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Tim Wallace, Emmonak dancers and a plan to lower energy costs in the Bush

Jeff Kennedy, moderator

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Song by Rex Moore

Tim Wallace talked about how he became president of Doyon, Ltd. He said he became involved in the Alaska Native Claims Settlement in the lobby effort back in 1968. He became president of the Fairbanks Native Association and became involved on the board of directors of the Alaska Federation of Natives. After the act passed the people that took leadership positions were those that took part in the lobby effort. They had knowledge of the settlement act and its intent. In the early stages it was basically an implementation of the act and complying with certain time tables. He was elected to the initial board of directors which incorporated Doyon and sat on the board of directors since. When John Sackett resigned he sought the position of president of the corporation which is elected by the board of directors. Jeff Kennedy asked how he keeps subsistence needs reconciled with the need to make a profit. Wallace said Doyon's position is that the subsistence issue is the number one priority. There are a lot of people that still rely on subsistence for their livelihood. Basically they have entered into various exploration agreements for oil and gas and minerals. Once they are located they will look at the feasibility. They will confer with the villages that are nearby so they don't destroy trapping and hunting areas. He said the solution is intricate. They are obliged to other stockholders to make a profit if it is there, but with subsistence issue in mind everybody has a relationship to subsistence. This returns to your heritage, culture and preservation in that type of living. He does foresee problems with development and subsistence cropping up in Doyon. It will be an individual agreement per agreement. He said each circumstance will differ. They have thought about this and it is a difficult question to answer. Right now they are generalizing. They haven't had any problems yet. Kennedy asked about development plans. Wallace said they have entered into exploration with Louisiana Land and Exploration to look at some land in the Kandik area. They are drilling their second well now with an obligation to drill two more wells. They do have a mineral exploration agreement with a consortium. He said right now they are looking for prospects in those areas which have potential for development. Once they establish prospect they will enter into the feasibility stage. Kennedy asked about hard rock minerals. Wallace said the consortium group is involved in mineral exploration. Kennedy asked about what kinds of minerals are expected to be found. Wallace said asbestos, uranium, coal, lead, zinc, molybdenum, and gold. Kennedy asked him to explain the kind of relationship a Native corporation has with other companies. Wallace said in the agreements that they have they have an asset which they call land which has potential. They enter into an agreement where they supply the capital and equipment to search for the commodities. They are supplying the land and the potential. Each agreement is different. He explained different case scenarios. Kennedy said a merchant downtown complained about inebriates downtown and wanted to know why the corporations weren't caring for them. Wallace said they do have responsibility to

stockholders, but they have to draw the line where the responsibility ends. Any profit corporation's main objective is to make a profit. He said there are responsibilities running a corporation and there are liabilities. If the corporation gets involved in a social service type program or areas which have no return on the dollar other stockholders could file a lawsuit. The company may not have excess capital to issue dividends or charitable contributions. The state and federal government do have some responsibility. They do not want to set a precedent. They do not want funds cut back.

Dance music by the Emmonak Dancers.

Jeff Kennedy said an instructor at the Tanana Valley Community College, Doas Dallas, presented a proposal to the state of Alaska for disposal of its royalty gas. Dallas said they would like to see the state exclude from the contracts all of the wet products from the gas and methane. Then the liquid products would be available for a separate sale to industry in this area rather than being shipped off to the lower forty-eight states. Bob Dempsey said one of the most immediate affects would be making available to the Bush communities a moderate price for fuel. Most all types of work revolve around energy. The cost in doing new things in the Bush or villages is predicated on the cost of energy. One of the prime concerns has to be the cost of energy. With moderate priced fuel a whole spectrum of projects become realistic. Kennedy asked what kinds of opportunities are there. Dempsey said currently fuel oil or propane is being flown in. It would immediately cut the cost of propane in half. From Fairbanks it would be cheaper to ship. Kennedy asked about the price of the product itself. Dempsey said you couldn't move a methane product. In the Bush and villages it would have to be a propane product. The average price of propane is about 80 cents per gallon in Fairbanks and that would be cut in half. Transportation will still add cost from Fairbanks. Propane is the most transportable of the LPG. He said new transportation methods may be made available. Kennedy said a plant would help people in Fairbanks and could some of the Bush areas be developed? Dempsey said you would have to be cautious. He thinks development in the Bush would be related to other industries. More construction projects might be undertaken. Kennedy asked if corporations could be involved. Dempsey said that would be desirable.