

Alaska State Legislature
House of Representatives

While in session
State Capitol, Room 118
Juneau, Alaska 99801-1182
(907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Chair, House Judiciary
Labor & Commerce
Oil & Gas
Military & Veteran Affairs

1292 Sadler Way, Suite 324
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146



Representative Jay Ramras
District 10

U.S. Attorney Nelson P. Cohen, USA
Federal Building & U.S. Courthouse
227 West 7th Avenue, #9
Anchorage, AK 99513

Attorney General Talis Colberg
1031 W. 4th Avenue, Suite 200
Anchorage, AK 99501

September 1, 2007

Dear Messrs. Cohen and Colberg:

Several weeks ago, along with Senator Therriault and others, I was flown from Fairbanks to Iliamna and out to Drill Rig #6 to see close up the many facets of Northern Dynasty's Pebble Mine project. It was a fascinating and worthwhile trip. It was a trip sponsored by the parent company of Northern Dynasty.

In my effort "to see the other side of the story" I arranged for a trip through Dillingham to Ekwok to visit with the villages of Ekwok, New Stuyahok and Koliganek by river, which are generally perceived as communities against the Pebble project. I arranged the trip through Bill Slayden, who is a fishing client of Luki Akelkok, a village elder of Ekwok, and then I requested the Speaker's office to pay for the fact finding trip. I did no recreational fishing and do not own a fishing license.

Though I chose a weekend to visit that was most convenient for my own private sector schedule, coincidentally when we arrived in Ekwok, the Bristol Bay Native Corporation (BBNC) was having a shareholder meeting in the village's school gymnasium.

As I was invited to speak to the gathered BBNC shareholders by Luki Akelkok who is a respected elder of the village, and later had the chance to visit with the locals, it became

abundantly clear that from Dillingham to Koliganek the locals/shareholders are generally opposed to the Pebble Mine project.

That is the peoples' right to have this debate, dialogue and discussion and I have no intention of weighing in or asking your office to weigh in on internal native corporation politics—which can be equally as complex as Alaska State Legislature politics. What the people of Alaska are entitled to, however, whether debating inside the context of a native corporation, a village, or a more urban area or organization, is the right to have that policy argument happen without the infection and inappropriate distribution of funds.

And I mean to draw a distinction between using money to convey a point of view, as is a 1st amendment right enjoyed by all of us--versus using money in an inappropriate fashion that suggests grave improprieties may be at hand. My concern is that in many instances it is the money itself that may be doing the talking.

In conversation after conversation, I heard disturbing stories of money and influence being inappropriately plied to influence this important policy discussion.

I heard about a meeting in 2005 where villagers from around the Dillingham region were invited and flown to Anchorage, were hosted with overnight accommodations at the Sheraton, and were provided with \$600 in cash in all twenties in envelopes for attending a short meeting about the Pebble Mine. And there are other meetings like this that have taken place.

I heard stories of elected officials of governing municipalities. Sometimes these elected officials were, and sometimes these elected officials were not, simultaneously directors of regional corporations and/or village corporations. Among these elected officials were owners of aviation companies and bed & breakfasts or boarding houses who are enjoying payments of up to \$25,000 per month. Sometimes these facilities are far from the mine site. And I believe some of these owners/elected officials testified before the House Resources committee on Pebble Mine related issues in this dual capacity without disclosing this important conflict of interest during the 24th Alaska State Legislature of which I was the House Resources Co-chairman.

I heard stories of important figures/patriarchs/elected native corporation leaders who are being paid as much \$300,000 per year to wield influence with area residents as paid spokespeople. When I questioned the ethical nature of paying a “spokesperson” this kind of an annual fee to represent the Pro-Pebble point of view, a Dillingham resident told me that was the price of “selling your soul for a lifetime.” If a legislator or any lay-person were paid such an exorbitant fee without any discernible background in science, engineering, biology or mining it should raise concern.

I heard other stories of money and “side deals” being funneled to directors of native corporations for their own benefit, for the benefit of family members or to be used to help elect individuals to the boards of regional/village native corporations.

Are these anecdotes a representation of unethical behavior, immoral behavior, corrupt behavior, or just "raw capitalism?" I'm not sure, but the climate up in these villages was filthy, as was described to me first-hand in community meetings and individual meetings in Ekwok, New Stuyahok, and to a lesser degree in Koliganek.

As we all negotiate through these difficult times in the Alaska State Legislature with indictments, trials and convictions hanging over the heads of the elected officials of Alaska, I am deeply troubled as the sitting chair of the House Judiciary committee to learn of such potential impropriety. As such, I feel it is my constitutional duty to report what I've seen and heard.

Representative Paul Seaton will be hosting a series of public meetings and taking public testimony from September 24th thru the 26th in the communities of Iliamna, Nondalton, Naknek and Dillingham for the House Fisheries and Resources committee. I would recommend that the U.S. Attorney's office may want to send a representative to these meetings. In stronger terms, I am requesting that the Alaska State Attorney General's office send a representative to these meetings to investigate these allegations reported to me by many locals in the area. Enclosed is an itinerary for the series of meetings.

In the two meetings I attended I was introduced and represented myself as an elected public official and felt that I was approached as such by the villagers and community members who communicated with me. The concerns I heard in two public meetings each attended by approximately 50 Alaskan citizens were so significant that I felt compelled to write this letter and bring this matter to your attention.

Northern Dynasty is proud of their record for local hire, and they should be as they have been exemplary in this fashion. However, lubricating the political environment with economic transactions of convenience and cash payments without 1099 IRS forms to accompany some of these transactions suggests that they may be massing another record of achievement that is considerably less remarkable.

There appears to be a lack of transparency, and at the very least, a lack of decency, in the way this important statewide resource development policy debate is being waged. We do not tolerate this behavior in the oil and gas industry, and we should be no more tolerant of it in the mineral industry.

Sincerely,



Jay Ramras

Representative, District 10

cc: Governor Sarah Palin
Commissioner Tom Irwin, DNR

Fisheries Committee to Travel to Bristol Bay for Hearings **House Resources Committee Also Joining for Deliberations Over HB 134**

(ANCHORAGE) – The House Special Committee on Fisheries, along with members of the House Resources Committee, will hold hearings on Bristol Bay-specific water quality legislation (HB 134 - Protection of Salmon Spawning Water) in the Bristol Bay region on Sept. 24, 25 and 26.

The hearings will occur in conjunction with a tour of the Pebble prospect and a number of community and municipal receptions. The hearings will be held in Newhalen (Newhalen Teen Center,) in Naknek (Bristol Bay Borough Middle/High School Auditorium) and in Dillingham (Dillingham Middle School Gymnasium.)

HB 134 seeks to prohibit certain uses of water in the Nushagak, Kvichak, Egegik, and Ugashik River watersheds. Opponents of the legislation fear that it will preclude economic development including the proposed Pebble Mine. Hearings were held on HB 134 during the regular legislative session, with hours of testimony from both sides of the Pebble Mine debate. After the final hearing, Fisheries Chairman Paul Seaton (R-Homer) said he was committed to hold hearings in the region so that those living in the area would have a chance to comment on the legislation.

“Development in Bristol Bay is quite controversial,” Seaton said. “The first-hand knowledge of the area and of the views of the residents will be helpful to the committee in considering the bill. We are pleased that members of the House Resources Committee will join us for the meetings.”

WHO: Members of the House Special Committee on Fisheries
Members of the House Resources Committee

WHAT: Hearings on House Bill 134
(HB 134 – Protection of Salmon Spawning Waters)

WHEN: Sept. 24-26

WHERE: Monday, Sept. 24, 4:30 p.m.
Newhalen Teen Center
Tuesday, Sept. 25, 2:00 p.m.
Bristol Bay Borough Middle/HS Auditorium, Naknek
Wednesday, Sept. 26, 8:30 a.m.
Dillingham Middle School Gymnasium