

In summary form, secondary recommendations of the Commission are:

The Commission encourages the Governor and Legislature to financially support and/or act on the following recommendations as suggested and detailed in the 2009 report:

► Infrastructure

- Develop transportation infrastructure including roads and railroads
- Develop power generation capacity and distribution including traditional sources as well as investigation of geothermal, methane, and small scale nuclear energy potential

► Lands

- Avoid changing land designations to stop mineral development, especially in areas with valid mining rights as selected by the State for mineral potential
- Develop conveyance procedures with BLM for federal lands Rights-of-Ways
- Transfer BLM managed lands to DNR under the State's entitlement
- Develop Recordable Disclaimers of Interest in navigability determinations

► Permitting and Regulations

- Maintain a thorough permitting process for responsible mineral development
- Develop water quality regulations for groundwater
- Maintain that Enforceable Policies proposed by Coastal Districts under the Coastal Zone Management Program are not duplicative of existing regulations; ensure policies flow from existing laws and regulation and do not establish new standards without following either federal or state process
- Provide adequate budget for State assumption of the NPDES program
- Work toward EPA approval of DEC natural background water quality guidance

- Ensure mixing zone regulations remain objective and broad based
- Develop a database listing all mixing zones issued in Alaska
- Provide core funding within the Large Mine Permitting Team in DNR
- Develop a working group to standardize calculation methods and/or models for reclamation and closure financial assurance requirements
- Enhance recruitment and retention of essential permitting professional staff
- Encourage the Alaska Delegation to seek full funding for Alaska's Coal Regulatory Program

► Education

- Fund a statewide Minerals Education & Promotion Program
- Support the UAF College of Engineering and Mines
- Fund the Alaska Resource Education (AMEREF) program \$100,000 annually
- Provide outreach to better inform regulated industries about Storm Water Pollution Prevention Program requirements and compliance measures
- Create a public presentation on industrial and municipal mixing zones
- Support state and federal programs to train and educate workers for the mining industry

► Geology and Exploration

- Increase investment in geophysical/ geological surveys
- Finalize architecture and the engineering design for a new Geologic Materials Center and work towards securing funds for its construction

► Ensure future municipal taxes, especially within the unincorporated regions, are broad based, equitable, and stable

► Enhance development of foreign investment in Alaska's minerals industry

Report of the 2010 Alaska Minerals Commission



Kensington Mill



Underground Mining



Kensington mill ready for ore



Kensington employees, families and friends

View a full version of the 2009 Alaska Minerals Commission Report at www.commerce.state.ak.us/oed/minerals/pub/mineralsreport2009_web.pdf.



This publication was released by the Department of Commerce, Community, and Economic Development. Its purpose is to report the findings and recommendations of the Alaska Minerals Commission to the Governor and to the Legislature of Alaska. It was produced at a cost of \$.56 per copy and printed in Anchorage, Alaska. This publication is required by Chapter 98, Session Laws of Alaska, as amended by Chapter 4, Session Laws of Alaska, 1993.

Alaska is at a crossroads

The oil production that has made the state wealthy is declining. Alaskans can either stand by while market forces strangle our society, or we can seize upon known opportunities to diversify and advance our economy. Mining is one of few Alaska industries with near term growth potential. Unfortunately, realizing this potential is currently limited by inadequate energy and transportation infrastructure and is jeopardized by anti-development special interest groups.

With five new mines in the last two decades, the mining industry has demonstrated its ability to help diversify Alaska's economy and to provide wide-ranging employment opportunities in both rural and urban areas. However, in order for the mining industry to achieve accelerated growth within the next decade, it is imperative that the government take action now.

The purpose of the Alaska Minerals Commission is to make recommendations annually to the Governor and Legislature on ways to mitigate constraints on the development of minerals in Alaska. In prior years, the Commission has provided detailed recommendations on numerous industry constraints. This year the Commission will depart from its usual format and instead focus on just five issues.

The Alaska Minerals Commission recommends that the Governor and the Legislature take positive, concrete steps to implement the following recommendations

1. Bring energy infrastructure to western and southwestern Alaska to support communities and mining projects in the region.
2. Build a road from Fairbanks to Nome that includes access to the Brooks Range mineral deposits near Ambler.
3. Expand low-cost base load energy on the existing electrical grid.
4. Reject harmful and unnecessary regulatory and legal agendas of anti-development special interest groups.
5. Reaffirm mining as a cornerstone industry for Alaska.

Historically in Alaska, mines have been the catalyst that spurs infrastructure development.

Looking to the future, while the mines can support project related costs, the infrastructure needs of the state are far beyond what can be borne by a single industry. Yet the synergies between the constraints on the mining industry and the needs for additional infrastructure in rural Alaska are great.

Investments the leaders of Alaska may make now will have a profound and positive impact on the development and sustainability of the state.

In order to continue to attract and expand investment from the U.S. and foreign sources, it is crucial that the State promote mineral development and mining. The Alaska legislature and the Governor must reaffirm mining as a cornerstone industry as envisioned by the creators of the Alaska Constitution.



Alaska Minerals Commission Members, January 2010

Chairman, Irene Anderson
irene@beringstraits.com

Vice-Chairman, Mark Robinson
akmark@aptalaska.net

Del Ackels
golddustmines@gci.net

Leo Mark Anthony
AKleomarkanthony@yahoo.com

Gregory Beischer
gbeischer@millrockresources.com

Bartly Coiley
bcoiley@usibelli.com

Karl Hanneman
Karl.Hanneman@teck.com

Robert Retherford
rnr@aes.alaska.com

Charlotte MacCay
cmaccay@aol.com

Dr. Lance D. Miller
lance.miller@nana.com

Bill Jeffress
bjeffress@srk.com

STAFF
Department of Commerce,
Community and Economic
Development
Rich Hughes
rich.hughes@alaska.gov
Lisa Harbo
lisa.harbo@alaska.gov

The Alaska Minerals Commission was created by the 14th Legislature and signed into law on June 6, 1986. The enabling legislation instructs the Commission to make recommendations to the Governor and Legislature on ways to mitigate constraints, including governmental constraints, on the development of minerals, including coal, in the state.