

Doniece Gott

From: John Shively <[REDACTED]>
Sent: Monday, April 24, 2023 7:31 PM
To: Senate Finance Committee
Subject: 404 Primacy

My name is John Shively. I am currently the CEO and Chair of the Board for the Pebble project. In the past I have been the Commissioner of the Department of Natural Resources and also worked for NANA in the early stages of the development of the Red Dog mine.

As you consider the state operating budget, I respectfully request that you support the Governor's request to fund the state assuming primacy for the 404 program of the federal Clean Water Act. I firmly believe that state assumption of this program is vitally important if we are to grow our economy.

As you are well aware, we are a natural resource economy and most, if not all, major natural resource projects impact wetlands and thus require a 404 permit. Having those permits processed in-state should vastly improve the efficiency of the process and the reasonableness of the decisions made without diminishing environmental protections.

For instance, putting aside for the moment whether one thinks Pebble is a good or bad idea, The U.S. Army Corps of Engineers forced Pebble to develop a mitigation program for the wetlands we would impact at a ratio of about 10 to 1 mitigated acres to disturbed acres. The mitigated acres would have been state lands which would taken off the table for future development. No other project in Alaska has been asked to meet such a high and unreasonable standard although our wetlands are not any different from those at Donlin which had a much lower ratio. If the Pebble standard were applied to future projects in Alaska, many would become uneconomic, despite that fact that well over 90% of the wetlands in Alaska have never been disturbed. Alternative mitigation project such as assisting the Department of Fish and Game with fish rehabilitation projects and assisting villages with sewer and water projects would be far more beneficial to Alaska. We offered both of these and they were rejected.

What was done to Pebble by the federal government in the past can certainly be done to others in the future. The state would take a more rational approach to mitigation.

One last point. I know that there is opposition to the state assuming 404 primacy. However, If you look at the source of much of this opposition it is driven by the same people who oppose Willow, Donlin, the King Cove Road, and numerous other natural resource projects in our state. It is obvious that they know leaving the program in the hands of the federal government gives them extra leverage to stop projects in our state because their well-funded national organizations can exert considerable influence on federal agencies.

Thank you for considering my comments.

John Shively

John Shively
Chairman and CEO
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