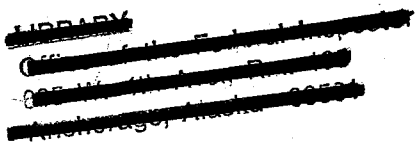
HEALTH RELATED TESTIMONY FROM THE FEDERAL ENERGY REGULATORY COMMISSION HEARINGS, 1982

HEALTH-RELATED TESTIMONY

from the

FEDERAL ENERGY REGULATORY COMMISSION HEARINGS 1982



Prepared by

Christy Baker
Office of the Federal Inspector
Alaska Natural Gas Transportation System

June 1982

HEALTH-RELATED TESTIMONY FROM THE FEDERAL ENERGY REGULATORY COMMISSION HEARINGS - 1982

This report contains health-related excerpts from testimony given at the FERC hearings in Washington, D.C., on February 18, 1982; Anchorage, Alaska, April 20, 1982; and Fairbanks, Alaska, April 21, 1982. Included are attachments of health-related socio-economic material that have been made part of the record of these proceedings.

CONTENTS

I. TAPS HEALTH SERVICES

Testimony of:

Frederick McGinnis, Deputy Commissioner
Department of Health and Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

The oil pipeline lured a rush of people, seeking work, to Alaska. In an effort to provide a more realistic employment picture, our department set up information booths at the Seattle-Tacoma Airport, at Blaine, Washington, Prince Rupert and Tok. When people rushing this way were told that jobs were scarce and in many instances non-existent, about 50 percent of those who were contacted, and asking for information, turned back; and the other 50 percent came through. Apart from those seeking construction jobs, there were cadres who thought they would be waitresses, secretaries, taxi drivers or fill some other service. When sufficient jobs failed to materialize, there was a very heavy impact on Aid to Families with Dependent Children, other welfare programs, as well as social, health and other departmental services. During the oil pipeline era we received among volumes of inquiries a letter typically; a woman from Boston with three children who said I've sold what few possessions I have, I plan to come to Alaska and I have just enough money to get there, would you please outline for me what your benefits are under AFDC, under food stamps and under medical programs and tell me exactly what I can count on when I get there. And that was not an unusual letter. It was a factual letter and an experience that came very often in '71, '72, and '73.

There are four main areas of additional pressure on departmental programs during the oil pipeline construction; public assistance, public health, mental health and corrections. Interwoven through all of these were the effects of the abuse of alcohol and drug abuse.

For the most part, however, medical services and planning were provided by the pipeline construction contractor and sponsor with little interaction with the State. As a result, statistics on health in large matter are unavailable. We, therefore, are forced to rely on impressions and scattered recollections of persons who had contact with the pipeline and personnel, which turned over very rapidly, of those who were hired by those sponsors and by the contractors.

Access was difficult to the health records and daily visitation logs during the pipeline era. Appropriate access to records by Public Health personnel is critical to control the outbreak of disease and to identify and assess occupational safety and health issues.

Medical facilities within local communities were sorely taxed during the construction era, even though the contractor was providing some medical personnel. For example, a block of rooms was permanently reserved in nursing homes for use by injured pipeline employees. Hospitals were heavily overcrowded. The Fairbanks Hospital on occasion was required to admit as many as 20 to 30 patients over and above their licensed capacity. A sitting room was converted to 4-bed wards, private rooms became double rooms, average length of stay was one of the lowest in the country during those years.

There were more demands on public health services than on mental health services due to more fully developed and readily accessible public health services.

The Venereal Disease Control Staff worked closely with the Alyeska Medical Program to assure that physician assistants in pipeline camps were equipped to diagnose, treat and report all cases of gonorrhea, syphilis, as well as provide the VD program with necessary epidemiologic information and conduct investigative follow-up with regard to contacts.

Alcohol was officially forbidden in the oil pipeline camp. Valid statistics are not available because the alcoholism program, run by the contractor of the pipeline, known as Alaska Labor-Management-Employee Corporation for the pipeline employees, did not keep statistics in order to protect anonymity and to obtain insurance payments in cases where alcoholism itself would not qualify for payment. The State was a conduit for Federal funds in those days, which financed that corporation, Alaska Labor-Management-Employee Corporation. Large amounts of ready cash also seemed to attract more LSD, speed, heroin, cocaine, particularly into the Fairbanks region.

Knowledge gained from that [TAPS] project should also be put to use since much of it can be applied to this proposed construction project.

* * * * * * * *

Testimony of:

Charles Kaltenbach
Northern Alaska Health Resources Association
Fairbanks, Alaska
April 21, 1982 (pp. 292-294)

A principal problem during the previous pipeline project was the wave of immigrants attracted from the Lower 48 by the prospect of high-paying jobs. It increased utilization of health and mental health services and overstressed the capacity of our local hospital and clinics.

* * * * * * *

Testimony of:

Paul Sherry, Director
Regional Services, Tanana Chiefs Conference
Fairbanks, Alaska
April 21, 1982 (pp. 279-282)

We feel that the Federal government, State government, Alyeska, failed to pre-plan for health services impacts back in 1973. Problems were dealt with as they became crises or they weren't dealt with at all.

* * * * * * *

Testimony of:

Tom Mingen, Administrator
Fairbanks Memorial Hospital
Fairbanks, Alaska
April 21, 1982 (pp. 314-318)

During the oil pipeline, the hospital really wasn't prepared in terms of having the number of beds available that was required and, therefore, during the peak of the pipeline in March of 1976 the hospital occupancy peaked at 100.6 percent. This was accommodated by doubling up of the private rooms at the hospital so that we actually housed more patients, in most cases, during the peak than we were actually licensed for. In looking at what happened during the oil pipeline, we found that our census did increase probably proportionately to the population in the area.

* * * * * * *

Testimony of:

Banarsi Lal, Director
Alcoholism Program, Fairbanks Native Association
Fairbanks, Alaska
April 21, 1982 (pp. 328-336)

To my understanding, in the dialogue with the State Alcohol and Drug Abuse Office, that Alyeska Pipeline Company had given some kind of an assurance that the EAP [Employee Assistance Programs] programs will be established. That did not happen. Luckily, you know, for all of us at that time there were the Federal sources that are available through the National Institute of Alcohol Abuse and Alcoholism, they gave a grant for about 1.5 million dollars to an organization that came new to Alaska called Alaska Labor-Management Employees Association. It was a three-year grant and they established some counseling positions, one in Fairbanks, one in Anchorage, one in Valdez, to try to deal with the problem by making referrals, mostly out of State.

* * * * * * *

Testimony of:

Glen Lundell, Deputy Commissioner
Alaska Department of Labor
Anchorage, Alaska
April 20, 1982 (pp. 32-43)

The injured workers' claims experience of our Workers' Compensation Division during the TAPS project has been used as the basis for estimating requirements during construction of the gas pipeline. The delay effect under which the heavy increase in claims workload occurs toward the end and after completion of construction of a major project is borne out from a review of that experience. Our estimates take into consideration the comparative workforce size of the two projects and the experience factors realised since the conclusion of the TAPS project construction phase. These same experience factors have been utilized in forecasting our requirements to handle increased unemployment insurance workload. As is the case with Workers' Compensation, the requirement for personnel to handle this claims load actually increased toward the end of the project.

* * * * * * *

II. MEDICAL HEALTH SERVICES

Needs of Local Areas

Testimony of:

Richard Aks, Deputy Commissioner
Department of Community and Regional Affairs
Anchorage, Alaska
April 20, 1982 (pp. 67-75)

Without the basic infrastructure of an economic base and local government, the unorganized borough is characterized by limited capabilities and experience with land use planning and regulation, centralized service delivery in the areas of health, public safety, capital construction and problems with maintenance of utilities. These are precisely the skills required to meet the challenge of the gas pipeline. The most recent experience of the oil pipeline indicates that many existing local governments lacked the human and financial resources to cope with problems such as housing shortages, rampant local inflation, explosions in domestic violence and increases in crime and health problems related to pipeline construction.

* * * * * * *

Testimony of:

Fred McGinnis, Deputy Commissioner
Health and Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

Gas pipeline construction companies should coordinate with State and local governments in anticipating and meeting health needs of persons related to the pipeline. By ensuring that local emergency medical services do not become overburdened through direct pipeline activities, they [the gas pipeline companies] will hopefully be able to continue meeting community health needs.

In the viewpoint of agency coordination with local communities and the gasline sponsor, the project and developers are, as we understand it, to be located in Fairbanks. As a result, most activity will be centered in the interior region. The Trans-Alaska Pipeline System was and is headquartered in Anchorage. This alone is a major factor to be considered in the special impacts if you go to Fairbanks, due to different levels of services and capacities already in place in contrast to those which must be provided to a greater degree.

Fairbanks public health employees now have a considerable amount of contact with various pipeline personnel and other contractors. During construction, however, a direct working relationship should be established with NWA and the prime management contractor. The Department has already participated in some planning meetings in local communities, as well as the current pipeline sponsor.

* * * * * * *

Testimony of:

Paul Sherry
Director, Regional Services
Tanana Chiefs Conference
Fairbanks, Alaska
April 21, 1982 (pp. 279-282)

Regardless of the level of services and emergency medical response that's instituted by Northwest to serve its own system, with the capability of the exiting providers of the highways, [the present facilities] are going to be overtaxed substantially.

* * * * * * *

Testimony of:

Jennifer Gleason, Director
Northern Regions Emergency Medical Services Council
Fairbanks, Alaska
April 21, 1982 (pp. 191-196)

In a majority of the small communities along the proposed route of the gas pipeline, including Bettles, Allakaket, Stevens Village, Minto, Rampart, Dot Lake, Northway, Tok, Tanacross and Tetlin, we're [Tanana Chiefs Conference] the only health service provider.

Whatever impacts that Fairbanks Memorial Hospital sees during the gasline construction is also going to impact the ability of rural residents to obtain access to that facility during the project.

* * * * * * *

Testimony of:

Tom Mingen, Administrator
Fairbanks Memorial Hospital
Fairbanks, Alaska
April 21, 1982 (pp. 314-318)

With the addition that we're hoping to have come on line in 1985, we do feel that we will probably be in somewhat of a better position to handle the peak, if it does occur at that time, than we were during the oil pipeline.

We are projecting that--and the consultants back us up--that for about every 1,000 population, we're going to need about 2 beds increase.

Unfortunately, with hospitals, it's very difficult to plan on a temporary impact because all of a sudden you've got hospital beds emptied out and empty hospital beds cost a considerable amount of money. Therefore, we feel that

probably within the impact we're going to experience a period of tightness in our hospital, if we are good managers and planners; we hope we are.

We do feel the peak will probably mean a substantial increase in our services, at least temporarily, and probably will require some capital improvements at the hospital in order to handle that unusually high flow of patients.

* * * * * * *

Testimony of:

Jeanne Ostnes, Interior Region Coordinator
Emergency Medical Services
Fairbanks, Alaska
April 21, 1982 (pp. 196-199)

Our region has been involved with MAST, which is a Military Assistance Safety and Traffic program that has six helicopters that are available 24 hours a day to fly within 129 nautical miles of Fairbanks. The haul road at this point is covered to Old Man and the highway down towards the border is covered to approximately Northway by these helicopters. It's a good system and they've had quite a few runs since they've been in existence and it shows that there are a lot of accidents along the road and a need for transferring. This system is only available until, of course, some military project needs them.

* * * * * * *

Testimony of:

Fred McGinnis, Deputy Commissioner
Department of Health and Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

A major priority for the State should be microwave communications for emergency medical services and public safety services along the Alaska Highway from Fairbanks to the Canadian Border.

* * * * * * *

Testimony of:

Jeanne Ostnes, Interior Region Coordinator
Emergency Medical Services
Fairbanks, Alaska
April 21, 1982 (pp. 196-199)

Basically, all we need [for medical communications] is one open three-channel, specifically for emergencies and there is a statewide frequency 155160 that we have planned since '79 to have implemented.

* * * * * * *

Testimony of:

Phyliss Leavenworth
American Red Cross
Fairbanks, Alaska
April 21, 1982 (pp. 200-203)

The projected increased demand for Red Cross first aid courses, I feel, could best be met by advance planning and cooperation between the gas pipeline construction companies and the local Red Cross Chapter. The local Chapter would continue, as it does now, to schedule first aid classes on a regular basis with pre-registration required for companies that have a large number of employees requiring training and/or an ongoing need for courses. The Red Cross would train an employee of that company to become an instructor and handle the company's needs. The instructor would then be expected to adhere to the local Chapter's policy and procedures for Red Cross instructors.

Should construction of the gasline become reality, the Chapter will need financial support to purchase additional equipment that will be needed to teach the expected increased number of first aid classes.

* * * * * * *

Company-Provided Needs

Testimony of:

Fred McGinnis, Deputy Commissioner
Department of Health & Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

The Northwest Pipeline Company or sub-contractors should be responsible for the cost of developing their own emergency medical system in accordance with prescribed standards This would include personnel training, equipment and medical evacuation vehicles. The system should be capable of providing on-scene medical care, not relying solely on evacuation to a hospital which may be several hours away. The State Emergency Medical Office will be willing and able to assist the pipeline contractor in planning for a developing emergency medical services.

* * * * * * *

Testimony of:

Jennifer Gleason, Director
Northern Regions Emergency Medical Services Council
Fairbanks, Alaska
April 21, 1982 (pp. 191-196)

In 1979, July 20th, 1979, the State Advisory Council on Emergency Medical Services, representing both providers and consumers throughout the State, made the following recommendations about this project: That there should be at least a qualified nurse practitioner, physician's assistant or trained paramedic in each camp, with adequate emergency medical equipment and good communications to a hospital emergency department; that the company should be responsible for its own medevac and they should have properly equipped aircraft and trained medevac personnel available at all times; that each worksite should have at least one person with emergency trauma training, and that is a 40-hour course in the State of Alaska. Or, preferably, emergency medical technician's training that's an 81-hour nationally standardized course, that many ambulance personnel have, with a trauma kit and communications capability with a mid-level practitioner or a physician; that the company should provide the State with accurate statistics on the number of deaths and injuries occurring either on worksites or in camps along the pipeline corridor.

It's important that any kind of training for emergency personnel, be it nurse practitioners or PAs or EMTs, include a component for air transport, stabilizing someone for air transport. There's a big difference between putting someone in an ambulance and taking them to a hospital that's five miles away and putting them in an airplane and taking them over mountains that are, you know, eight or ten thousand feet high.

If you have a nurse practitioner or a PA who is able to do complete physicals and deal with nonacute medical problems as well as acute medical problems, then

you're going to have fewer people transported in, but you will have, you know, still your emergency cases transported in.

* * * * * * *

Testimony of:

Fred McGinnis, Deputy Commissioner
Department of Health & Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

There should be medical communications from every work site to a mid-level practitioner and from mid-level practitioners to Fairbanks.

[There is a need for] State access to health records and careful record-keeping on the part of the contractor.

* * * * * * *

Testimony of:

Cuba Wadlington
Northwest Alaskan Pipeline Company
Anchorage, Alaska
April 20, 1982 (pp. 170-172)

Medical service is primarily in the form of paramedics, which are intended to take care of the majority of all of the medical services needed in the area and if it's something that is in ecess of that, then the individual or individuals will be medevaced out to the nearest area that has more extreme medical services.

* * * * * * *

III. MENTAL HEALTH SERVICES

Needs of Local Areas

Testimony of:

Fred McGinnis, Deputy Commissioner
Department of Health and Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

Our mental health hospital here in Anchorage, virtually running full, is seeing an experience already about which people on entry are found to be now not normally one, two, three-year residents, as has been typically the case, but more and more less than a year, less than 3 months, and less than a month, perhaps less than a week. There are people getting off airplanes today and within a matter of a day or two going to the Phychiatric Institute saying I am desperately in need of mental health services, I just got here and I have to have some help. In San Francisco at a meeting two weeks ago, an associate of mine on a luncheon break went down and saw some paople acting in ways in which one might conclude they should be in a psychiatric hospital. And after a while, in following along, this colleague hear the two say, "Don't worry about that problem, because just as soon as we get to Anchorage, we'll be able to get some help, so don't worry about that."

The budget funds would cover also the following increased or additional services. . .increased staff and services for facalities providing mental health care for pipeline workers and their dependents, new resident attracted by the construction project and permanent residents already present.

* * * * * * *

Company-Provided Needs

Testimony of:

Natalie Gottstein
Alaska Mental Health Association
Anchorage, Alaska
April 20, 1982 (pp. 66-67)

I think that what has not been mentioned is the impact, the emotional impact on the families of the pipeline workers. There will be separations, again they will be getting used to an entirely different lifestyle from what they are living when they come from the Outside. I feel that it is extremely important that whatever kind of health insurance coverage that the pipeline company has, that that insurance covers mental health services at the same rate as other health services are covered. As was pointed out before, a little bit of prevention does save an awful lot of money, and there have been studies made throughout the country where mental health services are provided, that other health costs go down appreciably, often as high as 27 to 30 percent.

* * * * * * *

Testimony of:

Sue Fison
Northwest Alaskan Pipeline Company
Anchorage, Alaska
April 20, 1982 (pp. 172)

[M]ost of the workers on the pipeline will be craft workers and at least through the pipeline, our mental health benefits will cover it, if someone needed it, from the contract. So I don't know what the percentage of benefits are, but there are the provisions.

* * * * * * *

IV. ALCOHOL AND DRUG ABUSE SERVICES

Local Area Needs

Testimony of:

Fred McGinnis, Deputy Commissioner
Department of Health and Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

Alcohol and drug abuse services to gas pipeline employees, as it was on the oil pipeline project, certainly will be necessary.

* * * * * * *

Testimony of:

Brian Saylor
Behaviorial Counseling
Anchorage Department of Health
and Environmental Protection
Anchorage, Alaska
April 20, 1982 (pp. 124-129)

Alcoholism, drug abuse and mental health problems are expected to be among the principal health problems faced by Anchorage residents if the gas pipeline is constructed. This expectation is consistent with the research findings recently published by the National Institute for Drug Abuse. The research indicated that boom towns appear to have more serious problems of substance abuse associated with economic change indicators than do communities suffering sudden economic decline. An analysis of economic and substance abuse indicators shows that in boom towns alcohol abuse increased at a faster rate than population growth and anecdotal evidence suggested that drug abuse is also a serious problem in boom communities, even though it did not appear to increase at a faster rate than population.

With the impending population impact on Anchorage and accompanying boom town effects, Anchorage can expect substantial problems with alcoholism and drug abuse in the near future. As a result of these population estimates and applying different fomulas that are commonly accepted and used, we're estimating that there would be 2300 people in a risk of alcoholism over an above what we could normally expect without this construction.

* * * * * * *

Testimony of:

Banarsi Lal, Director
Alcoholism Program
Fairbanks Native Association
Fairbanks, Alaska
April 21, 1982 (pp. 328-336)

I recommend that instead of contracting these services to newly established programs that every effort be made to provide such services through existing agencies. And, believe me, there are State standards for alcoholism and drug abuse programs that are in place for several years and there are State-approved organizations that have years and years of experience in this field that can very well provide that service, so there's no need for us to establish new programs. We just need to provide for them to grow by making the funds available to them.

* * * * * * *

Company-Provided Needs

Testimony of:

Barbara Hoffman
Alaska Council on Prevention of
Alcohol and Drug Abuse
Anchorage, Alaska
April 20, 1982 (pp. 59-64)

It is our concern that there have been no plans to date to deal with these issues, concerns, on a large scale. The alcohol-drug problem is a given. Did you know that alcohol--alcoholism--is the number one health and social problem of this State? It is our understanding that Northwest Alaskan Pipeline Company has not planned to deal directly with these issues but to simply utilize already existing program agencies. May I remind you that these programs are already heavily impacted and are currently facing a seven million dollar budgetary cut.

QUESTION:

Are they [alcohol problems] really caused by the construction of a gas pipeline or are these problems that would exist here anyway?

ANSWER:

It's one of the conditions, one of the variables, that play in Alaska that leads to such a high rate of alcohol and drug abuse in our State. It has something to do with it. It is one of the variables.

* * * * * * *

Testimony of:

Banarsi Lal, Director
Alcoholism Program
Fairbanks Native Association
Fairbanks, Alaska
April 21, 1982 (pp. 328-336)

To my understanding, in the dialogue with the State Alcohol and Drug Abuse Office, Alyeska Pipeline Company had given some kind of an assurance that the EAP programs will be established. That did not happen. Luckily, you know, for all of us at that time the Federal sources that are available through the National Institute of Alcohol Abuse and Alcoholism, they gave a grant for about 1.5 million dollars to an organization that came new to Alaska called Alaska Labor-Management Employees Association. It was a 3-year grant and they established some counseling positions, one in Fairbanks, one in Anchorage, one in Valdez, to try to deal with the problem by making referrals, mostly out of State. Now, you all know that that kind of money is not available at this time to us, either at the Federal level or at the State level, so I'm drawing your attention to the fact that if we

do not plan for those services now and cannot account for those services in the overall cost projections, then that's not going to happen.

* * * * * * *

Testimony of:

Fred McGinnis, Deputy Commissioner
Department of Health and Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

Pipeline construction companies should provide alcohol and drug abuse treatment insurance benefits through their Employee Assistance Program.

* * * * * * *

Testimony of:

Bob Harrington
Alaska Council Occupational Programs
Anchorage, Alaska
April 20, 1982 (pp. 65-66)

The Alaska Council on Prevention of Alcohol and Drug Abuse is suggesting that Northwest Alaskan Pipeline Company should be required to implement Employee Assistance Programs, not only for the employees of Northwest Alaska but any other subcontractors that may be involved in the construction. It is further suggested that the Northwest Alaska Pipeline Company utilize private employee assistance providers located in Alaska for the provision of these services.

* * * * * * *

Testimony of:

Banarsi Lal
Alcoholism Program
Fairbanks Native Association
Fairbanks, Alaska
April 21, 1982 (pp. 328-336)

I recommend that the Northwest Alaskan Pipeline Company (NWA) be required to provide a company-wide Employee Assistance Program This EAP would provide a mechanism for employer response to alcohol and drug related problems of their employees. The EAP would need to be provided in each major support location in each field site along the pipeline corridor. Each employee of the NWA would be covered by such a program.

In anticipation of an increase in demand for emergency care services, both in hospital setting and in a non-hospital setting, residential care services and

outpatient services, the Fairbanks Native Association at this time recommends that this Commission require the NWA to make provisions in the overall budget to contract for emergency care, residential care and outpatient counseling services.

I would also like to bring to your attention and to the attention of the NWA people here that the type of care adds to the overall costs. Emergency care, for instance, in hospital will cost approximately $500 a day. People provide similar emergency care in a non-hospital setting which would cost you about one-fifth. Now, those are the kinds of things that NWA has to worry about, what kinds of money you want to provide for, other planners have to worry about. I am here to provide quality care at a comparable price.

The NWA should also be required to provide to all its direct employees, and to require all of its contractors to provide health insurance that covers alcoholism and drug abuse treatment. The health insurance sould cover the employee and their dependents and should cover both inpatient and outpatient care.

* * * * * * *

CHAPTER V. INSURANCE AND WORKMEN'S COMPENSATION

Testimony of:

Natalie Gottstein
Alaska Mental Health Association
Anchorage, Alaska
April 20, 1982 (pp. 66-67)

I fee that it is extremely important that whatever kind of health insurance coverage that the pipeline company has, that the insurance covers mental health services at the same rate as other health services are covered. As was pointed out before, a little bit of prevention does save an awful lot of money, and there have been studies made throughout the country where mental health services are provided, that other health costs go down appreciably, often as high as 27 to 30 percent.

* * * * * * *

Testimony of:

Fred McGinnis, Deputy Commissioner
Department of Health and Social Services
Anchorage, Alaska
April 20, 1982 (pp. 43-59)

From the viewpoint of alcohol and drug abuse, pipeline construction companies should provide alcohol and drug abuse treatment insurance benefits through the EAP.

* * * * * * *

Testimony of:

Banarsi Lal, Director
Alcoholism Program
Fairbanks Native Association
Fairbanks, Alaska
April 21, 1982 (pp. 328-336)

The NWA should also be required to provide to all its direct employees, and to require all of its contractors to provide health insurance that covers alcoholism and drug abuse treatment. The health insurance should cover the employee and their dependents and should cover both inpatient and outpatient care.

* * * * * * *

Testimony of:

Glen Lundell, Deputy Commissioner
Department of Labor
Anchorage, Alaska
April 20, 1982 (pp. 32-48)

A third operating division of the Department of Labor administers our Workers' Compensation program. Under our statutes, this division is the administrative arm of the Workers' Compensation Board. The purpose, basic purpose, is to assure that Alaska workers suffering injury or disease arising out of their employment receive medical care and cash wage benefits during disablement. This is paid by the employers or the employers' insurance companies. A part of the division's function is to administer a Second Injury Fund which provides for the vocational rehabilitation of permanently disabled workers.

The injured workers' claims experience of our Workers' Compensation Division during the TAPS project has been used as the basis for estimating requirements during construction of the gas pipeline. The delay effect under which the heavy increase in claims workload occurs toward the end and after completion of construction of a major project is borne out from a review of that experience. Our estimates take into consideration the comparative work force size of the two projects and the experience factors realized since the conclusion of the TAPS project construction phase. These same experience factors have been utilized in forecasting our requirements to handle increased unemployment insurance workload. As is the case with Workers' Compensation, the requirements for personnel to handle this claims load actually increased toward the end of the project.

The employers, essentially, provide the cost factor that deals with the Workers' Compensation program.

* * * * * * *

CHAPTER VI. OCCUPATIONAL SAFETY

Testimony of:

Glen Lundell, Deputy Commissioner
Department of Labor
Anchorage, Alaska
April 20, 1982 (pp. 32-43)

Of great importance to the project, the occupational safety and health program for the State is housed in the Division of Labor Standards and Statistics. The aim of that program is the protection of the Alaskan workers from industrial accidents and job-related illnesses. Here we're dealing with the enforcement of standards that have been accepted by labor and industry as minimum requirements for safe and healthful working conditions and we work with employers and employees to help them follow the proper working support processes.

Occupational safety and health impacts occur in direct relation to the volume of work and the labor force. Our safety and health organization is chartered as a State-plan agency by the Federal Occupational Safety and Health Administration. Also, the Federal Inspector has indicated a strong preference to utilize the occupational safety and health inspectors from our State organizations rather than request OSHA to provide him Federal inspectors to accomplish that same purpose.

* * * * * * *

CHAPTER VII. COMPLETE TESTIMONIES OF HEALTH SERVICES REPRESENTATIVES

ANCHORAGE, ALASKA

April 20, 1982

Frederick McGinnis
Deputy Commissioner
Department of Health & Social Services
(pp. 43-59)

MR. McGINNIS: Mr. Chairman, members of the panel, it's a pleasure to make some comments with regard to socioeconomic impact as it pertains to the obligations and duties of the Department of Health and Social Services. For the record, my name is Frederick McGinnis, Deputy Commissioner of the State of Alaska Department of Health and Social Services and previously the Commissioner of the Department during most of the time when the oil pipeline was built.

The Department's responsibilities for impact of pipeline construction on departmental programs are outlined for your consideration. Under Alaska Statutes 18.05 and 47.05, the Department administers programs which include mental health, alcoholism, drug abuse, public health social and economic assistance, welfare programs, General Finance Assistance, Aid to Families with Dependent Children, food stamps, medical services, social programs, children's protective services and adult supportive services, juvenile and adult corrections, offender confinement, reformation and supervision, among other duties. Those are some of the principal responsibilities that fall to this Department.

The oil pipeline lured a rush of people, seeking work, to Alaska. In an effort to provide a more realistic employment picture, our department set up information booths at the Seattle-Tacoma Airport, at Blaine, Washington, Prince Rupert and Tok. When people rushing this way were told that jobs were scarce and in many instances non-existent, about 50 percent of those who were contacted, and asking for information turned back; and the other 50 percent came through. Apart from those seeking construction jobs, there were cadres who thought they would be waitresses, secretaries, taxi drivers or fill some other service. When sufficient jobs failed to materialize, there was a very heavy impact on Aid to Families with Dependent Children, other welfare programs, as well as social, health and other departmental services. During the oil pipeline era we received among volumes of inquiries a letter typically: a woman from Boston with three children who said I've sold what few possessions I have, I plan to come to Alaska and I have just enough money to get there, would you please outline for me what your benefits are under AFDC, under food stamps and under medical programs and tell me exactly what I can count on when I get there. And that was not an unusual letter. If was a factual letter and an experience that came very often in '71, '72, and '73.

There are four main areas of additional pressure on departmental programs during the oil pipeline construction; public assistance, public health, mental

health and corrections. Interwoven through all of these were the effects of the abuse of alcohol and drug abuse.

The Venereal Disease Control staff worked closely with the Alyeska Medical Program to assure that physician assistants in pipeline camps were equipped to diagnose, treat and report all cases of gonorrhea, syphilis, as well as provide the VD program with necessary epidemiologic information and conduct investigative follow-up with regard to contacts.

For the most part, however, medical services and planning were provided by the pipeline construction contractor and sponsor with little interaction with the State. As a result, statistics on health in large matter are unavailable. We, therefore, are forced to rely on impressions and scattered recollections of persons who had contact with the pipeline and personnel, which turned over very rapidly, of those who were hired by those sponsors and by the contractors.

Access was difficult to the health records and daily visitation logs during the pipeline era. Appropriate access to records by Public Health personnel is critical to control the outbreak of disease and to identify and assess occupational safety and health issues.

Medical facilities within local communities were sorely taxed during the construction era, even though the contractor was providing some medical personnel. For example, a block of rooms was permanently reserved in nursing homes for use by injured pipeline employees. Hospitals were heavily overcrowded. The Fairbanks Hospital on occasion was required to admit as many as 20 to 30 patients over and above their licensed capacity. A sitting room was converted to 4-bed wards, private rooms became double rooms, average length of stay was one of the lowest in the country during those years.

Correctional facilities were affected primarily in Anchorage and Fairbanks, but not only there. Prison population increased through the increase in the number of residents in the State. Inmates increased just over 400 in FY-73, before construction started up, to about 520 in 1976. Probation and parole caseloads grew from 1,400 to 1,750 during the same period. The nature of crimes didn't change very much, although there was some violent crime associated with small-scale, organized criminal activity.

Both the Third Judicial District, Anchorage, and the Fourth Judicial District, Fairbanks, had substantial increases in complaints filed in court during the pipeline years of '73 to '76. The number of filings for misdemeanors increased 92 percent for a total of additional 1,488 cases, and the number of filings for felonies increased a lesser 24 percent during this period in the Fourth Judicial District. The increased police force had a policy encouraging arrests and they concentrated on the more serious crimes or felonies. Even so, by fall of 1974, the Alaska crime rate was rising 5 percent faster than it was in the rest of the nation.

Alaska Court System statistics for the whole State show that the peak caseload came in 1975, a year after the peak construction, with a 55-percent increase in misdemeanor filings during the pipeline years. Other notable increases were in traffic offenses, especially drunk driving and vehicle accident fatalities.

The State Office of Alcoholism reports synthesized State court statistics on alcohol-related matters during that period. Their report said that 42 percent to 78 percent of all adult arrests and 66 percent of the juvenile arrests were also related to alcohol. Of the 4 percent of Alaskan crimes, in the more violent categories of homicide, rape and aggravated assult, a high percentage were alcohol related; these rates being 64 percent, 34 percent and 41 percent, respectively. Now we don't suggest that all of these were only by the pipeline camp, but the percentages increase was certainly impacted greatly by the influx of people for that purpose.

Court records show a pipeline era crime increase in the smaller communities; Delta Junction and Tok, for example. These communities also had increases in both misdemeanors and felony case filings. There were more demands on public health services than on metal health services due to more fully developed and readily accessible public health services.

Alcohol was officially forbidden in the oil pipeline camp. Valid statistics are not available because the alcoholism program, run by the contractor of the pipeline, known as Alaska Labor-Management Employee Corporation for the pipeline employees, did not keep statistics in order to protect anonymity and to obtain insurance payments in cases where alcoholism itself would not qualify for payment. The State was a conduit for federal funds in those days, which financed that corporation, Alaska Labor-Management Employee Corporation. Large amounts of ready cash also seemed to attract more LSD, speed, herion, cocaine, particularly into the Fairbanks region.

Social workers in the northern region during the peak pipeline construction found their cases required more time because families were having more problems. The housing situation became critical. Social workers dealt daily with families who had been evicted. About half of the families served were pipeline related, although family stress brought about by inflation, housing shortages and other aspects of pipeline impact could be directly traced to the pipeline. Caseload increased as construction tapered off and jobs were eliminated. It became more aggravated and more severe.

With regard to the expected impact of this pipeline on agency programs coming up, the socioeconomic impact budget is broken into three divisions as it touches our Department. The first division is surveillance costs. For five years they're projected at $560,000. This will cover pipeline liaison officer with two people working with the State Pipeline Coordinator and surveillance of x-ray equipment used on the pipeline construction. With regard to the Type II [sic] costs, to which there was reference made at the beginning of the testimony, for five years are projected at $9,100,000 to cover costs related to pipeline employees and families. And the Type II costs, the more pervasive costs for five years projected at $81,800,000, covering those costs directly associated with factors such as increased population and other pipeline related changes. For the three above-listed programs, the cost are projected to be $91,460,00 expressed in 1980 dollars and cover the five budget years.

The budget funds would cover also the following increased or additional services which are a combination of both Type I and Type II services. Lieutenant Governor Miller alluded to a few of these, but I will give you a somewhat similar laundry list which will include two or three of the things that he mentioned for

examples. Increased staff and services for facilities providing mental health care for pipeline workers and their dependents, new residents attracted by the construction project and permanent residents already present.

Our mental health hospital here in Anchorage, virtually running full, is seeing an experience already about which people on entry are found to be now not normally one, two, three-year residents, as has been typically the case, but more and more less than a year, less than 3 months, and less than a month, perhaps less than a week. There are people getting off airplanes today and within a matter of a day or two going to the Psychiatric Institute saying I am desperately in need of mental health services, I just got here and I have to have some help. In San Francisco at a meeting two weeks ago, an associate of mine on a luncheon break went down and saw some people acting in ways in which one might conclude they should be in a psychiatric hospital. And after awhile, in following along, this colleague heard the two say, "Don't worry about that problem, because just as soon as we get to Anchorage, we'll be able to get some help, so don't worry about that."

In addition to the mental problems, additional alcoholism and drug abuse associated therewith along the pipeline corridor will be a reality. Patient and escort travel for psychiatric patients; public health coordination with pipeline officials; additional immunization, screening and laboratory services; general relief medical and Medicaid payments; coordination of emergency medical services; increased public health nursing staff; additional early periodic screening, diagnosis and treatment for handicapped children; additional foster care, especially increased institutional space; additional in-home protective services and social services for population growth brought about by the pipeline construction; establishment of a crisis line in corridor communities to provide protection for victims of domestic violence and sexual assault and treatment services for male batterers; assistance to persons who qualify for public assistance programs for food, medical care and shelter; correctional facilities as needed to ensure humane conditions in accord with national standards and adequate medical services for inmates; increased probation and community programs. Now all of the above as examples, and certainly are not exhausted, are essentially expansion of services which are already in place, but which will be very dramatically impacted by the onrush of people who will be directly associated with this great construction project.

Fourthly, with regard to certain recommendations for meeting the needs, the Northwest Pipeline Company or subconstractors should be responsible for the cost of developing their own emergency medical system in accordance with prescribed standards. This would include personnel training, equipment and medical evacuation vehicles. The system should be capable of providing on-scene medical care, not relying solely on evacuation to a hospital which may be several hours away. The State Emergency Medical Office will be willing and able to assist the pipeline contractor in planning for and developing emergency medical services.

Adequate telecommunications, a major priority for the State should be microwave communications for emergency medical services and public safety services along the Alaska Highway from Fairbanks to the Canadian border. There should be medical communications from every work-site to a mid-level practitioner and from mid-level practitioners to Fairbanks.

There would be a significant impact on communities along the pipeline corridor. Without adequate planning, emergency medical services in small communities

could simply collapse under the weight of the additional demands of the larger population. The result would be a step backward from the progress already made and created in emergency medical systems in the state.

For the viewpoint of health, by ensuring the local emergency medical services do not become overburdened through direct pipeline activities, they will hopefully be able to continue meeting community health needs. Gas pipeline construction companies should coordinate with state and local governments in anticipating and meeting health needs of persons related to pipeline. This includes state access to health records and careful record-keeping on the part of the contractor. The Division of Public Health will be particularly impacted in the areas of epidemiology and communicable diseases, especially. If construction camps are used for the gas line, they will essentially create closed populations. An incidence of disease can affect adversely the entire camp population and have a ripple effect into other areas of the project, as well as other areas of the state. Increased surveillance, prompt investigation, definite corrective actions are imperative in any closed or semi-closed population setting. It's likely the gas pipeline construction will call for a combination of closed camps and workers in established communities. The general population must also receive an adequate level of communicable disease control. These factors, singularly or combined, will place additional demands upon the epidemiologist, communicable disease section, and the Northern Region in general. Some system of good reporting and, preferably, access to central medical logs will be required to accomplish properly many of the tasks of the epidemiologist.

From the viewpoint of social services, the demand for social services will partly depend on whether pipeline workers maintain their residence in another state or move their families to Alaska. Other factors include whether workers are housed in pipeline camps or in existing communities, the work schedule that's established and the types of trades to be required for the work. Experience with the oil pipeline indicated that caseloads will increase more as a result of the attendant population growth than through any problems specifically related to the construction task itself.

From the viewpoint of alcohol and drug abuse, pipeline construction companies should provide alcohol and drug abuse treatment insurance benefits through their Employee Assistance Program. Alcohol and drug abuse services to gas pipeline employees, as it was on the oil pipeline project, certainly will be necessary.

From the viewpoint of the Division of Corrections, the State should ensure that probation and parole services are well in place before pipeline construction begins. That additonal component which would be required for the additional population. In addition, it should be capable of obtaining, as necessary, temporary, short-term facilities for housing inmates, as well as developing other related correctional programs.

In the field of so-called welfare or public assistance, the State will need to provide a realistic picture of employment conditions and cost of living to potential migrants before they travel to Alaska. This is particularly important assuming the national economy is depressed at the time when pre-start-up and start-up activities begin. Information as to the limited nature and levels of public assistance available in Alaska should be made available to interested persons as well as extremely high living costs.

In the viewpoint of agency coordination with local comunities and the gasline sponsor, the project and developer are, as we understand it, to be located in Fairbanks. As a result, most activity will be centered in the interior region. The Trans-Alaska Pipeline System was and is headquartered in Anchorage. this alone is a major factor to be considered in the special impacts if you go to Fairbanks, due to different levels of services and capacities already in place in contrast to those which must be provided to a greater degree.

During the TAPS project, both the contractor and the various State agencies made some mistakes and gained a lot of experience. Knowledge gained from that project should also be put to use since much of it can be applied to this proposed construction project. Fairbanks public health employees now have a considerable amount of contact with various pipeline personnel and other contractors. During construction, however, a direct working relationship should be established with NWA and the prime management contractor. The Department has already participated in some planning meetings in local communities as well as the current pipeline sponsor. We anticipate increased coordination and cooperative efforts as required as the project develops.

Rapid change traditionally brings stress into human lives, even change which is beneficial. The Department of Health and Social Services does not intend to suggest by its testimony that the increased problems that attend construction of the proposed pipeline negate the many long-range benefits which may be expected.

The Department will be pleased to submit for your record additional information, statistics and plans related to the Department's experience with the Trans-Alaska Oil Pipeline and planning for the pipeline.

I would call to your attention today one document as an example of some of the planning which already is going on. On April 8 and 9 of 1978 at Tok there gathered people from the gas pipeline planning group, the Federal government, State government, local people, private industry, there were more than 200 people gathered and over a period of two days began to assess all of these things that we've talked about and a great number of others, and there were other meetings of this type, and if you're interested, we'd be glad to give you an example of the type of planning which already has been started and certainly which we expect to be intensified as the actual construction may draw nearer. Thank you, Mr. Chairman.

MR. SOUSA: Thank you. Mr. McGinnis, I have a question to ask of you. These services that your department provides, they're financed by revenues and taxes on employers, are they not?

MR. McGINNIS: They are drawn from taxes, yes.

MR. SOUSA: And so to the extent that additional services would be necessary, won't there be revenues from the pipeline which would take care of all these additional services?

MR. McGINNIS: Well, on that, we spoke earlier with regard to the timing of the cash flow and it is purview, of course, that the industry as well as private individuals, not related to industry per se, provide the taxes. So it's not just industry; the private corporate as well, who will be impacted very adversely and

very substantially in terms of the necessary outlay to sustain the services, especially the additional right-of-way services.

MR. SOUSA: Are there any other question of Mr. McGinnis?

MR. RODDY: Yes, Mr. Commissioner, I have a few questions. Mr. McGinnis, which of the health and social service programs have a waiting period before the benefit results?

MR. McGINNIS: Well, I think that there--I don't know that there are any of these that have waiting periods. From the viewpoint of mental health and community mental health centers and the psychiatric hospitals, if the need is there and if it were present. As I understand it, this is also true with a range of public assistance programs. I cannot at the moment think of any services that would be denied by virtue of not having been here over a course of a period of time.

MR. RODDY: I know you believe the Aid to Dependent Children and Families is essential.

MR McGINNIS: As far as I know, it does relate to that ADC, yes.

MR. RODDY: Would it be fair to say, Mr. McGinnis, that it's still your chief concern that there is a balance between the benefits and the burdens to the State on this project.

MR. McGINNIS: Yes

Barbara Hoffman
Alaska Council on Prevention
of Alcohol and Drug Abuse
(p. 59-64)

MS. HOFFMAN: Thank you, Mr. Chairman. I appreciate your taking us this morning, thank you. Our testimony today is from an experiencial prospective. We were here during the oil pipeline boom; we were working in the field of alcoholism and drug abuse. The socioeconomic impact to Alaska is incredible. We are still dealing with it. The impact is still being realized. We see the ripple effect, especially in rural Alaska. Alaska will never return to its original state.

Starting with sociocultural factors, Alaska could be looked upon as a developing third-world country. We have a massive undeveloped geographic land area and a very tiny population, which is still emotionally and preceptually oriented more toward the 19th Century than the latter part of the 20th.

We have a small urban population which is entirely different, culturally and philosophically, perceptually and socially, from the rest of the state. We have differing views on the rates and kinds of development that people want to see, different perspectives on the goodness or badness of that development, different perspectives on the degree of control that people should have over the development and differing expectations of how development will impact each of us.

We have a very young population. The average age of Alaskans is about 26 years. Half the people in the State of Alaska are below the age of 17. We have a frontier ethic present in part of our population, which puts a high value on risk-taking behavior which is both physical and real; pipeline workers, fishermen, loggers, hunters, trappers, construction workers and others.

We have a self-selecting population of rish takers who come from other places in the world for three or four primary reasons: To get away from unpleasant situations they are in, to get to potentialities for personal or economic growth, for example the pipeline workers, to get away from an urban-industrial society that they really don't feel very much committed to, anyway. They see Alaska, romatically, as the last place where there might be an opportunity for living a different kind of lifestyle; not always realistically.

We have a population which has a propensity as a part of the frontier toward violence, which is a very personal way of solving disputes and disagreements and personal problems. It is not uncommon in many of the subcultures in Alaska, for interpersonal violence to be the mode through which many problems get solved much of the time.

We suffer from periodic separation from family and friends. Alaska's not an easy place to live, in any case. We have environmental constraints on our lives here that are not largely present elsewhere in the country.

We've got time problems, distance problems, transportation problems, logistical problems, problems getting the water pipes to keep from freezing in the middle of the winter, problems getting oil for the stove, problems getting the airplanes running, sitting around in the airports for three or four or five days trying to get from one place to another. It's cold, dark, wet or icy, snowy, rainy, most of the places where we live, and not very physically comfortable a great deal of the time.

We have tended to take a very narrow view of alcohol and drug abuse. If you think more globally about these problems, then we've got to think about developing strategies that address all the elements I have mentioned heretofore. We cannot think about addressing one element to the exclusion of another.

I hope all of us will expand our ability and willingness to think about these problems in a more complex way than we have before. And I hope we do not conclude, as a consequence, that this set of problems is so much a part of our everyday lives that it is taken so much as a given that we have no power or control over the institutional or structural systems that create that situation, that there is nothing we can do about it.

It is our concern that there have been no plans to date to deal with these issues, concerns, on a large scale. The alcohol-drug problem is a given. Did you know that alcohol -- alcoholism is the number one health and social problem of this state? It is our understanding that Northwest Alaskan Pipeline Company has not planned to deal directly with these issues but to simply utilize already-existing program agencies. May I remind you that these programs are already heavily impacted and are currently facing a seven million dollar budgetary cut.

Alaska is fortunate to have the systems in place to deal with these problems. We have skilled professionals working in the field. We lack revenue to enlarge

we could work cooperatively and constructively to deal with the number one health and social problem in Alaska.

Humankind is able to construct social, political and economic realities at will, limited only by imagination, environmental constraints and technological innovation. It is not the case that we are passive recipients of social, political or economic realities. We are the creators of them.

I have copies to leave for you and I would be open to answer any questions.

MR. SMOLER: It seems to me that these problems that you described are very real problems but are they really caused by the construction of a gas pipeline or are these problems that would exist here anyway?

MS. HOFFMAN: I'm saying that it's one of the conditions, one of the variables, that play in Alaska that leads to such a high rate of alcohol and drug abuse in our state. It has something to do with it. It is one of the variables.

Bob Harrington
Employee Assistance Coordiantor
for the Alaska Council on Prevention of
Alcohol and Drug Abuse
(p. 65-66)

MR. HARRINGTON: My name is Bob Harrington and I'm the Employee Assistance Coordiantor for the Alaska Council. It's been touched on breifly by both the Lieutenant Governor and Deputy Commissioner of Health and Social Services about the need for services along the construction of the gas pipeline. Mr. McGinnis mentioned the Employee Assistance Programs and therein is what I wish to speak to you about.

The Alaska Council on Prevention of Alcohol and Drug Abuse is suggesting that Northwest Alaskan Pipeline Company should be required to implement Employee Assistance Programs, not only for the employees of Northwest Alaska but any other subcontractors that may be involved in the construction. It is further suggested that the Northwest Alaska Pipeline Company utilize private employee assistance located in Alaska for the provision of these services.

Employee Assistance Programs, nationwide, have documented that the company providing that get a return of as high as $8 for every dollar that they expend on such programs. Personal problems such as financial, marital, alcohol and drug problems and many, many others can be solved successfully by early intervention. This is the premise of the Employee Assistance Program and, therefore, we're not asking the employer to wait until job performance becomes a problem before addressing these issues. Early intervention of all of these problems creates a benefit for the employer of more productivity, better employee morale and, really, better working conditions all the way around.

In summary, Alaska could benefit from such a program in that the implementation of an Employee Assistance Program will not -- will reduce the demand for already overtaxed health and social service resources available in the State of Alaska. Thank you for allowing me to speak.

Natalie Gottstein
Alaska Mental Health Association
(p. 66-67)

MS. GOTTSTEIN: Thank you. I'm with the Alaska Mental Health Association and that, basically, says what I'm primarily concerned with in the construction of the pipeline. I would not like to repeat a number of the things that have already been said.

MR. SOUSA: The people in the back cannot hear you. Could you turn that microphone around and speak into it?

MS. GOTTSTEIN: Okay. I don't think it's necessary for me to repeat those things that were already said. However, I think that what has not been mentioned is the impact, the emotional impact on the families of the pipeline workers. There will separations, again they will be getting used to an entirely different lifestyle from what they are living when they come from the Outside. I feel that it is extremely important that whatever kind of health insurance coverage that the pipeline company has, that that insurance covers mental health services at the same rate as other health services are covered. As was pointed out before, a little bit of prevention does save an awful lot of money, and there have been studies made throughout the country where mental health services are provided, that other health costs go down appreciably, often as high as 27 to 30 percent. I think that's basically it.

Brian Saylor
Municipality of Anchorage Department
of Health and Environmental Protection
(p. 123-130)

MR. SAYLOR: Mr. Commissioner, my name is Brian Saylor, I'm with the Municipality of Anchorage Department of Health and Environmental Protection, working in the area of behaviroal counseling.

Earlier in the day you have heard from Barbara Hoffman and Deputy Commissioner McGinnis about some of the problems that are anticipated as a result of the gasline construction. They have alluded to some statistics and I'd like to present those for the record.

The organization and development of the oil and gas industry throughout this state during the Seventies had both direct and indirect impact on services and population activities. It is anticipated that the same will hold true during the proposed construction of the gasline.

During construction of the pipeline, the oil pipeline, Anchorage was impacted directly. A large portion of the support and administrative personnel needed for the oil and gas fields in Prudhoe Bay and the construction of the oil pipeline were located in Anchorage, although working elsewhere, and administrative offices located in the Municipality. In addition, as the service center of Alaska, Anchorage was the focus of much of the movement of goods and services relating to pipeline development.

Anchorage was also impacted indirectly as public, commmercial and industrial investments were made to meet the rising demands of goods and services. The rapid growth of the Anchorage population and the economy during the mid-70's served to further consolidate the city's wealth as the state's metropolitan center. It is expected that the future gas pipeline construction activities will affect Anchorage by stimulating population increases and economic growth.

Alcoholism, drug abuse and mental health problems are expected to be among the principal health problems faced by Anchorage residents if the gas pipeline is constructed. This expectation is consistent with the research findings recently published by the National Institute for Drug Abuse. The research indicated that boom towns appear to have more serious problems of substance abuse associated with economic change indicators than do communities suffering sudden economic decline. An analysis of economic and substance abuse indicators shows that in boom towns alcohol abuse increased at a faster rate than population growth and anecdotal evidence suggested that drug abuse is also a serious problem in boom communities, even though it did not appear to increase at a faster rate than population.

With the impending population impact on Anchorage and accompanying boom town effects, Anchorage can expect sustantial problems with alcoholism and drug abuse in the near future. Earlier today both Barbara Hoffman and Dr. McGinnis spoke to the severity of alcohol, drug abuse and mental health problems. Here are some estimates. ISER, as they testified earlier today, has developed preliminary estimates of the population impact of gas pipeline construction activities. These estimates show population impact of pipeline construction over and above the normal trend of growth is no pipeline construction activity would occur.

It is assumed that the population increase will start in about '81 and continue to a peak in 1984 and decline shortly thereafter until 1986. Now already some of these impacts have been noted. I imagine if you talk to people in town there are dramatic changes in construction that they've all talked about, the traffic problems, there are more sewer and water permits being issued now than really during the height of the gas--the oil pipleine construction period.

It's known that the population impact will not be felt uniformly across the state. A few construction personnel will live in Anchorage, but an estimated 50 percent of the total peak differential increase in training and service sectors is expected to occur here. These are ISER estimates. The curve of the population impacts follows what I fear to be fairly well-established patterns of preconstruction, mobilization and demobilization. These growth patterns were found in the pipeline, although detailed statistics of population growth were difficult to come by and we found them beginning to wane about 1978. As a result of these population estimates and applying different formulas that are commonly accepted and used, we're estimating that there would be 2300 people in a risk of alcoholism over and above what we could normally expect without this construction.

The impact of alcohol on crime rates follows generally the patterns that Dr. McGinnis spoke of this morning, and if we look at the Criminal Justice Planning Agency statistics from 1972 to 1977, you could find generally the same curves appearing, as you would predict, from the relationship between boom town economies and substance abuse.

We have some preliminary information on the Trans-Alaska Pipeline impact on facilities and being one of the planner types that were here during that period, we all swore up and down that we would be diligent in collecting these statistics. As the years went by, of course, we didn't do it quite as well as we would like. But there were some people that kept very detailed records. The statistics I'd like to speak of were collected at the Alaska Clinic by the Alaska Family Insititute, who had a contract with the Teamsters to handle pipeline families. These statistics have not yet been published, unfortunately, but they are taken from detailed intake assessments of 600 pipeline families that came in for treatment. Clients came in, well over half, with a complaint of children's behavior, problems with the law or at school or at home. Most of the children were under 10 years of age. A third of the problems presented involved women with problems coping at home without the compelte family intact. A little over 10 percent were obviously marital problems. Things changed a bit when the professionals reviewed these cases and did a professional diagnosis. However, half of the problems were found to have their roots in alcohol or drug abuse. As most of you know, this is very common in North Slope camps. Forty percent were serious marital relationship problems. Sixty percent occurred as a result of isolation. It's been said countless times here today that it's a fairly harsh environment. Two-thirds of all the families had children with serious problems in school. Forty percent had severe disciplinary problems. This has some significant implications for treatment that may be undertaken, in part, by the gasline company itself.

Marital or relationship problems are a normal response to an abnormal situation. It was found that if people were told that they were living in a pretty scary environment, then their reactions to it are predictable and normal. They don't tend to dissolve their relationships as rapidly. Next, the husband's relationship to the family unit is a serious issue. Husbands are away on the North Slope. In many of the families living here in Anchorage, the husbands come back, however their shift is, two on/one off or sometimes even much longer than that, expecting to find a stable family environment. Of course, they don't. While they're away, the wives and the children have developed a much different set of relationships. The wives end up with much more managerial roles, I guess you could call it, within the family and the husband comes back to a fairly foreign situation, one that he didn't expect. I think a lot of this could be solved, or the Alaska Family Institute thought it could be solved, by the gasline company informing people of the realities of the situation and the reinforcement of the family unit.

Next, there's a significant lack of indentification with the father's work, partially due to the remoteness. The kids watch the father get on an airplane and disappear for a few weeks and come back, and they have very little idea of just what happens in the interim. This is different than most of the work situations where the children have some feel for what's going on with the family breadwinner. This is another thing that the company could get involved in.

There are other minor things of the routine of established times with parents and children to get together on the telephone, that involves some logistical setup of communication systems.

We're expecting some significant impacts on the behavioral health treatment system in the areas of mental health, alcoholism and drug abuse, but these will not

be known specifically until we see the impacts and then they'll be staged according to the phase of construction. Thank you.

MR. CROOK: Will the City of Anchorage derive any revenues from the pipeline?

MR. SAYLOR: There will be revenues coming in, I assume, with business taxes. There is no personal tax here, personal income tax.

MR. CROOK: Would that be derived from property tax?

MR. SAYLOR: Yes, there will be property tax revenues. As a matter of fact, we're beginning to feel that already.

Kevin Murphy
Director of Threshold
(p. 129-132)

MR. MURPHY: My name is Kevin Murphy, Director of Threshold. Employee Assistance Consultants of Alaska and the Threshold Foundation suggest that one of the terms required of Northwest Alaskan Pipeline Company is the establishment of an Employee Assistance Program for all employees and their family members, whether NWA or subcontractors, during the pipeline construction.

We further suggest that NWA utilize the private sector of the EAP providers who have experienced dealing with the pipeline and oil related industry in Alaska. Additionally, consideration should be given to components for an effective and comprehensive program, including but not limited to the following: An assessment and referral service for drug, alcohol, legal, financial, marital, onsite counseling, family and marital counseling, support and education groups who deal with single-parent families and any other concerns of these separated families.

A rationale of the EAP and drug and alcohol programs have proven to be cost-effective for industry. To date, EAP's nationwide return at a minimum rate of $3 for each program dollar invested. Also, alcohol-related problems in 1975 cost the U.S. 42 billion dollars. Lost production alone cost an estimated 19.64 billion dollars. Clearly, it can be anticipated there will be unique human and social problems for those who build the natural gas pipeline and for their families. In the first Alaska pipeline impact studies this was painfully apparent. We have to make a considered effort to help these Alaskans. It is a responsibility for which there are effected programs in solving alternatives. Without question, ours is a great land. Also true, however, is the fact that Alaska's greatness is not limited to its opportunities alone. The magnitude of human problems of hardship and adversity thrust upon those who live here is enormous. For those on the pipeline, even more so. We must deal with these difficulties. We know that to deny problems is not to solve them.

Employee Assistance Consultants of Alaska and the Threshold Foundation welcome the cause and welcome further involvement in planning and provision of these services.

MR. SOUSA: Could you tell me what organization it is, is it a private foundation or a...

MR. MURPHY: Yes. I'm the Director of Threshold. Threshold is a private organization involved with family counseling. Employees Assistance Consultants, they are out--well, they're right next to me and they're contract, doing contract work right now. They've been formed, now, it's been three years that they've been in business.

MR. SOUSA: Thank you. Any questions of Mr. Murphy?

MR. BERMAN: Mr. Murphy, was this type of private service used -- or private contractor used during TAPS construction, do you know?

MR. MURPHY: Yes, I'm sure it was.

MR. BERMAN: Extensively?

MR. MURPHY: That I cannot give an answer on.

Questions of FERC to Cuba Wadlington and Sue Fison of Northwest Alaskan Pipeline Company, pp. 170-172.

MR. SMOLER: The first is a question to Northwest, probably Mr. Wadlington. This question arose at lunch and several of us were curious about it, and Mr. Wadlington happened to be at the next table, so we asked him, but I think it ought to be put in the record. The question had to do with what medical services Northwest is planning to provide, or referring to another terrain, to what extent are medical services included in the certification cost estimate? And the phrase "medical service" is both in a narrow and broad sense, pairing illnesses and injuries, but also alleviating psychological problems, stress and some of the other types of problems that have been raised here this morning; prevention as well as cure.

MR. WADLINGTON: The medical services that are included in the certification cost estimate are primarily included through the estimates provided by execution contractors, because the plan that the execution contractor will provide, the medical services for the experience that they have contracted to put in. That medical service is primarily in the form of paramedics, which are intended to take care of the majority of all of the medical services needed in the area and if it's something that is in excess of that, then the individual or individuals will be medevaced out to the nearest area that had more extreme medical services.

MS. FISON: I'm Sue Fison of Northwest Pipeline. An additional consideration is that most of the workers on the pipeline will be craft workers and at least through the pipeline, our mental health benefits will cover it, if someone needed it, from the contract. So I don't know what the full bene--what the percentage of benefits are, but there are the provisions.

Fairbanks, Alaska

April 21, 1982

Jennifer Gleason, Director
Northern Region Emergency Medical
Services Council
pp. 191-196

MS. GLEASON: Thank you. My name is Jennifer Gleason; I'm the Director of the Northern Region Emergency Medical Services Council. It's a private non-profit corporation, funded by the State of Alaska, concerned with emergency medical services that are available in the northern third of the State.

I'd like to discuss this morning some of the manpower issues and a few other concerns related to this project, and then Jeanne Ostnes, our Interior Coordinator, involved more with Fairbanks and the interior region, will discuss some of the communication and transportation concerns related to emergency medical services.

In 1979, July 20th, 1979, the State Advisory Council on Emergency Medical Services, representing both providers and consumers throughout the State, made the following recommendations about this project: that there should be at least a qualified nurse practitioner, physician's assistant or trained paramedic in each camp, with adequate emergency medical equipment and good communications to a hospital emergency department; that the company should be responsible for its own medevac and they should have properly equipped aircraft and trained medevac personnel available at all times; that each worksite should have at least one person with emergency trauma training, and that is a 40-hour course in the State of Alaska. It's kind of advanced first aid that has a practical component on how to prepare someone for transport. It isn't just sitting in the classroom first aid course. Or, preferably, emergency medical technician's training that's an 81-hour nationally standardized course, that many ambulance personnel have, with a trauma kit and communications capability with a mid-level practitioner or a physician; that the company should provide the State with accurate statistics on the number of deaths and injuries occurring either on worksites or in camps along the pipeline corridor. As I said, these are recommendations from the State Advisory Council, the Governor's Advisory Council on EMS, that were drawn up in 1979.

Since that time, the same concerns have held with--we've had the same concerns within EMS in working with all kinds of industry in Alaska, and there are some things I'd like to draw to the attention of this committee that have developed since that time. Since that time, there are new regulations through the Department of Health and Social Services, relating to the certification of emergency medical technicians. They went into effect in January and there are three categories: Emergency Medical Technician I, II and III. The III is pretty much a cardiac technician and the II can give fluids in the field and apply anti-shock and deal better with trauma. And there's also a certification procedure for EMT instructors. Anybody who will call themselves EMT or provide EMT training will have to adhere to these regulations on behalf of this project, which didn't have to be considered before. The certification process, as I mentioned, is through the Department of Health and Social Services. There are also licensing procedures for paramedics and for physician's assistants through the Medical Board that has also come into

effect since that time. And there is now an authorization for advanced nurse practitioners who might be working in these outlying areas that didn't exist at that time. So these are things thay any contractors are going to have to keep in mind when they bring people into the area to provide these services.

The training of personnel is, obviously, a very important issue. Emergency Medical Services is not going to be able to train all the personnel that are going to be used in these outlying areas. I think the way that they can provide the best service is in training instructors and being involved in the certifying process, both for instructors and for the providers. The North Slop Borough has an EMS coordinator and for the past several years, you know, there's been a lot of construction up there, their office has really been barraged with requests for courses, and they've had to focus on training more instructors than on actually training providers.

It's really important that in the training of personnel that appropriate training equipment is needed. The Emergency Medical Services programs that are augmented by the State will not have enough training equipment to do--you know, to even loan out to instructors that are training in the field. So this is something that has to--we have to make sure that that's available. The time the people have to take off work to either get their initial training or some continuing education training to maintain their certification or license is also a major consideration.

I think it's important that any kind of training for emergency personnel, be it nurse practitioners or PAs or EMTs, include a component for air transport, stabilizing someone for air transport. There's a big difference between putting someone in an ambulance and taking them to a hospital that's five miles away and putting them in an airplane and taking them over mountains that are, you know, eight or ten thousand feet high. I think that that should be included in someone's orientation and if they have--they meet certification and license for requirement in the State, I think that should just be a recommendation for the orientation of that.

Emergency Medical Services would be willing and able to act as a resource for determining what kind of equipment is appropriate to these outlying areas, to the rural clinic or the worksite clinic, and also in terms of kind of a mobile trauma kit that might be in some of the vans or trucks available on the worksite.

The transportation systems, as I mentioned, will be--Jeanne Ostnes will address those. I think one important consideration is whether or not we're looking at a primary health care system or an emergency care system, in determining what kind of people should be in these outlying areas. And I think the cost of these two systems will be quite different and the impact on both Anchorage and Fairbanks will be really different, depending on what's available in the outlying areas. If you have a nurse practitioner or a PA who is able to do complete physicals and deal with nonacute medical problems as well as acute medical problems, then you're going to have fewer people transported in, but you will have, you know, still your emergency cases transported in. If you have EMTs and paramedics who are basically trained just to deal with emergencies, then the ear infections and the social diseases and things like that are going to be flown in at a different type of extent and put more of a burden on Fairbanks and Anchorage medical communities.

I think it's really important that we have a data collection system that is planned, so that we can really look at these projects and determine what the medical care needs are. I think, you know, we have some really interesting precedents in this State, and I think it would help large projects like this, you know, nationwide, if we could collect some data. It's been very difficult to get a real good picture, of you know, what the costs were and where they were and how people were cared for with the Trans-Alaska Pipeline project, just because there are boxes and boxes of patient-care records that are awfully hard to get through. A data committee should be set up in advance and if there are five different contractors, they should at least have the same components in their data collection so that we can, you know, look at all of those things afterward. It's a shame to pass up the opportunity to really evaluate a project like this.

I'd like to thank you for the opportunity to make these comments and I think that Jeanne Ostnes will be able to answer some of your other questions on communications and transportation.

Jeanne Ostnes, Regional Coordinator
Emergency Medical Services
pp. 196-200.

MS. OSTNES: My name is Jeanne Ostnes, O-s-t-n-e-s, and I'm the Interior Region Coordinator for Emergency Medical Services. Mainly, I'm dealing with the pre-hospital care of those sick and injured, as opposed to the clinical...

I'd like to talk about the communication problem along the system where the pipeline will be--or is planned. Since 1979, we've been in the planning process, as Jennifer said, working with different agencies, discussing some of the problems that EMS may have. Along the haul roads in 1980, we asked the State government to help us with the funding of a communication system and in 1980 that system was going to cost approximately $6 million. At this point it has not been funded and there is a very sketchy communication system for the State providers or State agencies in that area. RCA does have a system up there that has been used for the previous pipeline, but for Emergency Medical Services, the Alaska State Troopers, the EMTs that are in the midst of being trained at this point, will not have communication direct for medical control or when transferring patients.

Our region has been involved with MAST, which is a Military Assistance Safety and Traffic program that has six helicopters that are available 24 hours a day to fly within 129 nautical miles of Fairbanks. The haul road at this point is covered to Old Man and the highway down toward the border is covered to approximately Northway by these helicopters. It's a good system and they've had quite a few runs since they've been in existence and it shows that there are a lot of accidents along the road and a need for transferring. This system is only available until, of course, some military project needs them. We are here in peacetime fashion with these helicopters, so we don't know how long they will be in existence at this point. There is no transportation except by a call through the Troopers for a helicopter or a plane that would be here in Fairbanks that we have to transfer someone, so, as Jennifer said, I think it's appropriate and needed to have intermediary medical people along the roads to stabilize someone before transport.

The border has statistics on the number of people transferred or coming through the border system. It has grown tremendously, and 1975 and 1976 were

high points of vehicles and passengers following and going along that road. At this point there is, also, a communications gap from the Tok city down to the border, pretty sketchy, one-channel communications through the Troopers only, and again the MAST helicopters don't fly past a portion of that road. I think it's appropriate, as Jennifer was saying, that training be a priority for the personnel as well as--the personnel working on the line as well as people who would be stationed in the camp that they intermediary for stabilities of the patient before transferring.

We have statistics on a number of ambulance runs and kinds of accidents that the ambulances along the highway have seen and the Troopers are helping us with some of the statistics of what they're seeing right now since the haul road has been opened, so I'm hoping that we can help in the planning for good medical response during this.

MR. BERMAN: Before you go, Miss Ostnes, one question. You've talked about the communication system we need to tie into something other than the one that currently exists. Perhaps, before you leave, I could just ask Northwest Alaskan, there's a considerable amount of money planned to spend in upgrading the communications system. To what extent will that new system tie in with these that she's talking about?

MR. WADLINGTON: I believe the communications system that we have outlined in our filing will take care of problems that she's pointing out.

MS. OSTNES: Basically, all we need is one open three-channel, specifically for emergencies and there is a Statewide frequency 155160 that we have planned since '79 to have implemented.

MR. BURGESS: Commissioner, just for the completeness of the record, I think that the monies in the estimate at this time, approximately $106 million for that communications sytem--does that sound right?

MR. WADLINGTON: That's right.

MR. BURGESS: There are substantial monies already in the certification cost estimates, we understand.

Phyliss Leavenworth
American Red Cross
pp. 200-203

MS. LEAVENWORTH: Thank you, Mr. Sousa. I'm representing the American Red Cross and appreciate being able to speak after Jennifer and Jeanne, because the Red Cross concerns in Fairbanks are along the same lines as their, in terms of first aid training that would be required.

The American Red Cross is a non-profit corporation, gaining its financial support from private contributions only; no State or Federal money, and relying almost exclusively on volunteers to provide its services to the community. First aid training is one program sponsored by the Red Cross that many people are required to have for their employment. During construction of the oil pipeline, the demands on local Red Cross Chapters to provide immediate first aid certification

reached an almost impossible level. The standard multi-media first aid course, which most people are requesting, is an 8-hour course which is regularly scheduled by the local Red Cross Chapter as demand warrants and is taught by trained volunteer instructors. It is impossible for an individual to walk into a Red Cross office and expect to be taught a course on a one-to-one basis or to take a test to challenge the course or to purchase the certificate of completion. It is also impossible to set up a class for a group on the spur of the moment. Just finding an instructor and securing the necessary equipment for a course can take several days, at best.

The projected increased demand for Red Cross first aid courses, I feel, could best be met by advance planning and cooperation between the gas pipeline construction companies and the local Red Cross Chapter. The local chapter would continue, as it does now, to schedule first aid classes on a regular basis with pre-registration required for companies that have a large number of employees requiring training and/or an ongoing need for courses. The Red Cross would train an employee of that company to become an instructor and handle the company's needs. The instructor would then be expected to adhere to the local Chapter's policy and procedures for Red Cross instructors.

The local Chapter operates on an annual budget of approximately $15,000. The safety program is only one service funded by this meager amount. Should construction of the gasline become reality, the Chapter will need financial support to purchase additional equipment that will be needed to teach the expected increased number of first aid classes. In particular, additional films will be required. At present the film, which is a necessary teaching tool for the multi-media course, costs $225. Also, for any course which the Red Cross is coordinating, a cost recovery materials fee will be expected for each registered student, regardless of sucessful completion of the course. The cost recovery fee pays for the text books, bandages and administrative costs necessary for each class. At present this cost recovery charge is $12 per student; however, it could change in the future if the cost to us for materials increases or decreases. Knowing that the Red Cross first aid courses are valuable and necessary for everyone's safety, we in our local Chapter are very pleased to be able to provide this service and training to our own Alaskans and to anyone who's coming in to work on the pipeline project. And I feel that with cooperation of the involved companies, that our local chapter can continue to provide the quality training that we do in a timely and efficient manner.

Dr. Michael Graf, President
Alaska Psychological Association
pp. 256-258

MR. GRAF: My name is Michael Graf and I'm a psychologist. I'm here as President of the Alaska Psychological Association. For the past five years I've been providing mental health services in bush communities. I'm here in the northern interior and I'm here to speak specifically to some of those concerns. I would like to express my appreciation to the Commission for holding this hearing; to perhaps temperate that a little bit, with a concern over what I perceive as a real absence of adequate advertising of the hearings, and I would submit that the turnout that you've seen thus far, of people who have come in spite of what seems inadequate notice, is truly evident of the kind of concern that exists here and throughout the State. It's probably unfortunate that you're not able to go to a

lot of the smaller communities that will be heavily impacted by any natural gas pipeline, if it is built, that will be impacted by any sort of project of this magnitude.

I would like to urge that in your work and in future deliberation about the certificated cost estimate, about estimates of the true costs of this one pipeline, that inasmuch as possible you'd deal directly with some of the communities which will be affected, inasmuch as possible you deal with some of the affected groups, which will have to bear some of those costs at a local level.

In line with that, we would request that at such a time as there is a draft of a CCE, that that be submitted for review to local communities, to the Department of Health and Social Services here in the State, to some of the groups, and perhaps individuals that are testifying to you now, would just be made available through normal channels and that you hold another series of hearings for comments on that draft CCE. I think it's going to be extremely difficult, strictly from the comments that you get from the hearing you're holding just now in urban areas, to have aequate input to have a certificated cost estimate that represents not just the concerns but also the costs that are going to be borne by communities here locally.

I'm sure that you're probably growing tired of people talking about social disruptions. I guess one of the problems that we've experienced in talking with representatives of these kinds of efforts, of large construction efforts, of large projects, is that frequently we have social service people trying to talk to engineers and we don't necessarily always hear what each other is saying. Sometimes, if social service people are talking to economists, it seems like our concerns are often almost worlds apart. We've seen in the construction of the Trans-Alaskan Pipeline some of the social impacts, we've seen those costs being borne disproportionately by small rural communities that have not particularly gained. It would be very difficult to see how some of our small communities have benefited from the construction of the project itself, and we would ask that those concerns be looked at rather closely. What are the costs to some of these small communities where the costs that will have to be borne by the State and what the impact will be on our presently--present theory that services that are available are minimal, extremely so in many of these areas now, and we expect those services would be further impacted.

I'll stop there, other than again to renew a request and a plea that the draft CCE be circulated and you do hold additional hearings to consider comments on that.

Patricia Book
Alaska Public Health Association
pp. 259-261

MS. BOOK: I have been asked by Rose Wong Pray, who is Chairperson of the Alaska Public Health Association Fairbanks Committee to read a resolution to you that was recently passed by the Fairbanks membership. I am also a member of the Alaska Public Health Association and active in this group. This is Resolution 82-12 and I'll just simply read it into the record for you.

Whereas, the proposed natural gas pipeline could impact heavily on the physical, social and emotional health of individuals, families and communities in northern Alaska; and whereas, known and foreseeable consequences of such a project require timely planning, preparation and intervention by public and private agencies, communities, and the State and Federal governments; and whereas, the Federal Energy Regulatory Commission State Pipeline Coordinator's Office, Office of the Federal Inspector, and Northwest Alaskan Pipeline Company are presently attempting to assess and predict the probable social and economic costs of such a project in a Federal Energy Regulatory Commission Certificated Cost Estimate; now, therefore, be it resolved that the Fairbanks members of the Alaska Public Health Association express appreciation to Commissioner Sousa for holding a public hearing in Fairbanks, urge more in-depth consideration of socio-economic issues by the Commission, propose that the publicly borne socioeconomic costs should be included in the established rate base, request that the Federal Energy Regulatory Commission deal directly with local communities in identifying socioeconomic costs, and urge that the Federal Energy Regulatory Commission circulate a draft of all socioeconomic impact portions of the Certificated Cost Estimate to potentially impacted communities, the Alaska Commissioner of Health and Social Services, local provider agencies, and interested individuals, and that another hearing be held in Fairbanks to consider comments from these affected groups. This resolution was passed unanimously on April 12th, 1982.

Paul Sherry, Director
Regional Services
Tanana Chiefs Conference
pp. 279-282

MR. SHERRY: Good afternoon. My name is Paul Sherry, I'm Director from Regional Services for the Tanana Chiefs Conference. Tanana Chiefs has been in the health services business since 1974. Our current budget for health services is about three and a half million dollars annually, the majority of those are from the Public Health Service, and we contract to provide services that were previously provided by the Federal government.

Our services include the operation of health centers and village clinics in 32 communities in the interior. We employ community health aides, outreach workers, health education staff, general health and social services providers, environmental health workers, in the majority of the small communities along the proposed route of the gas pipeline, including Bettles, Allakaket, Stevens Village, Minto, Rampart, Dot Lake, Northway, Tok, Tanacross and Tetlin, and we're the only health service provider in the majority of those communities.

We provide routine preventive and outpatient clinical services, emergency medical services, environmental health surveys. We do education and training programs. We help people build and maintain health facilities. We operate two medical communications networks and basically we cooperate with the State as in the private sector in planning and delivering health services to rural areas.

And, as such, the corporation also has a substantial concern, concerning the pipeline, concerning its impact on the health status of our residents and also on the health services delivery system.

Our primary concern is, I think, the emergency medical response of the rural highways. The systems that are there now are based pretty much to meet present continuing normal needs. The personnel that we have, for the most part, are volunteer. The facilities and the ambulances that we have, have been provided by the State, but they're operating mostly on voluntary contributions and whatever bills they can get collected. We feel that regardless of the level of services and emergency medical response that's instituted by Northwest to serve its own system, with the capability of the existing providers of the highways, is going to be overtaxed substantially. If you take, for example, the stretch from--including Dot Lake to Tok, there's only two ambulances to serve a several-hundred-mile area of the road and we experienced many problems in the last line where that system was called upon to respond to trucking accidents and people who were getting in accidents late at night, off-hours on the job, and we know that this

In our pursuit of population-based planning, we pay particular attention to population changes. That is, rapid population growth and changes in the population profile are highly relevant to predicting health status problems and ultimately the need for health services.

We have been drawing upon the experience of the last decade, which of course included construction of the Trans-Alaskan Oil Pipeline, for forecasting future service needs. We know we experienced an overall 30-percent growth in population in Interior and North Slope Alaska between 1970 and '81; however, during peak pipeline construction years of 1973 to 1975, the population growth in the rural interior region increased by some 87 percent.

A principal problem during the previous pipeline project was the wave in in-migrants attracted from the Lower-48 by the prospect of high-paying jobs. In 1974 and 1975, an estimated 70,000 to 80,000 people arrived in Alaska. This in-migration spawned a whole range of other problems. It disoriented the local economy, it increased the pressure on public services, and led to a high rate of inflation. It also increased utilization of health and mental health services and overstressed the capacity of our local hospital and clinics.

Before pipeline construction began, it had been predicted that the peak in-migration during 1974 and 1975 would be around 40,000 people. In the end, about twice that number came. Alyeska had predicted that they would employ six- to eight thousand workers, but in fact, they had employed about 24,000 workers during peak construction.

Our organization has worked closely with the State and local organizations to develop population forecasts for 1990. We have used these forecasts to project acute-care hospital beds, skilled and intermediate care nursing beds, and other health and mental health service needs. We know that in-migration in anticipation of this project is already occurring and has begun to stress the current capacity of local programs. We feel that a coordinated planning process is essential to adequately prepare for a second pipeline project.

As an example of local views on this issue, in a recent regional substance abuse plan developed by northern Alaskans, a specific policy statement for service development was endorsed, reiterating concern for social impact planning. It says, and I quote, effective socioeconomic planning must be demanded by the State for construction and development projects with the potential for seriously and rapidly changing the lifestyle and environment of communities, end of quote.

We feel we do not have--we feel that we do have an opportunity to prepare for the gas pipeline project. Local resoures, such as our organization, are prepared to assist in planning for the project. However, an effective planning process will require that Northwest Alaskan Pipeline Company fully utilize interested local resources and enhance public participation in project planning. Furthermore, the Company needs to make a commitment to actively provide technical assistance to communities in preparing for the project and to provide monies, when needed, to prepare for impacts. A systematic planning process needs to be designed, which integrates all relevant concerns; transportation, housing, education, social and health services, law enforcement, et cetera.

We urge you to require social impact planning for the Alaska Natural Gas Transportation System project. Thank you.

Tom Mingen, Administrator
Fairbanks Memorial Hospital
pp. 314-318

MR. MINGEN: My name is Tom Mingen. I am the Administrator of the Fairbanks Memorial Hospital, the local hospital here in town. I probably will attempt to follow your outline in terms of speaking to what the hospital experienced during the last pipeline, where we are today and where we feel we have to be. In addition, we'll provide some background and backup material for you. I will attempt to be brief.

During the oil pipeline, the hospital really wasn't prepared in terms of having the number of beds available that was required and, therefore, during the peak of the pipeline in March of 1976, the hospital ocupancy peaked at 100.6 percent. This was accommodated by doubling up of the private rooms at the hospital so that we actually housed more patients, in most cases, during the peak than we were actually licensed for. Shortly after the pipeline started, in the summer of 1976, the hospital started a construction project which added 29 beds to the original 126 beds. Unfortunately, those beds didn't come on line until November of 1978. After the pipeline we did see a decrease in the census at the hospital, probably associated with the decrease in the population of the general area.

Upon completion of the addition, we found that we were projecting that we probably would have to again look at a hospital addition in 1985 or 1986. Unfortunately, it seems like our area was growing faster than we had projected, and at the current time we are very, very crowded. Therefore, the hospital has initiated a Certificate of Need and is requesting State funding for a $20 million addition, which will initially add 38 beds, but down the line will bring up to 52 beds, a total increase, and possibly some more.

The expansion project that we're undertaking at this time, we're hoping to finish in the summer of 1985. We have had a feasibility consultant come up and look at the population projections without pipeline impact and they are projecting that we will need approximately 30 to 40 beds by 1985. We felt that to look forward to not only pipeline impact but some other considerations in the community the hospital did--is hoping to get approval from the State to shell in--actually it won't be shelled in, it'll be planned for future pediatrics and psychiatric beds, thus creating additional space that can be planned, as we are completing an initial 38 beds. The hospital probably will be--in speaking if the pipeline goes in '85 or '86, the hospital will be in a better position than it was during the oil pipeline. We feel that with the 38 beds coming on line we'll be in a better position to meet the need. Unfortunately, with hospitals, it's very difficult to plan on a temporary impact because all of a sudden you've got hospital beds emptied out and empty hospital beds cost a considerable amount of money. Therefore, we feel that probably within the impact we're going to experience a period of tightness in our hospital, if we are good managers and planners, we hope we are. We are projecting that--and the consultants back us up--that for about every 1,000 population, we're going to need about 2 beds increase. Now, in looking at what happened during the oil pipeline, we found that our census did increase probably proportionately to the population in the area.

We have found that since the pipeline, and over the last 10 years since the hospital started, the hospital is becoming more and more of a regional hospital, serving all of the northern half of Alaska; therefore, probably the gasline would have probably more of an impact or as much of an impact on us as on any service in the interior since we would probably be servicing all of the health care needs in the State from that aspect. We feel that at the present time the hospital is probably in peak operating capacity, operating in excess of 90 percent in our medical and surgical beds at the present time. As I said, with the addition that we're hoping to have come on line in 1985, we do feel that we will probably be in somewhat of a better position to handle the peak, if it does occur at that time, than we were during the oil pipeline.

We do feel the peak will probably mean a substantial increase in our services, at least temporarily, and probably will require some capital improvements at the hospital in order to handle that unusually high flow of patients. I will be happy to leave a report that was prepared for the hospital by a consulting firm that we had employed this last fall, that outlines some of the projections and looks at the hospital's needs. I might say that, as I said before, that it does not take into consideration pipeline impact but does identify that for every 1,000 population the increase would require about 2 beds.

MR. SOUSA: Any questions from the trial staff?

MR. RODDY: Yes, sir, if we might, a few. Mr. Mingen, you had indicated that after the beds were added in 1978, there were some projections made that included that more space was going to be needed in 1985 or 1986; were those projections taking into account the project or were they exclusive of this project?

MR. MINGEN: They were not taking into account the pipeline project.

MR. FROEHLICH: Just a quick one. Is the Fairbanks Memorial Hospital still the only hospital in town?

MR. MINGEN: Yes, it is.

MR. FROEHLICH: And has there been any further discussion on the Teamsters hospital or other hospitals?

MR. MINGEN: Actually, there was an agreement reached between the hospital foundation, the Fairbanks Memorial Hospital Foundation, and the Teamsters, whereby the Teamsters would support the Fairbanks Memorial Hospital Foundation. So there is currently only one hospital in town. I might also add that recently there is a possibility that the Public Health Service Hospital will be closing in Tanana. That is a small 25-bed facility, but if that does close, we're projecting that it could possibly affect our census by 5 patients a day.

Banarsi Lal, Director
Fairbanks Native Association
Alcoholism Program
pp. 328-336

MR. LAL: My name is Banarsi Lal and I am the Director of the Fairbanks Native Association Alcoholism Program. The Executive Director of this Association

was Elizabeth Morris. She was here this morning and testified to the Commission and probably already talked to you about the nature of the organization. It's a private, non-profit group that has been in the business of providing a wide range of human servies to this community, both to Native and non-Native people. It has been the recipient of State and Federal grants and contracts and has also received money from the City of Fairbanks during the pipeline impact of the last Alyeska Pipeline project. The Fairbanks Native Association has had experience of dealing with a plus and increasing population and related problems during the construction of the oil pipeline and the population of this community suddently went up from 16,000 to 70,000, approxiately.

I have lived here in this community since October of 1972 and have witnessed some of the strains and some of the difficulties that a lot of us alluded to in our testimony this morning. This evening I'm going to talk to you specifically about the problems that are alcohol-related that affect the welfare [of those] that will be coming into Alaska in connection [with] employment with the gasline project, and some of the recommendations that I'd like to make to you are listed on this one-sheet document. For your recommendation--for your consideration, I'd like to make these recommendations at this time for public record.

I recommend that the Northwest Alaskan Pipeline Company, and I'm going to refer to them as NWA hereinafter, be required to provide a company-wide employee assistance program. This--and I'll refer to it as EAP. That EAP would provide a mechanism for employer response to alcohol and drug-related problems of their employees. These responses could be in a variety of ways, could be referral to community programs, could be direct counseling of their employees, a coordination needed for community resources to aid employees and their families, to provide for re-entry of the employee, if needed, to their previous employment with the pipeline and training of supervisory and management-level employees.

To just digress from this testimony here, to let you know a little bit about why am I trying to emphasize the EAP program. To my understanding, in the dialogue with the State Alcohol and Drug Abuse Office, that Alyeska Pipeline Company had given some kind of an assurance that the EAP programs will be established. That did not happen. Luckily, you know, for all of us at that time the Federal sources that are available through the National Institute of Alcohol Abuse and Alcoholism, they gave a grant for about $1.5 million to the organization that came new to Alaska called Alaska Labor-Management Employees Association. It was a 3-year grant and they established some counseling positions, one in Fairbanks, one in Anchorage, one in Valdez, to try to deal with the problem by making referrals, mostly out of State. Now, you all know that that kind of money is not available at this time to us, either at the Federal level or at the State level, so I'm drawing your attention to the fact that if we do not plan for those services now and cannot account for those services in the overall cost projections, then that's not going to happen.

Now, the EAP would need to be provided in each major support location and in each field site along the pipeline corridor. Each employee of the NWA would be covered by such a program. And I'd like you to think about it, that you have that kind of assurance from the Northwest Alaskan Pipeline Company.

That the NWA should also be required to provide to all its direct employees, and to require all of its contractors to provide health insurance that covers alcoholism and drug abuse treatment. The health insurance should cover the

employee and their dependents and should cover both inpatient and outpatient care.

The second recommendation is, I recommend that instead of contracting these services to newly established programs that every effort be made to provide such services through existing agencies. And, believe me, there are State standards for alcoholism and drug abuse programs that are in place for several years and there are State-approved organizations that have years and years of experience in this field that can very well provide that service, so there's no need for us to establish new programs. We just need to provide for them to grow by making the funds available to them.

The third recommendation is, in anticipation of an increase in demand for emergency care services, both in hospital setting and in a non-hospital setting, residential care services and outpatient services, the Fairbanks Native Association at this time recommends that this Commission require the NWA to make provisions in the overall budget to contract for emergency care, residential care and outpatient counseling services.

The fourth recommendation is, Fairbanks Native Association strongly recommends that the NWA opens a dialogue with the State of Alaska, the Office of Alcoholism and Drug Abuse and heal assistance agencies for the planning for these above services as early as possible.

And I want to impress upon this Commission here that it's important that we start the planning process and we include human service providers, local and city governments, borough and the State agencies, the health agencies, we start it now so that it becomes a viable plan and we don't wait 'til the last minute. We also think that in doing that we will be able to adequately identify resources that are in place so that there is no haphazard rush to put services in place, most of which we saw in the last pipeline construction.

In closing, I would like to draw this Commission's attention to the financial constraints exercised both at the Federal and State level, which preclude the availability of funds to expand existing services to meet gasline construction-related demands. In the absence of the above, it is imperative that this Commission urge the NWA to make provisions in their overall cost estimates for the above services in consultation with the State Office of Alcoholism and Drug Abuse, the health systems agencies, the State Office of Alcohol and Drug Abuse contractors and grantees. And if you have any questions, I'll be glad to answer them.

MR. SOUSA: Are there any questions of Mr. Lal, Mr. Roddy?

MR. RODDY: No, sir, thank you.

MR. SMOLER: I would just ask Northwest, are any of the services that Mr. Lal has described included in your cost estimate at the moment?

MR. WADLINGTON: There are services of which I spoke to yesterday, related to medical services, are included in the cost estimate at this time

MR. SMOLER: What about the types of insurance that Mr. Lal referred to?

MR. WADLINGTON: I really can't speak to that. That would take further examination. I can't speak to that off the top.

MR. BERMAN: Mr. Lal, one more question. To put these types of services into place, how much lead time are we talking about before start of any construction?

MR. LAL: I would say that anywhere from a year to two years. I would prefer two-year lead time. In an extreme emergency, at least 12 to 18 months would be necessary to get the required services in place, to provide for additional bed capacities. I'll give you an example. In 1974 suddenly, you know, there was a demand for providing extra bed space. These kinds of services, you know, they have to be provided out of facilities that exist here and, believe me, there are no 80-bed facilities. So if you want to add 10 more beds, you literally have to move a bed from where you are and try to locate another one, and we went through that. And so I think it would be appropriate to say anywhere from 12 months to 2 years.

MR. SOUSA: Mr. Lal, I understood you to say that there were already agencies, existing agencies, that have these programs. And you still feel that you need 1 to 2 years?

MR. LAL: Yes, I did.

MR. SOUSA: And I heard you advocate not starting new programs up, giving in to outsiders, so you still feel you need a year?

MR. LAL: Well, what I said, Mr. Chairman, was that there are agencies in place that have related experience; that if funding would be available they can take on additional responsibilities. And when I talk about that, I'm talking about manpower needs to add to your outpatient counseling components, I'm talking about actual bed space in square footage, the equipment, et cetera, and the extra bed capacities are not available at this time. If that's the impression that I gave you, I'm wrong. I didn't mean to imply that. I know that in times like this there's no way that any non-profit organization can afford to keep empty beds. They're barely struggling at this time to maintain their existing services; we just can't afford that. But if you can project, based on last experience, we can plan for those kinds of space we can plan for those kinds of services, including manpower, and we will be ready. And we have the experience; it's just that we don't have the resources at this time to put that expansion in place, in the hope that the gasline's going to come through, you know, in the next year or so.

MR. SOUSA: This bed space that you were talking about, earlier today we had--I forget his name now, but he represented the hospital here in Fairbanks. You're talking about bed space, expanding this hospital's capacity?

MR. LAL: Sir, I did not represent anyone...

MR. SOUSA: I know, not you, but there was someone else who said there was a hospital here and what they needed was some lead time so that they could provide the space, additional space.

MR. LAL: Okay. Let me say--well, I'm not--I didn't here what they said, so I can't comment on it. I know that the local hospital is planning an expansion and in that sense, you know, I don't know what kinds of programs they want to provide, but it's possible that they will have extra beds. But I would also like to bring to your attention and to the attention of the NWA people here that the type of care adds to the overall costs. Emergency care, for instance, in hospital will cost approximately $500 a day, okay. People provide similar emergency care in a non-hospital setting which would cost you about one-fifth. Now, those are the kinds of things that NWA has to worry about, what kinds of money you want to provide for, other planners have to worry about. I am there to provide quality care at a comparable price.

MR. SOUSA: That's what I was trying to get at, you weren't advocating hospital bed space; you were saying that you could provide something other than hospital space, is that correct?

MR. LAL: I cannot decry hospital care. All I can say is that comparable care for treatment of alcoholism can be provided away from the hospital in intermediate care settings and in non-hospital settings, and it has been proven time and time again. And that certainly does cost less.

Regarding Recovery of Monitoring and Socio-Economic Expenditures and Submissions of Revised Estimate of Such Costs.

DEPARTMENT OF LABOR

The Department of Labor administers the employment services program (Job Services Offices), the unemployment insurance program, and the workers' compensation program. The Department enforces laws and regulations concerning employer-employee relationships such as safety, hours of work, wages, and work conditions. The Department develops and reports labor market information including statistics, analyses, and forecasts and conducts labor force research.

Surveillance Funds - $.83 million

Approximately $218,000 will be used to provide a Labor Economist to develop labor force planning information including an assessment of resident work force supply and demand. Continuing analysis and periodic reporting of occupational surplus and shortages will be made. These reports will serve as baseline planning information for the Employment Stabilization Program.

In addition, $612,400 will be used to hire, equip, and support two Occupational Safety Compliance Officers and a clerk typist to enforce the State occupational safety and health regulations, to provide consultation and advice to employers on safety and health matters, and to provide safety and health training to employees with a view toward lowering the job-related injury rate for gas pipeline workers.

Type I Funds - $2.6 million

These funds will be used to support three programs supervised by the Department of Labor.

1) Employment Stabilization Program - $1.7 Million

The Alaska gas pipeline is expected to attract in excess of 35,000 job seekers to Alaska. Approximately $709,100 will be used to establish a program that will provide services to job seekers through registration for work, referral to jobs, or referral to supportive services and/or counseling when appropriate.

Approximately $71,200 will be used to support additional personnel needed to ensure that all employers, including new employers, make contributions to the Alaska Unemployment Insurance program.

Approximately $846,000 will be the non-Federal funds necessary to add and support up to 30 new employees who will ensure that unemployment benefits are paid promptly to persons being laid off as a result of completion of the project.

Finally, $76,900 will be used to hire and support an additional Labor Economist needed to analyze and plan for the impact of economic activity following the construction of the pipeline.

2) Worker Protection Program - $.76 Million

The Worker Protection Program is intended to protect workers from occupational injuries and illness by conducting inspections and by enforcing occupational

safety and health regulations. Experience with TAPS suggests that 8,500 workers can be expected to sustain work-related injuries and illness. Of these, 5100 workers will lose some time from their jobs.

Some $455,200 will be used to ensure that there are sufficient personnel to process promptly worker's compensation claims for work-related injuries and to ensure prompt resolution of the some 1,700 disputes which are expected to require adjudication. In addition, approximately $305,900 will be used to ensure that injured workers whose job disabilities prevent them from returning to work on the gas line are retrained and rehabilitated and given assistance in finding new employment.

3) Life & Property Protection Program - $.14 Million

The mechanical inspection section will require $137,000 to issue certificates of fitness to electricians and plumbers to ensure their qualifications for the installation of electrical and plumbing systems.

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

The Department of Health and Social Services administers programs which include mental health, alcoholism and drug abuse, public health, social and economic assistance (welfare programs such as General Assistance Aid and Aid to Families with Dependent Children, and social programs such as children's protective services and adult supportive services), and juvenile and adult corrections (offender confinement, reformation and supervision).

Surveillance Fund -- $.56 Million

1) Pipeline Liaison Office -- $.46 Million

These funds will be used by the Department of Health and Social Services to provide and support 2 people who, with the State Pipeline Coordinator's office, will serve as a liaison between pipeline employees and their families and the department. They will also assist in monitoring compliance with socio-economic lease stipulations and will sponsor programs in mental health, corrections, public health, social services, and public assistance.

2) Public Health -- $.1 Million

These funds will be used to provide health services to pipeline employees and their families, such as:

-- Inspecting x-ray equipment used on the pipeline to ensure that pipeline workers receive only minimum dosages of radiation ($102,700).

Type I Funds -- $9.25 Million

These funds will be used in three programs sponsored by the Department of Health and Social Services.

1) Mental Health and Development Disabilities -- $1.33 Million

These funds will be used as grants to enable local alcoholism and drug abuse programs along the pipeline corridor to provide in-patient, out-patient, and residential care and detoxification services to pipeline employees and their families.

2) Public Health -- $1.52 Million

These funds will be used to provide health services to pipeline employees and their families, including:

- -- Detecting and treating communicable disease in pipeline camps ($314,000);
- -- Providing increased laboratory support services to medical care providers servicing pipeline employees and their families ($91,000);
- -- Sponsoring health education programs along the pipeline corridor ($371,700);
- -- Instituting programs and staffing them with eight nurses to provide immunization for children of pipeline workers and to reduce the incidence of venereal disease and tuberculosis ($739,000).

Social and Economic Assistance -- $6.4 million

These funds will be used to provide "protective intervention" (social work) services for pipeline employees and

their families, particularly counseling, foster care, and institutional care for victims of child abuse and child neglect. Approximately $1.1 million will be used to establish and support 8 positions to provide additional services and to take care of an estimated 500 additional cases of these forms of abuse. Approximately $1.3 million will be used to furnish 29,200 days of foster care per year, and approximately $3.1 million will be used to provide 7,300 days of institutional care per year. An additional $919,800 will be used to provide protection and security for victims of domestic violence and sexual assualt.

STATE OF ALASKA
GAS PIPELINE IMPACT
PROGRAM FUNDING SUMMARY*
BY DEPARTMENT
FY80 DOLLARS
($1000)

	FY 81 (.917)	FY 82 (.842)	FY 83 (.772)	FY 84 (.708)	FY 85 (.650)	FY 86 (.596)	FY 87 (.547)	FY 88 (.502)	TOTAL
Surveillance									
Environmental Conservation	572.9	1544.5	2069.2	2053.0	2052.4	1434.2	636.9	234.8	10597.9
Fish and Game	1389.0	1830.0	2106.5	2088.0	2089.4	1091.8	546.1	---	11140.8
Labor	---	200.1	195.6	195.6	195.7	43.5	---	---	830.5
Natural Resources	2171.3	3285.6	3353.6	3352.4	3354.9	2745.5	1385.6	564.4	20213.3
Public Safety	---	231.4	222.6	226.6	223.5	224.1	---	---	1128.2
Health and Social Services	---	126.6	108.5	108.5	108.7	108.6	---	---	560.9
Transportation/Public Facilities	165.4	161.8	1958.8	1776.9	1768.6	952.8	---	---	6784.3
SUBTOTAL SURVEILLANCE	4298.6	7380.0	10014.8	9801.0	9793.2	6600.5	2568.6	799.2	51255.9
TYPE I									
Labor	---	95.1	292.8	646.2	723.1	675.6	169.0	---	2601.8
Natural Resources (Socioeconomic)	---	1141.8	1119.0	1118.6	1119.4	1074.5	512.1	---	6085.4
Public Safety	---	339.9	395.6	395.3	395.5	395.5	---	---	1921.8
Health and Social Services	---	1335.1	2470.9	2676.3	2322.6	370.2	---	---	9175.1
SUBTOTAL TYPE I	---	2911.9	4278.3	4836.4	4560.6	2515.8	681.1	---	19784.1
TOTAL	4298.6	10291.9	14293.1	14637.4	14353.8	9116.3	3249.7	799.2	71040.0

* DOES NOT INCLUDE HIGHWAY INDEMNIFICATION COSTS NOR ANY CONDITIONING PLANT IMPACT COSTS.

STATE OF ALASKA
GAS PIPELINE IMPACT
PROGRAM FUNDING SUMMARY*
BY DEPARTMENT
FY80 DOLLARS
($1000)

	FY 81 (.917)	FY 82 (.842)	FY 83 (.772)	FY 84 (.708)	FY 85 (.650)	FY 86 (.596)	FY 87 (.547)	FY 88 (.502)	TOTAL
TYPE II									
Labor	---	533.7	766.8	1338.9	1409.9	1470.6	---	---	5519.9
Public Safety	---	1915.5	1372.8	1371.2	1377.7	1377.7	---	---	7414.9
Community/Regional Affairs	---	543.6	543.3	543.0	134.6	134.5	---	---	1899.0
Health and Social Services	---	11156.3	27360.8	12597.6	16906.5	13756.5	---	---	81777.7
SUBTOTAL TYPE II	---	14149.1	30043.7	15850.7	19828.7	16739.3	---	---	96611.5

* DOES NOT INCLUDE HIGHWAY INDEMNIFICATION COSTS

INTERROGATORY #33: Specify the additional schools, hospitals, programs, and services projected to be necessary because of ANGTS.

ANSWER: Projections of programs and program sources relative to schools and hospitals in the ANGTS corridor region have been made based upon the following:

(A) ANGTS projected information

(B) Analysis of the comparable TAPS experiences

(C) Current program information

(D) The State of Alaska's projection of Immigration of population due to the ANGTS

(E) Projected costs were based on program specific cost of service:

(1) Hospital costs estimated on a per bed cost, and

(2) School costs estimated on the cost per average daily membership for FY 80 for each area affected.

HOSPITAL COSTS:

A net increase of eighteen beds will be required to maintain the present level of service, including an optimal margin of capacity of 15% considered to be a service standard by hospital planners.

These eighteen beds represent a capital cost of 6.3 millions of dollars and an annual operating cost of 3.6 millions of dollars.

Thus, peak year demands from the project could result in an investment cost of 9.9 million dollars by the community and State of Alaska.

See attachment 1 for details.

SCHOOL COSTS:

An estimated increase in cost was derived for the three principle areas affected:

I. Fairbanks North Star Borough School District
II. Delta/Greely School District
III. Tok/Gateway REAA.

The costs are summarized as follows:

I. Fairbanks North Star Borough School District $1,439,204

II. Delta/Greely (range) $274,680 - $366,240

III. Gateway REAA (range) $1,729,625-$2,029,625

TOTALS: $3,443,509-$3,835,069

ATTACHMENT I

HOSPITAL COSTS

(NOTE: the following analysis is restricted to the pipeline corridor service area. Therefore, the major facility impact detailed in this analysis is the Fairbanks Memorial Hospital (FMH).)

I. Background

The Fairbanks Memorial Hospital (FMH) is located in central Alaska and services the area through which the Alaska Leg of the ANGTS will be built and operated.

The FMH is the only provider of a broad range of general and acute care services in what is called the "primary and secondary" service areas. A map is attached which illustrates the boundaries of those service areas.

A hospital expansion study recently completed for the FMH foundation in Fairbanks points out:

> "The population in the Fairbanks Memorial Hospital service area is extremely volatile fluctuating with major construction projects. From 1970 to 1980, the civilian population in the primary service area has grown from 29,168 to 41,748 people, an increase of 43% compared to the Statewide increase of 32%" (1).

II. Baseline Projection (2)

Tables I and II, attached, contain past, current, and projected populations served by the FMH (table I), and projected inpatient utilization of the FMH (table II), excluding gasline impact.

The baseline projection for 1985 (the peak year of the ANGTS project) indicates that 179 beds will be available to accomodate a primary and secondary service area population of 73,000 persons.

This results in a ratio of one bed for each 411 persons in the service area in 1985 without the stimulus of a pipeline project.

III. Impact Projection

(A) Assumptions

Based upon analysis performed by the Institute for Social and Economic Research (ISER) (3), the following Table (table III) represents the population effect for each year of pipeline construction.

TABLE III

New Migrants and Families (Direct and Induced) from the ANGTS

PEAK YEAR
1985

Year 1	Year 2	Year 3	Year 4	Year 5
654	3,669	17,637	35,267	25,964

It is currently projected (4) that approximately one-third of the in-migrant would settle in the Fairbanks area which is within the primary and secondary service areas of the FMH.

In addition to these population influx and distribution assumptions, the following key assumptions are made in these projections:

1. 85% use of available capacity is considered to be the optimal utilization limit by hospital planners. Utilization of capacity beyond that limit may effect the quality of service.

2. Each increase of 500 population increases bed utilization by 1.

3. Each bed represents an operating cost of 500.00/day.

4. Each bed represents a capital cost of 350 thousand dollars.

5. The dollar costs are in 1980 dollars.

B. Calculations

(1) Projected Bed Utilization without ANGTS in 1985
(a) 73,700 (Total Service Pop. - Table I)
÷ 500 (Assumption III (A) (2), above)
= 147 (Total bed utilization in 1985 without ANGTS)

(2) Excess Bed Capacity (within optimal limit) without ANGTS in 1985.

(a) 179 (Projected bed capacity in 1985)
x.85 (optimal limit)
=152 (optimal capacity-Assumption III (A) (1))

(b) 152 (above)
-147 (III.B.(1)(a))
5 (Excess bed capacity)

(3) Additional ANGTS induced bed demand in FMH service areas in 1985

(a) 35,267 (Table III, above, Year 4 (1985))
x .33 (1/3 migrants to FMH service area)
11,638 (additional FMH service area population base)

(b) 11,638 (III B. (3) (a), above)
÷ 500 (assumption III (A)(2))
23.28 (23.00)

(c) 23.00 (above)
- 5.00 (III B.(2)(b))
18.00 (additional bed demand beyond optimal capacity).

(4) Cost to maintain pre-ANGTS service level and meet additional bed demand generated from the ANGTS.

(a) 18.00 (III B. (3)(c))
x550.00 (III A. (3))
x365.00 (days per year)
=3.613 Million dollars/year (operating costs)

(b) 18.00 (III.B.(3)(c))
x350,000 (III.A.(4))
= 6.3 Million dollars (capital cost)

(c) 6.3 million (III.B. (4)(b))
+3.613 million (III.B. (4)(a))
=9.913 million TOTAL COST TO MAINTAIN pre-ANGTS service level during ANGTS for the FMH.

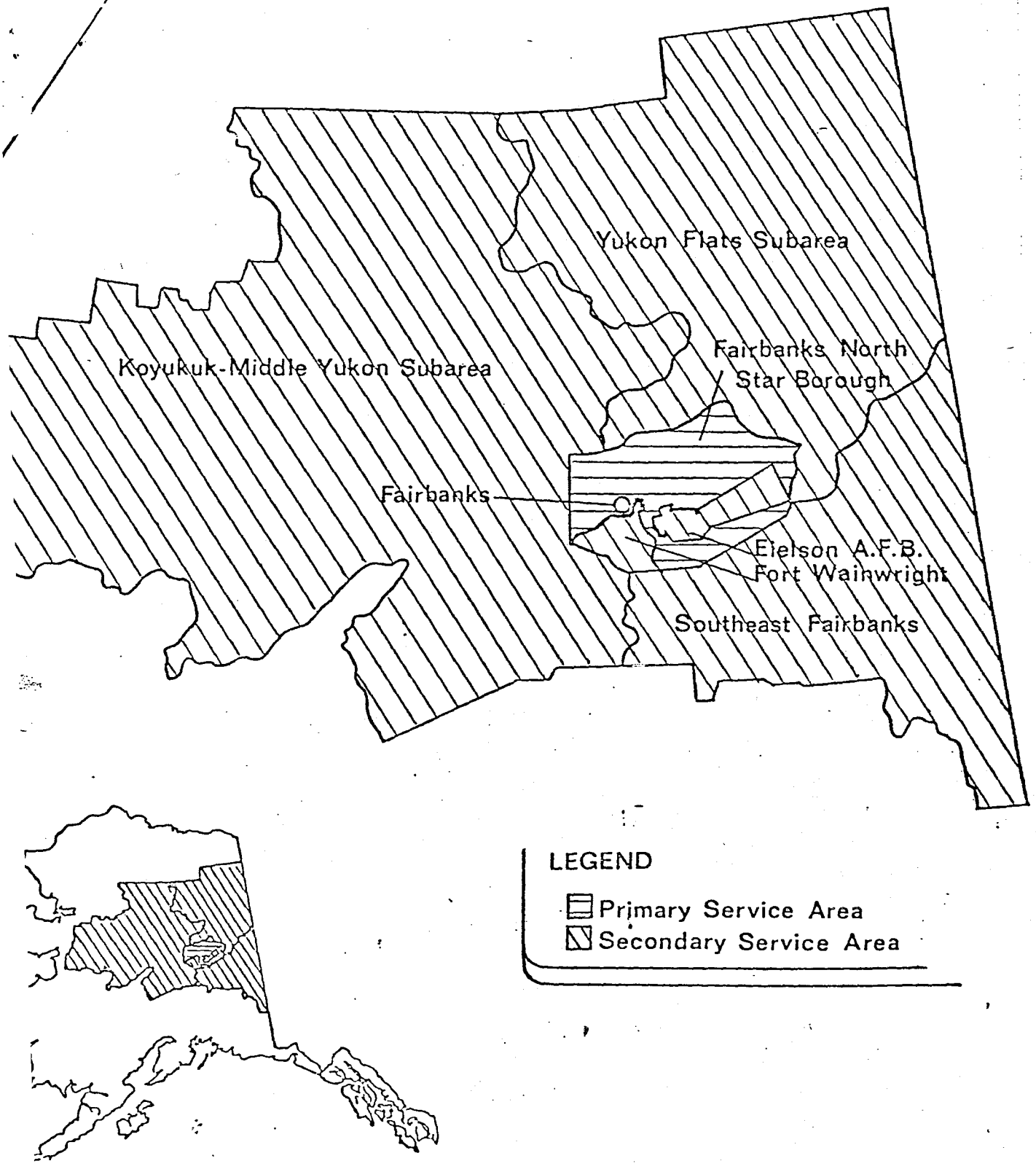
NOTES

(1) The Greater Fairbanks Memorial Hospital Foundation, Fairbanks, Alaska Hospital Expansion Study, 10/15/81; Charles Bailly & Co.; p.9.

(2) Hospital Expansion Study, Ibid. Baseline projection is summarized from information contained in this study.

(3) Institute of Social and Economic Reaearch, The Relationship Between the Alaska Natural Gas Pipeline and State and Local Governmental Expenditures, 12/80. p.28.

(4) ISER, Ibid. p.62.



Map of Service Area
Fairbanks Memorial Hospital

TABLE I. INPATIENT UTILIZATION

	Historical				Forecasted	
	Years Ended December 31,		Eight Months Ended August 31,		Years Ending December 31,	
	1979	1980	1980	1981	1985 (2)	1990
BEDS AT YEAR END	155	155	155	145(1)	179(3)	179(3
PATIENT DAYS:						
Medical/Surgical	24,714	27,936	18,862	19,598	32,050	36,225
Intensive Care/Coronary Care	1,459	1,610	1,107	1,257	1,875	2,125
Obstetrics/Gynecology	6,486	5,265	3,811	3,257	5,530	5,950
Pediatrics	2,715	2,693	2,036	2,368	3,220	3,545
Total	35,374	37,504	25,816	26,480	42,675	47,845
AVERAGE LENGTH OF STAY:						
Medical/Surgical and Intensive Care/Coronary Care	5.86	6.01	6.06	5.60	5.9	5.9
Obstetrics/Gynecology	2.85	2.95	2.98	2.89	2.8	2.8
Pediatrics	2.94	3.09	3.16	3.67	3.3	3.3
Overall	4.61	4.95	4.94	4.82	4.9	4.9
ADMISSIONS:						
Medical/Surgical and Intensive Care/Coronary Care	4,470	4,920	3,297	3,723	5,750	6,500
Obstetrics/Gynecology	2,274	1,785	1,280	1,127	1,975	2,125
Pediatrics	925	871	645	646	975	1,075
Total	7,669	7,576	5,222	5,496	8,700	9,700
AVAILABLE BED DAYS	56,575	56,730	37,820	35,235	65,335	65,335
OCCUPANCY PERCENTAGE	62.5%	66.1%	68.3%	75.2%	65.3%	73.2%

(1) Bed complement reduced to 145 effective January 1, 1981.

(2) Excluding pipeline impact.

(3) See discussion on bed need for explanacion of the number of beds.

TABLE II

SERVICE AREA - POPULATION STATISTICS EXCLUDING GASLINE IMPACT

	Actual (1)		Projected (5)		Percent Change	
	1970	1980	1985	1990	1970-1980	1980-1990
Primary Service Area						
Fairbanks North Star Borough (2)	29,168	41,748	47,200	53,600	43.1 %	28.4%
Secondary Service Area						
Southeast Fairbanks Division (3)	4,326	5,770	6,500	7,300	33.4	26.5
Koyukuk-Middle Yukon and Yukon Flats Divisions	6,436	6,530	6,600	6,700	1.5	2.6
Military (4)	16,696	12,235	13,400	13,400	(26.7)	9.5
Total secondary service area	27,458	24,535	26,500	27,400	(10.6)	11.7
Total primary and secondary service area	56,626	66,283	73,700	81,000	17.1	22.2

(1) United States Department of Commerce, Bureau of the Census.

(2) Figures for the Borough exclude military personnel and dependents.

(3) The 1970 population has changed from previous reports due to redistricting.

(4) This population, obtained through Bureau of the Census information and the the public affairs offices at Fort Wainwright and Eillson Air Force Base, represents military personnel and dependents residing in the Fairbanks North Star Borough.

(5) See discussion on population forecast for basis.

2/16/82

Northwest Alaskan Pipeline Company
Socioeconomic Planning Activities

1. MANPOWER PLAN will include the following components:

   (a) Manpower Projections (1982 to completion, by quarters, updated annually).

   - By construction segment (spread, conditioning plant, compressor station, Fairbanks, etc.)
   - By job category and craft.
   - By job classification within category and craft.

   (b) Summaries of Major Job Classifications involved in pipeline construction, conditioning plant, compressor and meter station construction, on-site and support services, field project administration and inspection, and management/ administrative support. These summaries, which shall be a one-time submission, will include:

   - Minimum entry requirements.
   - Explanation of primary work tasks and responsibilities, equipment used or operated, etc.
   - Description of normal entry stream.
   - Usual union affiliation, if applicable.

   (c) Alaska Employment Opportunity Measures--Description of the reasonable, practicable, and legal measures Northwest intends to take to enhance employment opportunities for Alaskans, particularly those residing in communities along the pipeline corridor.

2. ALASKA BUSINESS OPPORTUNITY PLAN will describe the reasonable, practicable, and legal measures which Northwest shall take to enhance contracting opportunities for Alaska businesses.

3. HEALTH AND SAFETY IMPACT PLAN will include the following components:

   (a) Description of Project Health and Safety Programs including:

   - Medical facilities, services, personnel and programs available to workers.

- Medivac procedures.
- Plans to provide counseling and/or referral services to assist workers to manage alcohol abuse, drug abuse, personal and/or family problems.
- Safety programs.
- Plans for coordination with local medical and public safety services.

(b) Impact Analysis and Mitigation

- Analysis of the potential impact of the project on local and regional health services and facilities.
- Measures to be used to avoid or minimize adverse impacts on health services and facilities.

4. PUBLIC INFORMATION PLAN will outline the following:

- Policies and procedures for handling project information requests from the general public and the news media/press.
- Plans to publish a quarterly report which summarizes project-related information.

5. EMPLOYEE MANAGEMENT PLAN will describe plans for processing, orienting, and providing support services for employees including:

- Camp operation policies.
- Camp facilities and services.
- Employee orientation program.
- Assistance in voter registration.

6. GAS TAPS DESIGN PLAN will specify the proposed location and size of each gas tap and explain the technical, regulatory and other requirements which must be met to acquire gas from the pipeline.

7. COMMUNICATIONS IMPACT PLAN will include the following components:

(a) Description of Project Requirements -- General description of project communications plans and requirements including projections of the need to use state and local communications facilities and services.

(b) Impact Analysis -- Analysis of the potential impact of project communication requirements on state and local communication facilities and services.

8. TRANSPORTATION IMPACT PLAN will include the following components:

(a) Project Transportation Requirements -- A summary schedule and description of project transportation estimates for personnel and commodities by quarter, by mode and gross volume.

(b) Impact Analysis and Mitigation

- Analysis of the potential impact of the project on transportation services and facilities.
- Measures to be used to minimize adverse impacts on transportation services and facilities.

(c) Transportation Data Reporting

- Quarterly updates of the projections outlined above.

9. HOUSING IMPACT PLAN will include the following components:

(a) Project Housing Requirements

- Estimates of the quarterly housing requirements of project personnel to be relocated to pipeline corridor communities by type and size (i.e., excluding camps).
- Estimate of the need for transient (e.g., hotel, motel) housing.

(b) Impact Analysis and Mitigation

- Analysis of potential impact of project housing requirements on the local housing market.
- Description of project plans regarding housing of project personnel.

°Measures Northwest will take to minimize adverse housing impacts on local residents during and after contruction.

(c) Housing Data Reporting -- Procedures to provide updated projections of future private-sectior housing requirements annually.

10. LAW ENFORCEMENT AND PUBLIC SAFETY IMPACT PLAN will have the following components:

(a) Description of Project Security Procedures including:

- ° Agreements between Northwest and the North Slope Borough's Department of Public Safety and between Northwest and the State Department of Public Safety regarding the working relationship between their personnel and project security personnel.
- ° Establishment of procedures for the involvement of law enforcement personnel incident to criminal violations.

(b) Impact Analysis and Mitigation:

- ° Analysis of the potential impact of project activities on law enforcement and public safety facilities and services.
- ° Mitigative measures that Northwest will take to minimize such impacts.

- Attachment to the Washington D.C. Trancripts. February 18, 1982.

EAC Employee Assistance Consultants of Alaska

4790 Business Park Blvd., Bldg. D Suite 4 • Anchorage, AK 99503 • (907) 276-6043

April 19, 1982

PIPELINE TESTIMONY

Employee Assistance Consultants of Alaska, and The Threshold Foundation suggest that one of the terms required of Northwest Alaskan Pipeline Company is the establishment of an employee assistance program (EAP), for all employees and their family members, whether NWA or sub-contractors, during pipeline construction.

We further suggest that NWA utilize private sector EAP providers who have experience dealing with pipeline and oil related industry, in Alaskan settings. Additionally, consideration should be given to Components for an effective and comprehensive program, including but not limited to the following: a) assessment and referral services (drug, alcohol, legal, financial, etc.) b) on site counseling c) family and marital counseling and d) support and education groups to deal with the single parenting and many other concerns of these separated families.

Rationale

1. EAP and drug and alcohol programs have proven to be cost effective for industry. To date, EAP's nationwide return at a minimum rate of $3.00 for each program dollar invested. Also, alcohol related problems in 1975 cost the U.S. $42 billion dollars. Lost production alone cost an estimated 19.64 billion dollars*.

2. Clearly it can be anticipated there will be unique human and social problems for those who build the natural gas pipeline, and for their families. From the first Alaskan pipeline and social impact studies this was painfully apparent. To make humane and considerate efforts to help these Alaskans is a responsibility for which there are effective programs and sound alternatives.

3. Without question, ours is a "Great Land". Also true, however, is the fact that Alaska's greatness is not limited to its opportunities alone. The magnitude of human problems, of hardship and adversity thrust upon those who live here is enormous. For those on the pipeline, even more so. We must deal with these difficulties. We know that to deny problems is not to solve them.

Employee Assistance Consultants of Alaska and The Threshold Foundation welcome your comments and welcome further involvement in the planning and provision of these services.

* U. S. Department of Health and Human Services. Alcohol and Health, Fourth Special Report to the U. S. Congress. January 1981.

– Attachment to the Anchorage, Alaska Transcripts, 4-20-82.