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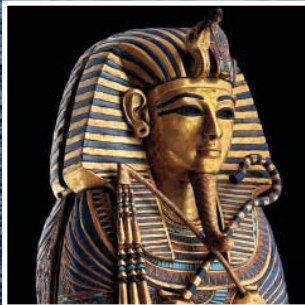
# CONNECTION

EXPLORING THE ALASKA-WASHINGTON CONNECTION. 2012



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*Alaska-Washington Connection is an annual publication of Business to Business Magazines, a division of Anchorage-based Petroleum Newspapers of Alaska LLC, which publishes the weekly newspaper Petroleum News, online at [www.petroleumnews.com](http://www.petroleumnews.com)*

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Printed at Alaska Printing in Anchorage, AK.



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Cover: A Bowhead Transport Company barge loaded with cargo leaves the port of Seattle, Washington for its voyage north to the remote villages of Arctic Alaska. Photo courtesy of Bowhead Transport Company, a subsidiary of Ukpeaġvik Iñupiat Corporation (UIC).

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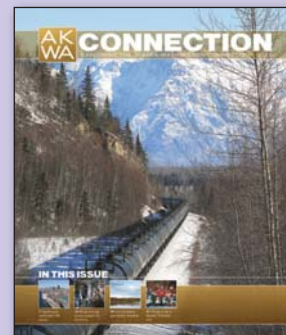
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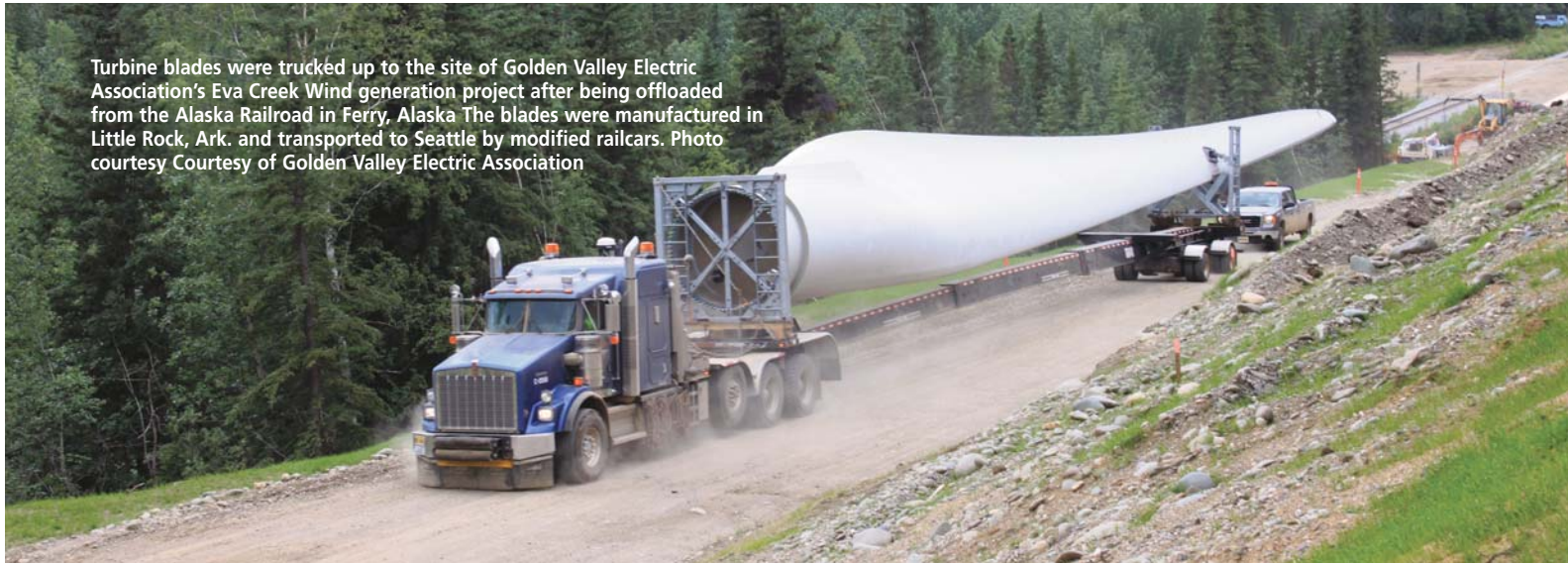
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Turbine blades were trucked up to the site of Golden Valley Electric Association's Eva Creek Wind generation project after being offloaded from the Alaska Railroad in Ferry, Alaska. The blades were manufactured in Little Rock, Ark. and transported to Seattle by modified railcars. Photo courtesy of Golden Valley Electric Association.



## INTRODUCTION

# Alaska-Washington Connection 2012: Making a Difference

By **Rose Ragsdale**

*Alaska-Washington Connection*

**W**elcome to the "The Alaska-Washington Connection - Making a Difference."

The dynamic relationship between Alaska and Washington born with the advent of the Alaska Gold Rush in 1896 continues to serve the increasingly complex needs of the Last Frontier. More than 116 years later, the economic, social and political ties between these two regions are more critical than ever to their mutual well-being. Public investment in infrastructure and alternative energy projects along with strong oil, gas and mining sectors continue to fuel Alaska's economy and by extension, the economy of the Pacific Northwest.

2012 marks the fifth consecutive year that Petroleum News has published an annual portrait of the dynamic and enduring business relationship between Alaska and Washington.

This edition features a look at some of the outstanding transportation companies that serve in Alaska-Washington trade. It also showcases companies that not only overcome the major challenges they face in an uncertain economy, but also work to make a difference in the lives of their clients, employees and neighbors. PNW Equipment and American Fast Freight, for example, are Washington-based businesses that strive for excellence in the services they pro-

vide to Alaskans, while going out of their way to give back to the Alaska communities where they do business. Udelhoven Oilfield Systems Services Inc. and Opti Staffing are Alaska-based enterprises that have taken their uncommon commitment to providing quality services and expanded their operations to Washington State and beyond.

### **Reinforcing the connection**

This year, telecommunications and mining are driving forces in Alaska's economy, bringing not only jobs, capital investment and tax revenue to the state but also business and community development initiatives that are being felt even in the remotest corners of the state.

Alaska Communications, AT&T and Futaris are expanding and improving their products and services in sync with the latest advancements in communications technology.

The state's six producing mines, Red Dog near Kotzebue, Fort Knox near Fairbanks, Pogo near Delta, Greens Creek and Kensington near Juneau and Nixon Fork near McGrath, along with advanced mine projects such as Pebble in Southwest Alaska, Donlin Creek in western Alaska and Livengood in the Interior

underscore the growing importance of the mining sector to Alaska. Numerous exploration ventures and mining support companies, including Taiga

Ventures, Modular Transportable Housing Inc., Calista Corp., Udelhoven Oilfield Systems Services Inc. and NC Machinery, add to the mix, creating thousands of high-paying jobs and providing much-needed revenue and civic support to

local communities across the state.

This activity is also an important lifeline for the Puget Sound and for numerous Alaska and Washington transportation companies such as Lynden Inc., Bowhead Transport Co., Alaska Air Cargo, Alaska Railroad Corp., American Fast Freight, Pacific Alaska Freightways and TransGroup Logistics.

Other Alaska businesses, including Aspen Hotels, Opti Staffing Group, Kenworth Alaska and Seekins Ford in Fairbanks, have unique ties to Washington State that enhance their ability to service the Alaska marketplace.

Most of these companies also provide goods or services to Alaska's oil and gas, retail, tourism, fishing, and service sectors. Yet perhaps their most effective and unheralded contributions are the many ways in which they give back to their communities. ♦

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*"It also showcases companies that not only overcome the major challenges they face in an uncertain economy, but also work to make a difference in the lives of their clients, employees and neighbors."*

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# Diverse sector keeps Alaska cargo moving

*Dynamic industry that supplies Alaska with consumer goods and construction materials adapts, grows with customers' changing needs*

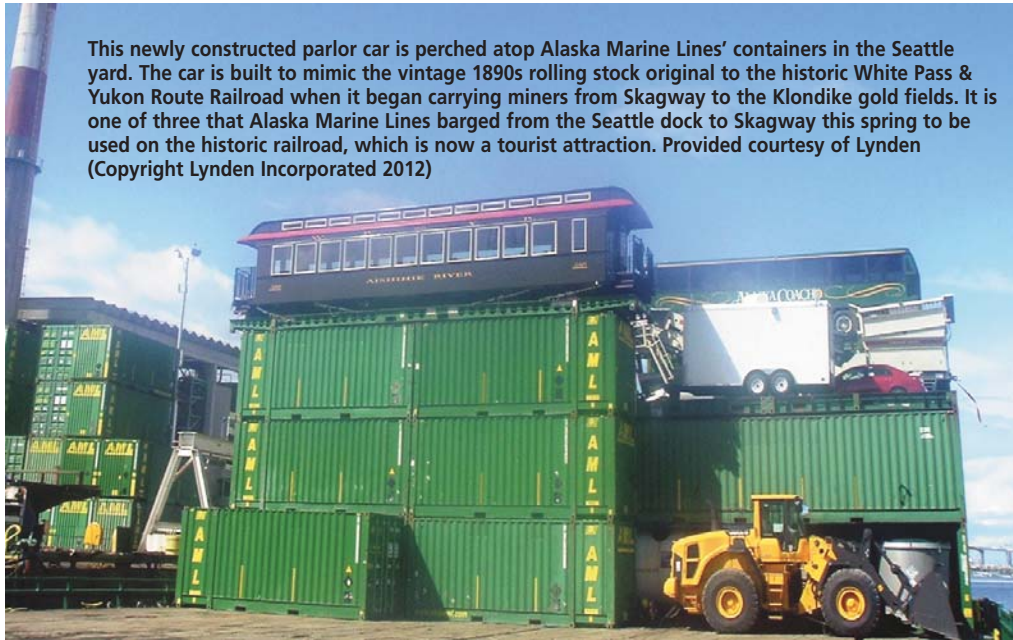
**By Rose Ragsdale**  
*Alaska-Washington Connection*

**T**ransportation companies operating in the Alaska-Washington trade are as diverse as the shipping needs of their customers. The sector boasts carriers such as Lynden Inc., the Alaska Railroad Corp., Pacific Alaska Freightways, Alaska Air Cargo and Bowhead Transport and specialists like American Fast Freight, TransGroup Inc., Pacific Northwest Equipment Inc. and Kenworth Alaska.

### Staying power

Seattle-based Pacific Alaska Freightways has provided freight transportation services to Anchorage, Fairbanks, Kenai, Kodiak and Southeast Alaska business and consumers for more than a half-century. Rex and Dorothy Sears began PAF in a small office

This newly constructed parlor car is perched atop Alaska Marine Lines' containers in the Seattle yard. The car is built to mimic the vintage 1890s rolling stock original to the historic White Pass & Yukon Route Railroad when it began carrying miners from Skagway to the Klondike gold fields. It is one of three that Alaska Marine Lines barged from the Seattle dock to Skagway this spring to be used on the historic railroad, which is now a tourist attraction. Provided courtesy of Lynden (Copyright Lynden Incorporated 2012)



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in the Coleman Building in Seattle in 1961. The family owned corporation recently celebrated its 50th anniversary.

Initially a consolidation business known as Pacific Alaska Forwarders, the company served many of the wholesale plumbing and electrical suppliers in Alaska, utilizing break bulk barge and shipping companies. Pacific Alaska has grown over the years to offer an array of shipping services to a wide customer base that includes major national retail accounts, commercial fishing companies, construction companies, and oil and gas industry suppliers, while remaining a leader in electrical and plumbing wholesale distributors shipping programs. In 2007, the company changed its name to Pacific Alaska Freightways to better reflect current services.

Today, Pacific Alaska owns and staffs its terminals in Washington and Alaska, including locations in Alaska's major fishing communities. It also operates a fleet of trucks and trailers in both states and uses a state-of-the-art computer system that gives customers real-time tracing, rating and tracking abilities along with computerized loading and manifesting, assuring clear and concise documentation.

In January, Southern Alaska Forwarding of Kodiak completed a friendly merger with Pacific Alaska that retained the entire Southern Alaska team but expanded the firm's services to Anchorage and the Lower 48.

Readers of Logistics Management voted Pacific Alaska Freightways a "2011 Western LTL Quest for Quality Winner," (PAF scored higher than any other Alaskan Carrier), along with Lynden Transport and several others, and praised the company for not only developing a sustainable business model, but also for being the best in servicing its particular region. The industry term, "LTL," refers to less than a full truckload of cargo.

### Logistics heavy hitter

New to Alaska is TransGroup Worldwide Logistics, a fast-growing global juggernaut with a single mission: To bring tomorrow's supply chain technologies and best practices to business clients today. Since its formation in 1986, the company has grown to more than 90 stations spanning five continents with a staff of 1,200-plus logistics professionals and a global network of more than 150 "Worldwide Alliance Partners."

TransGroup attributes its success to an emphasis on client/provider partnerships, global reach, powerful logistics systems and easy-to-use software tools with programming support. The company also cites as an important factor the involvement in the supply chain of everyone at the company, from shipping clerks to suppliers to C-level executives.

Transgroup noted on its website that its customers have voted it among the world's top 100 supply chain partners according to SCB Magazine as well as a "Great 100 Logistics Company" by Inbound Logistics magazine for seven consecutive years.

The company recently entered the Alaska market by opening TransGroup-ANC, a full-service freight forwarder and logistics provider located on Postmark Drive near Ted Stevens Anchorage International Airport.

The station is managed by Vanessa Keyes, regional director - Alaska. Keyes is an industry veteran with more than 30 years of experience. She began her career in 1976 with Northern Airfreight in Seattle, before transferring to Anchorage in 1983. Very familiar with and experienced in handling the unique challenges

of moving freight into, out of and within the state, Keyes said she is excited to be offering air, ocean, FTL (full truckload), LTL and project-related services to Alaska customers through TransGroup.

### Container gurus

PNW specializes in leasing shipping containers to businesses in Washington State, Oregon, Alaska and Hawaii with a focus on providing equipment that meets the needs of common carriers as well as the unique requirements of clients such as Boeing, Waste Management and the military. Founded by Terrence R. Thomas II in 1980, PNW got its start serving the Alaska-Washington trade with the containerization of the barge industry.

"We built Northland Services' first 20-foot-by-8-foot-by-9.5-foot

'High Cube' containers for Jim Hagen, (the owner) back in 1980," said Mathew Patrick Thomas, vice president of PNW. "Those were the first 20-foot High Cube containers in the world. Jim wanted to be able to ship canned salmon two pallets high. Thus, the 20-foot High Cube was born!"

Thirty-two years later, the family-owned business is still offering its services from headquarters in Kent, Wash., and refining the designs of its containers for the Alaska mar-

ket.

"A typical container on the international scene may be used four times a year, but Alaska containers turn twice a month," Thomas said. "Because of the harsh environment, they have to be built stronger to handle the extreme environment in which they operate. For example, we build our containers with beefed-up fork pockets and extra-high bottom rails to facilitate fork lift operations in the snow."

The company has developed a variety of intermodal equipment for its clients' use in Alaska-Washington commerce, including the 6,800-gallon ISO tank (UN Portable tank) container for which PNW has a patent pending.

"We built this UN Portable tank with fork pockets at the bottom. You won't see this type of tank container anywhere else in the world," Thomas said.

PNW also provides custom-built containers to customers. "We pride ourselves on being problem solvers for people," he said. "With all the different pieces of gear that we operate, we can formulate a plan to satisfy the shipping needs of our clients. We haven't been stumped yet!"

Thomas added that the big news at PNW these days is that his brother, Lt. Col. Terry Thomas III, home from active duty in the U.S. Marine Corps, has joined the team operating the family business.

### Full-service dealer

Kenworth Alaska is Alaska's premier full-service Kenworth truck dealer. As part of the Kenworth Northwest dealerships, owned by the Cymbaluk family, Kenworth Northwest and Kenworth Alaska have been serving the transportation needs of the Northwest and Alaska since 1967.

With five dealerships in Washington and two in Alaska - Anchorage and Fairbanks - Kenworth offers professionally staffed parts, service, new and used trucks, and lease and rental departments with capabilities to handle all makes of trucks and trailers. The company also maintains good inventory of new and used class 6, 7 and 8 trucks at all times.

Adds Kenworth Alaska: "If we don't have it, we can find it!" ♦

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*In January, Southern Alaska Forwarding of Kodiak completed a friendly merger with Pacific Alaska that retained the entire Southern Alaska team but expanded the firm's services to Anchorage and the Lower 48.*

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American Fast Freight broke ground in May on a new 30,000-square-foot freight facility adjacent to its current facility in Anchorage that is expected to be completed by November. This illustration shows the design by Gary Peterson of GPARCH Architects which features a high-pile storage chill/freeze area with product-receiving doors located directly in the coolers. Photo courtesy of American Fast Freight

# Freight-forwarder designs new digs

*American Fast Freight builds 30,000-square-foot Anchorage facility with customers, energy efficiency and environment in mind.*

**By Rose Ragsdale**

*Alaska-Washington Connection*

**A**merican Fast Freight broke ground in mid-June on a new freight facility adjacent to its current Alaska headquarters off West International Airport Road in Anchorage.

Designed by Gary Peterson of GPARCH Architects of Anchorage, the new structure is expected to propel the freight forwarder to the forefront of temperature-sensitive shipping in the Alaska-Washington trade.

After 30 years of providing ocean freight forwarding and consolidating services in Alaska, American Fast Freight is ready to make the most of this opportunity. From its main facility in Fife, Wash., the company facilitates the shipping of millions of pounds of cargo, primarily retail goods, to Alaska every week. It provides similar services in Hawaii, Guam and Puerto Rico.

In addition, through its affiliate com-

panies, American Fast Freight's services include project logistics, trucking, warehousing and distribution, cold storage, air freight, and household goods moving and storage.

"We ship everything from flat steel to food," said American Fast Freight Vice President of Operations Joel Boyd during a recent interview. "But our primary focus is food."

Boyd said the company's Alaska operations have grown steadily, especially during the past 10 years. In 2000, American Fast Freight doubled the size of its Anchorage facility by expanding the 20,000 square-foot warehouse it currently occupies.

The new Anchorage warehouse, currently under construction, will provide more than 50 percent more space at nearly 30,000 square feet than the existing.

American Fast Freight employs 350 workers, 135 in Alaska with 65 employ-

ees based in Anchorage. It also operates full-service terminals in Fairbanks and Kenai and household goods moving and storage and warehouse distribution businesses in Anchorage in addition to the cross-dock facility where the new warehouse is being built.

## "Cool" design

Watterson Construction of Anchorage will oversee the construction, for which \$6 million is tentatively budgeted.

The new space, which is scheduled for completion by early November, will feature a high-pile storage chill/freeze area with product-receiving doors located directly in the coolers. With the freezer and cooler built inside the warehouse, American Fast Freight will be the only freight forwarder that offers this feature in both Washington and Alaska. The company built a new 100,000-square-foot warehouse in Washington State in 2010.

"This feature makes AFF the only

freight forwarder in the Alaska market which receives temperature-sensitive product directly into its correct temperature environment on both sides of the water," said Boyd.

Known as "cool-chain compliant," the feature represents the very highest quality industry standards, something for which American Fast Freight continually strives, according to company spokeswoman Christina Hallock.

In fact, the American Institute of Baking (AIB) International, which audits the company's freight-forwarding warehouses in Fife and Anchorage annually has consistently awarded "Superior" ratings (the highest possible) to both facilities for the past six years, Hallock said.

Originally created in 1919 to apply sciences to baking, AIB is now considered the food industry's premier auditing organization.

**Increased efficiency**

The new Anchorage warehouse also will feature a "90-foot clear span," meaning it will have a completely open floor built without the support poles typical of most industrial construction. American Fast Freight opted to eliminate the poles because they can often create obstacles for busy forklift traffic.

"We will have increased efficiency by 75 percent by having a clear-span roof," Boyd said, observing that the company can only use about 17,000 square feet of its (existing) warehouse because of support poles.

The warehouse design also features 17 additional doors, bringing to 49 the total number of portals in the building

besides two drive-down ramps with doors and a covered back dock.

"With more doors, more space and no poles, we will have significant efficiency improvement," Boyd said. "We are genuinely excited about expanding our capabilities to better support the needs of our customers."

American Fast Freight expects to begin operations from the new facility in November. The company will continue to utilize the existing facility for extra storage and as a project freight-staging area.

It also will house certain other facets of the business, including bypass mail, Boyd said.

**Environment-friendly features**

In keeping with a company-wide move to energy-saving and environment-friendly operations, American Fast Freight also incorporated skylights into the roof design of the new Anchorage

warehouse and is installing high-efficiency, high-bay fluorescent lights and purchasing 7 new all-electric forklifts instead of ones fueled by propane.

Boyd said the company also upgraded the R-value in the overall structure and is installing a black roof membrane designed to absorb more heat from the sun. In addition, the company is switching to high-efficiency unit heaters, rather than continuing to use the much less efficient radiant heat.

Lastly, American Fast Freight made extensive upgrades to its truck fleet, purchasing five new 2012 model freightliners, and three new line trucks designed to pull double trailers.

**Employee-owned company**

American Fast Freight is a relatively rare bird in the corporate world, one of about 11,300 employee-owned enterprises out of more than 6 million companies nationwide. Though it cannot respond to individual employee requests for support, the company makes a point of stepping up to make a difference as a corporate citizen by giving back to the Alaska communities that it serves.

By sponsoring community benefits, organizing charitable drives and other events, and providing in-kind services, the freight forwarder supports numerous organizations, including the Food Bank of Alaska and especially the Kenai Peninsula Food Bank; the Shriners' Vidalia Onions program, Daffodil Day for the American Cancer Society, the Associated General Contractors of Alaska, Associated Builders and Contractors, Inc., Allied Builders, Girls Little League in Fairbanks, and many others in Alaska.

In Washington, American Fast Freight sponsors several Christmas gift collection programs for children as well as food drives for FISH Food Banks of Pierce County, Humane Society of Pierce and King Counties and others. In May, the company won the "Silver Spoon Award" from the Emergency Food Network "Silver Spoon Award" for its "substantial collection effort" that resulted from a friendly competition food drive between the freight forwarder and TOTE in 2011. Collections by both companies totaled 16,187 pounds and \$2,608, the equivalent of 13,988 meals, or enough to feed a family of four for a little over three years. American Fast Freight collected 10,477 pounds of food. ♦

*"With more doors, more space and no poles, we will have significant efficiency improvement. We are genuinely excited about expanding our capabilities to better support the needs of our customers." - Joel Boyd, vice president of operations, American Fast Freight*



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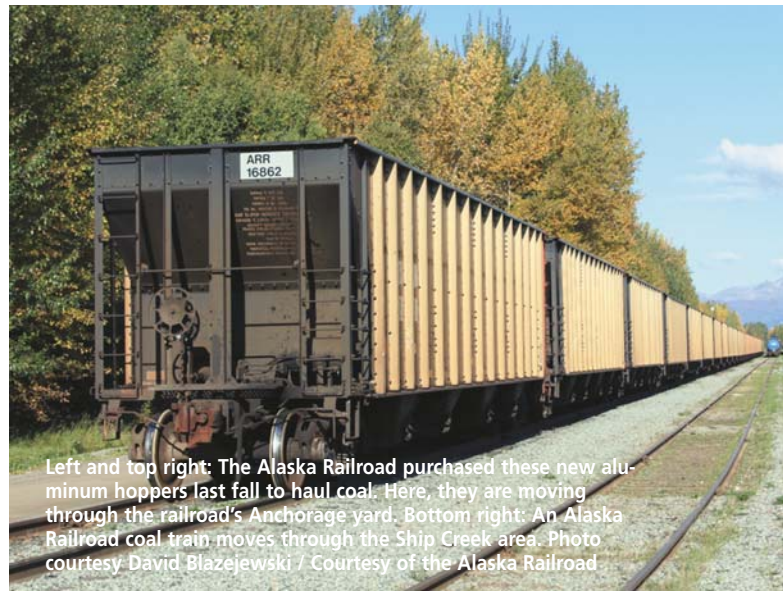
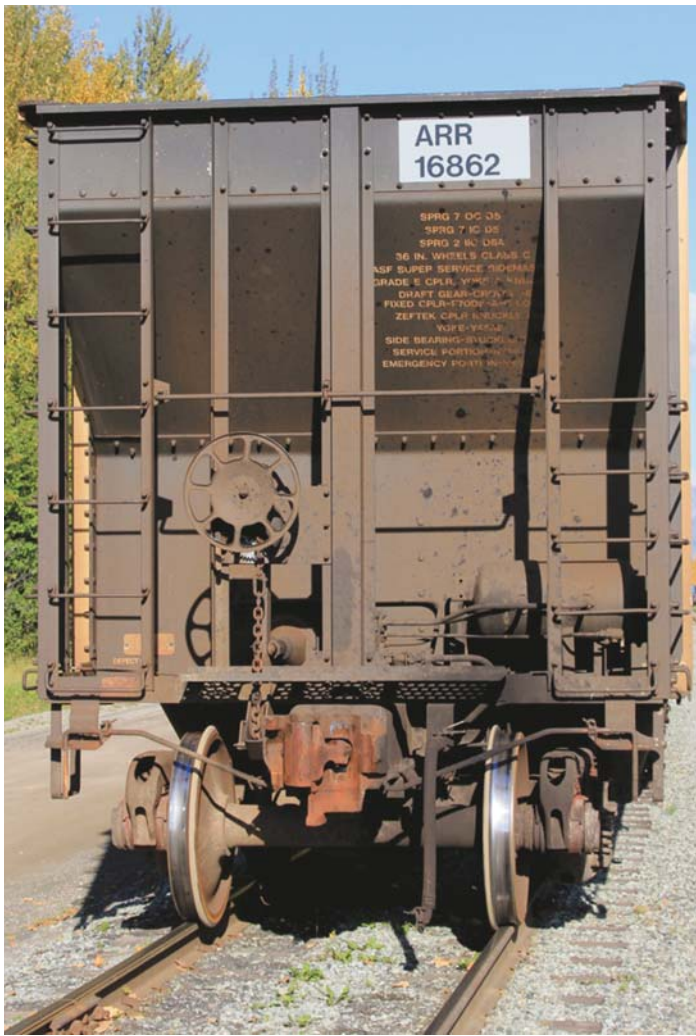


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Left and top right: The Alaska Railroad purchased these new aluminum hoppers last fall to haul coal. Here, they are moving through the railroad's Anchorage yard. Bottom right: An Alaska Railroad coal train moves through the Ship Creek area. Photo courtesy David Blazejewski / Courtesy of the Alaska Railroad



# Freight spurs 2012 growth for railroad

*Key federal funding allows unique carrier to continue program of service enhancements while major projects boost business traffic*

**By Rose Ragsdale**  
*Alaska-Washington Connection*

**A**fter posting solid growth in its freight business in 2011, the Alaska Railroad Corp. is reporting continued growth this year. A vital player in Alaska-Washington commerce, the railroad has served the passenger and freight transportation needs of Alaskans since its 470-mile-long track from Seward to Fairbanks was completed in 1923.

In 2011, the railroad had another profitable year, reporting net income of \$13.4 million on revenue of \$185.7 million in March. Freight train revenue, which accounts for 70 percent of the railroad's business, increased 12.7 percent last year, thanks to expanded coal exports and a 3 percent volume increase in interline (barge-rail) railcar traffic from Seattle and

Canada.

Passenger revenue also climbed 7.7 percent in 2011 as ridership grew from 405,000 in 2010 to 413,000 in 2011. In addition, the railroad corporation's real estate leasing and permitting business provided net income of \$8.5 million.

Though it does not currently have a direct, land-based connection with other railroad lines on the North American network, the railroad is able to move cargo to Alaska from anywhere in the Lower 48 and Canada via rail barges operated by the Alaska Railroad-owned Alaska Rail Marine, and the CN Rail-owned Aqua Train that sail regularly between the Port of Whittier and Seattle and Seattle's Harbor Island in Puget Sound, and Prince Rupert, B.C., respectively.

"We can move pipe, for example, from

Texas across the United States to Seattle where it is transferred to our rail barge," said Dale Wade, Alaska Railroad's vice president of business development. "We can move very large and bulk, heavy commodities very efficiently and very economically."

Much of the freight traffic was tank cars moving petroleum products from the Flint Hills Refinery in North Pole to storage tanks at Ship Creek in Anchorage for distribution in Southcentral Alaska a hopper cars moving coal from Usibelli Coal Mines Inc.'s operations in Healy to tidewater in Seward where it was loaded onto oceangoing barges for shipment to Asia and South America.

## Key federal funding

The railroad expects to receive \$31



The Alaska Railroad transported wind turbine blades and other components for 12 wind turbines from Whittier to Anchorage June 21 for Golden Valley Electric Association's \$90 million EVA Creek windmill generation project. Top: Specially constructed cars carrying the wind turbine parts move through the Whittier rail yard. Bottom: A train moves 36 tower blades – each 148 feet long and covering three railcars – and other wind turbine parts along the track between Whittier and Anchorage. Photo courtesy David Blazejewski / Courtesy of the Alaska Railroad

million annually in Federal Transit Authority funding under provisions of H.R. 4348, a new 28-month Highway Bill that the U.S. House of Representatives overwhelmingly passed by a vote of 373 to 52 June 29. The legislation is said to be critically important because it will fund federal highway, transit and highway safety programs nationwide through the end of fiscal year 2014.

"A great deal of thanks goes to Cong. (Don) Young and his staff for their hard work to retain critical funding for the Alaska Railroad in the transportation bill," Alaska Railroad President and CEO Chris Aadnesen said, after the bill passed the House.

The federal funding will cover the rail-

road's debt payments and fund continued track improvements, Wade said.

"We are focused on customer service and expanding business. We think great things are ahead for the State of Alaska and the Alaska Railroad," he observed.

### Enhancements and upgrades

In early 2011, the railroad added 70 new aluminum hopper cars, which increased capacity and efficiency.

"Our freight traffic is up another 4.8 percent year to date," Wade said in late June.

While owned by the State of Alaska since 1985, the railroad receives no state funds to support operations, and its profits are used to fund capital investments,

match federal dollars, and support work force programs.

The railroad has focused recently on enhancing and improving its services by adding new sidings for greater flexibility and efficiency of operations and by expanding its welded rail program.

A 10,500-foot-long rail siding was added earlier this year to support a new gravel operation in Kashwitna, Alaska.

Rail sidings allow the Alaska Railroad, which operates only one 470-mile-long track between Seward and Fairbanks, to pull one train aside and allow a faster one to pass.

Welded rails allow faster, smoother rides as well as increased speeds. This benefits the railroad's passenger services in addition to its freight business.

### Boost in freight shipments

Though Alaska is a relatively stable market with some peaks and valleys, Wade said the railroad's business this year has benefited from orders to move specialized equipment for several large projects.

These include Golden Valley Electric Association's \$90 million EVA Creek windmill generation project, which required the railroad to transport components for 12 wind turbines, or 36 tower blades – each 148 feet long and covering three railcars – from Anchorage to Healy.

The railroad is also continuing to fulfill its mandate to support statewide economic development with strong partnerships that moved two major rail extension projects from the environmental phase into design and construction. In 2011, the \$188 million Northern Rail Extension, supported by state and federal funding, has begun construction on Phase One, a bridge over the Tanana River at Salcha; and in Southcentral Alaska, the \$50 million-plus Port MacKenzie Rail Extension, funded by the State of Alaska, began final design, permitting, and land acquisition. Both projects hold tremendous potential for new commerce.

"Maintaining a solid financial footing and investing intelligently in our infrastructure are key to keeping our promises to the people of Alaska," Aadnesen said. "This new year is no different. The Alaska Railroad will continue to be fiscal stewards and to advance projects and programs that benefit Alaskans." ♦

# Bowhead sails toward future growth

*Transportation company marks 30 years of providing Alaska North Slope communities with oceangoing commercial freight services.*

Bowhead Transport Co.'s Nunaniq ferries a load of cargo the last half mile from the company's line haul barge to the shore at Barrow. Photo courtesy of Bowhead Transport Co.



**By Rose Ragsdale**

*Alaska-Washington Connection*

**B**owhead Transport Co. is celebrating its 30th year of providing marine transportation services in the Alaska-Washington corridor and preparing for new opportunities in construction, oil exploration and infrastructure development in the remote Arctic.

The Alaska Native-owned company is based in Seattle, though its business is focused thousands of miles to the north where it serves many of Alaska's arctic communities. Bowhead coordinates and carries out an annual sealift of freight to Alaska's North Slope and is the only provider of regularly scheduled barge services to and between the communities of Barrow, Point Hope, Point Lay, Wainwright, Nuiqsut, Prudhoe Bay and Kaktovik.

During the brief open-water season in the Arctic, the company also carries out a yearly backhaul of goods to the Puget Sound and beyond.

The Alaska Native Claims Settlement Act and the creation of the North Slope Borough provided the impetus for the formation of Bowhead in 1982 by Ukpeaġvik Iñupiat Corp. (UIC), the Alaska Native village corporation for Barrow. The transportation company was created in response to a need for scheduled commercial village freight services in Alaska's Far North.

In a typical year, Bowhead can expect to haul 6,000 to 10,000 short tons of freight northbound and another 5,000 tons southbound. The company transports construction materials, heavy equipment and general cargo throughout the waters of the Chukchi and Beaufort seas.

"In a big year, we move 18,000-plus tons of freight," said Bowhead General Manager Jim Dwight in a recent interview.

Bowhead barges lateral freight between the villages and calls at other locations on the Arctic Coast to meet the needs of government agency, military and oil and gas industry clients.

## Service and growth

In 2012 Bowhead's parent, UIC, formed the UIC Marine Services division, a holding company for several subsidiaries including Bowhead Transport that provide marine transportation and other support services in the Lower 48 and on the North Slope to both commercial and government entities. These include remote-site barge service to Arctic coastal villages; operation of company-owned specialized vessels for shallow draft lighterage work, providing crew members and customized vessels for research, training and maintenance for federal clients.

Bowhead's 2011 voyage north was precision-loaded and departed Seattle on schedule to make its North Slope deliveries during the open-water season between July and October.

The company provides special shareholder services including reduced rates and offers door-to-door freight service to the homes and businesses of its customers in all of the North Slope villages it serves.

"It might not seem like much, but actually, it is a great service for our customers to have their freight shipments consolidated in Seattle, and delivered to their door," Dwight said.

Bowhead also won a contract in 2011 with Carlisle Transportation to provide some of the marine transportation and logistics support for the North Slope Borough Barrow Gas Field Expansion Project. The services included lightering the



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The Greta Akpik, a Bowhead Transport Co. shallow draft landing craft, ferries cargo to the beach at Kaktovik. Photo courtesy of Bowhead Transport Co.



Kuukpik 5 drilling rig, along with pipe, and mud from the line haul barge at Barrow, and lightering more than 50,000 square feet of project equipment and components between Oliktok Point and Barrow within the project's critical weather window.

Other 2011 highlights included a proposed plan for the backhaul and recycling of scrap metal in Barrow, as well as providing transportation services to Northland for contaminated dirt from the former Northeast Cape Air Force Station at Saint Lawrence Island for disposal in the Lower 48.

In addition to its regularly scheduled barge service to the Arctic, Bowhead made stops at Cape Lisburne; Tin City, located at the mouth of Cape Creek on the Bering Sea coast; and Nome to backhaul materials under contract.

### Supporting new, ongoing projects

Bowhead marked its 30th year this spring by moving into a new building, the West Seattle Corporate Center located at 4025 Delridge Way in Seattle, which is near the Port of Seattle just west of the Spokane Street Bridge.

The company is also paving the way for new growth related to a resurgence of oil exploration activity on the North Slope.

"We likely will add additional 8(a) and commercial companies to the division portfolio," said Dwight. "And we are looking to add additional vessels over the next

few years."

Bowhead currently owns a small fleet of lighterage vessels, and charters oceangoing vessels as needed.

Dwight said a substantial amount of the investment the company plans in new vessels is related to the new oil exploration and production activity.

This year Bowhead won the contract to move the drill rig from Barrow back to Prudhoe Bay. The company also will barge equipment and materials for a \$40 million airport relocation project underway in Kaktovik and final freight required to complete construction of the \$85 million multi-year Barrow Replacement Hospital project.

The existing Kaktovik airport is situated on a gravel spit exposed to water on three sides northeast of Barter Island between the Okpilak and Jago rivers on the Beaufort Sea and is periodically submerged by Arctic storms. A new flood-resistant facility is being built in the center of Barter Island at a site located above the 100-year elevation that is consistent with the Federal Aviation Administration's mission and design standards. The project includes a new 4,500-foot-by-100-foot runway, taxiway, apron, access road, and airport lighting system. A new access road, landfill and sewage lagoon also will be constructed and the existing landfill and sewage lagoon will be closed and the land used for the apron area. The construction is planned in

Two Bowhead vessels work in tandem to offload cargo from the barge at Barrow. Photo courtesy of Bowhead Transport Co.



two phases: the first to begin in fiscal 2012 and the second in fiscal 2013.

Designed by RIM Architects of Anchorage, the 100,000-square-foot hospital in Barrow is the largest and most significant construction project in the Arctic community in the past 30 years. A joint venture partnership of UIC Construction and ASRC SKW Eskimos Inc. is managing the project. Underway since August 2010, the construction is scheduled for completion January 2013.

Bowhead will transport equipment and supplies to, and from, several U.S. Air Force remediation sites this year and next to support contractors removing contaminated materials for disposal outside of Alaska, Dwight said.

### Making a difference

As an Alaska Native owned company, Bowhead makes a difference every day in North Slope communities by providing job opportunities and job training for UIC shareholders. Through UIC Shareholder Services, Bowhead also participates as one of 40 different profit centers in providing training and apprenticeships for the region's young people.

Bowhead also provides underwriting support for Alaska Public Radio and in-kind freight services for other nonprofit organizations that benefit UIC shareholders across the North Slope. ♦

# Lynden family moves mountains of goods

*Diverse organization serves customers, environment and community across shipping, logistics spectrum in Alaska-Washington trade*

**By Rose Ragsdale**

*Alaska-Washington Connection*

**T**he Lynden family of companies is one of the premiere transportation specialists providing services in Alaska-Washington commerce. With the combined capabilities of trucks, ocean barges, rail barges, air freight, international ocean forwarding, customs brokerage, remote site construction and multi-modal logistics services, Lynden meets numerous transportation needs of Alaska-Washington businesses.

## Weathering the winter

The organization's ability to thrive in extreme environments served the carrier well during the recent record-setting winter.

"Prudhoe Bay doesn't get a lot of snow, maybe a foot or two a year, but the

little bit we do get doesn't melt for seven months," said John Jansen, Terminal Manager at Lynden Transport on the North Slope. "It just blows back and forth all winter causing extreme whiteout conditions, the strongest of which halts all outdoor operations on the oilfield."

The winter of 2011-2012 was so brutal that even ice road construction was affected.

"At 30 below zero, the water they pour to create the ice roads freezes so fast it becomes difficult to form a smooth surface. It's been too cold this winter to make good ice," Bering Marine Captain Jack Rasmussen said earlier this year.

"It's also been tough on the hovercraft. We've had some 68-below days that became 80-below with the wind chill. Our heaters and thermometers stop working in the hangar," he recalled.

Though trucks were left running

around the clock, freezing braking systems and valves, and stiff and tacky grease on the fifth wheels made hooking up trailers 20 to 30 times a day a particularly cumbersome, time-consuming and hazardous undertaking.

"It sometimes takes a blowtorch to warm up the landing gear cranks," observed Jansen.

Conditions became so severe at times that the carrier's oilfield customers enforced safety shutdowns for all hydraulic powered equipment used outdoors such as forklifts and loaders. When that occurred, Lynden's Prudhoe Bay team adapted, organizing and stripping loads to build one-stop and two-stop drops during the downtime that they could quickly deliver whenever temperatures rose enough for operations to resume.

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Lynden Inc. made recent design changes in its truck fleet that has improved fuel economy by 23 percent. Lynden's Brown Line LLC, for example, introduced an aerodynamic tractor-trailer design with side skirts and roof fairings that improved fuel economy. The design, plus other changes such as driver training, reducing speeds and new engines and tires, has helped Brown Line cut fuel consumption and emissions by nearly 25 percent. Photo courtesy of Lynden Inc.

### Teaming up on transport

Four Lynden companies – Alaska Marine Lines, Canadian Lynden Transport, LTI, Inc. and Alaska Marine Trucking – combine their efforts to transport lead and zinc ore concentrate from the Yukon Territory to Washington via Alaska before delivering it to a smelter in southern British Columbia.

The ore is carried in 16-ton pots moved three at a time on a B-train chassis from the Yukon to Alaska at a total weight of 170,000 pounds. In Washington and British Columbia they are carried two at a time for a total weight of 105,000 pounds.

Canadian Lynden Transport in Whitehorse trucks the ore concentrate 400 miles from the Bellekeno Mine in central Yukon to Skagway, Alaska, where it is loaded onto Alaska Marine Lines barges by Alaska Marine Trucking. Once the barges reach Seattle, LTI Inc. picks up the huge ore pots and transports them to Trail, B.C.

“This has been an interesting project for us,” said Lynden Regional Manager Vance Jansen. “It’s a good example of the efficiencies that come from multiple Lynden companies working together.” Lynden International also helps out by filing customs entries.

Other specialty assignments tackled recently by Lynden companies include transporting more than 160 loads of contaminated soil via cat train and then trucked from Umiat, Alaska to Franklin Bluffs near Prudhoe Bay and then to Anchorage.

For two years prior to the project, Lynden also trucked the

custom-built “cat” train itself to Prudhoe Bay.

### Protecting the environment

An industry leader in reducing their carbon footprint, Lynden has made recent design changes in its truck fleet that have improved fuel economy by 23 percent.

“We were working ‘green’ before it became so popular,” said Lynden Inc. Chief Operating Officer Alex McKallor. “From innovative containers to equipment that requires less fuel and reduces harmful pollutants, we are constantly searching for ways to save energy and use resources efficiently. Our culture of innovation and efficiency is in harmony with our commitment to reduce waste and be a model of environmental stewardship.”

Lynden was the first transportation company in Alaska to gain SmartWay certification from the U.S. Environmental Protection Agency and to earn the state’s Green Star Award.

### Helping the community

Thousands of cases of Girl Scout cookies arrive on pallets at Alaska Marine Lines’ warehouses in Seattle and Southeast Alaska each spring ready to be sorted for distribution to local troops. Alaska Marine Lines donates warehouse space, forklifts and volunteers to the Girl Scouts project.

The project is just one of numerous ways that Lynden companies lend a hand in the communities they serve throughout Alaska and Washington. ♦



# Alaska Air makes new cargo connections

*Air freight carrier expands nationwide network, prepares to upgrade and enhance service as Washington-Alaska shipping volumes soar*

Alaska Air Cargo has invested \$100 million in improving its cargo fleet. This Boeing 737-400 combi aircraft, for example, is designed to transport both passengers and cargo. Photo courtesy of Alaska Air Group Inc.



**By Rose Ragsdale**  
*Alaska-Washington Connection*

**A**laska Air Cargo, which operates the most extensive air cargo operation of any passenger airline on the U.S. West Coast, reports new growth and upgrades aimed at better serving its customers, especially freight forwarders and business shippers in the Alaska-Washington trade.

The operation is a division of Alaska Airlines, which traces its roots back 80 years to 1932, when Linious “Mac” McGee of McGee Airways started flying his three-seat Stinson between Anchorage and Bristol Bay. A merger with Star Air Service in 1934 created the largest airline in Alaska, which eventually became Alaska Airlines.

Today, the combined team of Alaska Air Group Cargo Services covers more than 85 cities from Puerto Vallarta, Mexico, to Barrow, Alaska, and between Boston and the Hawaii Islands and beyond.

Alaska Air Cargo, itself, transports more than 120 million pounds of cargo annually, including seafood, mail and freight. Much of Alaska Airlines’ cargo operation supports moving goods between the state of Alaska and the Lower 48 states.

Southbound, much of the product is fresh Alaska seafood. The airline transports more than 25 million pounds of fresh Alaska seafood each year from fishing towns throughout Alaska to markets and restaurants across the country.

Northbound, the airline transports a range of products, including U.S. Postal Service mail, essential supplies for remote Alaska communities and personal packages. Alaska Airlines operates both all-cargo and combi (part cargo/part passenger) aircraft on these routes.

During the first half of 2012, shipping volumes on Alaska-Washington routes increased significantly.

“It’s shaping up to be a very good year for Alaska Air Cargo,” Managing Director Torque Zubeck said in late June.

“So far, volumes between Seattle and Alaska have been good. Salmon shipments are up in Alaska, and it looks like Shell Oil is

going to be drilling in the Chukchi Sea. A lot of activity is associated with that, and we’ve already seen volumes picking up. That’s a positive sign,” said Zubeck in an interview.

Alaska Air Cargo is also experiencing higher shipping volumes to the North Slope reflecting increased activity in the region’s oilfields. “We’re seeing lots of cargo moving through our warehouse to the North Slope, and we’ve even had inquiries about our charter freight services,” Zubeck reported.

### System-wide growth

Meanwhile, Alaska Airlines is continuing to add new destinations to its regularly scheduled routes across the United States and thereby opening up new opportunities for air cargo customers.

“Just this year, we added new service from Seattle to Kansas City in March and to Philadelphia in June, and in September, we will begin new flights to San Antonio,” Zubeck said. Alaska also rerouted its Seattle-Miami flights to Fort Lauderdale, a nearby destination with an airport that should provide passengers and cargo customer in south Florida with more efficient transit times.

“We’ve also been growing our Hawaii franchise,” Zubeck



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Alaska Air Cargo retrofitted six Boeing 737-400 cargo aircraft to its fleet, one freighter and five combis, to replace its previous 737-200 cargo fleet. The interior of this airplane shows expanded cargo space flanked by passenger seats in the forward compartment. Photo courtesy of Alaska Air Group Inc.



This "ULD," also called an "Igloo," is a standardized aircraft container that can hold up to 6,000 pounds of cargo. It is being loaded onto an Alaska Air Cargo jet. Photo courtesy of Alaska Air Group Inc.

said. Unlike many other airlines that offer service from primarily Los Angeles to Honolulu with connections to the other islands, "we have flights to all four islands out of Seattle."

"Our freight forwarders and other cargo customers like that," he said.

Alaska Airlines also recently added weekly seasonal flights, beginning in November, directly from Anchorage to Kona, the Big Island, to its regular Seattle-Honolulu service, along with other seasonal flights to Maui, including a weekly flight from Bellingham, Wash.

"We serve the smaller markets for people who need to ship high-priority items. For what folks need, it seems to be working," he observed.

**Upgrades and improvements**

As part of its commitment to serving Alaskans' cargo and passenger needs, the airline has invested \$100 million to modernize and increase the capacity of its cargo fleet. Alaska Air Cargo retrofitted six Boeing 737-400 cargo aircraft to its fleet. These aircraft, one freighter and five combis, replaced the carrier's previous 737-200 cargo fleet.

Alaska Air Cargo recently installed a new ULD system in Anchorage, bringing to three the number of systems it uses to load and unload cargo at Ted Stevens Anchorage International Airport. A "ULD," also called an "Igloo," is a standardized aircraft container that can hold up to 6,000 pounds of cargo.

"The third ULD system increased our capacity to efficiently move cargo on and off of our aircraft," Zubeck said.

The airline is now planning to remodel and enhance its cargo-handling system in Seattle by merging separate customer service counters for outbound and inbound cargo into one with a single lobby.

"We believe it will be more efficient for our customers to have a single pickup and drop-off location," explained Zubeck.

Alaska Airlines also plans to re-evaluate its aircraft needs during the next six months. Currently, the airline operates 117 aircraft, of which about 20 percent, or some 23-24 airplanes, serve

Alaska destinations.

"Hopefully by the middle of next year, we will introduce the 737-900ER, a larger aircraft that can carry 181 passengers and has more cargo space," Zubeck said.

The range of the larger airplane is well-suited for transcontinental flights and Hawaii flights, he added. ♦

**IN BRIEF**

**Alaska Airlines wins industry service award**

Air Transport World magazine has honored Alaska Airlines with the Joseph S. Murphy Industry Service Award for its outstanding public and community service. The Seattle-based carrier is the only North American airline to be honored by the magazine and the first U.S. carrier to win the service award. "The Joseph S. Murphy Award honors an individual or organization that makes the airline industry a better place," said Geoffrey Thomas, the magazine's chief editor. "Alaska Airlines, through its numerous environmental and corporate-giving initiatives, has benefited the people and communities in which it serves, as well as has brought credit to the industry as a whole." The magazine cited Alaska Airlines' industry service record and technology and customer innovations, such as its work on satellite-based navigation procedures that are part of the Federal Aviation Administration's NextGen air traffic control system. Air Transport World also noted that Alaska's employees volunteered more than 8,000 hours in 2010, and that Alaska gave \$5.6 million to organizations including the Make-A-Wish Foundation, Angel Flight West, Special Olympics and Shriners Hospital for Children. Other 2011 winners include Air New Zealand (Airline of the Year), AirAsia (Value Airline of the Year); QantasLink (Regional Airline of the Year); All Nippon Airways (Airline Technology Leadership); former IATA DG Giovanni Bisignani (Decade of Excellence); Etihad Airways (Passenger Service); and Transaero Airlines. The Wall Street Journal also ranked Alaska Airlines No. 1 in operational performance for 2011 in its annual "Middle Seat" scorecard.



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# Hydro projects promise affordable energy

*Decade-long development process for remote facilities on Susitna, Allen rivers will include multi-year construction projects.*

**By Rose Ragsdale**  
Alaska-Washington Connection

Several projects aimed at helping Alaskans meet their goal of switching to renewable energy sources for half of their energy needs by 2025 are making significant progress toward becoming reality.

The Susitna-Watana Hydroelectric and Chikuminuk Lake Hydroelectric projects would largely transform the energy-consumption landscape in the Alaska Railbelt and in remote Western Alaska, respectively, while the Eva Creek Wind Project will reduce diesel consumption in the Interior and save Fairbanks power users millions of dollars.

The Susitna-Watana project would be located on the Susitna River about 90 river miles north of Talkeetna near Cantwell in Matanuska-Susitna Borough, and the Chikuminuk Lake project would be located at the northern end of Wood Tikchik State Park in the Yukon Delta National Wildlife Refuge about 118 miles southeast of the community of Bethel in the Yukon-Kuskokwim region. The Eva Creek project, currently under construction, is located in Ferry, Alaska, about 14 miles from Healy.

## Big goal for large project

As currently envisioned, the Susitna-Watana Hydroelectric project would include a roughly 700-foot-tall dam with a 20,000 acre, 39-mile long reservoir. The type and final height of the dam construction are still being evaluated as part of engineering feasibility studies.

Preliminary studies have indicated the surface powerhouse should have three generating units with an installed capacity of 600 megawatts. The powerhouse, dam and related facilities would be linked by transmission lines to the Railbelt Intertie.

The intertie, a 170-mile, 345kV transmission line that currently runs between Willow and Healy, allows Golden Valley Electric Association of Fairbanks to purchase electricity produced less expensively with lower cost energy such as natural

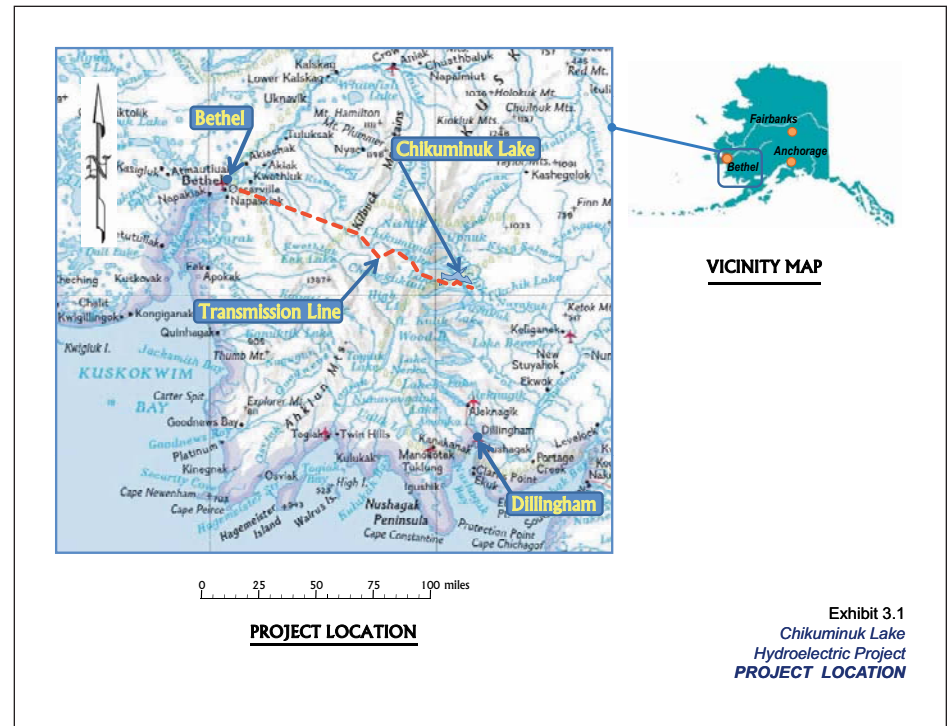


Exhibit 3.1  
Chikuminuk Lake  
Hydroelectric Project  
PROJECT LOCATION

gas and hydroelectric from utilities in Anchorage and the Kenai Peninsula. Fairbanks consumers save an estimated \$7 million a year.

The Susitna-Watana project would produce nearly 50 percent of the electrical demand of railbelt communities, or an annual average of 2.6 gigawatt hours. Currently estimated to cost about \$4.5 billion, the project's construction will take five years and an operating license is obtained by 2017, it could produce power as early as 2022.

In March, the Federal Energy Regulatory Commission granted to the Alaska Energy Authority a preliminary permit to study the feasibility of the project, including studying its potential impact on the environment.

## Critical goal for smaller project

The hydroelectric project at Chikuminuk Lake would be much smaller than Susitna-Watana, with a 128-foot-high concrete-faced rockfill dam at the Allen River discharge from the lake. The surface powerhouse would contain two generat-

ing units with combined capacity of 13.4 MW with estimated annual energy production under average water conditions of 88.7 GWh.

The facility, estimated to cost about \$507 million, would provide most of the electrical power required for Bethel and the 13 surrounding communities of Akiachak, Akiak, Kwethluk, Tuluksak, Oscarville, Napakiak, Napaskiak, Atmautluak, Kasigluk, Nunapitchuk, Tuntutuliak, Eek and Quinhagak.

"This project has the potential to positively change the cost and availability of energy in the Calista region for both families and businesses. Rural Alaska can no longer sustain the diesel fuel required by antiquated power systems," said Nuvista Executive Director Elaine "Chicky" Brown. "Finding a regional alternative to diesel fuel for electricity would displace over 5 million gallons of diesel per year barged into Bethel alone, and reduce 55,000 tons of carbon dioxide."

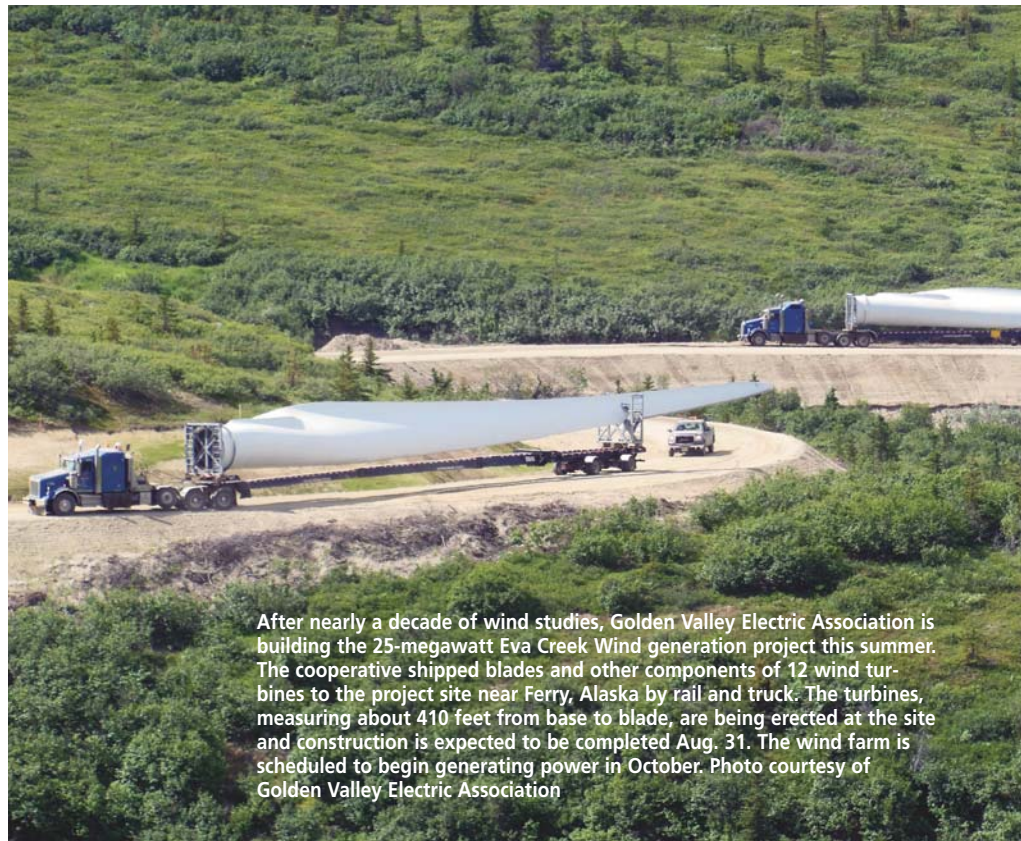
Nuvista Light and Electric Cooperative, which is spearheading the project is a non-profit member organization com-

prised of Calista Corp., Association of Village Council Presidents, AVCP Rural Housing Authority, Yukon Kuskokwim Health Corp., Alaska Village Electric Cooperative, Middle Kuskokwim Electric, Chaninik Wind and Lower Yukon.

The cooperative's mission is to improve the energy economics in rural Alaska by creating affordable and sustainable energy generation and transmission infrastructure in the Yukon-Kuskokwim region.

The Chikuminuk Lake project, the cooperative's most ambitious project to date, got a boost from a \$10 million appropriation by the Alaska Legislature in 2011. The funding allows Nuvista to perform detailed field work in geotechnical, environmental, preliminary engineering, licensing, and public meetings related to the hydropower project, which could be the first of its kind anywhere in Southwest Alaska.

Another \$1.5 million in state funding this year will allow Nuvista to study services consolidation in the Yukon-Kuskokwim region. "We are looking at cluster community dynamics, how to connect the communities together with possible roads and power interties and possibly better hospital service," Brown said.



After nearly a decade of wind studies, Golden Valley Electric Association is building the 25-megawatt Eva Creek Wind generation project this summer. The cooperative shipped blades and other components of 12 wind turbines to the project site near Ferry, Alaska by rail and truck. The turbines, measuring about 410 feet from base to blade, are being erected at the site and construction is expected to be completed Aug. 31. The wind farm is scheduled to begin generating power in October. Photo courtesy of Golden Valley Electric Association

Unlike the railbelt where electricity costs about 14 cents per kilowatt per hour, power costs in the Yukon-Kuskokwim are substantially higher, currently averaging 50 cents to \$1 per kwh. Providing hydroelectric power to all 14

communities has the potential to displace up to 20 million gallons of diesel averaging \$7-\$12 per gallon annually.

In addition, hydropower would reduce or even eliminate the barging of diesel upriver, which is a significant environmen-



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*James Idelhoven*



tal hazard that threatens all-important subsistence fishing in the Yukon and Kuskokwim rivers.

In February Nuvista signed a contract with Hatch Engineering for the Chikuminuk Lake project, and the agreement requires the use of Alaska-based subcontractors on the project. Nuvista also filed an application March 1 with FERC for a preliminary permit. Since then, the cooperative has met with federal agencies and land owners in early consultation regarding permits and other authorizations needed to conduct related studies within the park and the refuge.

### Excess power for Dillingham?

Brown said a sense of urgency about the project has gripped local communities. At one joint Nuvista/Calista public meeting in Bethel in March 2011, individuals urged the cooperative “to stop talking and do something about energy,” she said.

“When we returned for a public meeting in March this year, some elders said they were hoping to see the hydro project completed in their lifetime,” she said.

The power project technically is for Southwest Alaska, with the Yukon-Kuskokwim region designated as the primary service area.

“If the project has greater-than-anticipated capacity, however, we may also run power to Dillingham,” Brown said. “It depends on whether we can get permission to extend the transmission line through the wildlife refuge.”

Nuvista began its first field season of project studies with raptor surveys in May, and in June, conducted the first reconnaissance tour of the proposed site with a fly-in, geotechnical mapping and other activities planned across the summer.

“We need to determine if the walls of Allen River can hold the dam, which would be located at the mouth of the river above the waterfall,” Brown said. “Once we obtain FERC permits, we will hold scoping meetings and (begin other work.) It’s very similar to what the Susitna-Watana project is going through.”

### Wind studies pay off

Golden Valley Electric Association is building Eva Creek Wind this summer. After a six- to seven-week erection process, the 12-turbine wind farm is expected to be completed Aug. 31 and to come online in October.

GVEA studied the project site in Ferry nearly a decade before giving the project a green light. The utility says the Eva

Creek project will integrate well into its system, helping to reduce its dependence on oil and meets the cooperative’s renewable energy pledge. And it won’t raise rates.

In fact, assuming oil prices of \$90 per barrel, GVEA estimates that Eva Creek will save members \$13.6 million over the next 20 years.

After importing the giant components for the wind farm from Korea, Germany and the Lower 48 during the spring and early summer, turbines, measuring about 410 feet from base to blade, are being erected at the site.

A complete turbine is made up of three sections of tower, a hub, a nacelle (sticks off the backside of a hub and houses the generating components like the drive train, gearbox, etc.) along with the three blades and inside components.

Together, the turbines will be capable of producing about 25 megawatts of electricity, which translates to 77 million kilowatt hours per year at an average cost of 9.5 cents per kwh.

Eva Creek will meet GVEA’s goal of having 20 percent of its system’s peak load generated by renewable resources by 2014. The cooperative’s 2011 peak load was 211.5 MW. ♦

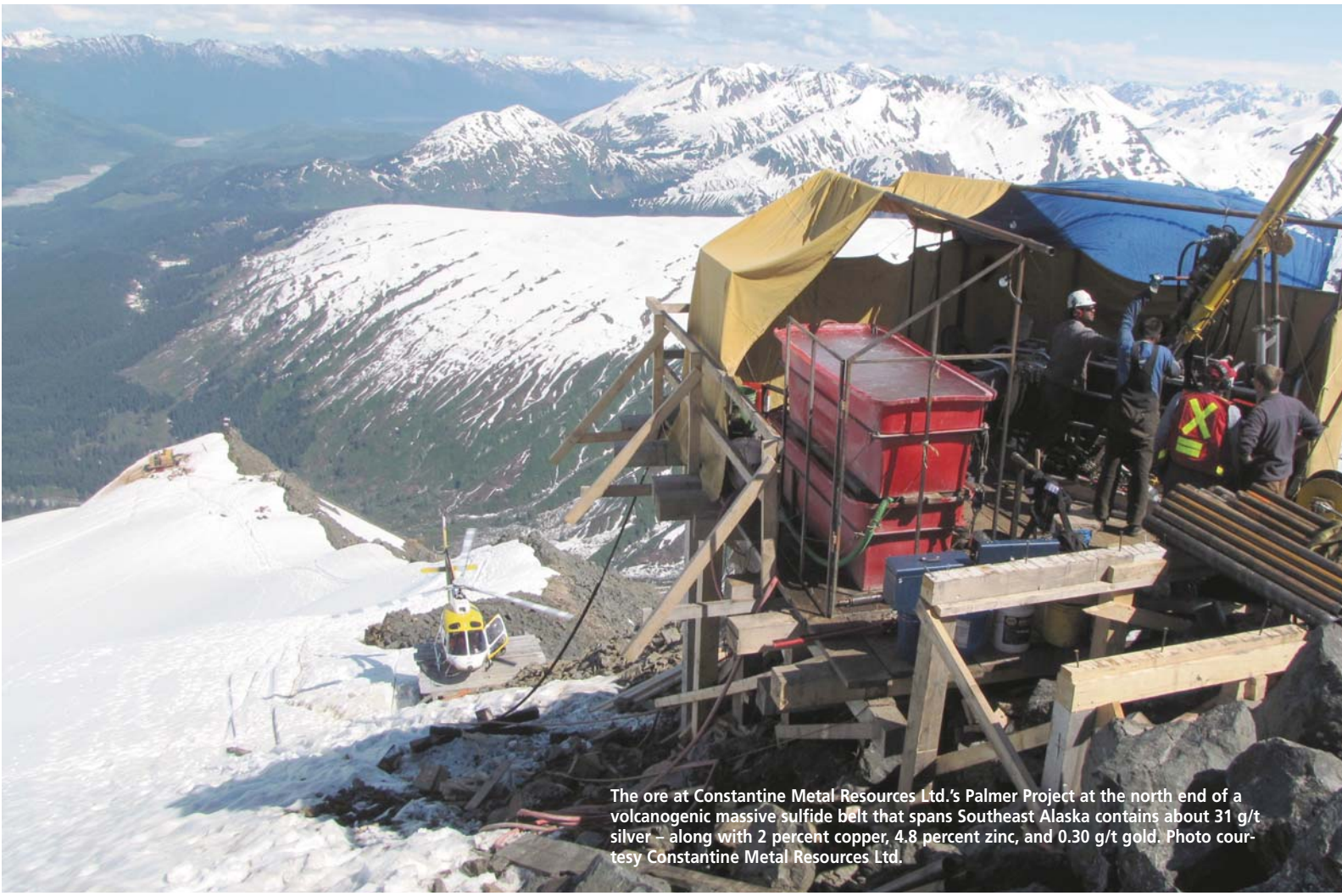
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The ore at Constantine Metal Resources Ltd.'s Palmer Project at the north end of a volcanogenic massive sulfide belt that spans Southeast Alaska contains about 31 g/t silver – along with 2 percent copper, 4.8 percent zinc, and 0.30 g/t gold. Photo courtesy Constantine Metal Resources Ltd.

# Mining makes a difference in Alaska

*Industry provides thousands of high-wage jobs, millions in local spending to make substantial impact on 120 Alaska communities*

**By Rose Ragsdale**  
*For Alaska-Washington Connection*

**A**laska's producing mines and mineral exploration and development projects are making substantial and growing contributions to the state economy and the welfare of many communities. Mining, in fact, remains a bright spot in an uncertain economy.

Like a stone tossed into a pond, the mining industry's presence is generating a ripple effect that is making a dramatic impact on the lives and livelihoods of growing numbers of Alaskans, especially residents of rural communities located near mines and mine projects.

### **Mining impact**

The direct effect of mining on the state is impressive. In 2011, the industry

provided 4,500 direct mining jobs and another 4,500 indirect jobs in Alaska, with total spending of \$620 million on direct and indirect payroll. Most were year-round jobs for residents of more than 120 communities located in 26 out of 29 Alaska boroughs or census areas throughout Alaska, half of which are located in rural Alaska where few other jobs are available. Mining paid some of Alaska's highest wages, with annual averages of about \$100,000, which was more than twice the state average for all sectors of the economy.

The sector also generated \$148 million in state government revenue through rents, royalties, fees, and taxes – up 170 percent from 2010; \$17 million in local government revenue through property taxes and payments in lieu of taxes;

and \$172 million in payments to Alaska Native corporations.

The mining industry also paid \$70.1 million in other state government-related revenues, including \$28 million to the Alaska Railroad Corp. – \$21 million for moving coal and \$7 million for moving sand and gravel; \$41.1 million to the Alaska Industrial Development & Export Authority for the use of state-owned facilities (DeLong Mountain Regional Transportation System and Skagway Ore Terminal); and \$1.0 million to the Alaska Mental Health Trust for rents and royalty payments, and construction material sales.

Mining companies spent \$300 million in 2011 on exploration in Alaska, up 13 percent from 2010, with 30 projects spent more than \$1 million and another

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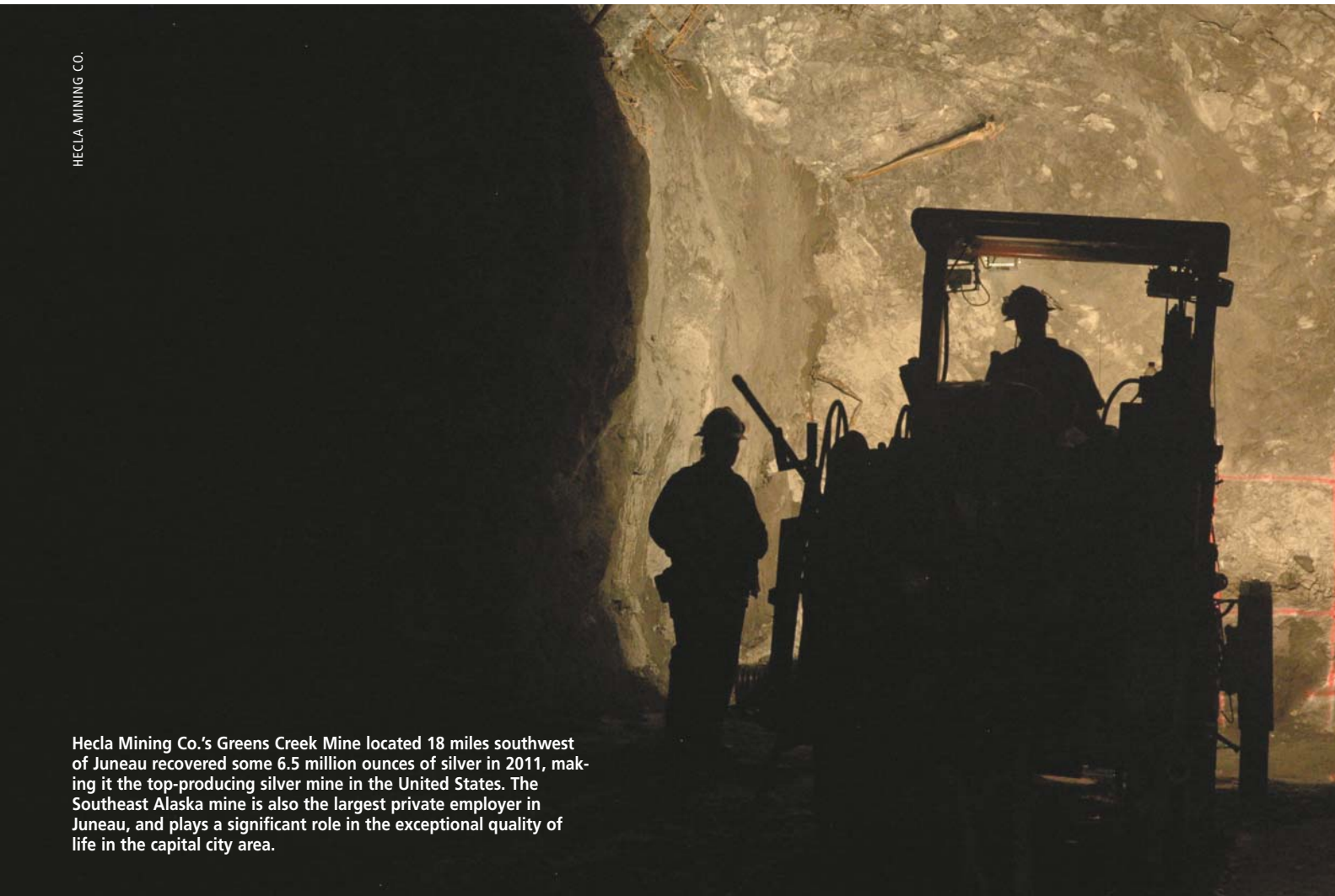
The Pebble Partnership's environmental assessment is one of the most exhaustive studies ever completed in Alaska. Good science takes time.



The Environmental Baseline Document  
is available at [pebbleresearch.com](http://pebbleresearch.com)







Hecla Mining Co.'s Greens Creek Mine located 18 miles southwest of Juneau recovered some 6.5 million ounces of silver in 2011, making it the top-producing silver mine in the United States. The Southeast Alaska mine is also the largest private employer in Juneau, and plays a significant role in the exceptional quality of life in the capital city area.

30 projects spending more than \$100,000. The value of gross mineral production totaled \$3.8 billion from Red Dog, Greens Creek, Fort Knox, Pogo, Kensington, and Usibelli Coal mines, placer mines, and rock, sand, and gravel operations. That's an increase of 16 percent from 2010. During the year, more than 200 placer mines also produced 70,000 ounces of gold, as well as platinum.

All of Alaska's Native corporations benefited from mining industry activity in the state through 7(i) and (j) royalty-sharing payments as well as jobs for shareholders and business partnerships.

For example, \$169.9 million in net proceeds from Red Dog Mine operations went to NANA, the Alaska Native regional corporation for Northwest Alaska where the mine is located, while another \$82.0 million was distributed to other Alaska Native regional and village corporations. In addition, 56 percent of the 550 year-round jobs at the mine are filled by NANA shareholders. Calista Corp. - the Alaska Native regional corporation for the Yukon-Kuskokwim Region in western Alaska - received about \$2 million in 2011 in royalties and other revenue for mineral agreements including lode exploration, placer gold production, and construction material sales. Calista shareholders, descendants and spouses predominantly fill the exploration camp jobs at the Donlin Creek Gold Project.

**Beyond impact**

The impact of mining in Alaska goes beyond money spent and wages earned. Mines and mine projects make an importance difference, especially in the many communities where they represent the only significant private-sector presence.




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Thus, the mining industry and its workers meet many of the civic and philanthropic needs of their communities.

Greens Creek Mine, for example, is the largest private employer in Juneau, Alaska's state capital, and plays a significant role in the exceptional quality of life in the Juneau area. Located about 18 miles southwest of the city, the Greens Creek operation on Admiralty Island has been a staple of the Juneau and Angoon communities for 22 years. Greens Creek's 340 employees make a significant impact on their local community, not only as residents, but also through a variety of activities and events where they volunteer.

Employees paid some \$430,000 in local property taxes in 2010. The Juneau school district received about \$664,000 in school funding due to the 192 children of Greens Creek employees who attend local schools. In addition, Greens Creek employees donated about \$15,000 in personal donations to charity. The employees also volunteer about 4,000 hours of their time annually to local charity groups, schools and community organizations. During 2010, the mine, itself, contributed more than \$29,000 to local philanthropic efforts and provided \$20,000 for local civic and youth programs including the high school science

fair, local opera and musical productions, city museums and exhibits, youth sports, and scholarships to the University of Alaska-Southeast, among others.

Alaska's other five producing mines and at least one mine project, the Pebble Project, in Southwest Alaska play equally important roles in their respective communities.

### Mining support

Many Alaska Native corporations also have taken the opportunity to develop businesses that serve the mining sector, including: NANA Regional Corp., Calista Corp., The Kuskokwim Corp., Central Council Tlingit & Haida Indian Tribes of Alaska, Goldbelt, Inc., Kake Tribal Corp., Klukwan, Inc., Prince of Wales Tribal Enterprise Consortium, Iliamna Development Corporation, Pedro Bay Corp., Alaska Peninsula Corp., Kijik Corp., Igiugig Native Corp., Tenalian Inc., and Tyonek Native Corp.

Pedro Bay, for example, formed a 51/49 percent partnership with Fairweather, LLC to create Clear Stream LLC, a venture that has provided medical support services to the Pebble Limited Partnership in February 2009. Pedro Bay is located on the Alaska Peninsula at the head of Pedro Bay and the east end of Iliamna Lake, some 176 air miles southwest of Anchorage. Clear Stream hopes to expand its medical services in the future as well as add expediting, equipment rentals, and warehouse management and procurement to the roster of services that it offers the mining sector.

Mining also plays a critical role in sustaining Alaska-Washington commerce. Service companies, including most of Alaska's major transportation businesses, depend on the mining sector for both direct and indirect trade. Whether it's trucking ore concentrate from a mine or delivering fresh eggs and produce to a project site, the carriers that serve Alaska supply mines and mine projects with the transportation services they need.

Some businesses provide specialty products and services on which many companies in the mining sector have come to rely. They include Taiga Ventures of Fairbanks, which specializes in logistical support for remote projects, and Modular Transportable Housing Inc. of Yakima, Wash., which constructs modern work camps in remote locations.

Other businesses such as Seekins Ford of Fairbanks, Kenworth Alaska and NC Machinery provide mining companies,

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Geologists Joey Wilkins and Maarten de Moor canvas Full Metals Minerals Ltd.'s Pyramid copper-gold property on the Alaska Peninsula. This geologically active region of the "Ring of Fire" hosts a belt of young porphyries and epithermal gold deposits. Photo courtesy Full Metals Minerals Ltd.



their vendors and employees with the automobiles, tractors and heavy equipment that they need to work in Alaska.

### **Mining outlook**

Mining has the potential to make a tremendous contribution to the future of Alaska. Every region of the state has some form of mining potential, ranging from gravel operations to gold, silver, copper, nickel, lead, zinc, platinum, tungsten, manganese, rare earth minerals, jade, limestone, and coal deposits.

But the future also holds uncertainty that could dim prospects for mining development. Challenges related to high costs and environmental concerns must be overcome for the industry to deliver on its amazing promise.

Further development of Alaska's mineral resources would bring additional benefits in the form of more high-wage jobs and increased spending with local vendors as well as government and Alaska Native revenue from taxes and royalties. The

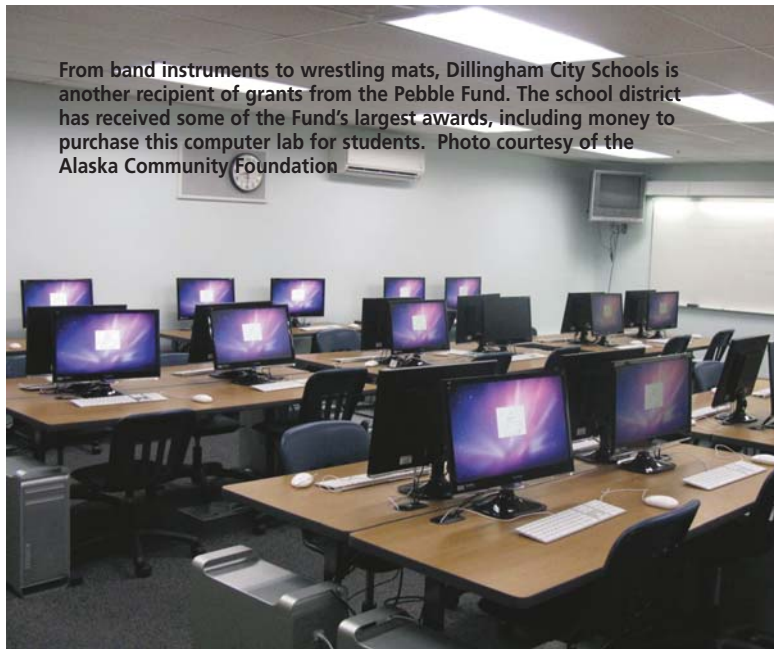
presence of responsible mining organizations also would dramatically improve the quality of life for many Alaskans who will never see the inside of a mine.



**Contributing to the economic  
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Alaska through responsible mining.**



Chignik Lake Village Council is one of many Bristol Bay Region communities that benefited from more than \$4.05 million in grants awarded by the Pebble Fund since 2009 for local civic and charitable projects. Photo courtesy of the Alaska Community Foundation



From band instruments to wrestling mats, Dillingham City Schools is another recipient of grants from the Pebble Fund. The school district has received some of the Fund's largest awards, including money to purchase this computer lab for students. Photo courtesy of the Alaska Community Foundation

# Villages feel impact of Pebble outreach

*Mine project's \$4 million in grants aids Southwest Alaska communities in securing more than \$26 million in state and federal funds*

**By Rose Ragsdale**

*Alaska-Washington Connection*

In its quest to develop a massive copper-gold-molybdenum deposit located in the Bristol Bay Region of Southwest Alaska, The Pebble Limited Partnership has undertaken an extensive community outreach program that is having a remarkable effect on the lives of local residents.

The partnership, a 50-50 co-venture of Northern Dynasty Minerals Ltd. and AngloAmerican plc, has invested millions of dollars in developing the Pebble Project, including numerous educational, training and business development programs in the region.

Perhaps the most remarkable of these initiatives is the Pebble Fund, a 5-year, \$5 million commitment to help develop sustainable communities in rural Southwest Alaska. Though the mine companies have contributed nearly \$1 million to the fund annually since 2009, they have exerted virtually zero influence over how the money has been spent.

Managed by the Alaska Community Foundation, the Pebble Fund's grants are reviewed and approved by a 10- to 12-member advisory board of Bristol Bay-area residents that considers applications twice yearly for grants ranging from \$5,000 to \$100,000.

As the fund's five-year commitment draws to a close, Foundation CEO Candace Winkler said her organization is attempting to determine the extent of its impact on Bristol Bay communities.

"What's been so powerful is that (the mining companies) have given those funds and stepped back and let the community decide how the funds are spent," Winkler said. "And the advisory board members have set aside the varying politics of the individuals involved and focused on the community's needs. It's certainly had an impact. We've seen some appreciation from the tribal groups and communities."

DeWayne Constantine, chairman of the Pebble Fund advisory board, said the panel "stringently" followed guidelines established by the foundation, and even though about 75 percent of the applications did not receive money, the fund had a substantial impact on the community.

## Six-fold impact

"About \$3.8 million or \$3.9 million from the Pebble Fund has enabled the villages to secure or match more than \$26 million in state and federal funds for their projects," Constantine said.

The grants helped to fund a variety of civic and community projects, everything from restocking an elder food bank, to relocating a sewer line on a beach, to

purchasing an X-ray machine and a fire-fighting truck and equipment. Among the more unusual projects: Rebuilding and renovating local churches, purchasing wind turbines to power a community greenhouse and installing an FM radio tower.

"Without the Pebble Fund, a lot of these communities couldn't secure state or federal funding for these projects, especially the smaller villages that have no tax base," said Constantine. "Even the small grants like for vehicle purchases make a big difference."

The village of Kokhanok, for example, was able to buy a truck with a plow that it uses to maintain its utility right-of-ways.

The fund's impact was felt perhaps most profoundly in these villages where unemployment and underemployment is epidemic and local residents were hired to operate the heavy and specialized equipment required to complete the various infrastructure projects. The Pebble Fund also paid for the training that made it possible for the locals to do the work.

"The first year, a lot of people thought the Pebble Fund was bribing the communities to support the Pebble Project," Constantine said. "By the next year, the communities realized that they could maintain their stance against the (mine) project and still apply for grant money." ♦

# Providers market new high-tech services

*Rapidly changing industry offers Alaska businesses numerous opportunities to maximize the potential of telecommunications advances*

**By Rose Ragsdale**

*Alaska-Washington Connection*

**A** high-tech revolution is underway in telecommunications services, as an industry that defines itself by change is once again inundated by advancements that Alaska providers are bringing to customers in cost-effective ways.

Whether it's high-speed Internet, network management, wireless network or IT services or design, engineering and construction of industry-specific solutions, telecommunications companies that serve the Alaska-Washington business community are working to identify and offer the best in the industry to their clients, while expanding with new services and into new markets.

## Leveraging assets

Alaska Communications recently launched new home Internet, business Internet and small- and medium-size business services.

From its Anchorage headquarters and 33 retail and agent locations across Alaska, the company serves the fastest-growing segment of telecommunications users - data dependent consumers and enterprises - and leverages its legacy as a local telephone company to support its wireless and enterprise data network.

Alaska Communications, formerly Alaska Communications Systems or ACS, has 887 employees and owns fully incorporated infrastructure for the major telecommunications platforms: wireless communications, Internet networking,

and local and long distance phone service. Its wireless network covers 85 percent of the Alaska population with high-speed wireless data for more than 75 percent of Alaskans.

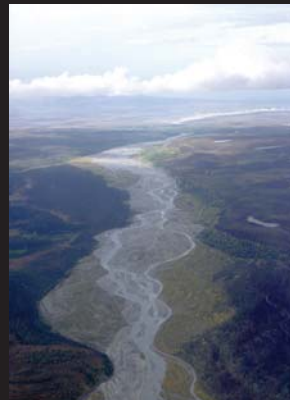
In addition to owning a statewide 3G CDMA network, the company offers businesses fixed-data solutions delivered over a statewide Metro Ethernet and MPLS network through data-hosting centers and submarine fiber networks connecting Alaska to the Lower 48 and through professionals who provide managed services.

Calling the tough Alaska terrain its "digital playground," Alaska Communications provides data network, WAN optimization, wireless and IT (End-to-End network management for busi-



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nesses), and network management and “ConstantlyOnIt” (managed services and IT solutions to the end-user level) services.

The company recently augmented its professional services product line through an investment in and partnership with TekMate, a leading IT services firm in Alaska that, like Alaska Communications, also extends its services to the Lower 48. Alaska Communications also provides hosted services, disaster recovery, HD video conferencing, and fleet management, which is a GPS and cellular-based technology that enables a company to monitor its fleet remotely from an online computer or even a smartphone. The provider has designed industry-specific solutions for health care, education, financial services and the wholesale and carrier sector.

The company recently launched a new business Internet service with speeds up to 15 megabits per second that delivers unlimited business Internet access with no data limits or overage charges. With no caps on Internet use or overage fees, businesses can enjoy unlimited data transfer without worrying about unanticipated overage charges.

“The Internet drives small business, now more than ever before,” said Eric Lazo, Alaska Communications vice president of product and marketing. “We want our business customers to enjoy reliable high-speed Internet service so they can focus their attention on connecting with customers without the concerns that come from hidden fees or data caps.”

The service also features a secure, consistent connection and does not share a connection with other users. Data speeds are scalable up to 15 Mbps. The service comes with free on-site setup, built in Wi-Fi, on-site speed tests to assure connection performance, a domain and e-mail hosting unique to your company, virtual private network accessibility to give employees the ability to remotely connect to the office and technical support.

Alaska Communications is also marketing combined phone, fax and Internet services in packages designed for small businesses with up to 10 employees.

### Cloud coverage

AT&T is another provider that is helping to re-map the telecommunications landscape in Alaska.

With a focus on strengthening its telecommunications infrastructure in Alaska, AT&T operates 15 company-owned retail locations and employs 549 workers in the state. From 2009 through 2011, AT&T invested more than \$650 million in its Alaska wireless and wireline networks.

In addition to about \$10 million in local and state taxes that it pays annually, the company spent more than \$29 million on goods and services purchased from suppliers based in Alaska in 2011.

Since November, AT&T has launched several new business solutions and updates, focusing on its roster of cloud services as part of a strategy to meet the needs of a wide variety of users, including large and medium enterprises, developers, and Internet-centric businesses. Among the new services is AT&T Synaptic Compute as a Service<sup>SM</sup> with VMware vCloud<sup>®</sup> Datacenter Service, a virtual private cloud offer for mid-market and large enterprises that allows VMware customers to extend their private clouds across and into AT&T’s network-based cloud using AT&T’s industry leading virtual private network. The new enterprise-class cloud service combines technologies

from virtual private networking industry leader AT&T and cloud infrastructure software industry leader VMware.

Like AT&T’s other cloud offers, this new cloud capability is embedded directly into its network. This means computing and storage services can be scaled, managed, routed and delivered to business customers, down to virtually any fixed or mobile device, quickly and flexibly, on demand, with enterprise-grade security and performance.

The benefits of this “virtual private cloud” include the flexibility and cost efficiencies of using private and public cloud systems interchangeably and strategically. The service allows users to rapidly provision and scale-compute resources. It also easily and flexibly shifts workloads between private clouds and AT&T’s network-based cloud. It also supports bursting, data center extensions, disaster recovery, and mobile application development and deployment.

“Our new cloud offer with VMware can help customers simplify the way they orchestrate their cloud resources between private and public clouds, allowing them to have the best of both worlds,” said John Potter, vice president, As a Service Solutions, AT&T Business Solutions.

Concur, a leading cloud provider of integrated travel and expense management solutions based in Redmond, Wash., uses “AT&T Synaptic Compute as a Service” for its disaster recovery capabilities. The company, which has virtualized almost 80 percent of its IT environment over the past three years with VMware cloud infrastructure software, expects AT&T’s new Synaptic Compute as a Service to allow it rapid access to compute capability in the event of an outage in its primary network.

AT&T’s other cloud-based services include “AT&T Cloud Architect,” which allows developers and web-centric businesses to build an online business or run an application quickly with low operating costs by providing quick and cost-efficient access to highly flexible, integrated computing and application development services; and “AT&T Unified Communications Services,” a package of cloud-based solutions that bring the benefits of unified communications to businesses of all sizes as a simple, reliable, carrier-grade service that helps organizations control costs and eliminate unpredictable expenditures.

### New competitor

One of the most ambitious industry initiatives underway in Alaska is that of Futaris, formerly Alaska Telecom Inc.



Calista Corp., the Alaska Native regional corporation for the Yukon-Kuskokwim region of Alaska, purchased Alaska Telecom, a provider of technical telecommunications services in Alaska, 3 ½ years ago and gained 8(a) designation for the company.

With a new name that means “futuristic, optimistic and limitless” and a new logo, Futaris aims to convey to customers its dramatic transformation during the past 18 months.

“We kind of re-invented ourselves. We went from being a retailer to a carrier. We now compete with AT&T and (others), and we want to grow,” said Futaris President Daniel J. Boone, in a recent interview.

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*With a focus on strengthening its telecommunications infrastructure in Alaska, AT&T operates 15 company-owned retail locations and employs 549 workers in the state. From 2009 through 2011, AT&T invested more than \$650 million in its Alaska wireless and wireline networks.*

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The company got its start more than 30 years ago when Alaska developed its oil fields. With microwave communication towers, it offered a combination of land and mobile radio communications linked by microwave and satellite.

When Boone joined the company in 2011, he set out to identify significant technology patterns and trends and understand what the company's customers want and provide those services.

"I look at where technology is taking us into the future and literally drag the future into the present. You have to be nimble in this business," he said. "We want to develop products that ride applications on top of what we have. Our goal is to align, anticipate, and act."

Futaris recently purchased Atcontact, a satellite company with two teleports in Denver and Anchorage. "We would buy satellite services from them, but we realized that we needed to turn the tables. So we also purchased Sequestered Solutions, a private cloud computing company based in Anchorage.

Today, Futaris owns a global satellite communications system with coverage in most parts of the world, including both the North and South poles, and more than 1,000 V-Sat locations in North

Dakota and Wyoming, primarily used by oil and gas customers; its system also has spread to areas of Utah and Texas. The company also offers broadcast television services in Latin America and Florida, provides the

National Science Foundation with a feed to Antarctica, and has penetrated business markets in Canada, especially among mining companies.

"We're expanding our global coverage. We've upgraded the Colorado teleport by installing another 11-meter antenna pointed at a different satellite. We've gotten permits to install two more, and we're looking at other regions in the world where we want to offer our services," Boone said.

Futaris also wants to expand its broadcast TV coverage throughout in Lower 48, and already has direct connections to EquiStar and DirecTV.

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*The company recently launched a new business Internet service with speeds up to 15 megabits per second that delivers unlimited business Internet access with no data limits or overage charges.*

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For Alaska businesses, the company continues to offer engineering, design and integration, construction and installation, and maintenance and service for all types of telecommunications. Its new services include cloud computing and hosting as well as specialized IT services such as certifying medical clinics and doctor's offices to keep them compliant with HIPPA laws, performing high-tech audits and doing vulnerability assessments on business computer networks. Futaris also monitors business networks and collaborate with IT professionals to protect businesses from external intrusions, while offering cyber-security training to business clients.

"We know you have a problem before you know you have a problem," said Boone.

Futaris is also deploying advanced SIP system in Alaska, which will eliminate the need for a traditional PBX, Boone said. "We now have intelligent phones that can run applications that mimic small business communication systems, only it works on the data side so it does not use wireless minutes. It is converting smart phones into the actual 'follow-me' office environment.

"People are requiring more and more of (their) smart phones," he added. ♦



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## **IN BRIEF**

### **Fort Knox, Pogo match funds for center**

With less than 1 percent or \$175,000 to raise to complete exhibits at the Morris Thompson Cultural and Visitors Center in Fairbanks, two Interior Alaska gold mining companies - Kinross Gold Corp. which owns the Fort Knox Mine and Sumitomo, which owns the Pogo Mine - joined together to match, dollar for dollar, every gift to the center until the goal is reached. Most of the center's exhibits opened in 2009; however one section was put on hold until funding was secured. The additional funding was to complete a final section of exhibits, dubbed the "Gateway." The new section tells the story of life in Interior Alaska, and mining is a part of that story, said Sumitomo Pogo Mine External Affairs Manager Lorna Shaw. "Alaskans depend on the land for every part of our lives - hiking, fishing, camping, playing on our snowmachines - and making a living." Volunteers from across Alaska helped to raise nearly \$30 million in federal (\$16.7 million), state (\$7.6 million), and private (\$4.6 million) funds in order to complete the center with zero debt, making its operating costs affordable. Kinross Fort Knox and Sumitomo Pogo Mine also give generously to education and youth programs in Interior Alaska, including recent pledges of \$1 million each to the University of Alaska Fairbanks' School of Mining Engineering.



The lobby of the Morris Thompson Cultural and Visitors Center features exhibits that are designed to educate residents and visitors about the natural and cultural history of the Interior and to generate interest in exploring Fairbanks and Interior Alaska. Photo courtesy of the Morris Thompson Cultural and Visitors Center

The Morris Thompson Cultural and Visitors Center located on the banks of the Chena River in downtown Fairbanks is a community centerpiece designed to celebrate Interior Alaska. Named for Interior Alaska Native leader Morris Thompson, the Center is committed to honoring his legacy by promoting improved appreciation and understanding between Alaska Native and non-Native communities. Photo courtesy of the Morris Thompson Cultural and Visitors Center





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## IN BRIEF

### Opti Staffing launches talent network

Opti Staffing Group recently launched a new service that enables job candidates to get up-to-date information on the latest opportunities via email or smart phone.

Weekly updates are sent to members of Opti Staffing's "Talent Network" that align with the specific information in which the job seekers expressed interest when they signed up. "These are the types of innovative ideas that our members continue to come up with ... this network will allow Opti Staffing Group to continue to provide that 'cut above' service that they are known for," said John Sacerdote, CPC/CTS and President of the National Association of Personnel Services.

The Talent Network is the latest innovation offered by Anchorage-based Opti Staffing, which was established in 1999 by a group of individuals seeking a better way to do business.

Since then, the company has expanded to five additional offices in Washington State, Oregon and Chicago. Opti Staffing attributes its success to its strategy of placing a concentrated effort on developing great relationships with clients and candidates.

Shelley Ross, Opti Staffing's division sales manager, said the Talent Network "is proving to be an extremely powerful tool that gives our candidates the opportunity to stay proactive in their job search and be exposed to all opportunities" that the company offers. "This outstanding resource not only adds value to our candidate's job search, but also to Opti Staffing's day-to-day recruiting and sales process," Ross added.

To join the Talent Network, Opti Staffing invites candidates to sign up at <http://www.jobs.net/jobs/OptiStaffing/en-us/>.

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# Seattle: 50 years since world's fair

*King Tut exhibition tops anniversary offerings that include new Ferris wheel, star-studded lineup of performing and cultural arts*

**By Rose Ragsdale**

*Alaska-Washington Connection*

Seattle launched its celebration of the 50th anniversary of the 1962 Seattle World's Fair in April, but it's not too late to get in on the fun. "The Next 50," Seattle Center's six-month celebration looking back at the 1962 Seattle World's Fair and ahead to Seattle's next 50 years continues until Oct. 21, the date on which the fair closed 50 years ago. The center is sponsoring some continuing events including Century 21 Walking Tours that explore the legacies of the World's Fair. The tours are hosted by the Museum of History & Industry on first and third Saturdays and second and fourth Thursdays of each month through Oct. 20.

## King Tut is here

A highlight of Seattle visitor attractions in 2012 is the much-anticipated exhibition, "Tutankhamun: The Golden King and the Great Pharaohs," that opened at Pacific Science Center in May for



The exhibition, "Tutankhamun: The Golden King and the Great Pharaohs," that opened at Pacific Science Center in Seattle in May features the largest image of King Tut ever unearthed – a 10-foot-statue of the pharaoh found at the remains of the funerary temple of two of his high officials. Photo courtesy of the Seattle Convention and Visitors Bureau

high officials. Most of these artifacts have never been on display in the United States before this exhibition. For further information and ticket details, please visit [kingtut.org](http://kingtut.org) or [pacificsciencecenter.org](http://pacificsciencecenter.org). The exhibition runs through Jan. 6, 2013.

its final showing in North America. The exhibition, organized by National Geographic and Arts & Exhibitions International, with cooperation from the Egyptian Supreme Council of Antiquities, is sponsored locally by the Seattle Convention & Visitors Bureau. It features more than 100 artifacts including jewelry, furniture and statuary as well as the boy king's golden sandals from the tomb of King Tut and sites representing some of the most important rulers throughout 2,000 years of ancient Egyptian history.

These include the largest image of King Tut ever unearthed – a 10-foot-statue of the pharaoh found at the remains of the funerary temple of two of his

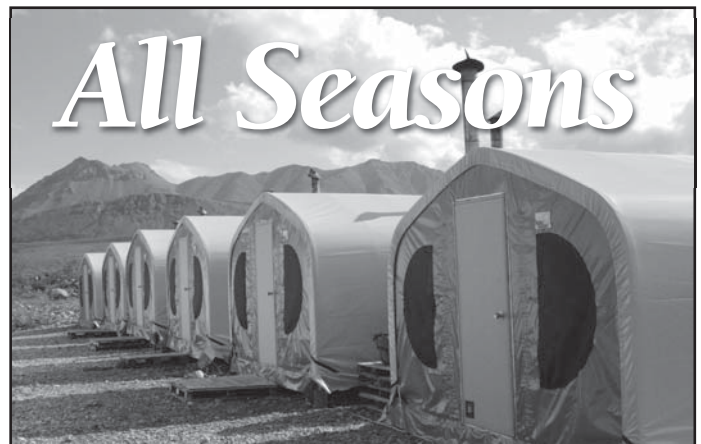
## Another lofty attraction

Since the 605-foot-tall Seattle Space Needle opened for the Seattle World's Fair, the iconic symbol of the Emerald City has reigned supreme as Seattle's loftiest visitor attraction. When it was built in 1962, it was the tallest building west of the Mississippi River. This summer, the Seattle Great Wheel has added its profile to the city's skyline. The 175-foot diameter Ferris wheel opened to the public on the waterfront in late June at Pier 57, which already boasts a carousel, arcade, and collection of shops and restaurants. The wheel lifts riders in 42 enclosed gondolas about 200 feet into the air, giving them a breathtaking view of Elliott Bay and the city. Developer Hal Griffith said he wanted to put such an attraction on Pier 57 to help offset the potential loss of area business that could result from the Alaskan Way Viaduct replacement project. Griffith owns Pier 57, which is near other downtown attractions such as the Pike Place Market and the Seattle Aquarium.

## Theater delights

The performing arts scene is also celebrating the city's milestone with various special events along with offerings for the 2012-2013 regular season.

The Intiman Theatre is returning this year to celebrate its 40th birthday with a new theatre festival that runs through August. Four plays are featured, "Romeo and Juliet," by William Shakespeare; "Hedda Gabler," by Henrik Ibsen; "Miracle," by Dan



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Seattle Repertory Theatre will play host to "Theatre for Life," a scavenger hunt scheduled for noon, Aug. 18, to kick off its landmark 50th anniversary season. Registration is open to individuals or teams; participants, age 8-80, are welcome. Courtesy of the Seattle Repertory Theatre

Savage, and "Dirty Story," by John Patrick Shanley. For more information, visit [www.intiman.org/plays-events/festival/](http://www.intiman.org/plays-events/festival/).

Seattle Repertory Theatre is hosting a party and scavenger hunt at noon, Aug. 18, to kick off its landmark 50th anniversary season. Registration is open for individuals or teams; participants are welcome age 8-80. The largest nonprofit resident theater in the Pacific Northwest, Seattle Rep will feature both classical and contemporary productions in its 2012-2013 season, beginning with the world premiere of "Pullman Porter Blues," by Cheryl L. West, Sept.

27 - Oct. 28, 2012 and followed by Tennessee Williams' "The Glass Menagerie," Oct. 6 - Dec. 1, 2012 and the holiday season comedy, "Inspecting Carol" by Daniel Sullivan, Nov. 23 - Dec., 23, 2012. The Rep will kick off the New Year with the modern masterpiece, "American Buffalo," by David Mamet, Jan. 11 - Feb. 3, 2013, followed by "Photograph 51," a portrait of British scientist Rosalind Franklin by Anna Ziegler, Feb. 1 - March 3, 2013, and the Tony Award-winning "War Horse," adapted for the stage by Nick Stafford, Feb. 13-24, 2013. The season wraps up with the insightful comedy, "Good People" by David Lindsay-Abaire, March 8-31, 2013, and the riotous farce, "Boeing-Boeing," by Marc Camoletti, adapted by Beverley Cross, April 19 - May 19, 2013. For more information, visit [www.seattlerep.org](http://www.seattlerep.org).

The historic 5th Avenue Theatre, ACT, and Pacific Northwest Ballet are also offering a wide variety of productions during 2012-2013 season. At 5th Avenue, "RENT," led stellar lineup of Broadway hits and golden classics, including "Memphis, The Addams Family, ELF - The Musical, The Music Man, Gray Gardens, Jersey Boys," and "The Pirates of Penzance."

ACT - A Contemporary Theatre began its season with "The Pinter Festival, a collection of four plays that runs through Aug. 26, followed by a fall lineup including "Uncle Ho to Uncle Sam, The Great Soul of Russia, Ramayana, The Construction Zone, A Christmas Carol" and others.

This season, Pacific Northwest Ballet will feature "Cinderella" in September, "Nutcracker" in December and "Roméo et Juliette" in February, "Hansel & Gretel" in March, "Swan Lake" in April as well as world premieres, modern masterpieces and the director's choice. ♦



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