

**Bristol
Bay
Native
Corporation**

445 E. 5TH AVENUE / P.O. BOX 220 / ANCHORAGE, ALASKA 99510 / PH (907) 278-1602

KONIAG, INC. RECEIVED <i>mm</i> FEB 16 '77			
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ADMIN.			
I.C.S.			

February 14, 1977

Mr. Jack Wick
President
Koniag, Inc.
P. O. Box 746
Kodiak, Alaska 99615

Dear Jack:

I am enclosing copies of correspondence from Jay Gage, President of wholly-owned subsidiary, Peter Pan Seafoods, Inc., together with other correspondence and material which he has sent to me regarding problems with the Environmental Protection Agency.

The attached information is self-explanatory but I would like to impress on you the effect that the guidelines will have on the fish processing industry which will automatically be reflected on the fishermen who supply them.

I urgently request you to send a telegram to Washington to our Congressional delegation as well as the other legislators mentioned in the letter of February 2 to Gage from Yonkers urging them to support the Yonker amendment.

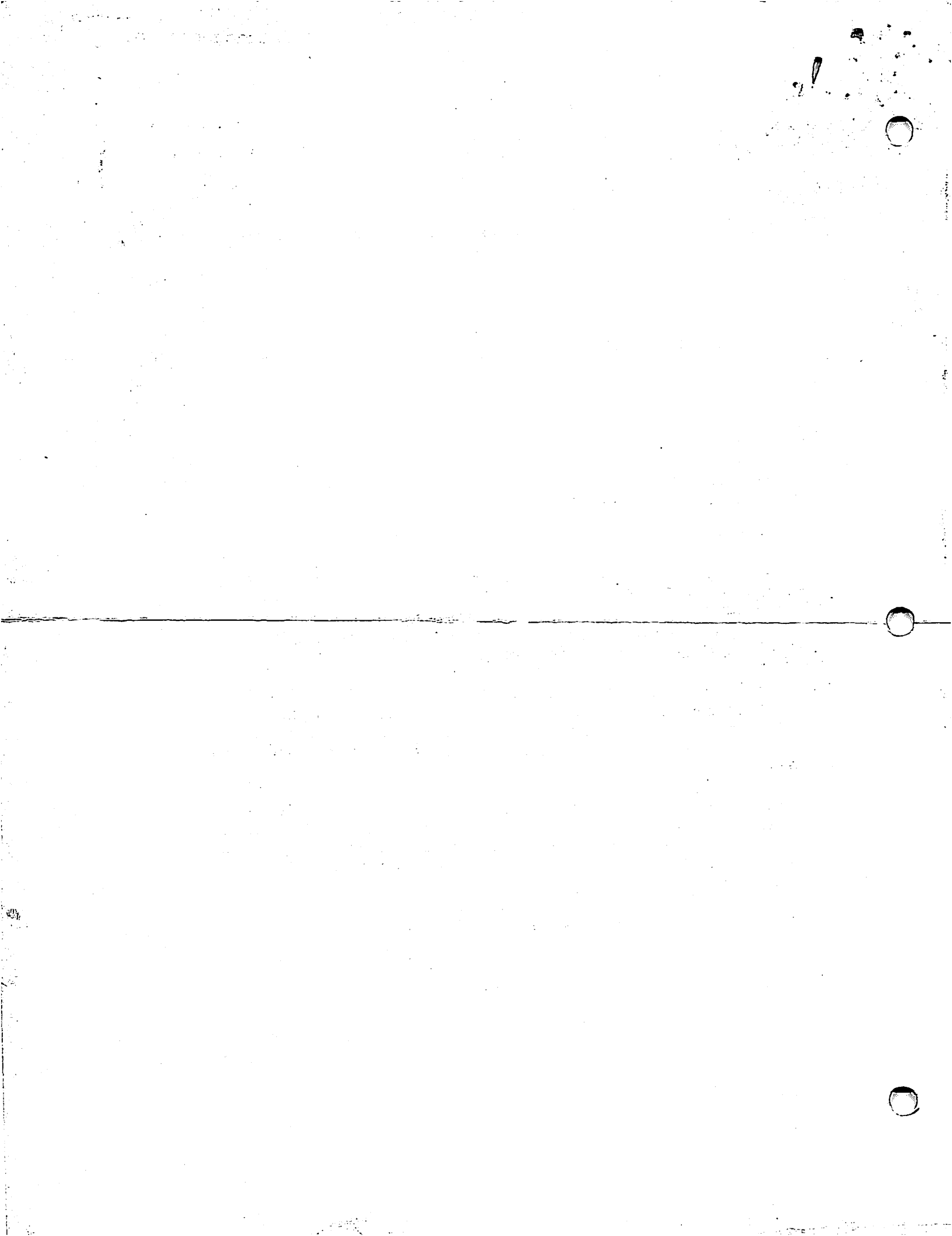
Many thanks for your cooperation and best regards.

Very truly yours,

R.C. Bacon
R. C. Bacon
Executive Vice President

cc: J. Gage

Attachment

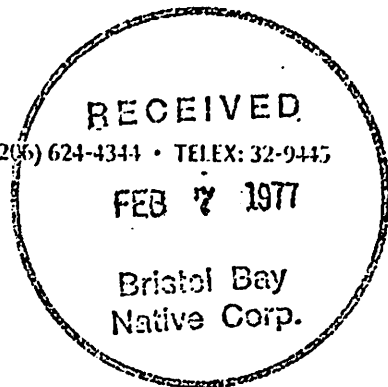




SEAFOODS, INC. 1220 DEXTER HORTON BLDG., SEATTLE, WASHINGTON 98104 • (206) 624-4344 • TELEX: 32-9445

JAY S. GAGE, *President*

February 3, 1977



Mr. Robert C. Bacon
Executive Vice President
Bristol Bay Native Corporation
P.O. Box 220
Anchorage, AK 99510

Dear Bob:

I think the enclosed letter, which was addressed to me from Walt Yonker, is self-explanatory.

From time to time I have told you of this industry's problems with respect to the EPA. The "white paper" is a comprehensive statement outlining the problem.

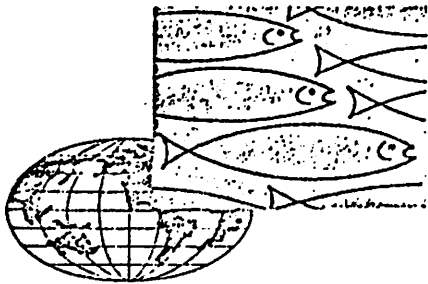
It occurs to me that, in the self-interest of the Native Corporations, both Regional and Village, if they were to lend their support to our efforts for an amendment, it would be helpful.

I'd be very happy to discuss this with you further. Perhaps we can outline some way in which the BBNC, as well as the other Corporations, could support this move.

Sincerely,

Jay S. Gage
President

Enclosures



ASSOCIATION OF PACIFIC FISHERIES
1600 SO. JACKSON ST.
SEATTLE, WASHINGTON 98144
(206) 323-3540

February 2, 1977

Mr. J. S. Gage
Peter Pan Seafoods, Inc.
1220 Dexter Horton Building
Seattle, Washington 98104

Dear Jay:

I am enclosing a copy of a position paper which was developed by this Association for use in contacting U. S. Congressional delegations regarding a proposed fish processing waste discharge amendment (see page 2 of this paper).

On my trip to Washington, D. C. last week, I reviewed this paper with staff representatives of a number of Congressmen and Senators. These included the offices of Senator Stevens and Congressman Young of Alaska; Senators Magnuson and Jackson and Congressmen Bonker, Dicks, McCormack, Meeds and Pritchard from Washington; and Congressman AuCoin of Oregon.

All of the above indicated that the proposed amendment to the 1972 Water Quality Act, P.L. 92-500, is a reasonable recommendation and that they would support it.

We are making arrangements to have this amendment introduced by the Subcommittee on Water Quality of the House Public Works Committee and hope for early hearings.

When hearing dates are set, we will need strong support from all segments of the U. S. fishing industry, fishermen, processors, plant workers and allied industries.

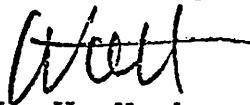
We urge that you make appropriate contacts with any of the above asking for their support so we may call on them for testimony and/or written support at hearings.

Mr. J. S. Gage
February 2, 1977
Page 2

With such support it will be possible to pass the proposed amendment and give needed relief to seafood processors from the provisions of the 1972 Water Quality Act and Environmental Protection Agency regulations. As presently promulgated, the Act and EPA regulations will jeopardize the future of large segments of this country's seafood processing industry.

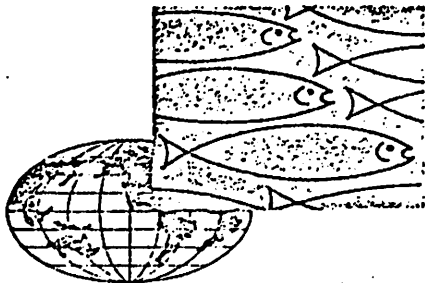
We will appreciate your cooperation in this effort and if you have any questions, please let us know.

Sincerely yours,



W. V. Yonker
Executive Vice President

WVY/kw
Enclosure



ASSOCIATION OF PACIFIC FISHERIES
1600 SO. JACKSON ST.
SEATTLE, WASHINGTON 98144
(206) 323-3540

January 24, 1977

IMPACT OF EFFLUENT GUIDELINE REGULATIONS
ON THE NORTHWEST SEAFOOD INDUSTRY

Introduction

The Environmental Protection Agency's effluent guideline regulations will have a heavy economic impact on the entire Northwest seafood industry. The Alaskan segment of the industry is the most severely impacted. However, the problems presented here also apply in part to the processors in Washington, Oregon and California.

The effluent guideline regulations promulgated by the EPA pursuant to the Federal Water Pollution Control Act Amendments of 1972 require high cost treatment methods which many facilities in this capital-short industry will be unable to install. These treatment costs coupled with the depressed economic condition of the industry will cause a high number of plants to close.

The seafood industry is unique. It includes a large number of plants, few of which would be classified as large facilities. In addition, the waste water resulting from seafood processing contains only biodegradable, organic fish wastes which are consumed by other fish and organisms as they are dispersed by marine tidal flows. This industry does not seek to avoid necessary waste treatment requirements. However, given the harmless nature of seafood processing effluent, the high number of plant closures predicted by the EPA seems unjustified and the regulations unreasonable.

Summary

••Seafood processing effluent is natural, nontoxic, organic biodegradable material. When adequately dispersed in tidal waters it is not harmful but beneficial to marine life.

••Most seafood plants are located adjacent to tidal waters which provide adequate dispersal. In most cases, grinding and deep water disposal is the only treatment necessary for seafood waste to protect the nation's waters.

••Current NPDES discharge permits contain compliance schedules which require major capital investments by July 1, 1977. Provisions

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must be made so that treatment is required only where the need is demonstrated. Treatment for treatment's sake must be avoided if the Northwest seafood industry is to survive.

••The Northwest seafood industry has exhausted its administrative options for relief. A judicial challenge is now in progress; however, this case will not be resolved before the start of the next processing season. Even a favorable ruling will not solve the problems facing all the seafood processing subcategories. It is obvious that Congressional action is necessary to correct the impossible requirements resulting from the EPA implementation of P. L. 92-500.

••The industry requests that the section of P. L. 92-500 dealing with the definition of pollutants be amended as follows:

Section 502(6) of the Act is amended by adding at the end thereof before the period the following: ; or (C) wastewaters resulting from commercial processing of seafoods where such wastewaters are discharged into bodies of water affected by tidal action, the territorial sea, the contiguous zone or the ocean, unless the appropriate permit issuing authority under Section 402 has found that the discharge of such wastewaters from a particular point source will interfere with the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife in and on the body of water into which the discharge is to be made.

The House version of P. L. 92-500, passed overwhelmingly in 1972, contained a similar exemption.

Seafood Processing Effluent Benefits

The effluent from seafood processing plants contains only organic seafood residuals. This discharge is a natural part of the normal marine food chain. It is obvious that fish, if not caught and processed, will die and decompose in their marine environment without causing pollution problems.

Studies conducted by the Fisheries Research Institute of the University of Washington have shown that these processing discharges are a food source of marine organisms, including fish, crabs and bottom dwellers, thus re-entering the marine life cycle.

There appears to be no justification in requiring seafood processors to install relatively expensive treatment technology to prevent this valuable material from re-entering the normal food cycle, so long as it is adequately dispersed.

The Uniqueness of Alaska

It is difficult to fully comprehend the nature of Alaska unless you have been there. It is twice as large as Texas and has more miles

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of coastline than all the remaining continental states combined. The State covers four different time zones and as shown on the enclosed map, the distance between the eastern and western extremities is the same as that between Florida and California. Alaska's population is a little over 360,000, two-thirds of them living in Anchorage or Fairbanks. The remaining towns are scattered along the coast and range in size from 16,600 and 10,600 for Juneau and Ketchikan respectively, to 2,500 in Petersburg, 1,500 in Cordova, and smaller.

The State produces little of its own food, industrial commodities or consumer products. All necessities must be imported and Alaska's distance from the Continental states places severe economic restraints on all businesses operating there. The only major industries in the State are those that are dependent on natural resources, including fisheries, forest products, petroleum and minerals. Any substantial additional costs make it unprofitable to operate in Alaska.

Required Treatments

The EPA divided the Alaska processors into two categories, Non-Remote and Remote. Those in Anchorage, Cordova, Juneau, Ketchikan, Kodiak and Petersburg, all small towns except Anchorage, were classified as Non-Remote plants, while those located elsewhere in the State are considered Remote.

Of the Non-Remote towns, only Anchorage has a sewage treatment plant and it cannot handle the effluent from the single seafood processor located there. The other Non-Remote towns have simple collection systems which discharge untreated sewage into the adjacent waters.

The regulations require the Non-Remote processors to install the same treatment as plants located in the Continental United States; fine screening for 1977. The Remote facilities must install a waste treatment system including grinding and 7 fathom discharge. For 1983 all plants must make processing equipment modifications. In addition, many plants will be required to install expensive and sophisticated treatment systems such as dissolved air flotation and aerated lagoons.

In Alaska the only available method of disposal for the solids removed by the screens in most cases is barging and ocean dumping. The EPA has recognized this and assigned dump sites within the territorial baseline limits; in some cases, within 300 yards of the plants. Barging in Alaska is an expensive operation and the solids disposal costs contribute substantially to the economic impact of effluent treatment.

A Projected Plant Closures

In preparation of the effluent guidelines the EPA published an analysis of the economic impact of the proposed treatment systems.

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The EPA predicted an extremely severe impact on the seafood processing industry. The attached table lists the EPA's projected plant closures. It can be seen that the plant closure numbers are inequitable among the various product subcategories and especially severe for some geographical locations. For example, the EPA predicts that 100 percent of the Alaska bottom fish plants, Alaskan non-remote shrimp plants and Northern (Washington, Oregon, California) shrimp plants will be forced to close by 1983. This will result in a reduction of the U. S. production of seafood products.

Restraint of Expansion or New Plant Construction

Over 60 percent of the seafood eaten in this country is of foreign origin. As a result the seafood industry is marginal, having experienced slow growth over the past decade. The few new plants that were built were constructed by companies either partly or completely owned by foreign investors. It is apparent that the waste treatment requirements will further discourage the construction of new processing plants or the expansion of existing facilities. As the EPA has recognized, this industry is unable to recover the costs of effluent treatment by increasing prices, due in large part to foreign competition which does not operate under the same standards as U. S. processors.

It is paradoxical that at a time when the national policy is to increase this country's supply of domestically produced fish products by the establishment of a 200-mile fishery conservation zone, these effluent regulations will seriously hinder such development. The cost to processors in complying with present discharge requirements for existing facilities will make it practically impossible for them to expand production to handle underutilized or nonutilized fish that could become available to the U. S. fishermen. If the United States is unable to process such new production, the Fishery Conservation and Management Act requires that surplus stocks be made available to foreign nationals. This action would result in:

1. Foreign fishing and foreign factory ships in the U. S. 200-mile zone at the expense of the U. S. fishing and processing industry.

2. Fish from U. S. fishing effort delivered to foreign factory ships for processing in the U. S. zone at the expense of the U. S. shore plants.

Either of the above will result in a substantial loss of the anticipated economic and employment benefits intended by the Congress.

EPA ESTIMATED PLANT CLOSURES RESULTING FROM

BPT (1977) AND BAT (1983) SEAFOOD EFFLUENT GUIDELINE REQUIREMENTS

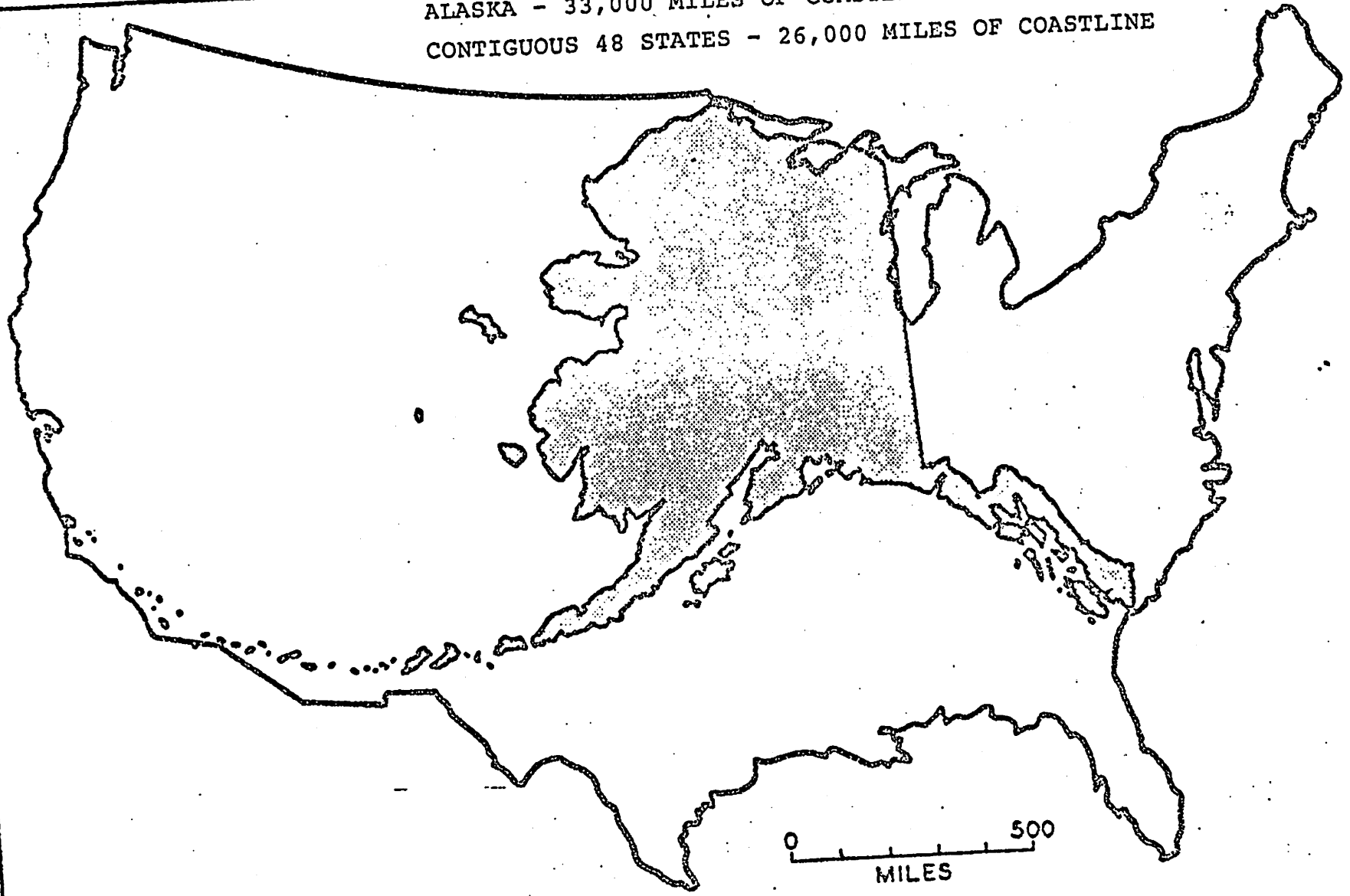
Subcategory	Number of Plants	Closures Attributed to BPT	Closures Attributed to BAT	Total Estimated Closures
<u>Abalone</u>	5	0	0	0
<u>Bottom Fish</u>				
Alaskan	1	1 (100%)	-	1 (100%)
Non-Alaskan (conventional)	128	5 (4%)	6 (5%)	11 (9%)
Non-Alaskan (mechanized)	14	0	2 (14%)	2 (14%)
<u>Catfish</u>	12	2 (17%)	9 (75%)	11 (92%)
<u>Clams</u>	67	6 (9%)	0	6 (9%)
<u>Crab</u>				
Alaskan (remote)	40	0	4 (10%)	4 (10%)
Alaskan (non-remote)	19	5 (26%)	6 (32%)	11 (58%)
Blue Crab	97	4 (4%)	2 (2%)	6 (6%)
Dungeness Crab	9	0	2 (22%)	2 (22%)
<u>Herring Fillets</u>	2	1 (50%)	0	1 (50%)
<u>Fish Meal</u>				
With Solubles Plant	16	0	0	0
Without Solubles Plant	6	1 (17%)	0	1 (17%)
<u>Oysters</u>				
West Coast	32	4 (12%)	0	4 (12%)
Eastern	342	0	0	0
<u>Salmon</u>				
Alaskan, fresh-frozen (non-remote)	7	4 (57%)	0	4 (57%)
Alaskan, fresh-frozen (remote)	24	8 (33%)	6 (25%)	14 (58%)
Alaskan, canned (non-remote)	9	3 (33%)	5 (56%)	8 (89%)
Alaskan, canned (remote)	50	6 (12%)	5 (10%)	11 (22%)
West Coast, fresh-frozen	1	0	0	0
West Coast, canned	9	0	2 (22%)	2 (22%)
<u>Sardines</u>	16	1 (6%)	4 (25%)	5 (31%)
<u>Scallops</u>				
Alaska	1	0	0	0
Non-Alaskan	5	2 (40%)	0	2 (40%)
<u>Shrimp</u>				
Alaskan (non-remote)	10	0	10 (100%)	10 (100%)
Alaskan (remote)	21	0	6 (28%)	6 (28%)
Northern (Wash., Ore., Calif.)	16	4 (25%)	12 (75%)	16 (100%)
Southern	68	2 (3%)	10 (15%)	12 (18%)
Breaded	9	2 (22%)	0	2 (22%)
<u>Tuna</u>	17	0	3 (18%)	3 (18%)
TOTALS	1,053	61 (6%)	94 (9%)	155 (15%)

Date From EPA Documents -

Phase I Economic Analysis, June 1974 Tables VI-1 and VI-11

Phase II Economic Analysis, October 1975 Table VI-8

ALASKA - 33,000 MILES OF COASTLINE
CONTIGUOUS 48 STATES - 26,000 MILES OF COASTLINE



RELATIVE SIZE OF ALASKA AND THE CONTIGUOUS 48 STATES