposure to liability in the case of a judgment-proof seafood processor, sec. 2 of this bill authorizes the commissioner of environmental conservation to require proof of adequate insurance in individual cases of processors who want to use either the state "inspection" seal or state "premium quality" seal, before the commissioner authorizes use of the seal under existing AS 03.05.026.

- 2 -

This sponsor substitute acknowledges the concerns expressed last year about the original version, and takes a different approach that, I believe, is in the best interests of all Alaskans. I urge your favorable action on this measure.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield
Governor

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SB 233 ENACTING THE NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL
RADIOACTIVE WASTE MANAGEMENT.

The Senate Resources Committee considered and unanimously passed out this bill, which ratifies the Northwest Regional Low-Level Radioactive Waste Compact.

Under the federal Low-Level Radioactive Waste Policy Act of 1980, a compact for joint disposal of wastes was negotiated by Alaska and seven other states that rely on the Hanford, Washington disposal site. Under the terms of the federal act, the member states will be authorized to prohibit importation of wastes from non-member states. At this time, all party states except Alaska have ratified the compact. It is therefore imperative that the State of Alaska also move towards ratification or we may be prohibited from future use of the Washington facility.

I urge you to support passage of this important legislation.

Member states: Alaska, Hawaii, Idaho, Montana, Oregon, Utah,
Washington, Wyoming

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI

POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate Committee on Resources

- (9) Representative Finstad, Co-Chairman
Representative Shultz, Co-Chairman
House Resources Committee
- (10) Senator Fahrenkamp, Chairman
Senate Resources Committee
- R SA 233 Compact on Radioactive Waste Management
May 17, 1983

Today the Senate unanimously passed SB 233 which authorizes the Compact on Radioactive Waste Management.

Under the Federal Low Level Radioactive Waste Policy Act of 1980, a compact for joint disposal of wastes are negotiated by Alaska and seven other states that rely on the Federal Washington disposal site. Under the terms of the Federal act, the member states will be authorized to prohibit importation of wastes from non member states after July 1, 1983. At this time, the only states are Alaska and Nevada that are compacted. It is therefore imperative that the State of Alaska take prompt action to prohibit importation of wastes from non member states after July 1, 1983.

I urge you to support passage of this legislation.

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIAS ON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI

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Senate

Committee on Resources

TO: Senator Don Bennett
Senator John Sackett
Co-Chairs, Senate Finance Committee

FROM: Senator Bettye Fahrenkamp
Senate Resources Committee

RE: SB 233, Compact on Radioactive Waste Management

DATE: May 23, 1983

The Senate Resources Committee considered and unanimously passed out SB 233, which ratified the Northwest Regional Low Level Radioactive Waste Compact.

Under the Federal Low-Level Radioactive Waste Policy Act of 1980, a compact for joint disposal of wastes was negotiated by Alaska and seven other states that rely on the Hanford, Washington disposal site. Under the terms of the federal act, the member states will be authorized to prohibit transportation of wastes from non-member states. At this time, all party states except Alaska have ratified the compact. It is therefore imperative that the State of Alaska also move towards ratification or we may be prohibited from future use of the Washington facility.

I urge you to support passage of this important legislation *this session.*

after July 1, 1983

SB 233 ENACTING THE NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL
RADIOACTIVE WASTE MANAGEMENT.

SB 233 ratifies the Northwest Regional Low-Level Radioactive Waste Compact. Under the Federal Low-Level Radioactive Waste Policy Act of 1980, a compact for joint disposal of these wastes was negotiated by Alaska, Hawaii, Idaho, Montana, Oregon, Utah, Washington, and Wyoming, all of which rely on the Hanford, Washington disposal facility. Under the terms of the federal act, the member states will be authorized to prohibit importation of low-level radioactive wastes from non-member states after July 1, 1983. If Alaska does not become a member of the Compact by that date, the members will have the option of refusing to accept waste from Alaska. Safe disposal of low-level waste cannot be accomplished at any existing or planned site in Alaska.

The Compact would require that each party state adopt practices that conform to packaging and transportation requirements and regulations of the host state. These must include an inventory of generators, inspection procedures, authorization of shipping containers, and enforcement procedures. In addition, each party state may impose fees upon generators and shippers, impose more stringent standards on generators and carriers than those required in the compact, and limit the nature and type of wastes to be accepted at facilities within its borders.

All party states except Alaska have ratified the compact. The compact does require Congressional consent.

ENACTS THE NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT.

SPONSOR: SENATOR/GOVERNOR

Enacts the Northwest Interstate Compact on Low-Level Radioactive Waste Management on behalf of Alaska and any other states legally joining it. (See Art. VI below.)

Art. I Purpose is to protect health and safety through a cooperative effort among the party states in minimizing the amount of handling and transportation required to dispose of wastes and in providing facilities to serve the region.

Art. II Definitions.

Art. III Requires all states to adopt practices that conform to the applicable packaging and transportation requirements of the host state. Practices must include: inventory of generators, inspection, authorization of containers, enforcement.

Art. IV Effective 7/1/83 if consent is given by Congress, requires that a facility located in a party state must accept low level waste generated by any other party state, and only from party states.

Art. V Establishes the Northwest Low Level Waste Compact Committee, comprised of 1 executive appointment of each party state.

Art. VI Eligible states are Alaska, Hawaii, Idaho, Montana, Oregon, Utah, Washington, Wyoming. The compact becomes effective when enacted into law by 2 states.

Art. VIII Authorizes DEC to adopt regulations to carry out the compact.

Joe C

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RECEIVED

MAY 21 1983

Department of Environmental Conservation

May 19, 1983

TO: Members
Northwest Interstate Compact Committee

FROM: David W. Stevens, Chairman
Northwest Interstate Compact Committee

SUBJECT: MINUTES - MEETING OF APRIL 28, 1983

David W. Stevens

Minutes of the telephone conference meeting of the Compact Committee on April 28 are attached for your consideration.

If you have additions or corrections to the minutes, please contact either me or Dr. Ellen Haars.

DWS:mh

Attachment

MINUTES OF THE NORTHWEST LOW-LEVEL RADIOACTIVE WASTE COMPACT COMMITTEE

Telephone Conference Meeting

April 28, 1983

Compact Committee Members Present:

Robert Funderburg - State of Idaho
Larry Lloyd - State of Montana
Darrell Warren - State of Utah
David Stevens - State of Washington

Others Present:

T. R. Strong - State of Washington
Ellen Haars - State of Washington

Absent from the meeting were Don Godard (Oregon) and Melvin Koizumi (Hawaii). Mr. Koizumi was briefed on the meeting by Dr. Haars and Mr. Strong at 4:30 p.m., April 28, 1983. Mr. Godard was briefed by David Stevens at 3:00 p.m., May 9, 1983.

The purpose of this meeting was to provide an update for the Committee members on a meeting attended by T. R. Strong for David Stevens on April 18, 1983. The National Governors' Association (NGA) had requested the position of all of the compact regions on two issues dealing with the congressional consent process for compacts. The issues are:

- What changes must be made in the 1980 Low-Level Waste Policy Act to eliminate the ambiguous nature of the definition of "Federal research and development wastes"? Since several of the compacting regions now contain the same definition, some instruction must be provided to Congress to clarify the definition and to allow Congress to provide consistent consent language in each of the proposed compacts.
- What are the "good faith" requirements acceptable to both Congress and the compacting regions which will be required, after exclusivity is allowed, by those regions with sites when accepting wastes from regions without sites? Again, the intent is to search for consent language agreeable to all of the regions and Congress.

Holmes Brown, of the NGA staff, will draft proposed language intended to eliminate the ambiguous qualities of the definition of Federal R&D wastes. The draft will be submitted to the Federal agencies producing such wastes and to the compact regions for concurrence. When there is agreement, the language would be presented to congressional staff for consideration as consent language. The next discussion of this issue will be held at an NGA sponsored meeting on May 27, 1983, in Washington, D.C. No further action is required by us at this time.

With regard to the good faith efforts which might be imposed by the Northwest Compact Committee and which would represent our initial position with regard to such requirements, the following language and requirements were developed.

- After exclusivity is allowed, all of the following conditions must have been met before the Northwest Compact Committee would accept waste from a region which did not have a disposal site:
 - It must be clearly demonstrated to the Northwest Compact Committee that the volume of waste proposed to be sent to us for disposal has been significantly reduced through such procedures as compaction or incineration.
 - Wherever technically feasible or practical, U.S. Department of Energy low-level waste disposal sites within the compact regions of generation must be considered and/or used for the disposal of the waste if made available.
 - To the maximum extent possible, on-site storage practices of waste generated within the requesting region must be in use; i.e., a given generator's waste must be stored on his own property awaiting permanent disposal in that region's anticipated disposal site.
 - Wastes, which for whatever reasons are considered for but are not amenable to, volume reduction, disposal in DOE sites, or to on-site storage, must be considered for interim storage within the requesting region.
 - Finally, if all of the above conditions have been met to the extent feasible, and there is still waste which a given state in another compact region wants to dispose in the Northwest region site, the Northwest Compact Committee will require the following conditions before waste will be accepted for disposal: The state in which the generator resides must be a party member of a compact region, the compact for that region must have been submitted to Congress for consent, and congressional consent must have been granted to the compact, all before January 1, 1985.

If the above conditions have been met, and the Northwest Compact Committee receives a request to dispose of waste from outside its region on a temporary basis, the following additional requirement is necessary.

- A disposal site for the region in question must have been identified and selected within 18 months of congressional consent to that compact, or no later than January 1, 1987.

After January 1, 1987, a disposal site has been identified and the Northwest Compact Committee receives a request for disposal from a region without a site, the following additional condition must be met:

- The radioactive materials license for the proposed site within the region requesting disposal must have been applied for within 18 months of identification and selection of that site, or no later than July 1, 1988.

After July 1, 1988, if these conditions have been met, and the Northwest Compact Committee receives a request for the disposal of waste from a region without an operating site, the following additional condition must be met:

- The proposed site must be determined to be operable within 24 months of the radioactive materials license approval date, or no later than January 1, 1990.

The Committee agreed that the principles described above would represent the position of the Northwest Compact Committee, and could be sent forward as proposed for consent language. A further discussion of these issues will be held at the NGA meeting on May 26.

In further business before the Committee, Mr. Stevens reported that there is a proposal before the Alaska legislature to ratify the Northwest Interstate Compact. On April 22 the bill was considered by the Alaska Senate Resources Committee. At the request of the Alaska legislature, T. R. Strong, representing Mr. Stevens, testified before the Committee. The measure was given a do-pass recommendation and sent to the Senate Finance Committee. Stan Hungerford, Alaska's interim representative to the Northwest Compact Committee, indicated he saw no reason why Alaska would not adopt the legislation this session.

Mr. Stevens reported that in the current session of the Washington legislature the Senate Energy Committee had introduced SB 3625, a measure which would significantly amend the Northwest Interstate Compact. The proposal did not receive any action by the Committee, and consequently no change to the Compact was made.

In a final item of business, the time and location for the next meeting of the Northwest Interstate Compact Committee was discussed. It was unanimously agreed, with Mr. Koizumi agreeing later in a separate conversation, that the next meeting be held in Hawaii during the middle or latter part of 1983. Final arrangements will be completed soon, with additional information forthcoming to all members shortly.

The telephonic meeting concluded at 2:45 p.m., PDT.

FACT SHEET

NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL WASTE MANAGEMENT

The Northwest Interstate Compact on Low-Level Waste Management is the first compact established in the nation for managing low-level waste on a regional basis, fulfilling the Congressional intent set forth in Public Law 96-573, the Low-Level Radioactive Waste Policy Act. In the spring of 1981, the legislatures of Idaho and Washington formally adopted the Compact. Oregon adopted Compact language in July 1981, Utah passed the necessary legislation in February 1982. Montana has joined by executive order of Governor Schwinden in November 1981. Hawaii passed the Compact language in June 1982. Alaska and Wyoming are also eligible for membership. The Compact must be ratified by Congress before all of its provisions can take effect.

Basically, the purpose of the Compact is to provide for the health and safety of the citizens of member states, with the responsibility for low-level radioactive waste management shared equally by the states. Membership in the Compact requires a party state in which a disposal facility is located (Washington has such a site) to accept waste from other member states. Waste from non-Compact states will not be accepted after Congress ratifies the Compact and authorizes the Compact states to prohibit importation. In addition to low-level waste, participants recognize the principle of reciprocity in accepting hazardous chemical wastes.

Under the Compact provisions, the Governor of each member state has named a representative to the Northwest Low-Level Waste Compact Committee. The Committee meets to consider matters arising under the jurisdiction of the Compact such as the review of low-level waste management regulations and approval of disposal of waste from non-member states. In addition, the Committee functions to enhance and extend communications efforts among the Northwest states and with the other regions.

There is one low-level waste disposal site in the Northwest Interstate Compact located on the U.S. DOE Hanford Reservation near Richland, Washington. The 100 acre site is operated by US Ecology, Inc. under sublease from Washington State. In 1981 1,500,000 cubic feet of low-level waste was disposed at the site, which compromised approximately 50 percent of the low-level waste disposed in the nation.

NORTHWEST INTERSTATE COMPACT COMMITTEE MEMBERS

<u>State</u>	<u>Governor's Representative</u>	<u>Date of Authorizing Legislation</u>
Hawaii	Mr. Melvin Koizumi Deputy Director Environmental Health Department of Health P. O. Box 3378 Honolulu, Hawaii 96801 (801) 548-4139	June 1982
Idaho	Mr. Robert Funderburg Manager of Radiation Control Division of Environment 450 W. State 5th Floor Boise, Idaho 83720 (208) 334-4107	April 1981
Montana	Mr. Larry Lloyd, Chief Occupational Health Bureau Department of Health and Environmental Sciences Room 113 Cogswell Building Helena, Montana 59601 (406) 449-3671	November 1981*
Oregon	Mr. Donald Godard, Administrator Siting and Regulation Section Department of Energy Labor & Industries Building Room 102 Salem, Oregon 97310 (503) 378-6469	July 1981
Utah	Mr. Darrell Warren, Director Bureau of Radiation Control P. O. Box 2500 150 W. North Temple Salt Lake City, Utah 84110 (801) 533-6734	February 1982
Washington	Mr. David Stevens, Chairman Policy Assistant for Energy and Natural Resources Office of the Governor Legislative Building Mail Stop AS-13 Olympia, Washington 98504 (206) 753-6780	April 1981

STATEMENT BY T. R. STRONG

DIVISION OF HEALTH

BEFORE

ALASKA STATE LEGISLATURE
SENATE RESOURCES COMMITTEE

Juneau, Alaska

April 22, 1983

3:00 p.m.

I am T. R. Strong, Head of the Radiation Control Section for the state of Washington.

Mr. Hungerford has indicated that you are interested in several specific issues associated with the Northwest Interstate Compact on Low-Level Radioactive Waste Management. These include:

- The history of the Northwest Interstate Compact and comments about each of the eligible states.
- Status of consent legislation in Congress with regard to the Northwest Interstate Compact.
- Status of low-level waste compacts in other parts of the United States.
- The consequences of not joining a compact.

Since Governor Dixy Lee Ray closed and later reopened Washington's low-level waste disposal site at Richland in 1979 there has been a steadily increasing sentiment expressed by the citizens of the state of Washington that the volume of waste coming to Washington for disposal should be significantly decreased. The legislature in 1980 adopted two separate compact documents, one in the Senate and one in the House. As a result of the two chambers not being able to agree on a single version, an initiative was presented to the voters which would have banned the importation for disposal of all radioactive waste except medical wastes. The initiative was approved by 75 percent of those voting in the 1980 general election. Because of supremacy and commerce clause problems with the constitution of the United States, the initiative was subsequently held unconstitutional. The 1981 session of the Washington legislature adopted the compact which you are now considering.

There are eight Northwest states eligible for membership. Washington, Oregon and Idaho adopted the compact language at essentially the same time in early 1981. Utah joined by Executive Order in 1981 and obtained legislative approval in February 1982. Montana joined by Executive Order in November 1981 and the 1983 session of the Montana legislature has ratified the compact. Hawaii introduced legislation to join the compact in 1982 and Hawaii's governor signed the authorization in June of 1982. Wyoming has determined that it will join the Rocky Mountain Compact and not the Northwest Compact, although it remains eligible to join the Northwest through June 30, 1983. Alaska remains eligible to join.

Washington's Senator Slade Gorton introduced consent language in Congress in the fall of 1982 and has reintroduced it in the new session in January of this year. A field hearing was conducted by the Judiciary Committee in Seattle in November 1982 and the full Judiciary Committee heard testimony on the Northwest Interstate Compact consent language in March 1983. Congress has expressed specific interest in the circumstances under which Federal agency wastes generated at any point in the country would be accepted by any compact in the United States; and the conditions under which waste generated in states which are not members of a compact region would continue to be disposed in existing commercial disposal sites after the exclusion date in the Low-Level Waste Policy Act. It is my understanding that Congress is not likely to permit any compacting region to exclude waste generated in other regions until there is a nationwide mechanism with disposal sites available for all of the nation's waste.

From the perspective of the state of Washington the progress made by other regions in negotiating compacts and in states joining those compacts was painfully slow until late in 1982. Almost all states are now members of at least one prospective compact region. After the Northwest with its functioning compact committee, the Southeast region, centered around South Carolina's disposal site, is the best developed. The Rocky Mountain states had a prospective site in Colorado, think they have another site which might work, and are continuing to struggle with their problems. Probably the least developed is the Northeast. California and Texas are not aligned with any compact region; Texas has indicated it will attempt to go it alone and California is unhappy because neither the Northwest nor the Southwest invited it to join. The "go it alone" idea is not consistent with the Low-Level Waste Policy Act but Congress has not indicated what it will do in this situation.

The consequences of Alaska not joining the Northwest Compact or some other existing compact group probably boils down to whether or not Alaskans want a low-level radioactive waste disposal site of their own. The cost of shipping the almost insignificant amount of waste you produce to Richland versus the cost of finding, siting, licensing, operating and maintaining in perpetuity a site of your own would seem to me to make your choice clear.

This concludes my formal remarks. I would be happy to try to answer questions you might have.

U.S. Senate Judiciary Committee Hearing

March 2, 1983

TESTIMONY OF

David W. Stevens
Assistant to the Governor
State of Washington

Chairman, Northwest Interstate Compact on
Low-Level Radioactive Waste Management

We appreciate the opportunity to appear and present testimony supporting the consent of the Congress for regional compacts dealing with low-level radioactive wastes. As a representative of a region with a compact which has been ratified by five states (Oregon, Idaho, Washington, Utah, Hawaii) through legislative action, and one (Montana) by Executive Order, we can attest to the strong cooperative efforts by the states in our region to forge an alliance which we feel fulfills both the spirit and the substance of the national Low-Level Policy Act of 1980. Montana has enabling legislation that has passed one House of its legislature. Alaska's legislation is scheduled for introduction within the next few days. If those measures are adopted, seven of the eight eligible states would have become parties to the Northwest Compact within two years of its initial introduction.

We are gratified by the response shown by the states in our region that feel strongly that a cooperative regional venture dealing with radioactive wastes is the proper approach in coming to terms with this national problem. Initial interest was demonstrated in Washington State in November, 1980, when our citizens, by a 75 percent approving vote, decided they favored severe restrictions on the importing of out-of-state waste for disposal at the Hanford site. The significant level of interest of our citizens in dealing with the uncontrolled importation of wastes from nearly every state in the country has continued unabated, even though the initiative that they approved in 1980 was later declared to be unconstitutional by the federal courts.

That initiative also recognized the validity of regional compacts, in that one of its provisions held that other restrictions would not apply if a state were part of an interstate compact. Fortified by that background and by the high interest on the part of Washington's Governor and Legislature, the compact was ratified in April, 1981, Idaho having approved the same compact a few days earlier. During that period of ratification, efforts in our region were reinforced by the then recent passage of the federal Low-Level Radioactive Waste Policy Act of 1980 (Public Law 96-573). It was most encouraging and helpful to have such a firm expression of federal policy support for the kind of efforts underway in the Northwest.

It was the intent of those involved in the negotiation effort, and, I am certain, of most of the legislators who have been involved in that process, that the compact deal with low-level radioactive wastes in conformance with federal laws and regulations. While the state of Washington and others have had a significant experience with interstate compacts over the years, negotiating compacts regarding low-level radioactive wastes has been unique. In the case at hand, not just one but a series of compacts will cover the entire nation, will deal with the same issue, will have reasonable compatibility (if not uniformity), and will be constructed with enough authority to achieve the objective of better systemizing the disposal of wastes through a more equitable system of shared responsibility.

Mr. Chairman, as the result of our work in the Northwest in fashioning the country's first compact, we have provided the opportunity and the

focus for considerable review and comment regarding whether or not the compact:

- is compatible with the federal act;
- is compatible with existing federal regulatory structures;
- interferes with or involves other areas not contemplated by the federal acts;
- provides an opportunity for dealing with unusual wastes or waste forms;
- provides a means for the region to work with other regions toward a unified national program which will encompass all facets of the issue.

We feel that, on all counts, the Northwest Compact meets the test that underlies Congressional intent in entrusting states with and in encouraging them to take the leadership in dealing with this significant national issue. The driving force in our progress to date has been to carry out the charge in the Low-Level Waste Policy Act and to do that responsibly and as quickly as possible. We are well on our way in the Northwest, and we hope that the Congress will, during this session, give early consideration and approval not only to our particular compact but to others which I am certain will shortly be before it.

I would like to dwell briefly on a few of the questions that have been raised concerning the Northwest Compact in order to dispel whatever hesitation or reservation there might be regarding either the language or the intent of its provisions. We have confidence that those questions are resolvable within the context of the compact and that no delay in the consent process is needed in order to deal with them.

Date of Exclusivity

As you have noted from the text of our compact, the desire of the northwest states is to be able to exclude out-of-region wastes at the earliest possible time. Given the strong desire of our citizens for an exclusionary date of July 1, 1983, the compact reflects a date that was reasonable at the time of its ratification by the initial party states. It is clear that, in order for that date to have been met, almost immediate action by the Congress would have been necessary. It would have also been essential to have temporary sites or storage capability available or arranged. That date, July 1, 1983, also assumed that the negotiations that were being initiated in other regions would be carried to fruition more quickly than has actually occurred.

What appeared to be feasible two years ago, at the time of ratification, would be difficult to achieve now. As host state, we feel that reliance on January 1, 1986, as the initial date upon which a region could exercise exclusivity would be compatible with the regional efforts now underway. Any delay in the implementation date of January 1, 1986,

would not be appropriate, and any shifting of that date to a later time would be strongly resisted.

Definition of Low-Level Waste

Basically, there is no incompatibility between the definitions of low-level waste contained in the Northwest Compact and the federal act. There is, however, an obvious difference. The federal definition states what low-level radioactive waste is not. It is not high-level waste, transuranic waste (i.e., waste with less radioactivity than would qualify it for disposal elsewhere), spent nuclear fuel, or uranium mill tailings. The Northwest compact, on the other hand, attempts to describe what low-level radioactive waste is, i.e., radioactive materials that exceed applicable federal or state standards for unrestricted release, and transuranic materials in concentrations less than ten nanocuries per gram.

Given the difference in approach in these definitions, it could be anticipated that some potential inconsistency would arise. In the construction of the Northwest Compact, it was felt that there was merit in stating the definition of low-level waste in specific terms rather than in accepting the unusual and unclear method of simply defining it in terms of what low-level waste is not. From a practical standpoint, those differences in definition may result in unacceptable conflict, for they encompass uranium mill tailings, "unsuitable waste," transuranic wastes, waste whose radioactivity is below federal and state standards, or some federally-generated wastes. If we look at the technical issues only, the intent of the definitions appears to be the same. In general, there is only a minor amount of waste involved where conflicts could arise between the federal and the Northwest Compact definitions. In order that those differences, as they exist, do not cloud the achievement of our common objective of dealing with low-level waste disposal on a regional, more systemized basis, we could support Congressional attention to a definition specifically describing low-level wastes, which could thereby establish uniformity with all compacts and therefore guarantee the consistency that some feel is now missing from proposed regional compact language.

"Management" versus "Disposal"

Some concerns have been expressed over compacts that go beyond the authority prescribed in the federal act and that propose, in fact, to deal with management rather than disposal. We do not think that there is a conflict between "management" and "disposal." Those who have been working on compact development have focused on the disposal of wastes. There are, however, related impacts, because of considerations such as the life of the site, the economics of treatment, volume reduction, or other aspects of the disposal process, broadly construed. Treated wastes may become more or less hazardous, thus changing their suitability to a particular disposal site. Because waste form changes through treatment, the various compact committees can and must be concerned about both the hazard to and the economic impact on their disposal sites. Waste classification, on-site storage, and other

aspects of the waste cycle after generation do have a direct impact upon the operation of a regional site.

Unfortunately, some concerns have been expressed that the "management" of wastes implies assessment and regulation of health and safety issues currently exercised by federal agencies. We do not and have not questioned existing federal authority and jurisdiction over various health and safety issues. But we do feel that the inter-relationships that exist between disposal and treatment relate to economics, to waste flows, and to disposal-volume impacts, including the life of the site, none of which is in conflict with existing law and regulation. The focus is disposal, and the characterization of the term "management" relates to those factors that deal directly or indirectly with ultimate disposal. Our efforts to "manage" the problem do not include going beyond, or making basic changes to, the in-place regulatory system.

Transpor tation of Low-Level Radioactive Waste

The Northwest Compact requires that the party states authorize containers for low-level radioactive waste and that only authorized containers be used. While the compact drafters intended that existing U.S. Department of Transportation requirements be followed, the language is not precise. We maintain that nothing in existing regulation would preclude the compact states from dealing with necessary container authorization for site disposal purposes, as contrasted with containerization for transportation. But conflict between the federal system and the compact system could occur if the host state were not a "U.S. NRC Agreement State."

Specifically, the compact implies that the host state would have regulatory (i.e., health and safety) authority over the low-level waste facility. Only Agreement States have such authority. As long as the host state is an Agreement State, compatibility with existing federal requirements, particularly with regard to transportation, does not appear to be a significant problem.

In short, on this issue, we do not anticipate conflict; nor is conflict with the existing federal regulatory system at all desirable. Compact development is being accomplished within the existing regulatory framework. Any proposed changes in existing federal authority over the health and safety issues concerning low-level radioactive wastes should be made directly in the authorizing legislation, not in a regional compact. In other words, the intent of the Northwest Compact requirement that we are considering is not that states should set their own standards in relation to transportation, but instead that party states should enforce existing federal standards.

Interim Regulations

The Northwest Compact has drawn particular attention to the period between Congressional consent and the date on which the Compact may exercise exclusivity. While preliminary drafts of proposed regulations have been drawn and circulated, no action has been taken to start the formal rule-making process. Governor Spellman has indicated that,

because of the existing regulatory program and indemnification system, which are working well, implementation of that part of the compact should await the Congressional consent process. Such an approach minimizes what some states have indicated is at least a statutory, and perhaps a constitutional, problem. It should also be noted that that compact provision would be relevant only until the party states can exercise Congressionally-derived authority to exclude out-of-region generated wastes. Assurances of adequate ongoing inspection and indemnification and other evidence of dealing with the needs of the host state by substantially complying with the intent of this provision would tend to minimize any need for its rapid implementation.

Impact of the 1986 Exclusion Date

The party states of the Northwest Compact are ready to initiate the full range of regional responsibility outlined in the Low-Level Waste Policy Act. At the same time, we understand the complexity of the issue and the amount of work that needs to be accomplished in other regions before we have in place a system of regional compacts covering the whole nation. It is likely that not all regions will have operating sites by January 1, 1986, and we feel strongly that that date, established by federal law, should continue to be the point of departure for the exercise of exclusionary authority. Therefore, any delay or change in that date would be inconsistent with the overall objective established by the Congress.

Moreover, we feel that it is important to provide assurances that there will be no sharp disruption of the existing system as long as regions are making good-faith efforts to develop regional capacity to deal with low-level radioactive wastes. In other words, the abrupt implementation of exclusionary authority by one or two regional compacts, without regard for the impact of such action on other regions, would not be appropriate.

In short, our party states pledge their support for the efforts now underway and for the development of alternatives that will enable generators to deal with their wastes. We think that it is necessary for regions without operating sites to begin now to develop a plan for interim storage, use of other sites within a particular region on a temporary basis, or, where necessary, for a temporary agreement with a compact that is already operating a disposal site. Our region continues to be willing to help those regions where measurable progress has been made.

It is entirely possible to have compacts adopted by all regional areas by 1986, to have such compacts consented to by the Congress, to have a host state selected, and to have actual site work, which could include the submittal of a license application, begun. Insofar as we can determine, there is no circumstance that would prevent the good-faith efforts now underway throughout the country from achieving near-operational status in several regions.

To summarize our position, the realization of our common national objective regarding the disposal of low-level radioactive nuclear waste

is served by cooperative action. Such is the desire of the state of Washington, the Northwest Regional Compact's host state, and of our party states.

Mr. Chairman, these appear to be the principal issues before us. We think that all are resolvable without adversely effecting the consent process.

Thank you.

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

465-2600

rec 4-21-83
BILL SHEFFIELD, GOVERNOR

POUCH D - JUNEAU 99811

April 20, 1983

The Honorable Bettye Fahrenkamp
Senator
Chairman, Senate Resources
Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

I am pleased your committee will soon be reviewing Senate Bill 233 concerning the NW Low-Level Radioactive Compact. I consider favorable action on it during the current legislative session essential. The following information should help you understand the implications of your actions on this matter.

Low-level radioactive waste is generated by analytical, medical, and research laboratories, as well as by oil exploration and other industrial activities which use radioisotopes. Each user and potential generator of low-level waste is required to have a license from the Nuclear Regulatory Commission. Most radioactive source material used in Alaska is eventually returned by the user to the manufacturer. The federal government has strict standards for transport and disposal of such wastes. They prohibit interstate transportation of low-level radioactive waste after 1985.

The University of Alaska annually generates about one cubic meter of waste and contaminated protective clothing that requires disposal. Two methods are available to accomplish this. The first would be for the state to join the Northwest Interstate Compact so that wastes can be shipped to the Hanford Washington disposal site. To join, the compact language must be incorporated into state statutes by legislative action during the 1982-83 session.

The second choice is to provide for in-state disposal of low-level radioactive waste. Senate Bill 29 (June 1981), amending AS 46.03.25J-260, gives the department authority to establish standards, safeguards, and procedures, and to issue permits for discharge and disposal of low-level radioactive wastes in the state. However, no standards and procedures which conform to federal requirements have been developed.

A portion of the waste material generated in Alaska may be incinerated, but the ash and other wastes would have to be landfilled. At present, there is no suitable landfill in the state; the federal requirements for building and operating such a landfill site are extremely rigid. In-state landfilling of radioactive wastes would require a staffing increase of one to three persons

in each of three different departments, identification and development of a suitable site, and a state budget increase of 1.5 to 2 million dollars per year.

The Department of Environmental Conservation urges passage of the proposed legislation so that Alaska can be a party to the Northwest Compact. This alternative is the least costly and can be accomplished in the least amount of time. It would, however, require an increase of \$8-10 thousand in travel expenses to allow DEC representation on the Northwest Compact Committee.

Questions regarding this matter should be directed to Mr. Stan Hungerford, Section Chief for Air and Solid Waste Management (phone 465-2666).

Sincerely,



Richard A. Neve
Commissioner



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 6, 1983

The Honorable Jalmar Kauttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. President:

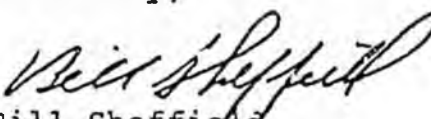
Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill ratifying the Northwest Regional Low-Level Radioactive Waste Compact.

Low-level radioactive waste is generated by medical, research, and industrial activities which use radioisotopes. Low-level waste generated in Alaska is now disposed of at a facility in Hanford, Washington, the only such repository in the Pacific Northwest. Under the Federal Low-Level Radioactive Waste Policy Act of 1980 (P.L. 96-573), a compact for joint disposal of these wastes was negotiated by Alaska, Hawaii, Idaho, Montana, Oregon, Utah, Washington, and Wyoming, all of which rely on the Hanford facility.

Under the terms of that compact and P.L. 96-573, the member states will be authorized to prohibit importation of low-level radioactive wastes from non-member states after July 1, 1983. In short, if Alaska does not become a member of the compact by July 1, 1983, we will be forced to turn to the only alternative -- development of a radioactive waste disposal facility within Alaska.

This compact represents a wise and economical solution to what would otherwise be a major problem for Alaska. I urge its swift ratification by enactment of this bill.

Sincerely,


Bill Sheffield
Governor

STATE OF ALASKA
FISCAL NOTE

Revision Date _____, 1983

I. REQUEST

Bill/Resolution No.: SB 233
 Title: Compact on Low-Level Radioactive Waste
 Sponsor: _____
 Requestor: _____

II. FISCAL DETAIL

Agency Affected: Environ. Conservation
 Program Category Affected: Envir. Cons.
 BRU, Program of Subprogram(s) Affected: _____
 Div. of Envir. Qual. Mgt., Air & Solid Waste
 Section

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL		8.0	8.0	8.0	8.0	8.0
300 CONTRACTUAL		10.0				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		18.0	8.0	8.0	8.0	8.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		18.0	8.0	8.0	8.0	8.0
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Note

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Glenn Miller *SPM*
 Division: Environmental Quality Mgmt.

Phone: 462-2666
 Date: 4-13-83

Approved by Commissioner: Richard A. New
 Department: Environmental Conservation

Date: 4-14-83

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

3/8/83

ANALYSIS

It is necessary and cost effective to join the Northwest Compact to avoid the extravagant costs of providing in-state disposal of the small quantity of low-level radioactive waste produced by University of Alaska.

- 1) The department has no staff to assign to this project; thus regulations will be prepared, the inventory, inspection, shipping container specifications and enforcement. \$55/hr x 180 hrs = \$10,000
- 2) Participation in the Compact will be by the Air and Solid Waste Management Supervisor (see attached letter). Travel to meetings in each member state (ID, OR, WA, MT, UT, HI):
6-10 meetings per year at \$800 per trip = \$6,000 to \$8,000 per year
- 3) Routine in-state work will be accomplished by existing staff with existing funds.

This statement has been reviewed by the OMB in the Office of the Governor. It may be considered to represent the policy of the Sheffield Administration and the final estimate of fiscal impact.

SB 233 - "An act enacting the Northwest Interstate Compact on Low-level Radioactive Waste Management; and providing for an effective date."

Alaska Department of Environmental Conservation
Position Paper

Before the Senate Resources Committee

April 6, 1983

This department supports the addition of the proposed Chapter 45 (Interstate Compacts) to AS 46. The State of Alaska should enter into the compact based on the following:

1. Low-level radioactive waste is generated by medical research and industrial activities which use radioisotopes.
2. Safe disposal of low-level waste cannot be accomplished at any existing or planned site in the State of Alaska.
3. Development of a site would be a vast undertaking, requiring at least one year for construction alone. A suitable location for such a project would be difficult to find.
4. The best present disposal method is shipment to a facility in Hanford, Washington. If the State of Washington enters the compact and the State of Alaska does not, the compact members will have the option of refusing to accept waste from Alaska.

The highly controversial disposal of low-level radioactive waste is an increasingly difficult problem across the country. The low-level waste disposal alternatives are already limited. Entering this compact will ensure a good disposal method for Alaska without the need for a disposal site in the state.



Richard A. Nevé
Commissioner

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

APR 20 1983

Bill Sheffield, Governor

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

April 20, 1983

Hon. Bettye Fahrenkamp
Chairman, Senate Resources Committee
Senator
Alaska State Legislature
Pouch V
Juneau, AK 99811

Re: SB 233 (Northwest Inter-state Compact on
low-level radioactive waste)

Dear Senator Fahrenkamp:


Your committee has asked us why, in the drafting of SB 233, we located its provisions in Title 46 (Environmental Conservation) rather than Title 41 (Public Resources).

The answer is simple: SB 233 concerns methods for protecting the public against environmental and health hazards of low-level radioactive waste, which is principally generated by private industry, health facilities, and universities; it does not concern regulation of any "public resource." Further, the bill assigns regulatory functions to the Department of Environmental Conservation, whose major statutes are collected in Title 46; most of the statutes in Title 41 pertain to functions of the Department of Natural Resources.

The bottom line is that the law would still be law no matter when the Committee chose to put it, but for the sake of consistency with the divisions of the Alaska Statutes, it would be preferable to put it with the other D.E.C. statutes in Title 46.

Sincerely,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By: 
Douglas K. Mertz
Assistant Attorney General

DKM/jb

cc: Art Peterson
Assistant Attorney General
and Regulations Attorney
Juneau

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate

Committee on Resources

MINUTES

April 22, 1983
3:10 p.m.

Beltz Room
Room 211, Capitol

MEMBERS PRESENT

Senator Fahrenkamp, Chair	Senator V. Fischer
Senator Ziegler, Vice Chair	Senator Mulcahy
Senator Eliason	Senator Sturgulewski
Senator P. Fischer	

CALENDAR

- HJR 38 Relating to marketing and transporting Alaska's natural gas
- SJR 12 Opposing the extension of the provisions of the Export Administration Act of 1979 that effectively bans the export of Alaska North Slope Oil.
- HB 151 An Act making a special appropriation to the Department of Natural Resources, division of parks, for acquisition and development of the House of Wickersham in Juneau; and providing for an effective date.
- SB 222 An Act relating to the organization of the Department of Natural Resources, substituting references in the Alaska Statutes to the department and the commissioner for references to the division of lands and the director of the division of lands.
- SB 181 An Act making supplemental appropriation to the Department of Natural Resources for land deficiency entitlements; and providing for an effective date.
- SB 233 An Act enacting the Northwest Interstate Compact on Low-level Radioactive Waste Management; and providing for an effective date.

SB 168 An Act relating to the Alaska Power Authority; and providing for an effective date.

HJR 38

Representative Cowdery, sponsor of the measure, felt the measure was needed to back the Reagan administration's efforts to establish a free market.

Harold Moles, Vice President for Alaskan Operations, Northwest Alaskan Pipeline Company, felt the resolution should not be passed at the risk of delaying or harming the gas pipeline project.

Jerry McCutcheon supported passing the resolution, but felt it was not in Alaska's best interest.

Senator V. Fischer asked if the Administration had a position on the resolution. Senator Fahrenkamp said they had been invited to speak, but had expressed no interest.

Senator Fahrenkamp felt that the Budget & Audit Committee hearings scheduled to be held over the weekend might provide useful information for the committee, and so held the bill over.

SJR 12

Jim Palmer, Joint Oil & Gas Committee Aide, explained that the resolution calls for our Congressional delegation to do everything possible to remove the ban on export of Alaskan oil when the Export Administration Act is considered later this year.

Senator Sturqulewski moved to report out SJR 12 with individual recommendations. Motion passed without objection.

CSHB 151

Representative Mike Miller of Juneau, co-sponsor of the legislation, explained the necessity to acquire the Wickersham collection before it is dispersed. There was discussion of exactly how the appropriation could be used.

Senator V. Fischer moved to adopt the committee substitute, including the letter of intent, and to report the bill out with individual recommendations. Motion passed without objection.

SB 222

Sharon Barton, special assistant to the Commissioner of the Department of Natural Resources, explained that the bill is a "housekeeping" measure and endorsed its passage.

Senator Sturgulewski moved that the bill be brought before the committee, and moved Barton's first recommended amendment. Motion passed without objection.

Barton continued to offer suggested amendments. Senator Fahrenkamp asked that the amendments be prepared in writing for the committee's consideration, and held the bill over until those could be received and until the statute revisor's opinion could be asked.

SB 181

Rav Mann, Property Management Officer for the Municipality of Anchorage, gave a history of the Municipality's efforts to obtain its land entitlement.

There was discussion of whether the Municipality would take a \$5 million settlement as provided in statutes, or if it would continue to approach the legislature for additional funds or land.

Jane Anvik, Municipality of Anchorage Assembly Member, felt it was not in Anchorage's best interest to accept a full cash settlement at this time if that would preclude any efforts to seek amendments to the entitlement provisions.

Bill was held over.

SB 233

Stan Hungerford, Air & Solid Waste Management Section, Department of Environmental Conservation, and T.R. Strong, Head of the Radiation Control Section for the State of Washington, spoke in support of SB 233 and explained how it would be beneficial to Alaska to become a member of the Northwest Interstate Compact.

Senator Mulcahy moved to report out the bill with individual recommendations. The motion passed without objection.

SB 168

Sterling Gallagher, Vice President of John Naveen & Co., supported SB 168, and the first three proposed amendments.

Commissioner Dick Lyon, Department of Commerce & Economic Development, supported the bill and the amendments and urged early passage of the measure.

There was discussion of the fourth amendment offered by Senator V. Fischer, who said he preferred not to move his amendment.

Dave Hutchens, Alaska Rural Electrical Cooperative Association, supported the bill and the three amendments.

Senator Mulcahy moved the amendments. Senator V. Fischer asked that the question be divided. On the question, each amendment passed without objection.

Senator Mulcahy moved that the Resources committee substitute for SB 168, including the three amendments, be reported out with individual recommendations. The motion passed without objection.

The meeting was adjourned at 4:45 p.m.

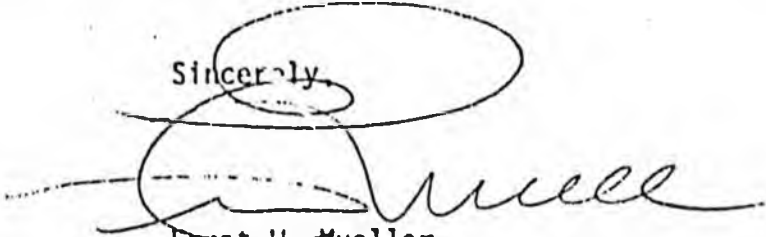
November 24, 1982

The Honorable John Spellman
Governor
State of Washington
Olympia, WA 98504

Dear Governor Spellman:

With reference to Governor Hammond's November 9, 1982 letter concerning the Northwest Interstate Compact for Low-level Waste Management, I have designated Mr. Stanley W. Hungerford to represent the State of Alaska. He is the supervisor of the Air & Solid Waste Management Section, and will be developing the necessary legislation to enable Alaska to become party to the Compact.

Sincerely,



Ernst W. Mueller
Commissioner

FILE #:

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STATE OF ALASKA
FISCAL NOTE

I. REQUEST

Bill/Resolution No.: SB 249
 Title: LaTouche Harbor Reappropriation Bill
 Sponsor: P. Fischer
 Requestor: _____

II. FISCAL DETAIL

Agency Affected: DOT&PF
 Program Category Affected: _____
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		6,600.0	-0-	-0-	-0-	-0-
TOTAL OPERATING						
CAPITAL		6,600.0	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		6,600.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL TIME						
PART TIME						
TEMPORARY						

II. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Reappropriation - Act repealing, amending and reappropriating certain appropriations for the LaTouche Harbor project for other port & harbor projects in Prince William Sound.

IV. ANALYSIS: Attach a separate page for any Analysis (attached)

Prepared by: William R. Snell, Director
 Division: Planning & Programming

Phone: 266-1440
 Date: April 27, 1983

Approved by Commissioner: David W. Haugen
 Department: Deputy Commissioner, Central Region

Date: 4/28/83

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

3/8/83

SB 249 Fiscal Note (cont'd)

ANALYSIS

- 1) All funds will be encumbered or spent in FY'84, although the Shotgun Cove Harbor studies may take longer than one year to complete.
- 2) No changes in maintenance or operational costs are expected to result from this bill. The Port San Juan Dock will be maintained by Prince William Sound Aquaculture Corporation, owners of the dock. User fees will fund the operation and maintenance of the Valdez and Shotgun Cove boat harbors. The Cordova marine facilities will be maintained by the City of Cordova. The cost of maintaining the Seward Ferry Dock is not expected to change significantly after these repairs are completed.
- 3) Section 5 through Section 7 would appropriate grants to local municipalities in the amount of \$4.6 million and would have no fiscal impact on DOT&PF.

Section 4 appropriated \$2 million to the Department of Transportation and Public Facilities.

The Whittier Shotgun Cove Harbor economic feasibility analysis, preliminary engineering and design are estimated to cost \$1 million.

Port San Juan Dock repair - This \$800,000 will supplement the \$500,000 which was appropriated in 101/82/84/16. This total amount would fund mooring dolphin and decking repair, pile and additional decking replacement, and fill and riprap placement.

Construction work could begin September 1983 with completion during spring of 1984.

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 19, 1983

The Honorable Jalmar Kerttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which provides for legislative approval of a royalty oil contract between the state and Tesoro Alaska Petroleum Company for the sale of Prudhoe Bay royalty oil.

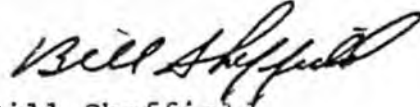
This contract is described in the findings entitled "Proposed Disposition of Royalty Oil, Tesoro Alaska Petroleum Company" issued by the Department of Natural Resources on March 16, 1983. Copies of these findings have been made available to the legislature and the public for review.

This contract is being submitted for legislative approval for two reasons. First, although this and the previous administration have consistently taken the position that the statutory requirement of legislative approval of royalty oil contracts is unconstitutional (AS 38.06.055), as a matter of comity I respect the legislature's desire to have a direct voice in major disposals of royalty oil. Therefore, this contract contains provisions requiring approval by the legislature before it becomes effective. Second, this bill would ratify the agreement for the sale of oil. This ratification would cure any procedural defect that may have occurred in the process of entering into this contract.

Although we believe that all necessary steps have been taken, the statutes and regulations governing the disposal of royalty oil represent often conflicting desires and goals, both procedural and substantive. For example, even if statutorily requiring legislative approval were constitutional, the present statutes provide, on the one hand, that the legislature is to approve the contract by enacting legislation (AS 38.06.055(a)), but, on the other

hand, they also provide that a report of the Royalty Board "shall be submitted for legislative review at the time of [sic] resolution for legislative approval of a proposed disposition of royalty oil and gas is introduced in the legislature" (AS 38.06.070(c)). Since legislative approval is required anyway as a matter of contract, I believe it only prudent to present this contract for legislative approval and ratification at this time.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield
Governor

REQUEST

Bill/Resolution No.: SB268
 Title: Tesoro Prudhoe Bay Unit Royalty Oil Agreement
 Sponsor: Governor
 Requestor: Governor

II. FISCAL DETAIL

Agency Affected: Natural Resource Mgmt.
 Program Category Affected: Mgmt. of Energy
 BRU, Program of Subprogram(s) Affected: Res. Oil and Gas Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING	0	0	0	0		
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)	0	0	0	0		

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						
	0	0	0	0		

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Mark Wittow Phone: 465-2400
 Division: Commissioner's Office, DNR Date: 4/8/83
 Approved by Commissioner: Maughal Goran Date: 4/8/83
 Department: Natural Resources

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

Alaska State Legislature

BET: YE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate Committee on Resources

MEMORANDUM

TO: SENATE RESOURCES COMMITTEE MEMBERS

FROM: SENATE RESOURCES COMMITTEE STAFF

RE: ROYALTY OIL CONTRACTS

DATE: MAY 3, 1983

Attached is a copy of a letter from the Commissioner of Natural Resources to the Chairman. The letter discusses the proposed royalty oil contracts and the Department's position on their approval.

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

POUCH M
JUNEAU, ALASKA 99811
PHONE:

May 2, 1983

The Honorable Bettye Fahrenkamp
Chairman, Senate Resources Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

On Wednesday, May 4, the Senate Resources Committee will be taking testimony on our proposed royalty oil agreements with Tesoro and Chevron. Since several questions have consistently been raised in hearings before the Legislature, I thought it might be useful to you and the Committee if I provided the Committee with a discussion of some of the key areas in writing, prior to our oral testimony before the Committee.

The contract with Tesoro would commit the State to providing 13.867% of Prudhoe Bay Unit production, or approximately 26,000 barrels a day (b/d) at current production levels, if Tesoro expands the capacity of their refinery to process the oil by 1986. The agreement expires on January 1, 1995; at the same time Tesoro's existing royalty oil contract for 46,000 b/d terminates. The basic rationale for this contract is fairly straightforward - providing a long-term guaranteed crude supply enables Tesoro to make a significant, new in-state investment, with attendant employment, supply, and tax base benefits.

The Chevron contract would furnish their Kenai refinery with 9.6% of Prudhoe Bay production, currently 18,000 b/d, until 1995. The Kenai refinery is not an economic component of Chevron's West Coast refining system, and the company has threatened to close it without a long-term supply of oil from the State. Chevron has consistently requested a 38,000 b/d contract, and will continue to seek an additional 20,000 b/d for processing on the West Coast and return to Alaska in the form of products. The 18,000 b/d agreement will enable the company to operate the Kenai refinery for as long as possible; that volume of oil must be processed at the Kenai plant to maintain the effectiveness of the contract.

Several legislators have questioned the duration (eleven years) of the Chevron and Tesoro agreements. The reasons for the concern, to our knowledge, include a desire to leave royalty oil uncommitted so that it can later be offered as an incentive for economic development projects, or so that it can be sold in Japan or elsewhere at a higher price, or a general desire to retain flexibility in the face of ever-changing oil markets and the future decline in Prudhoe Bay production. We agree that these are valid points, but feel that they have been addressed in the following ways:

1. The contracts provide for a certain percentage of Prudhoe production, not a certain volume. As Prudhoe production declines, so will the contract volumes. At current levels, the contracts leave available 62,500 b/d of Prudhoe royalty production, as well as all Kuparuk royalty oil (currently 12,000 b/d). We expect additional production from Kuparuk and new production from North Slope fields now under development to add somewhere between 30,000 to 80,000 b/d to total of available royalty oil. Approximately 50,000 b/d of residual oil may also be available for sale by the State as a result of the option that the State retains for that oil in most of its royalty oil agreements.

Until 1995, the State will have sufficient royalty volumes (75,000 to 125,000 b/d) available to take advantage of any other opportunities that may arise.

2. North Pole Refining and Tesoro already have royalty contracts until 2005 and 1995, respectively, for their base volumes. Although those contracts were consummated by the previous Administration, we felt that Chevron's request for a contract at least as long deserved some consideration in the interest of preserving equity among competing refineries. As a general principle, to preserve fair competition among in-state refiners, we believe that the same term should be offered to all in-state refiners.

3. The term was a negotiated item; although the State originally sought a shorter term from Tesoro (nine years), the additional premium over the in-value price of \$.30 was agreeable because the State was willing to offer the eleven-year term. Tesoro stated that the premium affected the amortization schedule of the expansion, and necessitated at least an additional two to three years.

4. The contract's price term is tied to the in-value price, based on producer sales. If Japanese exports become a reality, the price to royalty purchasers will

increase if sales to Japan result in higher average prices for North Slope oil.

5. We have reviewed the previous Administration's determination that the highest and best use for royalty oil is for in-state processing, all other things being equal, and concur with it, in light of the existing royalty oil statutes. These contracts are for that use. Since in-state refiners have sought long-term commitments to make in-state processing economic, we believe that we must seriously consider their requests, given current law.

Legislators have also understandably questioned the recent acquisition by two Charter Co. life insurance subsidiaries of 20% of Tesoro's stock, and the placing of Charter directors Raymond Mason and Gerald Ford on the Tesoro board. The involvement of a corporation with which the State has significant litigation was a cause of serious concern to us at the time of contract negotiations. In response to that concern, we took the following measures to protect the State from possible harm because of the involvement of Charter:

1. A "third-party control" provision in the royalty agreement allows the Commissioner to unilaterally terminate the contract if Charter gains a greater degree of influence over the management of Tesoro.
2. An agreement between Tesoro and Charter requires that Charter vote its shares in the same proportion as the shares held by all other Tesoro stockholders, and prevents Charter from seeking proxy votes.
3. Tesoro may not take the oil unless the Commissioner determines that the refinery will be capable of processing the additional crude; the contract terminates if the refinery expansion has not been completed by July 1986; and all oil taken under the contract must be run at the Tesoro Kenai refinery, and may not be traded, exchanged or otherwise disposed of.
4. The State retains the option to purchase and resell the substantial volumes of residual oil produced by the refinery.
5. Tesoro owns facilities worth over a hundred million dollars in Alaska.

We would hope that the concerns expressed do not stem from a desire to "punish" Charter by rejecting this agreement. We do not believe that Charter would be much affected by rejection of this contract. However, we are supporting a vigorous legal effort to collect the money owed the State by

Alaska Oil Co. Tesoro is a long-standing Alaska business, and deserves to have its contract treated on the merits.

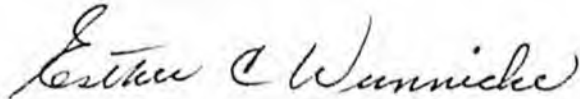
To the best of our knowledge, the purchase of stock by the Charter subsidiaries in Tesoro is in no way tied to the refiner's proposed Alaska expansion. If the contracts were to be rejected by the Legislature, Tesoro would still be able to utilize the capital funds realized as a result of the stock sale. If we believed that Charter in any way controlled Tesoro, or that the oil sold under this contract could in any way end up in the control of Charter, this contract would not be before you.

The effect of in-kind royalty oil sales on the State's production tax and royalty income is also a matter of concern. I have attached a short paper which discusses this issue for your consideration.

The provisions of the contract which specify in-state processing and supply are "sideboard" or minimum provisions which protect the State from abuses against the intent of the contract by the purchaser. The State insisted that the oil taken under the contracts be processed in an in-state refinery, that the refinery actually produce significant amounts of products, and that the purchaser otherwise exercise its best efforts to produce and market in Alaska some minimum quantity of oil products. The State left economic decisions on how best to meet the local demand for products to the individual refiner. We do not feel that anything other than these requirements are appropriate. Any further specificity would likely act against the interests of Alaskans in the long run, by reducing the flexibility to meet changing market conditions.

Thank you for your consideration of these important agreements. Please let me know if you have any comments or questions, or if we can provide additional information to the Committee.

Sincerely,



Esther C. Wunnicke
Commissioner

Attachment

4/26/83
ADNR

EFFECT OF IN-KIND ROYALTY OIL TAKING ON STATE FINANCES

The price term for sales of royalty oil is founded on the average destination sales price (or internal transfer price) received by the Producers for all sales of Alaska North Slope (ANS) crude oil, netted back (i.e., with transportation and pipeline tariff charges subtracted) to Pump Station No. 1, the point of sale; this is referred to as the Producers' Weighted Average Field Price. Because ANS crude oil is marketed both on the West Coast and the Gulf Coast of the United States, the Weighted Average Field Price is necessarily a mixture of sales prices for both markets. Traditionally, the average netback price for West Coast sales has been higher than for Gulf Coast sales (as explained in Section IV-F, pp. 175-211, of the Department's January 1, 1983 Review of Alaska Royalty Oil). Since Prudhoe Bay began production, this differential has ranged from one to three dollars per barrel. The differential netback is often called the two-tier price structure; the State believes this structure is a valid indication of the value of ANS in the respective markets and will persist in the future.

The two-tier price structure creates two potential adverse financial consequences to the State for a royalty oil sale to a West Coast destination. First, since the Producers'

Weighted Average Field Price is used to calculate severance tax and royalty payments due the State, a State royalty sale to a West Coast destination may replace a higher netback West Coast producer sale. The State estimated that the effect of displacement in the proposed sales to Tesoro and Chevron would be in the neighborhood of two to five cents per barrel. That analysis partially provided the rationale for the required per barrel premium of \$.30 in the 1983 Tesoro and Chevron contracts. (In the 1982 royalty sales to Tesoro and Doyon, as well as in the 1978 sale to North Pole Refining, the State had not asked for any premium, instead relying on the array of benefits provided by in-state processing of the oil.)

Second, if the State's mixed-market Producers' Weighted Average Field Price were substantially below the West Coast Commercial Price for ANS crude oil, large volume sales by the State on the West Coast could create a downward trend on the price of ANS generally with some major adverse effects on royalty and severance tax payments to the State. This apparently happened once previously when approximately 159,000 b/d of the State's royalty oil was on the market short term from several of the State's purchasers. The potential losses to the State from creating a downtrend in the market can be in the tens of millions of dollars annually.

While economic and other benefits can generally be identified as an offset to the potential losses from in-state processing, the same is not necessarily true of royalty oil processed elsewhere. For this reason, the State has recently avoided entering into agreements with West Coast refiners.

The State believes that the \$.30 per barrel premium established in the proposed Prudhoe Bay Unit agreements with Tesoro and Chevron more than offsets any proposed financial loss to the State which might occur as a result of the two-tier price structure for ANS crude oil. In addition, the employment, tax base, and general economic benefits also should be included in any judgement of the net cost to the State of in-kind royalty oil sales.

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IDENTIFICATION:

BILL NUMBER: SB 269

BILL NAME: Sale of royalty oil by the State of Alaska to
Chevron U.S.A. Inc.

SPONSOR(S): Rules/Governor

RELATED BILLS PENDING: SB 268

DATE INTRODUCED: 4-19-83

REFERRALS: Resources
Finance

INITIAL RESEARCH:

BILL SUMMARY COMPLETED:

SUMMARY BY LEGAL DIVISION:

SPONSOR CONTACTED FOR
BACKUP MATERIALS:

DEPT. OF LAW SUMMARY:

FISCAL NOTE:

AGENCY RESPONSE:

OTHER INTERESTED SENATORS OR
REPS. NOTIFIED:

BACKGROUND RESEARCH:

SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES:

RESPONSES FROM INTERESTED PERSONS/GROUPS:

OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, LAWS:

HEARING PREPARATION:

CHAIRMAN BRIEFED:

DATE AND PLACE SET:

STAFF MEMO TO COMMITTEE:

TELECONFERENCE:

BACKGROUND MATERIAL DISTRIBUTED:

PSA/PRESS RELEASE:

LIST OF WITNESSES:

SUGGESTED AMENDMENTS/COMMITTEE
SUBSTITUTES DRAFTED:

SB 268/269



Alaska State Legislature

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

May 4, 1983

Sen. Bettye Fahrenkamp, Chairman
and Members
Senate Resources Committee

Dear Senator Fahrenkamp:

This letter is written in support of the Tesoro Alaska and Chevron USA Royalty Oil contracts which are pending before your committee.

AS 38.05.183(d) states in pertinent part, "Oil or gas taken in kind by the state as its royalty share may not be sold or otherwise disposed of for export from the state until the commissioner determines that the royalty-in-kind oil or gas is surplus to the present and projected intrastate domestic and industrial needs." Commissioner Wunnicke has found that there is a need for in-state refining. Based on those findings and based upon the benefits which can accrue to the state, we believe that the 13th Legislature should go forward in a positive manner with these contracts.

Both Chevron USA and Tesoro Alaska have been extremely good corporate citizens of our community. The Chevron refinery has been in operation 20 years and Tesoro 14 years. During this time they have provided a stable product supply for the state and a stable work force in our area. Both have been community leaders, especially in the establishment at the Kenai Peninsula Community College of the first oil technology program in the state of Alaska. Not only do they provide expertise, equipment, and direction, they hire many of the graduates.

Approximately three years ago, Tesoro expanded the present refinery. Over 90% of the labor force on that expansion came from the local community. All sub-contractors, except those used for some technical applications, were from local contracting firms. Since our unemployment this winter has been running in excess of 20%, the expansion of the Tesoro facility, which would employ 300 workers, is a real shot in the arm for our economy. The 25 or so ongoing jobs also add another

Sen. Bettye Fahrenkamp
and Members, Senate Resources
May 5, 1983
Page 2

dimension to the stabilization of the community. Needless to say, the 80-90 million dollar added tax base will more than pay its own way for any additional community services.

Last year Tesoro Alaska could probably have secured the 26,000 additional barrels of royalty oil had they been in the same position as they are now - that is to commit construction dollars. In fact much of the testimony in last year's hearing was based on the now proposed addition. There is no question that Tesoro Alaska was encouraged to proceed with plans for expansion.

This past October, Chevron was awarded 18,000 barrels for their Nikiski refinery. While that was for only one year, the findings by both Commissioner Katz and Commissioner Wunnicke were the same. The oil is needed to ensure a stable supply of products in the state.

In summary, execution of these contracts by the state would help diversify Alaska's economic base, creating jobs and providing a secure supply of petroleum products. This is consistent with current state policy established by law. We believe the contracts should be approved.

We wish to thank you for your time and consideration of this matter.


Sincerely,


Rep. Milo Fritz


Senator Don Gilman


Rep. Hugh Malone


Senator Paul Fischer


Rep. Bette Cato


LETTER OF INTENT
FOR CSSB 269
January 19, 1984


The House Resources Committee has considered CSSB 269, providing for approval of the Agreement between the State of Alaska and Chevron U.S.A., Inc., for the sale of a portion of Alaska's royalty oil. This Agreement must be approved by the legislature under the provisions of AS 38.06.055(a) which provides that "the commissioner of natural resources may not enter into a sale, exchange, or other disposition of oil or gas or of the rights or waiver of the rights to receive future production of royalty oil or gas under AS 38.05.183 without the prior approval of the legislature."

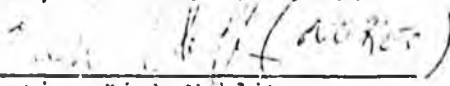
Section 19.1 of the Agreement provides that the Agreement may be "supplemented, amended or modified at any time, but only by written instrument duly executed by the parties to this Agreement." In making any such changes to the Agreement pursuant to this section, the Commissioner would be acting on behalf of the State of Alaska as one of the parties to the Agreement.

The Committee recognizes that a supplement, amendment, or modification of the Agreement could be a further "sale, exchange, or other disposition" within the meaning of AS 38.06.055(a). The Committee is also cognizant that pursuant to Section 20.1 of the Agreement, the Commissioner has the right to "grant" (consent to) an assignment of the Agreement.

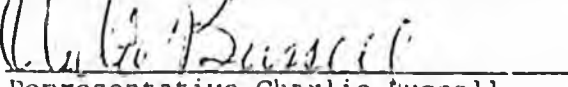
It is the intent of the Committee that it be understood that approval of CSSB 269 does not constitute prior approval of any supplement, amendment or modification or any assignment that would be a further "sale, disposition, exchange, or other disposition" within the meaning of AS 38.06.055(a) and that it is expected that any such action by the Commissioner must first be preceded by compliance with the procedures for obtaining the prior approval of the legislature.

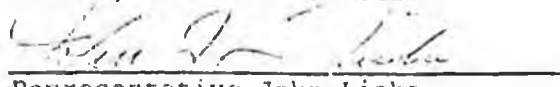

Representative John Ringstad
Co-Chairman, Resource Committee


Representative Dick Shultz
Co-Chairman, Resource Committee

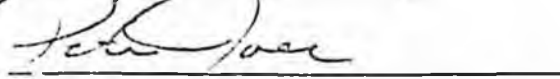

Representative Rick Uehling
Vice-Chairman, Resource Committee

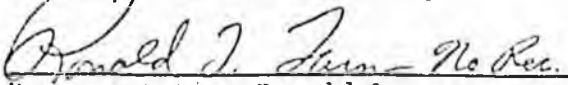
Representative John Cowdery
Member, Resource Committee


Representative Charlie Bussell
Member, Resource Committee


Representative John Liska
Member, Resource Committee

Representative Anthony Vaska
Member, Resource Committee


Representative Peter Goll
Member, Resource Committee


Representative Ronald Larson
Member, Resource Committee

approved by House 2/16/84

REQUEST

Bill/Resolution No.: SB 200
Title: sale of royalty oil
to Chevron, U.S.A., Inc.
Sponsor: Rules Committee
Requestor: Governor
Date of Request: 4-19-83

FISCAL STATE

Agency Affected: Natural Resources
Program Category Affected: Management of Energy Resources
BRU, Program or Subprogram(s) Affected: Oil and Gas Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharon L. Barton Phone: 465-2400
Division: Commissioner's Office Date: 1-12-83

Approved by Commissioner: Marvin D Arnold, Deputy Date: 1/12/83
Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

AGO 787104

Revision Date: _____

REQUEST
Bill/Resolution No.: HCSSB 269 (Fin)
Title: sale of royalty oil to Chevron, U.S.A., Inc.
Sponsor: Rules Committee
Requestor: Governor
Date of Request: 4-19-83

FISCAL DETAIL
Agency Affected: Natural Resources
Program Category Affected: Management of Energy Resources
BRU, Program or Subprogram(s) Affected: Oil and Gas Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUND						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharon L. Barton Phone: 465-2400
Division: Commissioner's Office Date: 1-12-84

Approved by Commissioner: William D. Arnold, Deputy Date: 1/12/84
Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

AGO 787105

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 19, 1983

The Honorable Jalmar Kerttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which provides for legislative approval of a royalty oil contract between the state and Chevron, U.S.A., Inc. for the sale of Prudhoe Bay royalty oil.

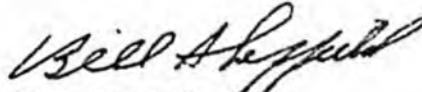
This contract is described in the findings entitled "Proposed Disposition of Royalty Oil, Chevron, U.S.A." issued by the Department of Natural Resources on March 16, 1983. Copies of these findings have been made available to the legislature and the public for review.

This contract is being submitted for legislative approval for two reasons. First, although this and the previous administration have consistently taken the position that the statutory requirement of legislative approval of royalty oil contracts is unconstitutional (AS 38.06.055), as a matter of comity I respect the legislature's desire to have a direct voice in major disposals of royalty oil. Therefore, this contract contains provisions requiring approval by the legislature before it becomes effective. Second, this bill would ratify the agreement for the sale of oil. This ratification would cure any procedural defect that may have occurred in the process of entering into this contract.

Although we believe that all necessary steps have been taken, the statutes and regulations governing the disposal of royalty oil represent often conflicting desires and goals, both procedural and substantive. For example, even if statutorily requiring legislative approval were constitutional, the present statutes provide, on the one hand, that the legislature is to approve the contract by enacting legislation (AS 38.06.055(a)), but, on the other

hand, they also provide that a report of the Royalty Board "shall be submitted for legislative review at the time of [sic] resolution for legislative approval of a proposed disposition of royalty oil and gas is introduced in the legislature" (AS 38.06.070(c)). Since legislative approval is required anyway as a matter of contract, I believe it only prudent to present this contract for legislative approval and ratification at this time.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield
Governor

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI

POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate Committee on Resources

April 25, 1984

Mr. President:

The Senate Resources Committee has considered the House amendments to Senate Bill No. 259 and recommends that the full Senate concur in the House amendments.


Sincerely,


Sen. Bettye Fahrenkamp
Chairman

Sen. Robert Ziegler

Sen. Arliss Sturgulewski

Sen. Richard Eliason


Sen. Vic Fischer

Sen. Paul Fischer


Sen. Bob Mulcahy

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SB 272



Project: Ship Creek Water Treatment Plant Expansion

Project Cost: \$6,000,000 Construction (\$6,000,000 ADEC Grant Funding.
Total project cost: \$12,000,000.)

Description/Justification:

This project will provide for expansion of the 10 million gallon per day Ship Creek Water Treatment Plant, to a capacity of 24 MGD. Expansion of the Water Treatment Plant will provide the additional water necessary to support growth in the Anchorage Bowl until the Eklutna Water Project is complete in 1988; according to the Metropolitan Anchorage Urban Study completed by the U.S. Corps of Engineers. Critical water shortages have occurred during maximum water usage months in the past. The expansion of the plant is the long term solution which will meet the current as well as future water usage demands and provide the fire protection necessary for the economic growth taking place in the Anchorage Bowl.

A comprehensive pre-design document is available and final design of the actual improvements is now underway. The total time for construction will be approximately 18 months beginning November, 1983 with completion about April, 1985. The design of the Water Treatment Plant will provide jobs to Architect, Engineering and support service firms and the construction will provide work for local contractors and supply firms. The ultimate capacity unit cost \$.107 per 1000 gallons for operations and maintenance will be a decrease from the present unit cost of \$.18 per 1000 gallons. As production goes up the unit cost will go down as no significant increases in expenses are anticipated.

Municipal Staff Contact

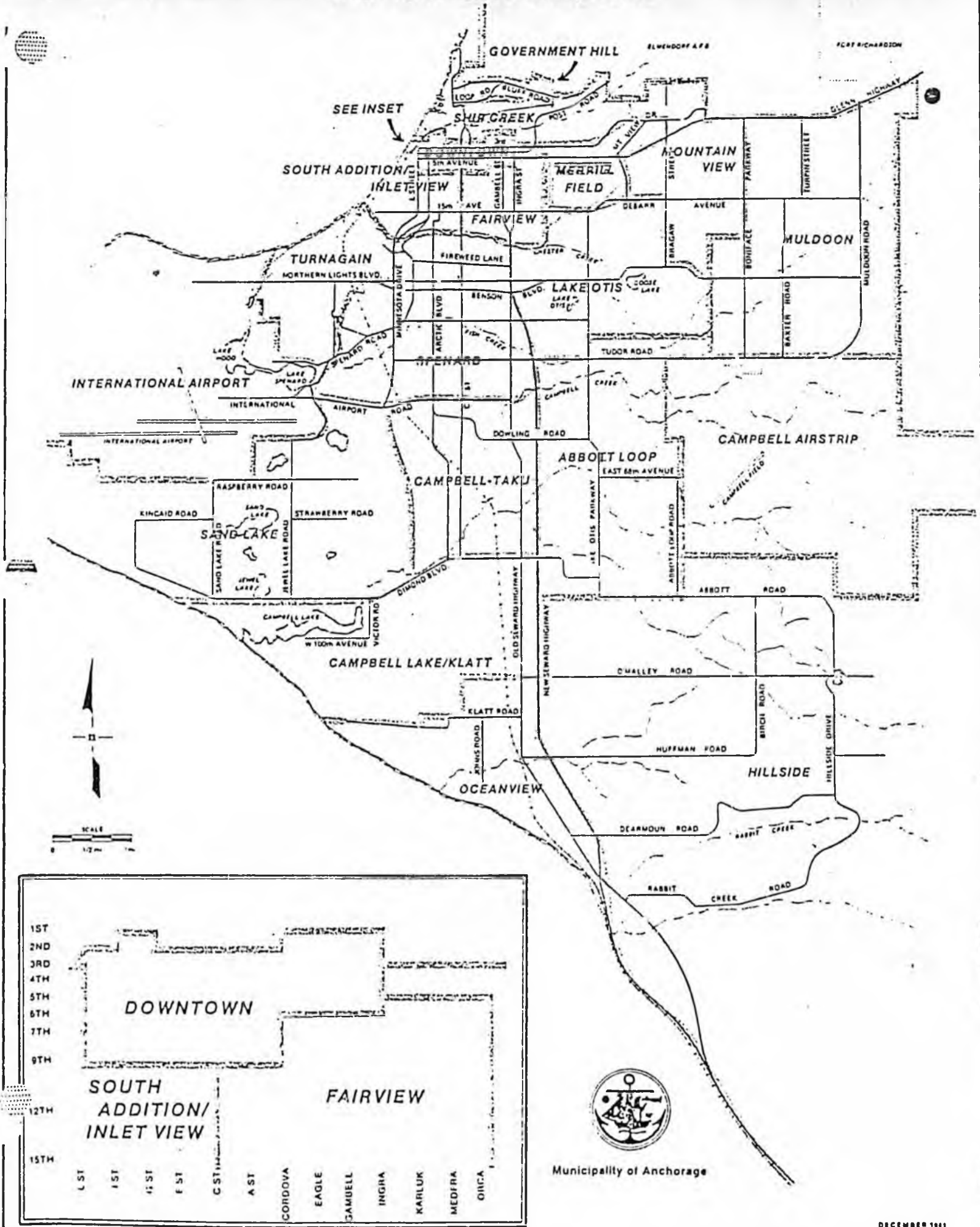
Name: Brian I. Crewdson
Title: Technical Services Manager, AWWU
Phone: 265-5561

Legislative District All

House Representative: All
Senator: All

JB-AREAS

Ship Creek Water Treatment Plant Expansion



Negotiations have been underway between Central Alaska Utilities, Inc. (CAU) and the Anchorage Water and Wastewater Utility (AWWU) concerning the acquisition of CAU by AWWU. Both parties are pleased to announce that an agreement in principle has been reached to purchase 100% of the outstanding stock of CAU, subject to approval by the Municipal Administration and Assembly, the stockholders of CAU, and the Alaska Public Utilities Commission. It is anticipated that, pending these approvals, CAU will continue operations through December 31, 1983, with the actual transfer of ownership occurring in the first quarter of 1984.

Among the many advantages resulting from this takeover, the most noticeable is that this consolidation will enable application of a uniform rate for public water service throughout the Municipality, insure consistent criteria for long-range planning of the community's water and fire protection needs, allow further realization of operating and financial economies-of-scale with a resultant lower overall community water costs, and result in direct usage by the affected area of the Municipality's long-term water supply projects.

This acquisition will merge approximately 13,000 CAU customer accounts with the customer accounts that AWWU presently have, resulting in a consolidated customer base of 31,000 customer accounts.



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. _____

Meeting Date:

From: Mayor
Subject: Acquisition of Central Alaska Utilities (CAU)

We have been actively negotiating with CAU for over a year to purchase the water utility. These negotiations have now reached a stage where we have a tentative agreement to purchase. This is a very positive transaction for Anchorage because of the benefits to all of the residents. There are six main benefits and they are:

- Rate reduction for the current customers of CAU;
- Lowest relative future rates for all water customers;
- No upward rate effect on current Anchorage Water Utility customers;
- Addition customer base to support the Ship Creek water treatment plant expansion;
- Larger customer base to support long term water resource development; and
- Coordinated water development planning for the entire Municipality.

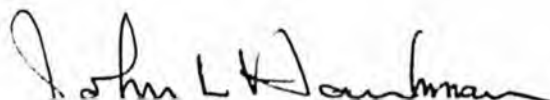
Our goal is to provide clean adequate water supply for a growing Anchorage community. This is a big step in the accomplishment of this goal.

I am scheduling a work session during June, 1983, to cover all details of the acquisition of CAU and the transition effort. This time between now and then will be utilized by my staff and I to address all the issues and to complete all necessary documentation.

Respectfully Submitted:

Concur:

TONY KNOWLES
Mayor



JOHN L. HARSHMAN
Executive Manager
Public Utilities

APR 25 1983

APPROVED
Date: 4-12-83

Submitted by: Chairman of the Assembly
at the request of the Mayor
Prepared by: Anchorage Water and
Wastewater Utility
For Reading: April 12, 1983

ANCHORAGE, ALASKA

AR NO. 83-91

A RESOLUTION SUPPORTING STATE APPROPRIATION OF \$35,000,000 TO FUND EKLUTNA WATER PROJECT ACTIVITIES DURING FISCAL YEAR 1984

WHEREAS, the Anchorage Water and Wastewater Utility has determined that water demand in the Municipality will exceed water supply by 1988; and in the Eagle River area considerably sooner; and

WHEREAS, the funds appropriated for designing supplemental water supply facilities from Eklutna Lake are fully committed and no funds are available to construct any portion of the project; and

WHEREAS, in order to keep the Eklutna Water Project on schedule so that deliveries from it can be made to Eagle River in 1985 and to the remainder of the service area by 1988, funding in the amount of \$35,000,000 is required for fiscal year 1984; and

WHEREAS, it is not viable to issue revenue bonds to fund fiscal year 1984 project requirements.

NOW THEREFORE THE ANCHORAGE MUNICIPAL ASSEMBLY RESOLVES:

1. That the Anchorage Municipal Assembly supports and endorses the request made by the Municipality for funds to be appropriated by the State for the Eklutna Water Project in the amount of \$35,000,000 for fiscal year 1984; and
2. Further, that the State Legislature appropriate the requested \$35,000,000 during the current session of the Legislature and the Governor approve the aforementioned appropriation; and
3. That copies of this resolution be delivered to Governor Sheffield and to all members of the Thirteenth Alaska Legislature.

PASSED AND APPROVED by the Anchorage Municipal Assembly this 12th day of April, 1983.

Paul B. Baer
Chairman

ATTEST:

Richard E. Smith
Municipal Clerk

Am 474-83

1027
APR 20 1983

Anchorage

CHAMBER of COMMERCE

Crossroads of the Air World

April 22, 1983

Senator Bettye Fahrenkamp
State Capitol
Pouch V
Juneau, Alaska 99811

Dear Senator Fahrenkamp,

The Anchorage Chamber of Commerce would like your support on the Eklutna Project.

The enclosed resolution has been adopted by the Chamber and merits your consideration.


We understand that the question is, where does the money come from?

The Chamber believes the long term solution to a pending water crisis merits the favorable consideration by the entire Legislature and the Administration.

This project will affect approximately one-half of the total State's population and should take priority regardless of traditional District appropriations.

It transcends Legislative boundaries and represents a basic need that the State of Alaska should endorse.

Thank you for your consideration,


Kenneth E. Calhoon
Director, Chairman Legislative Committee

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate

Committee on Resources

TO: Senate Resources Committee Members

FROM: Senate Resources Committee Staff

RE: Friday Hearing, 5/13/83

DATE: May 11, 1983

On Friday, May 11, at 3:00 p.m. in the Beltz Room, the following bills will be heard:

SB 272 MAKING A SPECIAL APPROPRIATION FOR PAYMENT AS A GRANT TO THE MUNICIPALITY OF ANCHORAGE FOR EXPANSION OF THE SHIP CREEK TREATMENT PLANT AND PHASE II DESIGN AND CONSTRUCTION OF THE EKLUTNA WATER PROJECT.

SB 272 would make the following appropriations from the general fund for grants to the Municipality of Anchorage:

Sec. 1 \$10.4 million for expansion of the Ship Creek Water Treatment Plant to 24 million gallons per day.

Sec. 2 \$35 million for phase II design of the Eklutna Water Project and construction of the Anchorage to Eagle River segment of the Eklutna project.

Anchorage is currently dependent upon groundwater and surface water from Ship Creek to meet most of its needs. Shortly after 1986 the demand for water is predicted to exceed the supply available from current sources. A study completed in 1982 determined that Eklutna Lake is the least expensive, most environmentally sound, long-term remedy for the Municipality's need for water. Preliminary planning has been completed for the project; final planning and design are currently underway.

Construction of the project is projected to occur from 1984 through 1988, with a total project cost of \$220 million. The municipality intends to request 50% of this amount from the legislature (\$13,684,000 was appropriated last year), and fund the other 50% through the sale of bonds in 1985 and 1986.

Senator Faiks, the prime sponsor, has drafted a Resources Committee Substitute which would reduce the appropriation to Eklutna by \$10 million, the appropriation to Ship Creek by \$3 million, and add a Section 3 which would appropriate \$5 million for purchase by the municipality of Central Alaska Utility, a private utility currently providing water to South Anchorage, Sand Lake and Muldoon. This is based on the results of a study by the Corps of Engineers that for proper long term water planning the CAU and the municipal utility should be merged.

SSSB 279 RELATING TO WHOLESALE PRICES FOR SALMON.

SSSB 279 expands the statutory authority of the Department of Revenue to require processors to report monthly wholesale prices for all species of canned salmon (now required only for pink salmon) to provide for computing the statewide average wholesale price paid for canned salmon. The intent is to enable fishermen and processors to negotiate fish prices based on a figure which represents the true market value of the product and the current market situation. This is intended to aid in the early adoption of price settlements.

In addition, the bill provides that the Department of Commerce will investigate developing a program to determine wholesale price averages for fresh, frozen and cured salmon.

CSHB 163 (Rules)am RELATING TO HARASSMENT OF PERSONS ENGAGED IN HUNTING, FISHING, CAMPING OR TRAPPING,

This bill is intended to protect hunters, fishers, campers and trappers from harassment. Interfering with a person legally engaged in hunting, or disturbing wildlife or habitat with the intent to hinder a hunter, would be punishable by a fine of up to \$500 and/or 30 days in jail. Wildlife protection officers would be required to order a person to desist from a violation, with penalties for failure to desist. Civil remedies, including recovery of damages, are allowed.

This bill is patterned after legislation being adopted in other states where anti-hunting groups have "taken to the field" in attempts to "warn" wildlife of hunters or deter hunters from killing wildlife.



Alaska State Legislature Senate

April 28, 1983

OFFICIAL BUSINESS

CHAIRMAN
RULES COMMITTEE

JAN FAIKS
POUCH V
CAPITOL BUILDING
JUNEAU, ALASKA 99811

TO: Senator Bettye Fahrenkamp

FROM: Senator Jan Faiks

RE: SB 272

I am the prime sponsor of the SB 272 which has been assigned to the Community and Regional Affairs Committee with a further referral to the Resources Committee. Senator Ferguson has agreed to ask for the bill to be waived from his committee. I would really appreciate a prompt hearing for this legislation in the Resources Committee after you receive the bill.

The bill would appropriate money for the Eklutna Water Project and the Ship Creek Water Treatment Plant in Anchorage. These are critical needs for the Anchorage/Eagle River/ Chugiak area. I am requesting a new draft of the bill which would switch some of the funding for Eklutna to water development in South Anchorage.

I would be glad to discuss these projects with you at your convenience.



EKLUTNA WATER PROJECT

Phone: (907) 279-2461 • 237 E. Freweed Lane, Suite 201 • Anchorage, AK 99503

April 20, 1983

Sandra Stone
Administrative Assistant
Room 101, Capitol Building
Juneau, AK 99811

As agreed at our April 19 meeting enclosed is data from our Water Supply Master Plan Update which is now in typing for final revisions.

The data presented here discusses both demographics and water demands for which you expressed concern.

Very truly yours,

William H. Blackmer
Program Manager

WHB/ems

Enclosures

CHAPTER 3 DEMOGRAPHICS

Existing information regarding population growth rates and patterns was studied to help in determining the amount of potable water that the Municipality of Anchorage will need to produce in the future. In the recent past, the population within the Municipality has grown dramatically as the result of energy-related development throughout the State. Previous studies and reports were analyzed to establish the range of population projections and to determine if any patterns in growth could be discerned. The results and conclusion of the population studies are presented in this Chapter.

PLANNING PERIOD

Standard design practice is to plan for useful design lives of 15 to 20 years for mechanical equipment such as pumps, motors and speed reducers, and 40 to 50 years for pipelines and structures such as buildings, pump stations and reservoirs. The 40-year period from 1985 to 2025 was selected as the planning period for this Water Supply Master Plan Update. Pipelines and major structures that will be constructed as part of the Eklutna Water Project will be designed for a 40-year useful life, while mechanical equipment will be designed for a 20-year useful life. As a result, it is anticipated that the Eklutna Water Treatment Plant will be built in phases with the capacity of the first phase designed for approximately the first 20 years of the planning period, and subsequent phases adding additional capacity as needed.

SERVICE AREA

General boundaries of the proposed service areas have been drawn for use in this Water Supply Master Plan Update. Actual service area boundaries in the design year 2025 may vary from those shown in this report. This variance might result from changes in land use, zoning,

known availability of ground water resources, or numerous other factors. Service areas are defined as those districts likely to receive water from the Eklutna Water Project, and therefore are not limited to areas licensed by the Alaska Public Utilities Commission (APUC) for Anchorage Water and Wastewater Utility service. Two major service areas have been delineated in this report: the Anchorage Bowl; and the Northern Communities, including Eagle River, Chugiak, Peters Creek, Birchwood and Eklutna.

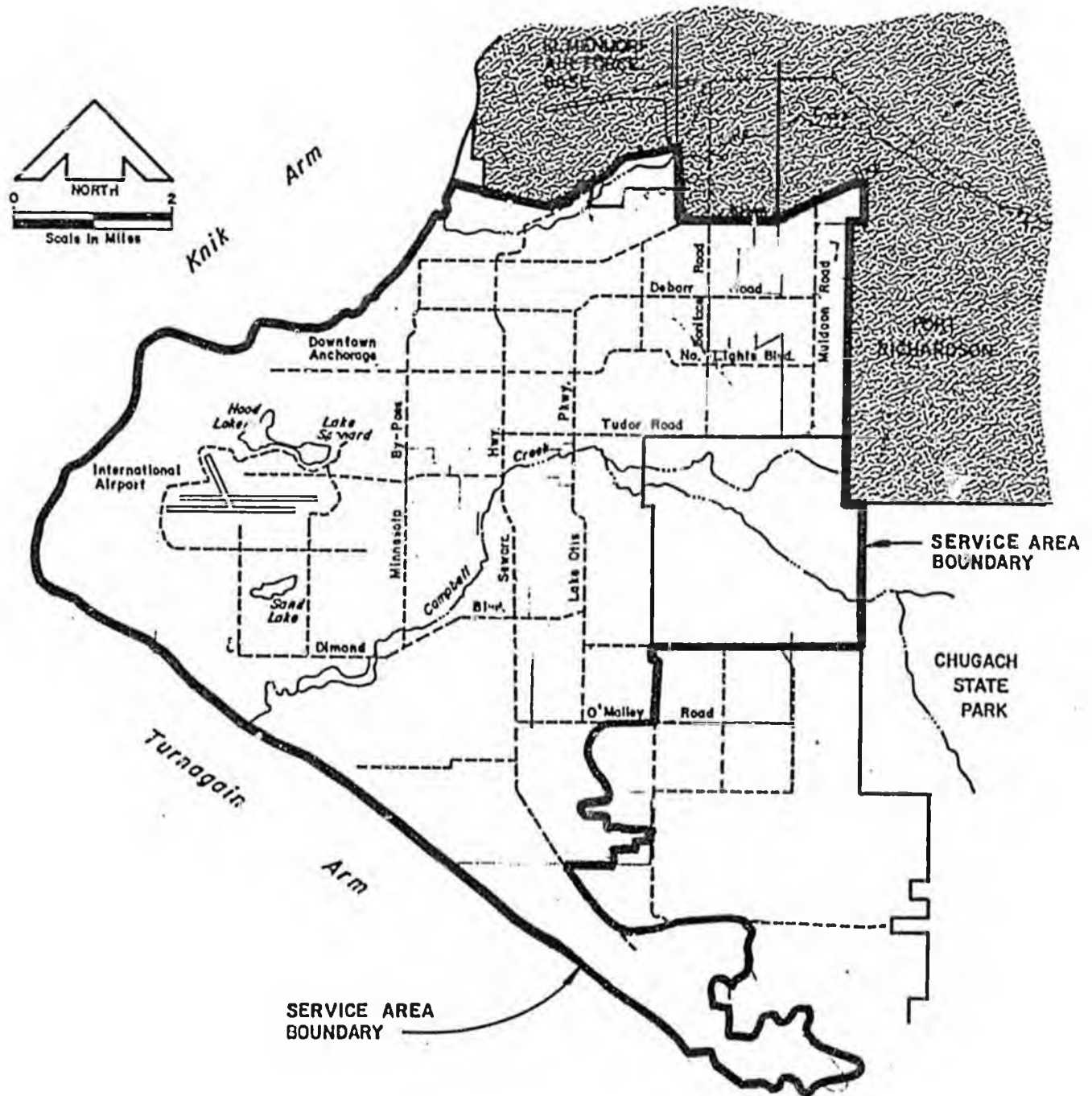
THE ANCHORAGE BOWL

The Anchorage Bowl Service Area includes areas south of Fort Richardson and Elmendorf Air Force Base and south of Potter Marsh, as shown in Figure 3-1. It has been assumed that military bases will continue to be supplied by their existing sources and will not obtain water from the Eklutna Water Project. Turnouts will be installed in the transmission pipeline at the military complexes in the event that the military elects to obtain water from the Eklutna Water Project in the future. If this were to occur, the Municipality of Anchorage would in all likelihood assume the military water rights to Ship Creek and may connect the military's wells to the Municipality's water system. It is also assumed that upper elevations within the Anchorage Bowl, along the eastern side of the Bowl at the foot of the Chugach Mountains, will likely continue to utilize on-site water supply systems during the planning period. That area is generally referred to as the Hillside area and roughly corresponds to areas designated for on-site waste disposal systems as described in the Anchorage 201 Facilities Plan. It is further assumed that portions of Potter Marsh and areas south of Potter Marsh will obtain water from the Eklutna Water Project as the water becomes available.

The Anchorage Water and Wastewater Utility (AWWU) is not certificated by the APUC to serve the entire Anchorage Bowl. Central Alaska Utilities (CAU) and several small utilities are licensed for major areas of the Bowl not served by AWWU. Because available sources of supply are fixed in quantity and developed nearly to capacity, it is

FIGURE 3-1

Anchorage Bowl Water Service Area



assumed that, from a supply standpoint, all existing utilities will ultimately become physically integrated with AWWU. It is also assumed that AWWU will eventually be certificated for water supply to the entire area. With the exception of military water demand and supply, the population and the available water resources of the area are therefore analyzed as a whole, ignoring jurisdictions of existing certificated utilities.

THE NORTHERN COMMUNITIES

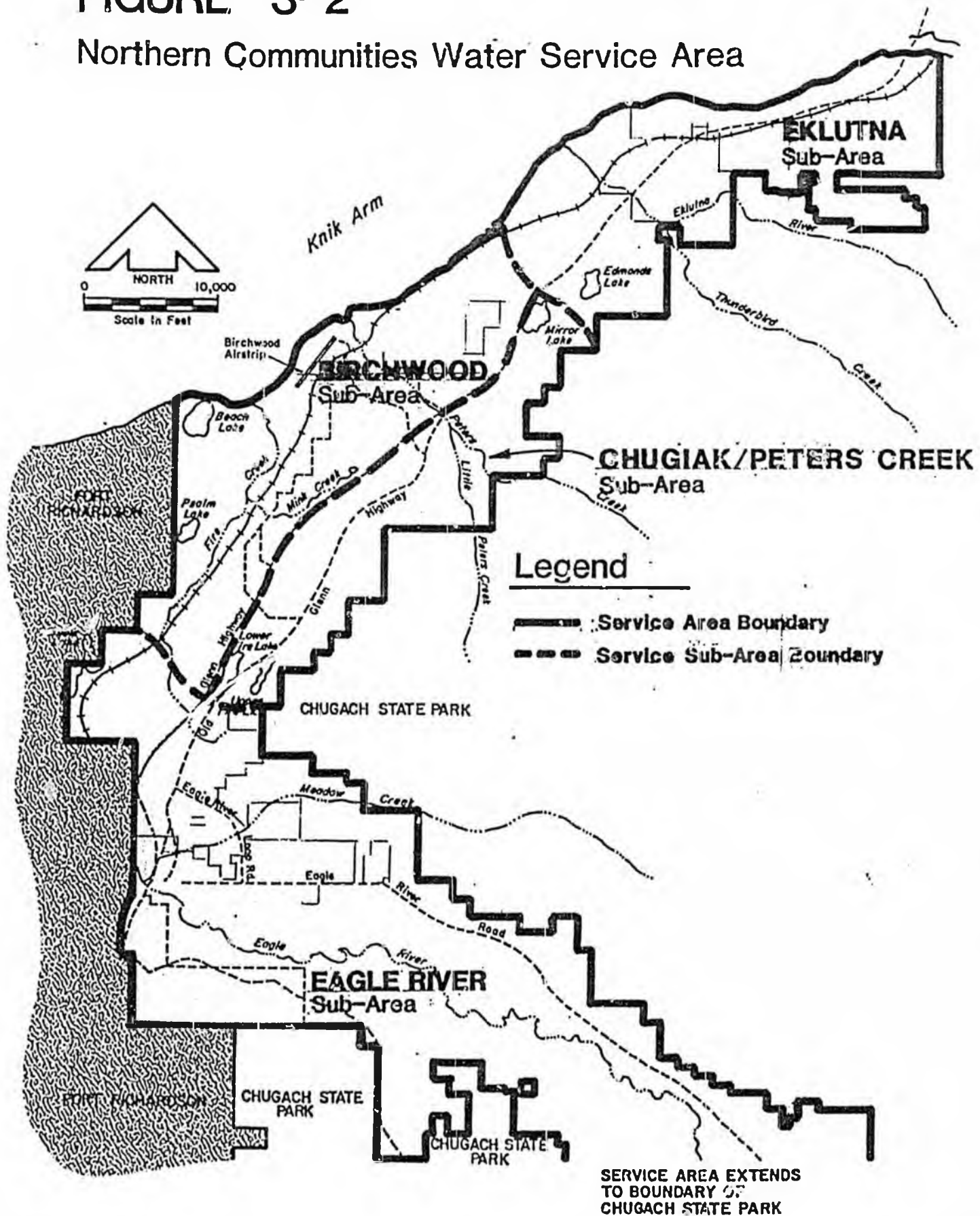
The Northern Communities water service area is the area from north and east of Fort Richardson to Eklutna, including privately owned land and most public lands except Chugach State Park. Communities situated in the area are Eagle River, Chugiak, Peters Creek, Birchwood and Eklutna, as shown in Figure 3-2. It is probable, however, that portions of the Eagle River Valley at the eastern edge of the service area, the Hiland Drive Area, and other low density areas will continue to obtain water from on-site systems during most or all of the planning period. Portions of this service area are also certificated for water utility service. As with the Anchorage Bowl, the needs and available supplies of the area are analyzed as a whole, without considering the jurisdictional boundaries of certificated utilities. For the purposes of sizing local supply turnouts along the water transmission line from the Eklutna Water Treatment Plant to Anchorage, four service sub-areas have been identified for the northern communities. The four areas, as shown in Figure 3-2, are Eagle River, Chugiak/Peters Creek, Birchwood and Eklutna.

POPULATION PROJECTIONS

Determination of the projected population of the service area is a key factor in the evaluation of future water demands. Both the rate of growth and the geographic distribution of population growth must be analyzed in order to plan and design water treatment, transmission and storage facilities. The projections developed for this Water Supply Master Plan Update are based on current projections developed for the

FIGURE 3-2

Northern Communities Water Service Area



Municipality of Anchorage as part of the Anchorage Comprehensive Development Plan, extrapolated to the year 2025. Numerous other water and wastewater planning documents and reports were reviewed to help evaluate the distribution and timing of population growth.

PREVIOUS PROJECTIONS

Over the years, various plans and reports, including both water and wastewater studies, have provided projections for future population growth in the Anchorage area. However, none of these reports contained projections that could be directly used to estimate the service area population for the Eklutna Water Project. The previous projections were either developed for areas smaller than the Eklutna Water Project service area, were based on outdated assumptions and data, or did not extend to the end of the planning period. Many of the assumptions used in developing the previous projections are still valid, however, and have been utilized in developing this Water Supply Master Plan Update.

The Municipality of Anchorage Community Planning Department has recently developed projections through the year 2000; these projections form the basis for the service area population estimates used throughout this Water Supply Master Plan Update and were used in the more recent studies listed in Chapter 2. The following sections summarize population projections contained in previous reports.

The Anchorage Bowl

Four studies have addressed population projections within the Anchorage Bowl: the Progress Status Report - Ship Creek Water Treatment Plant Expansion and Pre-design Memorandum-Expansion of Ship Creek Water Treatment Plant both prepared by URS Engineers, et al. in October 1982; The 201 Wastewater Facilities Plan prepared for the Municipality of Anchorage Water and Wastewater Utility by Ott Water Engineers, QUADRA Engineering, and Black and Veatch in June of 1982; and the Metropolitan Anchorage Urban Study (MAUS) prepared by the

Alaska District, U.S. Army Corps of Engineers in conjunction with the Municipality of Anchorage in November of ~~1982~~ 1979

The population projections in both the Progress Status Report and the Predesign Memorandum were based on historic records of the bowl population as a percentage of the overall Municipality population and on the Municipality of Anchorage Community Planning Department population projections. Both the Progress Status Report and the Memorandum presented a projected year 2000 population of 255,000 and a year 2005 population of 268,000 for the Anchorage Bowl. The Wastewater Facilities Plan population projections were also based on Community Planning Department projections for the Municipality, but only went to the year 2000. The projected population in the Plan is 276,000 for the year 2000. The MAUS projections were based on economic and demographic models developed by the University of Alaska's Institute for Social and Economic Research (ISER), and were listed as 431,000 in the year 2000, 481,000 in 2005, and 596,000 in the year 2025. The population projections from all four reports are shown on Figure 3-3.

The Northern Communities

Population projections for the Northern Communities portion of the service area were presented in the MAUS, in the Draft Eagle River-Chugiak-Eklutna Wastewater Facilities Plan prepared for the Municipality of Anchorage Water and Wastewater Utility by CH2M Hill in November 1982, and in the Eagle River-Chugiak-Eklutna Comprehensive Plan prepared in 1979 by the Anchorage Planning Department. As discussed in the previous section, MAUS projections were based on the ISER models and were predicted to be 130,000 in 2025. The Facilities Plan used current community Planning Department population projections which project that the population in the Northern Communities will be a constant 16.72 percent of the population in the Municipality. The Facilities Plan also contains an estimated saturation population of 64,000 in the Northern Communities. The Eagle River-Chugiak-Eklutna Comprehensive Plan also used ISER models as the basis for population projections, and estimated a year 2000 population of 64,000 persons.

FIGURE 3-3
MUNICIPALITY OF ANCHORAGE
POPULATION PROJECTIONS-
Anchorage Bowl

