

**ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672**

**10980 HOUSE RESOURCES**

preserve geological, archeological, and biological resources. In addition, the program must be designed to help personnel increase their sensitivity and understanding of community values, customs, and lifestyles in areas where they will be operating.

## Definitions

### In this document

- a. "Facilities" means any structure, equipment, or improvement to the surface, whether temporary or permanent, including, but not limited to, roads, pads, pits, pipelines, power lines, generators, utilities, airstrips, wells, compressors, drill rigs, camps and buildings;
- b. "Feasible and prudent" means consistent with sound engineering practice and not causing environmental, social, or economic costs that outweigh the public benefit to be derived from compliance with the standard;
- c. "Important wetlands" means those wetlands that are of high value to fish, waterfowl, and shorebirds because of their unique characteristics or scarcity in the region or that have been determined to function at a high level using the hydrogeomorphic approach;
- d. "Minimize" means to reduce adverse impacts to the smallest amount, extent, duration, size, or degree reasonable in light of the environmental, social, or economic costs of further reduction;
- e. "Secondary containment" means an impermeable diked area or portable impermeable containment structure capable of containing 110 percent of the volume of the largest independent container plus 12 inches of freeboard. Double walled tanks do not qualify as secondary containment unless an exception is granted for a particular tank.

**Matanuska-Susitna Borough Planning  
Coal Bed Methane Conditional Use Permit**

**Executive Summary**

Chapter 62 is drafted to require a two stage conditional use permit; one permit for CBM exploration and a second permit for CBM development and processing. The code requires detailed plans as part of the application:

- **Master Plan for CBM development and processing.**
- **Emergency Response Plan**
- **Archaeological and Historic Preservation Plan**
- **Fish and Wildlife Mitigation Plan**
- **Groundwater and Surface Water Monitoring Plan**

Code also requires a Surface Use Agreement between the landowner and developer when the CBM developer does not also own the surface rights.

The Planning Commission evaluates the application for compliance with:

- **Existing Comprehensive Plans.**
- **Land Use Standards.**
- **Environmental Quality Standards.**
- **Surface Disturbance Standards**

Land use standards for CBM permits include:

- **Minimum well spacing of one per 360 acres;**
- **Minimum 10 acre lot size;**
- **Minimum 1,320 feet from structures, property lines, anadromous streams, public facilities, schools, hospitals or churches;**
- **Prohibited in residential areas with one dwelling per acre;**
- **Minimize noise and visual impacts;**
- **Minimize environmental impacts and surface disturbances.**
- **Developer must implement an approved restoration plan.**

DRAFT ORDINANCE

By: Borough Mayor  
Introduced:  
Public Hearing:  
Action:

MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 04-

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ADOPTING MSB 17.XX. ESTABLISHING A CONDITIONAL USE PERMIT FOR COAL BED METHANE EXPLORATION AND DEVELOPMENT.

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BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the borough code.

Section 2. Adoption of section. MSB 17.XX is hereby adopted to read as follows:

SECTION

17.XX.010 Intent of Chapter

17.XX.015 Jurisdiction of Chapter Provisions

17.XX.020 General Procedures

17.XX.030 Exploration Permit Application Requirements

17.XX.040 Development and Production Application Requirements

17.XX.050 Review and Referrals

17.XX.060 Duration, Modification and Preexisting Uses

17.XX.070 Construction or Installation Of Unapproved Coal Bed Methane Facilities

17.XX.080 Penalty

17.XX.090 Civil Action

17.XX.100 Liability Insurance

- 17.XX.110 Performance Security
- 17.XX.120 Right to Enter
- 17.XX.130 Emergency Response Plan Required
- 17.XX.140 Archaeological and Historic Preservation Plan Required
- 17.XX.150 Fish and Wildlife Mitigation Plan Required
- 17.XX.160 Groundwater and Surface Water Monitoring Plan Required
- 17.XX.170 Master Plan Required
- 17.XX.180 Surface Use Agreement Requirement
- 17.XX.190 Review of Applications; Action by Planning Commission
- 17.XX.200 Application; Submittal Procedure
- 17.XX.210 Determination of Completeness
- 17.XX.220 Public Notice
- 17.XX.230 Notice Upon Request
- 17.XX.240 Permit Standards
- 17.XX.250 Appeals of Planning Commission Decisions
- 17.XX.260 Appeals of Enforcement Actions
- 17.XX.270 Compliance
- 17.XX.280 Land Use Standards
- 17.XX.290 Environmental Quality Standards
- 17.XX.300 Surface Disturbance Standards
- 17.XX.310 Definitions

17.XX.010 INTENT OF CHAPTER.

(A) It is the Borough's intent to facilitate the development of coal bed methane resources within the Borough while mitigating potential land use and private property conflicts between such development and existing, as well as planned, land uses. In addition, it is the intent of this ordinance to protect private and public property, and the health, safety, and welfare of Borough residents.

17.XX.015 JURISDICTION OF CHAPTER PROVISIONS.

(A) This Chapter shall apply to all lands within the Borough with the exception of those lands within the cities of Houston, Palmer, and Wasilla.

17.XX:020 GENERAL PROCEDURES.

(A) Exploration, development, and production of coal bed methane facilities within the Borough shall be subject to the provisions of this Chapter and any other applicable regulations of the Borough, as well as any state or federal entities or agencies having jurisdiction over such development.

(B) Construction, installation and operation of coal bed methane facilities shall not commence until approval has been granted by the Planning Commission. The Borough Planning Director shall serve as the authorized representative of the Planning Commission.

(C) A conditional use permit for coal bed methane development shall consist of two separate permits: one permit for exploration activities and one permit for development and production activities. Each of the permits requires a separate application, public notice, public hearing, and Planning Commission approval.

**17.XX.030 EXPLORATION PERMIT APPLICATION REQUIREMENTS.**

(A) An application for a conditional use permit for coal bed methane exploration activities and related facilities shall be filed by the company seeking to explore for coal bed methane.

(B) Application for a conditional use permit shall be made in writing on a form or forms provided by the Matanuska-Susitna Borough Planning and Land Use Department, and shall include:

(1) A narrative description of the company and its subcontractors seeking to undertake coal bed methane exploration activities. The narrative should include the history of the firm, its experience in coal bed methane exploration, e.g., number of projects, location, key contacts, size of project, number of wells, etc., its technical and financial ability to undertake the proposed exploration activities, its ability to complete reclamation requirements, and a listing of any judgments, fines, or penalties received that are associated with

coal bed methane exploration.

(2) A legal description of the properties involved.

(3) Documentation of property ownership.

(4) A detailed site plan drawn to scale depicting proposed coal bed methane facilities, including, but not limited to:

(a) Existing site conditions of proposed exploration sites, including topography, watercourses, flood plains, other natural hazards and features, vegetation, land use, and access;

(b) The location and floor area size of all existing and proposed building structures and other improvements, if any; including a description of the type of land use proposed to occupy the land and structures;

(c) The existing and proposed pedestrian and vehicular circulation system to be used at proposed exploration site(s) and relationship of that circulation system to the surrounding area. This will include parking areas, service areas, loading areas and all points of access to the site(s);

(d) Proposed utility systems;

(e) Exploration wells;

(f) Waste pits;

- (g) Injection wells,
- (h) Collection and distribution systems, if any; and
- (i) Other ancillary structures, if any.

(5) A statement identifying the land uses on adjacent properties;

(6) A development schedule indicating the approximate date when exploration shall begin and be completed;

(7) A statement of how the proposed project conforms with applicable Comprehensive Plans;

(8) A non-refundable application fee as prescribed in MSB 17.99 is due at the time of application.

(C) The name of the operator of the proposed exploration activities.

(D) A description of how all waste materials will be handled and disposed;

(E) A proposed site plan drawn to scale depicting existing conditions at each proposed exploration site;

(F) A description of planned exploration activities, including the following: schedule and duration of exploration activities, site buffering and screening plan; operational vehicular access and circulation plan; fencing and security measures;

(G) A copy of the approved emergency response plan as provided in 17.XX.130;

(H) A copy of the archaeological and historic preservation plan as described in 17.XX.140;

(I) A copy of the fish and wildlife mitigation plan as described in 17.XX.150;

(J) A copy of the groundwater and surface water monitoring plan as described in 17.XX.160;

(K) A methane seepage testing plan that establishes the level of methane present in the vicinity prior to, during, and following the exploration activities; and

(L) A detailed reclamation plan describing all reclamation activities, including schedule for completion, plans for well capping, and the conditions of each exploration site upon completion of the reclamation activities, including finished contours, a revegetation plan, finished drainage plan and finished access points.

17.XX.040 DEVELOPMENT AND PRODUCTION APPLICATION  
REQUIREMENTS

(A) An application for a conditional use permit for coal bed methane development and production shall be filed by the owner of the affected property or by an authorized agent.

(B) Application for a conditional use permit shall be in writing on a form or forms provided by the

Matanuska-Susitna Borough Planning and Land Use Department. All applications shall include:

(1) A narrative description of the company and its subcontractors seeking to undertake coal bed methane development and production activities. The narrative should include the history of the firm, its experience in coal bed methane development and production, e.g., number of projects, location, key contacts, size of project, number of wells, etc., its technical and financial ability to undertake the proposed development and production activities, its ability to complete reclamation requirements, and a listing of any judgments, fines, or penalties received that are associated with coal bed methane development and production.

(2) A legal description of the properties involved.

(3) Documentation of property ownership.

(4) A detailed site plan drawn to scale depicting coal bed methane development facilities, including, but not limited to:

(a) Existing site conditions of proposed development and production sites, including topography, watercourses, flood plains, other natural hazards and features, vegetation, land use, and access;

(b) The location and floor area size of all existing and proposed building structures and other improvements, if any; including a description of the type of land use proposed to occupy the land and structures;

(c) The existing and proposed pedestrian and vehicular circulation system to be used at proposed development and production sites and relationship of the circulation systems to the surrounding area. This will include parking areas, service areas, loading areas and all points of access to the site(s);

(d) Proposed utility systems;

(e) Waste pits;

(f) Extraction and injection wells;

(g) Compressor stations;

(h) Collection and distribution systems; and

(i) Other ancillary structures.

(e) A statement identifying the land uses on adjacent properties;

(f) A development schedule indicating the approximate date when development or natural resource extraction shall begin and be completed;

(g) A statement of how the proposed project conforms with applicable Comprehensive Plans;

(h) A non-refundable application fee as prescribed in MSB 17.99 is due at the time of application.

(2) The name of the operator of the proposed development and production activities.

(3) A description of how all waste materials will be handled and disposed.

(4) A proposed site plan drawn to scale depicting existing conditions at each proposed development and production site.

(5) A description of planned development and production activities, including the following: schedule and duration of development and production activities, site buffering and screening plan; operational vehicular access and circulation plan; fencing and/or security measures.

(6) A copy of the master plan as described in 17.XX.170.

(7) A copy of the approved emergency response plan as provided in 17.XX.130.

(8) A copy of the archaeological and historic preservation plan as described in 17.XX.140.

(9) A copy of the fish and wildlife mitigation

plan as described in 17.XX.150.

(10) A copy of the groundwater and surface water monitoring plan as described in 17.XX.160.

(11) A methane seepage testing plan that establishes the level of methane present in the vicinity prior to, during, and following the development and production activities.

(12) A detailed reclamation plan describing all reclamation activities, including schedule for completion, plans for well capping, and the conditions of each development and production site upon completion of the reclamation activities, including the following: finished contours; revegetation plan; finished drainage plan; and finished access points.

**17.XX.050. REVIEW AND REFERRALS;**

(A) The Planning Director shall refer the exploration and development and production applications to the State of Alaska Oil and Gas Conservation Commission, Alaska Department of Environmental Conservation, Alaska Department of Natural Resources and Alaska Department Fish and Game and the United States Environmental Protection Agency, United States Geological Survey, United States Fish and Wildlife Service, and other government agencies or entities for review and comment. Any comments received from other agencies shall

be forwarded to the Planning Commission as part of the application(s) packet materials.

(B) Coal bed methane facilities shall also be reviewed for general consistency with the standards and policies set forth in the following documents:

- (1) Borough land use regulations;
- (2) The Borough Comprehensive Plan;
- (3) Plans and regulations of municipalities in the Borough, if applicable;
- (4) Other applicable local, Borough, state and federal plans, policies and regulations.

17.XX.060. DURATION, MODIFICATIONS AND PREEXISTING USES.

(A) Approval granted for coal bed methane exploration and development and production activities shall expire or be considered revoked if such activities are not initiated within one year of the date of approval.

(B) Where an exploration or development and production permit has been approved and the applicant desires to modify the subject permit by changes to equipment, site layout, well spacing, approved emergency response plan, etc., an amendment to the original application shall be required if the level of impact will be increased as a result of the modification.

- (1) The activity described in the amendment

shall be granted by the Planning Director if it complies with the standards and conditions of this Chapter.

(2) Modifications which the applicant determines in good faith are required in order for the exploration or development and production activities to continue operating in a safe manner and which must be done immediately in order to maintain the existing level of production or operation, may be done on an emergency basis, without prior notice or approval by planning, provided that such modifications do not include the addition of equipment or operations.

(3) The applicant shall provide the Planning Director with notification of such emergency modifications by filing a written amendment to the application, specifying the modifications made, within one week of their completion.

(C) This Chapter shall become effective on the date specified in the ordinance adopted by the Borough Assembly. The provisions of this Chapter shall apply to all facilities for which construction has not commenced or a permit has not been issued as of the effective date. This Chapter shall apply to all facilities for which A.O.G.C.C. approval has not been obtained as of the effective date. All uses completed prior to the date of Assembly adoption shall be considered nonconforming uses.

17.XX.070. CONSTRUCTION OR INSTALLATION OF UNAPPROVED  
COAL BED METHANE FACILITIES.

(A) It is unlawful to construct, install, or cause to be constructed or installed, any coal bed methane facility within the Borough, unless prior approval has been granted by Planning Commission.

17.XX.080. PENALTY.

(A) Any person, firm, corporation or legal entity which owns, leases or operates a coal bed methane facility, and which constructs, installs or uses, or which causes to be constructed, installed or used without first receiving approval from Planning Commission shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than \$500.00 per day for each day operated in non-compliance with this chapter.

17.XX.090. CIVIL ACTION.

(A) In case any coal bed methane facility is or is proposed to be erected, constructed, reconstructed, altered or used, or any land is proposed to be used, in violation of any provision of this Chapter, the Borough attorney, in addition to the other remedies provided by law, ordinance or resolution, may institute an injunction, mandamus, abatement or other appropriate action or proceeding to prevent, enjoin, abate or remove such unlawful erection, construction, reconstruction,

alteration or use.

17.XX.100. LIABILITY INSURANCE.

(A) For any coal bed methane facility permitted under this Chapter, the applicant shall submit a certificate of insurance to the Planning Director, showing that a policy of comprehensive general liability insurance or a self-insurance program approved by the Alaska Insurance Commission, in the amount of no less than \$5,000,000 per occurrence, insuring the applicant against all claims or causes of action made against the applicant for damages arising out of the drilling, maintenance, operation or other work done with respect to such proposed facilities.

(B) The policy shall be written by a company authorized to do business in Alaska, unless the applicant is self-insured. The certificate shall require at least 30 days notice to the Borough prior to termination of coverage for any reason. If the insurance policy lapses or becomes void for any reason whatsoever, the Borough permit shall cease to be valid until a new insurance certificate is provided and filed with the Director of Planning and Land Use Department. All approved or related activity shall cease, consistent with safety considerations, until the applicant provides evidence that insurance coverage in the prescribed amount is in

effect.

17.XX.110. PERFORMANCE SECURITY.

(A) The applicant shall provide one form of the following security to ensure compliance with mitigation requirements set forth in this Chapter and specific conditions of approval for facilities: \$20,000.00 performance bond for each facility; \$500,000.00 Borough wide blanket bond for all facilities operated by the applicant within the Borough; irrevocable letter of credit; or equivalent financial security acceptable to the Borough. Conditions of approval covered by this performance security shall consist of mitigation measures addressing specific impacts affecting the general public and/or adjacent landowners by the applicable performance standards contained in this section. Reclamation activities which fall under A.O.G.C.C. jurisdiction are exempted from this performance security coverage.

17.XX.120. RIGHT TO ENTER.

(A) For the purpose of implementing and enforcing this Chapter, Borough personnel may enter onto subject property upon telephonic, facsimile, or other electronic notification of the permittee, lessee or other party holding a legal interest in the property; if such entry is denied, the Borough shall have the right to obtain an order from a court of competent jurisdiction to obtain

entry.

17.XX.130. EMERGENCY RESPONSE PLAN REQUIRED.

(A) Each operator with coal bed methane facilities in the Borough is required to provide the Borough with a written emergency response plan as part of the permit application. No applications for exploration or development and production permits shall be considered complete until the operator has provided such plan to the Borough.

(B) Upon approval by the Borough Director of Emergency Services, the plan shall be filed with the Borough and updated on an annual basis or as conditions change (responsible field personnel change, ownership changes, etc.). Failure to provide an annual update to the emergency response plan is cause of revocation of approved condition use permit(s).

(C) The emergency response plan shall consist of the following information, at a minimum:

(1) Name, address and phone number, including an emergency number of at least two persons responsible for emergency field operations who are available 24 hours a day, seven days a week.

(2) An as-built facilities map showing the name, location and description of all facilities, including the size and type of all pipelines.

(3) Provide a written emergency response plan for the potential emergencies that may be associated with the operation of the facilities. The emergency response plan shall identify procedures for addressing all of the following: explosions, fires, gas or water pipeline leaks or ruptures, hydrogen sulfide or other toxic gas emissions, or hazardous material accidents or spills. The emergency response plan shall also include provisions for notifying the Borough and State of Alaska Fire Marshall of all emergencies.

**17.XX.140. ARCHAEOLOGICAL AND HISTORIC PRESERVATION PLAN REQUIRED.**

(A) Each applicant for an exploration and/or development and production conditional permit application under this chapter is required to provide an archaeological and historic preservation plan. No conditional use permit application(s) for coal bed methane exploration or development and production conditional use permit(s) shall be considered complete until the operator has provided such plan to the Borough.

(B) The plan shall identify sites of archeological and historic importance and identify proposed actions to eliminate, reduce, or mitigate disturbance to such sites.

A copy of the archeological and historic preservation plan shall be filed with State Historic Preservation

Officer for review and comment and all comments received shall be made a part of the conditional use permit application file under this chapter.

**17.XX.150. FISH AND WILDLIFE MITIGATION PLAN REQUIRED.**

(A) Each applicant for an exploration or development and production conditional permit application under this chapter is required to provide a fish and wildlife mitigation plan. No conditional use permit application(s) for coal bed methane exploration or development and production conditional use permit(s) shall be considered complete until the operator has provided such plan to the Borough.

(B) The plan shall identify areas of fish and wildlife habitat and wildlife migration routes and identify proposed actions to eliminate, reduce, or mitigate disturbance to such areas. A copy of the fish and wildlife mitigation plan shall be filed with State of Alaska Department of Fish and Game and the United States Fish and Wildlife Service for review and comment. All comments received from these agencies shall be made a part of the conditional use permit application file under this chapter.

**17.XX.160. GROUNDWATER AND SURFACE WATER MONITORING PLAN REQUIRED.**

(A) Each operator with exploration or resource development activities or facilities in the Borough is required to provide a groundwater and surface water monitoring plan. No conditional use permit application(s) for coal bed methane exploration or development and production conditional use permit(s) shall be considered complete until the operator has provided such plan to the Borough.

(B) The plan shall be filed with the Borough and updated on an annual basis or as conditions change (responsible field personnel change, ownership changes, monitoring modifications, etc.). Failure to provide an annual update shall be cause for permit revocation.

(C) The plan shall consist of the following information, at a minimum:

(1) Name, address and phone number, including an emergency number of at least two persons responsible for water monitoring field operations who are available 24 hours a day, seven days a week.

(2) An as-built facilities map showing the name, location and description of all facilities, including the size and type of all pipelines.

(3) Provide a written groundwater and surface water monitoring plan for the monitoring of the groundwater and surface water supplies that may be

affected by the operation of the coal bed methane exploration, development, or distribution facilities. This shall include the effects, if any, of the following: explosions, fracturing, fracturing fluids, waste handling and storage, fires, gas or water pipeline leaks or ruptures, hydrogen sulfide or other toxic gas emissions, or hazardous material vehicle accidents or spills.

(4) Undertake testing of groundwater supplies through the use of groundwater monitoring wells and undertake and provide copies of all water monitoring test results to the Borough. Such tests shall occur no less than once a month at each site and shall monitor for all materials introduced by the coal bed methane exploration, development, production, and distribution activities, including but not limited to fracturing fluids and drilling muds.

**17.XX.170. MASTER PLAN REQUIRED.**

(A) Each operator with coal bed methane facilities in the Borough is required to provide a master plan for development and production activities. No applications for a conditional use permit for development and production shall be considered complete until the operator has provided such plans to the Borough.

(B) The master plan is to provide the Borough with an understanding of the total amount of development that

is likely to occur during development and production of coal bed methane resources. The master plan is also to provide an understanding of the cumulative effects and impacts of the proposed development and production activities.

(C) The master plan shall be filed with the Borough and updated on an annual basis or as conditions change (responsible field personnel change, ownership changes, etc.). Failure to provide an updated master plan on an annual basis is cause for revocation of any exploration, development, or production permit.

(D) The master plan shall consist of the following information, at a minimum:

(1) Name, address, and phone number, including a 24-hour emergency number, for the individual responsible for the overall management of all permitted and proposed activities;

(2) Name, address, and phone number, including a 24-hour emergency number, for the individual responsible for the overall emergency response;

(3) An as-built facilities map showing the location and description of all proposed facilities;

(4) A map depicting all earthquake faults within the area where proposed exploration or development and production facilities are to be located and a

narrative statement describing those actions and activities, if any, that will be undertaken to reduce the negative impacts and hazards associated with developing coal bed methane exploration and development and production facilities in earthquake zones.

(5) The plan shall describe the propose plans for additional exploration and ongoing development and production activities including the proposed number of wells and their location, well spacing distances for all wells, identification of wells by type(e.g., core drilling, water injection, etc.), location of all access roads and points of access, methods and sites for waste disposal handling and storage, proposed method and location of the distribution system, groundwater protection efforts, water injection systems and sites, location and building size of all compressor stations, location of all collection systems and pipelines, and location and construction standards of all roads, driveways, and points of access and egress.

(6) The type, ingredients, and amounts of all fracturing fluids and drilling muds used in exploration and development activities.

(7) The plan shall describe those actions that will be taken to protect sites of archaeological and historic preservation importance.

(8) The plan shall describe those actions that will be taken to protect fish and wildlife, fish and wildlife habitat, and fish and wildlife migration routes.

(9) The plan shall describe those actions that will be taken to protect groundwater and surface water supplies with particular attention paid to anadromous streams, drinking water supplies and recreational use of surface waters. A watershed approach should be used to describe how groundwater and surface water supplies will be addressed as part of the proposed coal bed methane activities.

#### 17.XX.180 SURFACE USE AGREEMENT REQUIREMENT

(A) Each operator with coal bed methane facilities in the Borough is required to enter into, to the extent practical and feasible, a surface use agreement with all property owners where coal bed methane exploration, development and distribution systems are located. The surface use agreement shall, at a minimum, consist of the following:

(1) An access agreement between the lessee and landowner that establishes access rights, compensation rates, maintenance responsibility, and liabilities.

(2) A water well mitigation agreement that establishes water quality measures, monitoring, and mitigation procedures that protect the surface property

owners existing water wells.

(3) A contract between the lessee and the landowner that provides for compensation to the landowner for damages as a result of exploration or development activities. Damages include but are not limited to:

(a) Loss of privacy,

(b) Noise from compressor stations, screw compressors, generators, wells or other coal bed methane facilities.

(c) Lower property values resulting from land encumbrances or easements resulting from exploration or operations.

(d) Damages from water discharged to the surface.

(e) Water damage to adjoining property.

(f) Soil erosion

(g) Noxious weeds

(h) Damage from construction of gas gathering pipelines, and electrical stations

(i) Damage from construction of well heads, pumps and compressor stations resulting in increased noise and exhaust emissions.

(j) Damage resulting from storage of construction materials.

(k) Loss of established well capacity or depth for the surface property owner resulting from exploration or operational drilling.

(l) Loss of domestic or farm animals resulting from damage to fences.

(m) Litter

(n) Fire damage from construction or operation of the facility.

(o) Damage as a result of contamination from discharge of hazardous materials and/or hazardous substances.

(p) Damage to the surface property owner's property due to trespass or vandalism associated with improperly or negligently operated, monitored, or managed coal bed methane facilities.

17.XX.190. REVIEW OF APPLICATIONS; ACTION BY PLANNING COMMISSION

(A) The Planning Director shall review such applications and forward a recommendation for approval, conditional approval, or denial with appropriate findings

to the Planning Commission for final action. Final actions of the Planning Commission shall contain appropriate findings based upon evidence in the record before the Planning Commission.

**17.XX.200. APPLICATION; SUBMITTAL PROCEDURE.**

(A) The application shall consist of all items identified in section 17.XX.040. Prior to formal submittal of the application, the Planning Director shall meet with the applicant to discuss and identify any additional information required to adequately review the proposed facility.

**17.XX.210. DETERMINATION OF COMPLETENESS.**

(A) The Planning Director will review the application for completeness. If the Director determines the application is complete, the Planning Commission will commence project review as described in sections 17.XX.040, 17.XX.050 and 17.XX.240. If the application is incomplete, the applicant will be notified of the deficiency and the application shall be withdrawn from the review process until the required information is submitted.

(B) The Planning Commission shall conduct a noticed public meeting for review of the proposed facility.

**17.XX.220. PUBLIC NOTICE.**

(A) A legal notice of the public meeting before the

Planning Commission shall be published in a newspaper of general circulation within the Borough not less than 30 days prior to the public meeting and written notice shall be given individually to the following:

(1) The owners, as recorded in the records of the Borough, of any land adjacent to or located within 1,320 feet of any portion of the subject leasehold: such notice to be sent by Planning Director at the applicant's expense.

(2) The public notice of Planning Commission review shall take a form prescribed by Planning Director and shall include the following:

(a) A description of the location (including a legal and practical location description), applicant/operator and proposed activity under review.

(b) Time and place of the commission's public meeting.

(c) The name and address of the applicant or designated agent and a statement that additional information may be obtained from the Planning Director.

**17.XX.230. NOTICE UPON REQUEST.**

(A) Notice shall be sent to any other person, agency or organization that has filed a request with Planning Director to receive notice of facilities undergoing public review; such notice to be sent by Planning

Director.

17.XX.240. PERMIT STANDARDS

(A) The Planning Commission decision to approve or deny an application for a coal bed methane permit shall be made and determined based on compliance with the following standards:

(1) The degree of compatibility of the proposed site plan and land uses with established borough plans.

(2) The compatibility of the project and the site design with surrounding buildings, land uses, ownership and physical characteristics;

(3) The adequacy of access to and from the project and the effect on pedestrian and vehicular circulation and safety;

(4) The impact that the proposed project may have on the need and availability of public services within the area;

(5) The sensitivity of the project to its site conditions and environmental setting;

(6) The impact of noise, fumes and dust associated with the project;

(7) The adequacy of the utility plans and the effect of the project on reasonable and economic extension of public utilities and facilities;

(8) The effect of the proposed project on property values of adjacent lands.

(9) The effect of the proposed project on groundwater and surface water quantity and quality.

(10) The effect of the proposed project on public health, safety and welfare.

(11) The effect of the proposed project on fish and wildlife, fish and wildlife habitat, and fish and wildlife migration routes.

(B) All standards contained in this chapter are minimum standards. More restrictive conditions may be imposed by the Planning Commission where necessary to ensure compliance with the comprehensive development plan, to protect the public health, safety, or welfare, or the purpose and intent of the zoning regulations.

(C) The Planning Commission shall apply the following criteria to the evidence in the record of proceedings as a basis for decision:

(1) The demonstrated need for the facility, in the location proposed, to serve the applicant's existing and projected coal bed methane exploration, and/or development and production requirements.

(2) Suitability of the location of the proposed facility given its size, design and operational characteristics. Factors to be considered include noise

levels, impacts upon air and water quality, vibration and odor levels, fire protection and access requirements, visual impacts, wildlife impacts and public safety. These factors will be evaluated in accordance with applicable state, Borough and federal standards and criteria.

(3) Existing and proposed road alignment, intersections, condition, structure and site distances; traffic volumes and types of equipment; dust control; and existing road uses.

(4) Topography, natural hazards (landslides, earthquakes, flooding, and wildfire), current resource values open space corridors, prime farmland (as designated by Soil Conservation Service) and wildlife habitat.

(5) Compatibility with existing and projected future uses based upon present subdivision and land use approvals for properties located within the surrounding affected area. A facility's compatibility with land uses in the surrounding area shall include the effect of the proposed coal bed methane facilities on community development, established residential areas, recreational uses, environmental quality, groundwater and surface water supplies and quality, fish and wildlife, fish and wildlife habitat and migrations routes.

(6) The Planning Commission shall consider the

facility's estimated or projected ability to mitigate the impacts which it generates, as set forth in the facility operational plan, and in accordance with applicable Borough, state and federal rules, regulations and standards.

(D) The Planning Commission decision shall be based upon evidence in the record. Following the conclusion of the public hearing, a written resolution shall be adopted as its decision on the application. The resolution shall set forth findings based upon evidence in the record of proceedings before the Planning Commission and any applicable federal, state or Borough statutes, rules, regulations or policies. For the purposes of judicial review, the Planning Commission decision on an application shall be deemed to have been made as of the date upon which the Planning Commission executes the written resolution.

**17.XX.250 APPEALS OF PLANNING COMMISSION DECISIONS.**

(A) Appeals from a decision of the Planning Commission shall be made to the Board of Adjustments and Appeals in accordance with MSB 15.39

**17.XX.260 APPEALS OF ENFORCEMENT ACTIONS.**

(A) Appeals from an enforcement action(s) of a Borough administrative unit shall be heard by an administrative hearing officer, in accordance with MSB

02.39.

17.XX.270 COMPLIANCE.

(A) All coal bed methane facilities must comply with the standards contained in this section. Failure to comply with this section shall be grounds for denial.

17.XX.280 LAND USE STANDARDS.

(A) Coal bed methane wellheads are restricted to a minimum spacing of 360 acres.

(B) Minimum setbacks are as follows:

(1) A setback of at least 1,320 feet shall be required between the site perimeter of a facility and the closest existing residential structure, unless notarized written consent is obtained from the affected surface property owner(s) to a waiver of this standard.

(2) A setback of at least 1,320 feet shall be required between the site perimeter of a facility and the closest platted subdivision lot line, unless verified written consent is obtained from the affected property owner(s).

(3) Setbacks between a facility and the closest existing residence or platted subdivision lot line shall be determined on a site specific basis, based on the review criteria identified in section 17.XX.240(C).

(4) A setback of at least 1,320 feet from all

water bodies containing anadromous fish.

(5) A setback of at least 1,320 feet from any educational facility.

(6) A setback of at least 600 feet from any water body.

(7) A setback of at least 1,320 feet from any conservation easement that restricts the subject property from development.

(8) A setback of at least 1,320 feet from any state licensed hospital, residential treatment center or psychiatric facility.

(9) A setback of 1,320 feet from any religious facility including churches, synagogues, or other places of worship.

(C) Residential Area Prohibitions:

(1) Coal bed methane exploration and development facilities shall not be located within residential areas having one (1) or more dwelling units per acre.

(2) Facilities shall not be located in platted residential subdivisions containing any lots of five acres or less.

(D) Sound mitigation measures shall include:

(1) The exhaust and other emissions from all engines, motors, coolers, compressors, and other

mechanized equipment shall be vented in a direction away from the closest existing residences or platted subdivision lots.

(2) All facilities with engines or motors which are not electrically operated shall be equipped with quiet design mufflers (also referred to as hospital grade or dual dissipative) or equivalent. Such equipment mufflers shall be properly installed and maintained in proper working order.

(3) All mechanized equipment associated with facilities shall be anchored so as to minimize transmission of vibration through the ground.

(4) Coal bed methane facilities shall be located outside of a designated quiet zone.

(5) The maximum sound level as measured at the property line of the coal bed methane facility shall be no higher than 55dba.

(E) Safety standards shall include at a minimum:

(1) Security fencing and a locked gate for facilities sufficient to reduce the likelihood of the facilities becoming attractive nuisances is required at all exploration and development sites.

(2) Safety practices generally accepted by the coal bed methane industry shall be used at all times during drilling and production to minimize the danger to

the general public.

(3) Open-ended discharge valves on all storage tanks, pipelines and other containers shall be secured where the facility site is unattended or accessible to the general public.

(4) All land within 25 feet of any tank, pit or other structure containing flammable or combustible materials shall be kept free of dry weeds, grass or rubbish.

(5) Where the applicant's visual mitigation plan specifies alternative security fencing, the alternative fencing shall apply.

(f) No exploration or development facility shall be located on property that is subject to a conservation easement that restricts the property to development.

#### 17.XX.290. ENVIRONMENTAL QUALITY STANDARDS.

(A) Recognizing the need to avoid operational conflicts, yet recognizing the rights of surface owners, the right of the Borough to determine land uses and the right of the mineral estate to extract minerals, the following criteria shall be used in siting coal bed methane facilities on private property:

(1) The siting of a facility shall adhere to the standards outlined in this section to the maximum extent practical,

(2) The standards in this code shall not cause the operator to site the facility in:

(a) geologic hazard areas,

(b) an area with slopes exceeding 30 percent;

(c) an area of wetlands under the jurisdiction of the U.S. Army Corps of Engineers;

(d) an area within a floodway of a stream or river as shown on the Flood Insurance Rate Maps (FIRM) or as determined by a state licensed professional engineer.

(B) The Planning Commission shall determine the compliance of the proposal using the following standards. Where conflicts between standards occur the more restrictive standard will be used:

(1) Facilities shall be sited to minimize the impact to existing residences, commercial structures, public buildings, and Borough approved platted building envelopes.

(2) Facilities shall be constructed using existing infrastructure. This includes, but is not limited to, the use of existing roads, pipeline routes, and well pads.

(3) Facilities shall be sited to minimize the impact to agricultural operations.

(4) Facilities shall be sited in areas that maximize the amount of natural screening available for the facility. Natural screening includes, but is not limited to, the use of existing vegetation as a background, the construction of the facility near mature stands of vegetation, the construction of the facility in canyons or behind ridges and natural rock formations.

(5) Facilities shall be sited at the base of slopes to provide a background of topography and/or natural cover.

(6) Facilities shall be sited to avoid crossing hills and ridges or silhouetting.

(7) Facilities shall be sited in order to minimize the amount of cut and fill needed to construct the facility.

(8) Facilities shall be sited away from prominent natural features such as distinctive rock and land forms, vegetative patterns, river crossings and other landmarks.

(9) Facilities shall be located to avoid or minimize impacts to archaeological sites and properties of historic significance.

(10) Facilities shall be located, developed, and operated to avoid or minimize negative impacts to groundwater and surface water supplies.

(11) Facilities shall be located, developed, and operated to avoid or minimize negative impacts to fish and wildlife, fish and wildlife habitat, and fish and wildlife migration routes.

(12) The provisions of any existing surface use agreement should be taken into consideration regarding the siting of a facility.

(C) A visual mitigation plan shall be required for all facilities. The plan shall incorporate the appropriate design elements of this section. The requirement for a visual mitigation plan may be waived by the Planning Director if a plan is deemed unnecessary. The visual mitigation plan minimum requirements are as follows:

- (1) Scaled drawing.
- (2) Site boundary dimensions and descriptions.
- (3) Existing and proposed contours and pad elevations.
- (4) Existing conditions and site features that incorporate and surround such site to be developed.
- (5) Existing and proposed access.
- (6) Cross section of existing and proposed contours, if applicable.

- (7) Orientation and dimensions of facilities (pump jacks, buildings, etc.).
- (8) Description of existing and proposed vegetation.
- (9) Location, height and extent of perimeter berms, if applicable.
- (10) Type, location and amount of mulch materials, if applicable.
- (11) Type, location and height of fencing, if applicable.
- (12) Delineate drainage and runoff patterns and mitigation.
- (13) Direction and type of lighting, if applicable.
- (14) Written maintenance plan for at least one year after revegetation.
- (15) Title block:
  - (a) Name of development;
  - (b) Name of applicant or developers;
  - (c) Project number;
  - (e) Date of preparation; and
  - (f) Section, township and range.
- (16) Vicinity map:
  - (a) Major roads, adjacent subdivisions and town boundaries;

(b) Section, township and range; and

(c) Rivers, streams, ponds and

wetlands.

(17) For sites requiring a visual mitigation plan, performance security shall remain in place for at least one year after installation of the plant and landscape materials. The performance security shall be of an amount sufficient to cover the costs of the proposed improvements or the amount required by section 17.XX.110, whichever is greater.

(D) To the maximum extent possible, the applicant shall use structures of minimal size to satisfy present and future functional requirements.

(E) When clearing trees and vegetation for construction of facilities, the applicant shall feather and thin edges of vegetation while keeping overall clearing to a minimum.

(F) The applicant shall replace earth adjacent to water crossings at slopes less than the natural angle of repose for the soil type of the site.

(G) To the maximum extent possible, the applicant shall align access roads to follow existing grades and minimize cuts and fills.

(H) Facilities shall be painted as follows:

(1) Uniform, non-contrasting, non-reflective

color tones, similar to Munsell Soil Color coding system.

(2) Color matched to land, not sky, slightly darker than adjacent landscape.

(I) The applicant shall minimize damage to existing trees and vegetation.

(J) Pad dimensions shall be the minimum size necessary to provide a safe work area and minimize surface disturbance.

(K) Within six months after well completion, the pad area (except the main access road and the immediate areas within 25 feet of the aboveground facilities) shall be reseeded with native grasses or existing vegetation acceptable to the surface owner.

(L) One or more of the following landscape practices shall be applied, on a site specific basis:

(1) Establishment of berms, ground covers, shrubs and trees. Vegetation clusters shall be placed 10-15 feet apart along the edge of the permanent pad site.

(2) Shaping cuts and fills to appear as natural forms.

(3) Cutting rock areas to create irregular forms.

(4) Designing the facility to utilize natural screens.

(5) Construction of fences such as woven wood or rock for use with or instead of landscaping.

(M) Exterior lighting, when required, shall be directed away from residential areas and the evening sky, or effectively shielded from such areas.

(N) The applicant shall consult with the appropriate state and federal wildlife management agencies to obtain recommendations for appropriate site specific and cumulative impact mitigation procedures. Facility and cumulative impact recommendations shall be submitted for review and approval by the Planning Director.

(1) The following mitigation measures shall be included as appropriate in the site specific wildlife mitigation procedures required under section, as appropriate:

(a) Avoid conducting drilling and construction activities during critical use periods.

(b) Avoid conducting onsite operation and maintenance activities during critical use hours.

(c) Confine vehicular access to established roads except under emergency circumstances.

(d) Forbid use of firearms in project areas.

(e) Install gates which can be locked at

the first property boundary crossed when accessing a facility from the closest public road.

(f) Conduct work in streams in a manner that eliminates or minimizes siltation and erosion and at a period of little or no flow.

(g) Place all pipe below the channel scour depths in streams and rivers to avoid partial diversion or channel discharges.

(h) Stabilize excess material at stream and river crossings in place or remove off the site.

(i) Complete the fueling and lubrication of construction equipment away from aquatic environments.

(2) In lieu of a site specific mitigation review for each facility, the applicant may submit to planning a multisite plan addressing cumulative impacts to fish and wildlife from the estimated total number of facilities. The multisite plan shall include, but not be limited to, all items under subsection 62.150 of this chapter.

(O) If fresh water is required for facility operation, the applicant shall identify the proposed source of such water.

(1) Onsite containment and disposal of water associated with the facility shall be in accordance with any applicable federal and state requirements.

(P) Facilities shall not be located in geologic hazard areas.

(Q) Facilities shall comply with the adopted Borough floodplain ordinance when they are located in a 100-year floodplain area.

**17.XX.300. SURFACE DISTURBANCE STANDARDS.**

(A) The purpose of this section is to encourage minimal damage to surface activities and surface conditions.

(B) Facilities shall be located so as to use only as much of the surface as is reasonably necessary for the operation of the facility and to avoid the unreasonable loss of agricultural land. This standard may be waived if verified written consent is obtained from the surface owner.

(C) Installation of facilities which are accessible by non-maintained roads included in the Borough road system, which the Borough engineer determines are inadequate to safely accommodate the additional traffic associated with the operation of the facility, shall be permitted only if such roads are improved and maintained by the applicant to a level which the Borough engineer determines is necessary to allow such traffic to use such roads in accordance with applicable state and Borough standards.

(D) When a facility becomes operational, all construction-related debris and slash shall be removed from the site. The site shall be maintained free of debris and excess materials at all times during operation.

(E) No burning of trash shall occur on the site without prior notice to the surface owner and fire district. All burning of trash shall be done within a container such as a wire cage or excavated pit covered with wire.

(F) The applicant shall be responsible for ongoing facility sites and access road weed and noxious weed control during construction and operation of the facility, until abandonment is filed with the A.O.G.C.C. All weed control shall be performed by mechanical means and shall not include the use of pesticides.

(G) Upon abandonment of the site, as defined by the A.O.G.C.C. reclamation shall be conducted in accordance with A.O.G.C.C regulations.

#### 17.XX.310. DEFINITIONS.

The following words, terms and phrases, when used in this Chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- "Abandonment" means that the presumption of permanent abandonment of a well based on the operator's filing with the A.O.G.C.C. Presumption of permanent abandonment of a major facility shall be based upon nonuse for one year without notification of the intent to resume operations.

- "A.O.G.C.C" means the Alaska Oil and Gas Conservation Commission.

- "Agricultural" means currently in use for farm or ranch purposes, including pasture.

- "Applicant" means that person, corporation or other legal entity possessing the legal right to develop the mineral resource or any other use proposed in connection thereof for the site in question; generally, the applicant will be the owner or lessee of the mineral estate.

- "Collection line" means a pipeline to a well designed to collect produced or wastewater and transport it to a central disposal area (evaporation pit or injection well).

- "Compatible" means able to exist or act together harmoniously, considering noise levels, odors, potential fire hazard, visual impacts, effects to surface water and groundwater quality/quantity, adequacy of the

road system, air quality fish and wildlife, character of residential areas and surrounding land uses.

- "Compressor station" means an installation consisting of one or more individual compressors, located on a gathering or transmission line, or both.

- "Corridor" means the route within which a pipeline right-of-way is located.

- "Critical use hours" means that time of day when disturbance is most likely to increase stress to and negatively impact wildlife.

- "Critical use period" means that portion of the year (weeks or months) when disturbance is most likely to increase stress to and negatively impact wildlife.

- "Designated agent" means an agent designated by the owner or lessee, as defined by the A.O.G.C.C

- "Developable" means land for residential purposes if it does not have slopes exceeding 30 percent, and is not located within a geologic hazard area, federally defined floodway, drainage channel or wetland area greater than one acre. (See Residential.)

- "Easement" means authorization by a property owner for the use of a designated portion of his property by another, for a specified purpose.

- "Exploration" means all activities associated with the identification of coal bed methane sources, quantities, and preferred methods of production.
- "Evaporation" pit means an excavated pit used for storing and evaporating wastewater produced in degasification activities, during drilling or production, or both, sometimes lined.
- "Development" and Production means all activities associated with the extraction, collection, compression, distribution, and transportation of coal bed methane.
- "Gas well" means a well having a pressure and volume of natural gas; specifically, producing methane, often in combination with a variety of other substances such as butane, propane and carbon dioxide.
- "Gathering system" means a system consisting of well (or gathering), lateral, and trunk pipelines transporting oil, gas or other products derived from coal bed methane production to a central facility or transmission line, and so classified under the DOT regulations. For the purposes of this chapter a gathering systems is synonymous with collection and distribution systems.

- "Lessee" means the individual or firm leasing mineral rights for development purposes from the owner. The lessee may also be the permittee, for the purposes of this Chapter.

- "Master Plan" means a plan that describes the complete build-out (consisting of all phases) and the associated cumulative impacts of the exploration and/or development and production stages of coal bed methane development including all phases.

- "Methane facilities" means:

- o An individual well site built and operated to produce petroleum and/or natural gas (methane), including auxiliary equipment required for such production, i.e., separators, dehydrators, pumping units, tank batteries, and other equipment.

- o Gas gathering lines and water collection lines serving coal bed methane facilities, including trunk and lateral lines, shall not be subject to the setback standards required for such facilities, but shall comply with other applicable standards in this Chapter.

- o Facilities associated with gas gathering lines and water collection lines, such as: drip stations, vent stations, pigging facilities, chemical injection stations, transfer pump stations and valve box, which

comply with all applicable standards and requirements in this Chapter.

- o An individual well head compression and multiple well compression facility which complies with all applicable standards and requirements in this Chapter.

- o Storage yards or construction staging areas occupying one acre or less, and which comply with all applicable standards.

- o Gas treating facilities which serve multiple wells or gathering systems.

- o Pipelines for which the power of eminent domain is available.

- "Multiple completion well" means a well equipped to produce oil and/or gas separately from more than one reservoir.

- "Nuisance" means a facility which is not being constructed, operated or installed in substantial compliance with the regulations of this Chapter and any applicable conditions of approval and as to which the applicant has failed or refused to abate, correct or discontinue the violation of this Chapter after being ordered to do so by the Planning Commission.

- "Operating plan" means a general description of all associated coal bed methane facilities identifying

purpose, use, typical staffing pattern, seasonal or periodic considerations, routine hours of operating, source of services/infrastructure, and any other information related to regular functioning of that facility.

- "Operator" means that individual or firm engaged in all or a portion of the extraction operations at a well or other facility; usually the lessee of the mineral estate, although day-to-day operations may be contracted to another firm.

- "Platted subdivision lot" means any lot created pursuant to state law, which has been recorded with the state.

- "Pollution" means the contamination or other degradation of the physical, chemical or biological properties of water or air, including change in temperature, taste, color, turbidity or odor, or such discharge of any liquid, gaseous, solid, radioactive or other substance into water or air as will or is likely to create a nuisance or render such water or air harmful, detrimental or injurious to public health, safety or welfare, or to domestic, commercial, industrial, agricultural, recreational or other beneficial uses, or to livestock, wild animals, birds, fish or other aquatic life.

- "Producing (in production)" means the development stage in which marketable coal bed methane are extracted from a well; may also signify the extraction level at which the quantitative terms of the lease are fulfilled.

- "Quiet zone" means the area within one-half mile of a school, hospital, institution of learning, court, rest home or other designated area where exceptional quiet is necessary, while such places are in use.

- "Residential" means having an existing residence or platted subdivision lot.

- "Security fencing" means a six-foot chain link fence topped by three strands of barbed wire, or the equivalent, with a gate that can be secured.

- "Spacing" means acreage dedicated to each well producing from the same formation.

- "Transmission line" means a pipeline transporting oil, natural gas or any other products derived from coal bed methane production, which is defined as a transmission line by the Department of Transportation regulations under the Natural Gas Pipeline Safety Act of 1968, as amended.

Section 3. Effective date. This ordinance shall take effect

upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day  
of -, 2004.

TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:

SANDRA A. DILLON, Borough Clerk

(SEAL)

HB

546



## RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

April 5, 2004

Representative Nancy Dahlstrom  
Co-Chair, House Resources Committee  
Alaska State Legislature  
State Capitol, Room 128  
Juneau, Alaska 99801-1182

Re: HB 546 — Pollution Discharge & Waste Treatment/Disposal

Dear Representative Dahlstrom:

On behalf of the Resource Development Council for Alaska, Inc. (RDC), I am writing to express our support for HB 546 — Pollution Discharge & Waste Treatment/Disposal.

RDC is a statewide non-profit business association representing companies from all of Alaska's basic industries — timber, tourism, fisheries, oil and gas and mining. Our membership also includes Native regional and village corporations, organized labor, local communities and industry-support firms. For nearly thirty years we have worked to expand Alaska's economy through the responsible development of the state's natural resources.

Over the past few months we have worked closely with both the Department of Environmental Conservation (DEC) and our members in the timber industry to determine how best to move forward with state primacy over National Pollution Discharge Elimination System (NPDES) permits. While 45 other states administer NPDES permits within their respective boundaries, the cost and complexity of the program have kept Alaska from following suit.

By creating a pilot-program for the timber industry, HB 546 will provide DEC with valuable expertise in administering NPDES permits. Only with this experience will the department and the regulated community truly understand the issues involved with state assumption of the entire NPDES program. A sector-specific program is an important incremental step toward future state assumption of the entire program.

HB 546 is a bill that deserves your full support and one that we urge the committee to pass. Thank you for considering our position on this important and forward-looking piece of legislation. Feel free to contact me with any questions.

Sincerely,

RESOURCE DEVELOPMENT COUNCIL  
for Alaska, Inc.

Tadd Owens  
Executive Director

## DEPARTMENT OF ENVIRONMENTAL CONSERVATION

### HB 546/SB 378

## PARTIAL NPDES PRIMACY FOR TIMBER-RELATED WASTEWATER DISCHARGES

SB 378 and HB 546 instruct DEC to seek primacy for permitting timber-related waste discharges under the federal National Pollutant Discharge Elimination System (NPDES) discharge permitting program. Upon approval, the Alaska Department of Environmental Conservation (DEC), and not the U.S. Environmental Protection Agency (EPA), would issue discharge permits for the timber industry sector in Alaska.

### The NPDES Program

The NPDES wastewater discharge permit program is established under Section 402 of the Clean Water Act (CWA). In Alaska, major industries with NPDES permits include timber, seafood, mining, and oil and gas. Municipal sewage treatment facilities also require NPDES permits. The CWA envisions that each state will seek primacy for the program and tailor it to the state's individual needs. Alaska is among only five states that have not yet sought primacy.

### Partial Primacy

While primacy for the entire NPDES program is the norm, states have the option of seeking partial primacy for one or more specific industry sectors. Under a partial primacy arrangement, the state issues permits and conducts monitoring and compliance activities for the sector. EPA retains oversight authority. The Alaska water quality standards serve as the basis for all NPDES permits regardless of whether the EPA or the State implements the program.

### Timber Sector Wastewater Discharges

NPDES permitting of timber sector discharges primarily focuses on permitting log transfer facilities.

- 98 log transfer facilities are eligible to be covered under an NPDES General Permit that governs the discharge of bark and wood waste into the marine environment.
- 98 log transfer facilities are eligible for coverage under the NPDES Multi-Sector General Permit for uplands stormwater management.
- All sawmills are eligible for coverage under the NPDES Multi-Sector General Permit for uplands stormwater management.
- Any new timber facility construction that disturbs greater than one acre is eligible for coverage under the NPDES construction general permit for stormwater management.
- Logging camps with domestic wastewater (approx. 12) require a permit. Most of them fall below the current EPA threshold for minor discharges and are currently issued a state, rather than an NPDES domestic wastewater discharge permit.

### Why the Timber Sector?

The State of Alaska has significant expertise and a significant role in timber sector permitting and compliance activities. Partial primacy for timber-related discharges will provide an opportunity to test state NPDES primacy in a familiar industry sector.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

HB 546/SB 378

PARTIAL NPDES PRIMACY FOR TIMBER-RELATED WASTEWATER DISCHARGES

**Expected Benefits**

*Alaskans Protecting Alaska's Water Resources.* Alaskans should be in charge of protecting Alaska's environment. The State is committed to, and capable of protecting its own resources. Exercising timber sector wastewater permitting authority is an opportunity for the State of Alaska to demonstrate its commitment and competence.

*Rational Rules.* A state timber wastewater discharge permit program will be a part of a broader state program for regulating water quality. The state program will be based on six essential elements of a good regulatory program: unambiguous statutory authority, a documented basis for concern, protective standards, rational regulations, documented compliance, and enforcement.

*Fair, Predictable Enforcement.* A state program will include a coherent system for assessing compliance with permit terms and conditions. Permittees will know exactly what is expected of them. Along with clarity will come higher expectations for compliance and predictable enforcement.

*Efficiency and Timeliness.* With a state-run timber-related discharge permitting program, permit holders can expect their permits to be timely and current.

*Alaskans Accountable to Alaskans.* The mission, priorities, level of effort and performance measures of DEC's regulatory programs are subject to annual review and approval by the State Legislature. Planning and budgeting for a federally run NPDES program does not offer this opportunity for state control.

*Better Access to Rule Makers and Permit Writers.* A state run program will place rule makers and permit writers closer to the Alaskan public and permit holders. No longer will permits be written and enforced by federal staff unfamiliar with the State.

*A Focus on Results, Not Process.* The federal program focuses on consistent federal process instead of site-specific and risk-based results. The state program will focus on results.

**The Costs**

The Department projects a two-year (FY 2005 and FY 2006) effort to complete program development and transition work necessary to apply to EPA for timber sector NPDES primacy. Costs to develop and promulgate regulations, develop permitting procedures, secure legal and technical services, and prepare an application are anticipated at approximately \$400 thousand for each of the two-year development and transition effort. One-time federal grant funds are available to cover approximately one-half of the cost. The balance would be paid for with General Funds. Once the program is operating in FY 2007, annual costs would be about \$130 thousand per year. Permit fees would generate approximately \$30 thousand per year.

March 23, 2004

The Honorable Pete Kott  
Speaker of the House  
Alaska State Legislature  
State Capitol, Room 208  
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill that would allow the State of Alaska to tailor part of its water discharge program to fit state concerns and environmental features. This bill would authorize the State of Alaska to administer National Pollutant Discharge Elimination System (NPDES) permits for the timber industry. Presently, NPDES permitting, compliance, and enforcement decisions are made pursuant to federal law designed to apply generically to all 50 states. The importance and value of assuming primacy is reflected by the fact that 45 other states have assumed primacy from the Environmental Protection Agency (EPA) for administering NPDES permits.

The Department of Environmental Conservation (DEC) has the capacity and experience to successfully implement primacy for the timber industry. DEC regulates a broad universe of technological and water-quality aspects for waste and wastewater disposal activities. These activities include regulation of timber industry discharges such as state certification of NPDES permits for log transfer facilities.

To accommodate NPDES primacy assumption, this bill would amend some existing permit requirements related to application submittals, public notice and comment opportunities, the maximum term of permits, and the causes for termination or modification of an authorization. These amendments would have the added benefit of streamlining and clarifying process requirements, to some extent, for all waste treatment or disposal authorizations.

The bill also includes legislative findings and intent language, to underscore the fact that assuming partial primacy for the NPDES program for a single industry sector might facilitate future assumption of a larger part or all of the NPDES program. A single-sector pilot-project-type program would allow

The Honorable Pete Kott

March 23, 2004

Page 2

the state to expand the current level of expertise and gain valuable experience in administering the program and working to resolve program administration issues with the EPA, which retains oversight authority over state NPDES programs. Because administration of the NPDES program is complex and costly, and assumption of the full program would require DEC to develop additional expertise, it makes sense to take measured steps toward full assumption by beginning with a single industry sector.

I urge your prompt and favorable action on this measure.

Sincerely yours,

Frank H. Murkowski  
Governor

Enclosure

## HB 546 -- Sectional Analysis

### Relating to Regulation of the Discharge of Pollutants From Timber-related Activities

**Section 1.** Provides findings and intent language to lay foundation for assumption of NPDES primacy for timber-related discharges as a single-sector, pilot-project.

**Section 2.** Adds the timber NPDES program to the list of programs for which DEC is given authority in AS 44.46.025(a) to adopt user fee regulations. By operation of existing law in the AS 37.10.058(2)(B) definition of "designated regulatory service," the permits issued under a timber NPDES program would fall into the category of services for which DEC is required to adopt fixed fee regulations and can use negotiated services agreements in the interim until such regulations have been adopted.

**Section 3.** Authorizes assumption of partial NPDES primacy limited to timber-related activities.

**Section 4.** Amends permit application requirement to eliminate conflict with NPDES requirement for submittal of application at least 180 days in advance of planned operation.

**Section 5.** Changes notice requirements to ensure that notice can be given of the availability of a draft permit, instead of requiring publication of notice at the application receipt stage, which may precede permit development by many months. Also changes requirement for two separate publications to a requirement for "at least one," to allow greater flexibility in structuring notice of availability of draft NPDES permits. Makes conforming amendments.

**Section 6.** Clarifies permit duration limit and adds explicit authority for regulations to provide for administrative continuance of expiring permits.

**Section 7.** Amends statutory provisions on termination and modification of waste disposal permits to fill gaps in legal authority needed to satisfy NPDES primacy requirements.

**Section 8.** Extends existing enhanced civil penalty authority to the timber NPDES program.  
(Required for primacy.)

**Section 9.** Extends criminal penalty provisions to the timber NPDES program (required for primacy) and makes conforming changes.

**Section 10.** Extends criminal fine provision authorizing payment of up to \$10,000 for each separate violation to violations of the regulations that would be adopted for the timber NPDES program.  
(Required for primacy.)

**Section 11.** Provides for an immediate effective date to allow work on timber NPDES regulations and other efforts to secure primacy to begin without delay.

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 546  
 (H) Publish Date: 3/25/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Environmental Conservation  
 Title An Act relating to regulation of timber-related RDU Air & Water Quality  
discharges under NPDES Component Water Quality  
 Sponsor Rules Committee  
 Requester Governor Component No. 2062

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	67.0	67.0	67.0	67.0	67.0	67.0
Travel	21.0	21.0	7.0	7.0	7.0	7.0
Contractual	300.9	300.9	56.0	56.0	56.0	56.0
Supplies	3.0	3.0	1.0	1.0	1.0	1.0
Equipment	20.7	4.5	1.5	1.5	1.5	1.5
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>412.6</b>	<b>396.4</b>	<b>132.5</b>	<b>132.5</b>	<b>132.5</b>	<b>132.5</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( 1005 )</b>	<b>0.0</b>	<b>0.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	235.0	235.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	177.6	161.4	102.5	102.5	102.5	102.5
1005 GF/Program Receipts	0.0	0.0	30.0	30.0	30.0	30.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>412.6</b>	<b>396.4</b>	<b>132.5</b>	<b>132.5</b>	<b>132.5</b>	<b>132.5</b>

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time	1	1	1	1	1	1
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

**ANALYSIS:** (Attach a separate page if necessary)

This bill directs the Department of Environmental Conservation to seek authority from the U.S. Environmental Protection Agency (EPA) to implement the federal National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program for timber-related activities. The Department projects a two-year (FY 2005 and FY 2006) effort to complete program development and transition work necessary to apply to EPA for NPDES primacy. With EPA approval, the Department would begin implementing the NPDES program for timber-related activities in FY 2007. The funds to support transition to primacy consist of General Funds and Federal Receipts. A total of \$470.0 in one-time federal grant funds are available to support program development work. The balance of the development and transition costs are General Funds. Upon implementing the program in FY 2007, the Department anticipates annual program receipts of \$30.0.

(continued)

Prepared by: Lynn J. Tomich Kent  
 Division: Air & Water Quality  
 Approved by: Kurt Fredriksson, Deputy Commissioner  
 Agency: Department of Environmental Conservation

Phone (907) 465-5312  
 Date/Time 3/9/2004  
 Date 3/9/2004

**ANALYSIS CONTINUATION**

The FY 2005-2006 funds will provide the following services:

**Personal Services** - one permanent position to develop permit process regulations, conduct the rulemaking process, develop written permitting procedures, standardized program forms, and the NPDES primacy application to EPA. Development of the Log Transfer Facility general permit will begin in FY 2006.

**Travel** - program and regulations development, primacy application, and NPDES permit writing and compliance training for new and existing staff.

**Contractual** - two long term non-permanent positions to assist in developing written permitting procedures, standardized program forms, and the NPDES primacy application to EPA; professional services assistance; RSA to Dept. of Law for legal assistance with regulations development; and position support costs.

**Supplies** - standard office supplies.

**Equipment** - office furniture and computers for staff. The FY 2006 budget eliminates the funding for office equipment, which is a one-time purchase.

The Department anticipates NPDES primacy approval from EPA beginning in FY 2007 for timber industry related permitting. The fiscal note for FY 2007 and beyond reflects the ongoing costs of implementing the program and provides the following:

**Personal Services** - one permanent position to develop individual permits, general permits, issue authorizations under general permits, review dive survey reports, conduct inspections and take enforcement actions if necessary.

**Travel** - staff permitting and facility inspections (one inspection of each operating facility during the 5-year life of the permit); ongoing technical training; and occasional program development meetings.

**Contractual** - public notices; staff training; professional services contracts for assistance with NPDES permitting and compliance-related issues; RSA to Dept. of Law for enforcement actions and program legal assistance; and position support costs.

**Supplies** - standard office supplies and water quality sampling supplies.

**Equipment** - ongoing office equipment and computer replacement costs, environmental monitoring equipment purchase or replacement, and other facility inspection equipment (such as personal safety gear and cameras).

**Projected impact on Alaska economy and local government**

- eliminates the current patchwork of federal and state permits for the timber industry.
- increased permit and compliance fees for owners/operators of facilities with timber-related wastewater discharges.

**Personal Services New Position Detail**

Department of Environmental Conservation  
Partial NPDES Primacy

Scenario: A Scenario for FY2005 Fiscal Notes (3605)  
Component: Water Quality (2062)  
RDU: Air and Water Quality (206)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Annual Count	Annual Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#028	Environmental Spec III	FT	A	GP	Juneau	2A	18 B	12.0		47,316	0	0	19,712	67,028
Justification: Implementation - NPDES Primacy for timber related discharges.							Funding Detail:							
							1004	General Fund Receipts					100.00%	67,028
							Total Funding:						100.00%	67,028

**Component Summary:**

Total New Positions: 1

Fund Description	Fund Percent	Fund Amount
1004 General Fund Receipts	100.00%	67,028
Total Funding:	100.00%	67,028

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column.

HCR

10

# Alaska State Legislature

*Session:*  
State Capitol Building, Room 418  
Juneau, Alaska 99801-1182  
Phone: (907) 465-2493  
Fax: (907) 465-3835  
Toll Free: 1-800-463-2693



*Interim:*  
145 Main Street Loop Road  
Suite 221  
Kenai, AK 99611  
Phone: (907) 283-2690  
Fax: (907) 283-2763

## Representative Kelly Wolf

*House District 33*

**HCR 10**

### **SPONSOR STATEMENT**

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The residents of Alaska are dependent on our fisheries as a resource of the state for consumptive usage, a source of income and for the enjoyment of fishing. Riparian habitat is a vital key to maintaining the fisheries as a healthy resource. State and federal agencies are charged with keeping Alaska's waters clean, fishable and drinkable.

The State benefits by partnering with non-profit organizations. Local community involvement helps increase awareness, promotes stewardship, and provides support from private and corporate funding for restoration projects. This expands the state's ability to restore habitat while continuing to allow user group's access to the resource.

Alaska as a resource user state depends upon its resources. It is important to protect this resource as a source of income and enjoyment for many. This resolution encourages the development of working relationships between state and federal agencies and non-profit organizations and corporate affiliates in the restoration and conservation of our essential resources.

# FISCAL NOTE

**STATE OF ALASKA**  
**2003 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HCR 10  
 (H) Publish Date: 4/7/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Legislature  
 Title: Relating to restoration of riparian BRU Legislative Council  
habitat that is vital to the fisheries resources of the state. Component Council and Subcommittees  
 Sponsor Rep. Wolf, Foster, Lynn, Meyer..... Session Expenses  
 Requester Hse Special Committee on Fisheries... Component No. 783

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This resolution has zero fiscal impact on the Legislative Affairs Agency.

Prepared by: Karla Schofield, Deputy Director  
 Division: Administrative Services  
 Approved by: Pamela Varni, Executive Director  
 Agency: Legislative Affairs Agency

Phone 465-3852  
 Date/Time 4/2/03 1:50 PM  
 Date 4/2/2003

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 28, 2003

FURTHER REFERRALS: Resources

Date of Committee Action: APRIL 4, 2003

The HOUSE SPECIAL COMMITTEE ON FISHERIES Committee considered:

HCR 10

HOUSE CONCURRENT RESOLUTION NO. 10

RESTORATION OF RIPARIAN HABITAT

Relating to restoration of riparian habitat that is vital to the fisheries resources of the state.

Recommends it be replaced with  HCS or  CS for \_\_\_\_\_ (\_\_\_\_\_)

For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_  Same Title  New Title

attach amendments

add new referral to \_\_\_\_\_ Committee

Letter of Intent \_\_\_\_\_ Committee

List of Abbrev for Depts.:  
ADM  
CED  
COR  
CRT  
EED  
DEC  
DFG  
GOV  
HSS  
LEG  
LAW  
LWF  
MVA  
DNR  
DPS  
REV  
DOT  
UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
LEG				X

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Ogg Wilson	✓			
	SAMUELS	✓			
	SEATON	✓			
Chair:	SEATON	✓			
Chair:					

# HOUSE COMMITTEE REPORT

(9)

Date Referred to Committee: April 7, 2003

FURTHER REFERRALS:

Date of Committee Action: 05/05/03

The RESOURCES Committee considered:

HCR 10

HOUSE CONCURRENT RESOLUTION NO. 10

RESTORATION OF RIPARIAN HABITAT

Relating to restoration of riparian habitat that is vital to the fisheries resources of the state.

Recommends it be replaced with  HCS or  CS for \_\_\_\_\_ (\_\_\_\_\_)  
 For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_  Same Title  New Title

- attach amendments
- add new referral to \_\_\_\_\_ Committee
- Letter of Intent \_\_\_\_\_ Committee

List of Abbrev for Depts.:

- ADM
- CED
- COR
- CRT
- EED
- DEC
- DFG
- GOV
- HSS
- LEG
- LAW
- LWF
- MVA
- DNR
- DPS
- REV
- DOT
- UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DF	DNP	NR	AM
	LYNN	X			
	Gatto	X			
	MORGAN	✓			
	Masek	✓			
	HEINZE	✓			
	Wolf			✓	
Chair:	Fede	✓			
Chair:					

HCR

11

# Alaska State Legislature

*Session:*  
State Capitol Building, Room 418  
Juneau, Alaska 99801-1182  
Phone: (907) 465-2993  
Fax: (907) 465-3835  
Toll Free: 1-800-463-2693



*Interim:*  
145 Main Street Loop Road  
Suite 221  
Kenai, AK 99611  
Phone: (907) 283-2690  
Fax: (907) 283-2763

## Representative Kelly Wolf *House District 33*

### Sponsor Statement for HCR 11

#### ALASKA SALMON DAY

Relating to declaring July 2, 2003 as Alaska Salmon Day

Alaska is the largest commercial wild salmon fishery in the world and employs more than 29,000 people. Nearly 95% of all commercially caught salmon in the United States are harvested in Alaska. In the last decade, state salmon harvests totaled more than \$4.5 billion, making salmon extremely vital to Alaska's economy.

For both visitors and Alaskans, the sport of fishing is one of the most popular activities in the state. Last year, approximately 448,000 resident and non-resident licenses were issued for sport fishing.

Beyond the importance of commercial and sport fishing, salmon has been a nutritional source for generations of Alaskans and is a large part of the state's heritage. Rich in Omega 3 oils, salmon is a healthy food that can help lower cholesterol and reduce the risk of heart disease.

House Concurrent Resolution 11 would proclaim July 2, 2003 as "Alaska Salmon Day." This proclamation will recognize the salmon industry as a huge part of all Alaskan's lives and raise public awareness of one of Alaska's most important industries by promoting and celebrating the catching and eating of salmon.

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 28, 2003

FURTHER REFERRALS: Resources

Date of Committee Action: MARCH 19, 2003

The HOUSE SPECIAL COMMITTEE ON FISHERIES Committee considered:

HCR 11

HOUSE CONCURRENT RESOLUTION NO. 11

ALASKA SALMON DAY

Relating to Alaska Salmon Day.

Recommends it be replaced with [ ] HCS or [X] CS for HCR 11 (FSH)  
 For Senate Bills with new title: [ ] Technical Title [ ] New Title: HCR \_\_\_\_\_ [ ] Same Title [X] New Title

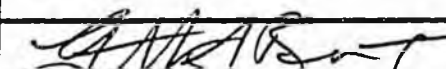
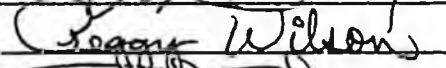

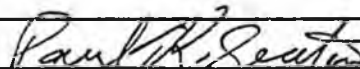
- [ ] attach amendments
- [ ] add new referral to \_\_\_\_\_ Committee
- [ ] Letter of Intent \_\_\_\_\_ Committee

List of  
Abbrev  
for  
Depts.:

- ADM
- CED
- COR
- CRT
- EED
- DEC
- DFG
- GOV
- HSS
- LEG
- LAW
- LWF
- MVA
- DNR
- DPS
- REV
- DOT
- UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
<u>LEG</u>				X

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Berkowitz	✓			
	WILSON	✓			
	SAMUELS	✓			
Chair: 	Sator	✓			
Chair:					

# FISCAL NOTE

**STATE OF ALASKA**  
**2003 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HCR 11  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Legislature  
 Title "Relating to Alaska Salmon Day." BRU Legislative Council  
 Component Council and Subcommittees  
 Sponsor Representative Wolf Session Expenses  
 Requester House Special Comm on Fishenes..... Component No. 783

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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**FUND SOURCE (Thousands of Dollars)**

FUND SOURCE	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bili is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This resolution has zero fiscal impact on the Legislative Affairs Agency.

Prepared by: Karla Schofield, Deputy Director  
 Division: Administrative Services  
 Approved by: Pamela A. Varni, Executive Director  
 Agency: Legislative Affairs Agency

Phone 465-3852  
 Date/Time 3/13/03 1:46 PM  
 Date 3/13/2003



**KENAI PENINSULA BOROUGH**

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599  
BUSINESS (907) 262-4441 FAX (907)262-1892

**DALE BAGLEY  
MAYOR**

VIA FAX: (907) 465-3835

March 17, 2003

Representative Kelly Wolf  
State Capitol, Room 418  
Juneau, Alaska 99801-1182

Dear Representative Wolf:

It is my understanding that you are proposing a resolution designating July 2, 2003 as Alaska Salmon Day. I would like to add my support.

Sincerely

Dale Bagley  
Kenai Peninsula Borough Mayor



# UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 110  
Juneau, Alaska 99801-1172  
(907) 586-2820  
(907) 463-2545 Fax  
E-Mail: [ufa@ufa-fish.org](mailto:ufa@ufa-fish.org)  
[www.ufa-fish.org](http://www.ufa-fish.org)

March 17, 2003

Representative Paul Seaton  
Chair  
House Special Committee on Fisheries  
State Capitol (MS 3100)  
Juneau, AK 99801

Dear Representative Seaton,

Re: HCR 11 Alaska Salmon Day

United Fishermen of Alaska supports the designation of Alaska Salmon Day.

This designation will promote public awareness of the importance of salmon to Alaska's way of life and economy. Not only is salmon a mainstay of the state economy, exports of salmon help reduce the national trade balance of payments deficit.

July 2 is an opportune time since this is at the height of the tourism season and will raise the awareness of visitors so that they become "consumers" of this healthy and sustainable food.

We appreciate your efforts to raise public awareness of the importance of salmon.

Sincerely,

Thomas M. Gemmell  
Executive Director

Copy: Representative Kelly Wolf  
Representative Bud Fate  
Representative Beverly Masek  
Representative Peggy Wilson  
Representative Pete Kott

Representative David Guttenberg  
Representative Ethan Berkowitz  
Representative Cheryll Heinze  
Representative Ralph Samuels

#### MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Druggers Association • Alaska Longline Fishermen's Association • Alaska Trollers Association • At-sea Processors Association • Bristol Bay Reserve  
Chignik Regional Aquaculture Association • Chignik Seiners Association • Concerned Area "M" Fishermen • Cook Inlet Aquaculture Association • Cordova District Fishermen United  
Crab Rationalization and Buyback Group • Douglas Island Pink and Chum • Groundfish Forum • Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association  
Kodiak Seiners Association • North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association • Old Harbor Fisherman's Association  
Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association • Seafood Producers Cooperative  
Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association  
United Cook Inlet Drift Association • United Salmon Association • United Southeast Alaska Gillnetters • Western Gulf of Alaska Fishermen

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Pacific Star Seafoods, Inc.  
P.O. Box 190  
Kenai, AK 99611  
(907) 283-7787 Phone  
(907) 283-9485 Fax

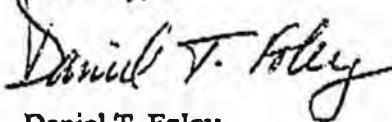
March 13, 2003

Dear Legislators,

As a seafood processor operating in the Cook Inlet area, I strongly support the House Concurrent Resolution 11 designating July 2, 2003 as Alaska Salmon Day. This resolution promotes the value of Alaska salmon, which drives the economic engine of many Alaskan communities through commercial and tourism industries. It is my pleasure to extend any aid in order to help pass such a worthy resolution.

Thank you for your time and consideration over this worthy matter.

Sincerely,



Daniel T. Foley  
President  
Pacific Star Seafoods, Inc.



**United Cook Inlet Drift Association**

43961 K-Beach Rd, Ste E, Soldotna, AK 99669 ~ (907) 260-9436 ~ fax (907) 260-9438

---

March 12, 2003

To: Governor Murkowski  
Senators  
Representatives

Dear Sir, Senator, and Representative:

We wholeheartedly support the resolution to create the Alaska Salmon Day on July 2, 2003. The families and fishermen that commercially, recreationally, and subsistence use salmon in Cook Inlet support the resolution for an Alaska Salmon Day. We would be pleased to participate in appropriate civic functions in celebration and recognition of the role that salmon represent in our society.

Thank you for your time and efforts in this matter.

Sincerely,

A handwritten signature in cursive that reads "Roland R. Maw".

Roland R. Maw, PhD  
UCIDA Executive Director



# Salamatof Seafoods Inc.

---

P.O. Box 1450  
Kenai, Alaska 99611

(907) 283-7000  
FAX (907) 283-8499

March 14, 2003

Dear Legislators:

As a seafood processor, we strongly support the House Concurrent Resolution 11, designating July 2, 2003 as Alaska Salmon Day. This resolution promotes the value of Alaska Salmon, which drives the economic engine of many communities through commercial and tourism industries. It is a pleasure to extend aid to help pass this resolution.

Thank you for your time and consideration of this worthy matter.

Sincerely,

Robert L. Scott, President  
Salamatof Seafoods, Inc.



March 12, 2003

Representative Kelly Wolf  
Alaska State House of Representatives  
State Capitol  
Juneau, AK 99811

Dear Rep. Wolf:

Thank you for introducing House Concurrent Resolution 11, relating to Alaska Salmon Day.

Last year, Alaska Salmon Day served as a springboard for promotions of Alaska salmon at supermarkets scattered across the United States. The creation of this special occasion helps grocery retailers generate customer excitement that helps boost sales, and also offers the opportunity to garner media attention. Alaska Salmon Day will support ASMI efforts to educate the American public to "Ask for Alaska" when they buy salmon.

Alaskans also will enjoy the opportunity to celebrate the vital role played by salmon in Alaska's culture and economy. We strongly support the favorable consideration of this resolution and appreciate the efforts of the Alaska State Legislature to assist the businesses that comprise the Alaska salmon industry.

Sincerely,

A handwritten signature in black ink, appearing to read "Ray Riutta", is written over the typed name.

Ray Riutta  
Executive Director  
Alaska Seafood Marketing Institute