ANNUAL REPORT



LETTER FROM THE EXECUTIVE DIRECTOR

DEAR SUPPORTERS:

Trustees for Alaska has played an integral role in protecting fundamental environmental laws and human rights for nearly 44 years. This year we worked on a range of "breaking news" issues fueled by an extreme political agenda that favored corporations and anti-regulation policy over protecting public lands, wildlife habitat, clean water, human rights, and local voices.

The political and administrative attack on the environment may have defined conservation challenges in Fiscal Year 2017, but our collective acts of resistance defined our work. Trustees participated in multiple coalitions using our legal expertise to help create and review laws. We drafted comments and elevated voices during public comment periods; we educated the legislature and Congress, media and the public; and we executed litigation planning and action.

This year's headlines capture the intensity of our work. We fought to keep drilling out of the coastal plain of the Arctic National Wildlife Refuge and to stop mining in the Bristol Bay watershed, the largest wild sockeye salmon fishery in the world. We took legal action on regulatory authority and helped develop and review future laws. We saw the end of coal mining projects and the beginning of statewide salmon habitat protections. Throughout, we fought for the public process and decision-maker accountability.

We saw the results of long-term coalition work when PacRim Coal walked away from a proposed coal strip mining project that would have destroyed miles and miles of salmon habitat on the Chuitna River system. We saw the fruits of 43 years of legal experience when the U.S. District Court reaffirmed our victory by concluding that the Usibelli Coal Mine can't use an expired permit to mine near a growing neighborhood. We saw the power of a unified call for accountability resulting in a state agency requiring an unprecedented \$2 million performance guarantee bond and 30-day comment period when issuing a one-year exploration permit to Pebble Limited Partnership.

Small or large, fleeting or enduring, these wins prove that persistence pays off. They prove that strategic planning during challenging times can put us in a position for future success.

Yes, we sometimes end up in court, but we bring our deep understanding of the law and Alaska to the halls of Congress, to the villages of Alaska, to the offices of coalition partners, and to the clients who use our free legal services to be heard.

As a homegrown Alaskan organization, we know the laws and issues, and we know for whom we're fighting and why it matters—the lands, waters, wildlife and people of Alaska.

Because of you—the foundations and donors who share our vision and make it possible for us to do this work—we stay involved and focused over the long haul. We know the work continues ahead of us, and we are deeply honored and thankful to have you by our side.

Thank you for being part of our Trustees legal team!

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Victoria Clark, Executive Director

PROGRAM HIGHLIGHTS

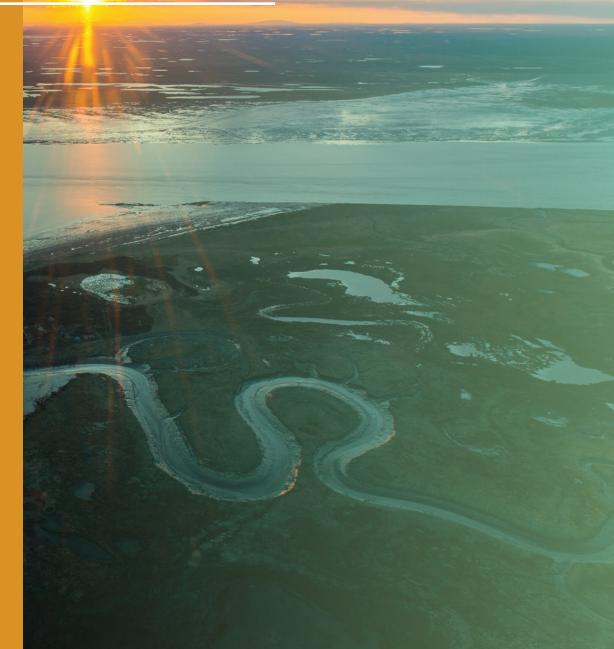
CLEAN WATER & AIR

Protecting Bristol Bay fish, people, way of life

Trustees continued its work protecting the headwaters of Bristol Bay, Alaska, by fighting for the health of its communities and the right of Alaskans to speak out against the proposed Pebble mine. We won in court this year when a federal judge tossed out a Pebble subpoena issued to a scientist opposed to the mine. This was the second attempt by Pebble to harass opponents and try to keep them quiet. We argued again for the First Amendment rights of our clients, and the Court agreed.

In addition, the dogged work of our coalition contributed to a positive administrative action when the Alaska Department of Natural Resources required an unprecedented \$2 million bond, along with a 30-day public comment period, when issuing a one-year land use permit to Pebble Limited Partnership, the Alaska face of the Canadian mining company Northern Dynasty Minerals.

Pebble had requested a two-year permit, claiming it had complied with the previous permit's legal requirements. An independent inspection and report found that 71 out of 107 drill sites had not complied with statutory requirements and Pebble's permit conditions. We joined several organization from the region in pressuring DNR about its lax oversight of Pebble's reclamation efforts.



CLEAN WATER & AIR (cont'd)

Of course, the political shift of 2016 presented many political and administrative challenges that renew the peril to the thriving salmon runs and wildlife habitat that have sustained Bristol Bay communities for thousands of years.

For example, after a short meeting with the CEO of Pebble, Administrator Scott Pruitt of the Environmental Protection Agency ordered the EPA to begin the process to withdraw its 2014 Clean Water Act Section 404(c) Proposed Determination. This document—founded on twice peer-reviewed science and copious public input—concluded that the proposed Pebble mine would be catastrophic to Bristol Bay.

Our work this year carried on a legacy of defending public process, demanding administrative accountability, and fighting to protect clean water, healthy wild salmon, and Alaska ways of life.

Updating Alaska law on development in salmon habitat

Trustees for Alaska provided legal counsel and support to Stand for Salmon in its effort to improve protections for salmon habitat. Part of this effort involved helping craft and review a ballot measure aimed at strengthening a law that has not been revised since statehood. The measure would require public input on permits and the standards that development projects must meet. Trustees will represent the ballot sponsors through ongoing administrative processes and any court challenges.

PROGRAM HIGHLIGHTS

CLIMATE CHANGE

No coal mining at Chuitna!

Trustees for Alaska joined partners in celebrating when PacRim Coal announced it would no longer pursue a permit for the proposed Chuitna coal mine. Trustees joined the effort to stop the project in the late 80s, winning a court case in 1992, and continuing its work as part of a coalition committed to keeping coal in the ground.

PacRim's mining plan called for destroying over 1,300 acres of wetlands and 14 miles of Middle Creek, a salmon-bearing stream. The proposed strip coal mine would have devastated waterways that support the subsistence, commercial, and sport fisheries that sustain Alaska communities. Moreover, it would have contributed significantly to greenhouse gases due to the burning of 30 million metric tons of low-grade coal.

Dirty coal kept out of Mat-Su neighborhood

The U.S. District Court reaffirmed its previous decision that coal mining cannot be conducted under decades-old permits, as Trustees for Alaska argued in court. Trustees filed the original lawsuit in 2015, challenging the Office of Surface Mining's decision to allow Usibelli Coal Mine to operate under an expired permit at the proposed Wishbone Hill strip mine in the Matanuska Valley.

The Court rejected OSM's conclusion that a coal-mining permit could be renewed for years, despite no mining activities ever being done on the site and despite significant changes to the surrounding environment and communities. Usibelli asked the Court to reconsider its ruling.

This year the Court denied Usibelli's request and reaffirmed its earlier decision. As Trustees originally argued, permits terminate automatically and state law must be consistent with federal law. This means that no coal mining at Wishbone Hill can happen until a new permit, with a new public process, takes place.



PROGRAM HIGHLIGHTS HIGHLIGHTS

Stopping oil and gas leasing in the Arctic Refuge

This year's array of attacks on the coastal plain of the Arctic National Wildlife Refuge required intense, ongoing legal analysis and strategic planning. Trustees for Alaska used its 40-plus years of legal expertise in Alaska to fill that role in a coalition that engaged every threat to America's iconic Arctic area.

Efforts to promote a drilling agenda began when Secretary of the Interior Ryan Zinke signed a Secretarial Order to open more of the Arctic to drilling, specifically calling for a reexamination of the oil and gas potential of the coastal plain. Later, Congress used a budget process that prohibits adequate debate and public process to advance an Arctic drilling agenda.

In addition, the Department of the Interior instructed the U.S. Fish and Wildlife Service to revise regulations to authorize unlawful seismic exploration within the coastal plain.

Trustees for Alaska provided legal analysis and guidance across the spectrum of engagement, from Washington, D.C., to Arctic Village, and will continue to stand with the Gwich'in people in fighting to protect the Arctic Refuge.

Keeping drilling out of special areas of the Western Arctic

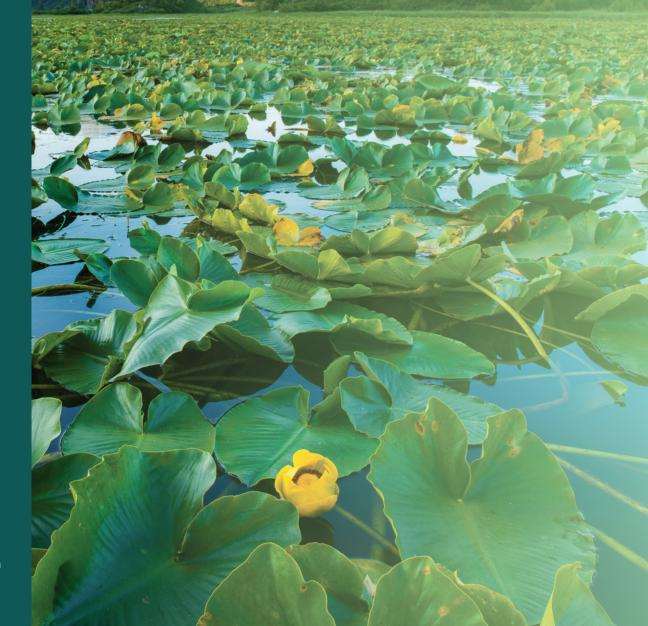
The entire Arctic came under assault this fiscal year, with the Western Arctic an easy target for those pandering to fossil fuel interests. Despite the arbitrary, agenda-driven name given to the area decades ago (the National Petroleum Reserve-Alaska), the Western Arctic contains vital calving and breeding grounds for caribou and shorebirds. Current law protects these special areas.

Trustees for Alaska has used its legal acumen to protect this region for decades. This year's work demanded nonstop diligence as agencies attempted to undermine the law. Falling in line with Zinke's Secretarial Order to open more of the Artic to development, the Bureau of Land Management attempted to use its 2017 oil and gas lease sale to open drilling in the unprotected 10-million-acre area.

As with its work throughout the interconnected Arctic, Trustees provided vital legal expertise and guidance to an array of clients committed to protecting America's Arctic.

PROGRAM HIGHLIGHTS

WILD LANDS AND WILDLIFE



Defending national parks

Trustees for Alaska represented clients supporting the National Park Service's authority to manage activities on rivers within parks. This was the second time the Ninth Circuit Court of Appeals heard arguments in the case.

The lawsuit stems from a National Park Service citation given to John Sturgeon in 2007 for using his hovercraft within a preserve. Trustees for Alaska represented thirteen clients as amicus curiae, or friend of the court, in the case, because its outcome challenges the Park Service's authority.

Sturgeon v. Frost has impacts far beyond one man's use of a hovercraft. The broader issue is whether the National Park Service and other federal agencies may regulate the use of navigable waters within the boundaries of federal conservation areas established by the Alaska National Interest Lands Conservation Act. Trustees argued that if barred from managing rivers within the parks, NPS could not regulate harmful activities like placer mining and other incompatible uses in Alaska's most iconic public lands—our national parks.

Both the U.S. District Court and Ninth Circuit Court of Appeals previously ruled in favor of NPS. Last year, the Supreme Court heard the case on appeal and sent it back to the Circuit Court, overturning the underlying reasoning about one sentence in the Alaska National Interest Lands Conservation Act.

This latest Ninth Circuit ruling may be appealed again, but it supports Trustees' argument that our agencies must have authority to regulate activities within the areas we task them with overseeing and protecting.

WILD LANDS AND WILDLIFE (cont'd)

Protecting bears and wolves

Trustees for Alaska successfully intervened on behalf of 15 clients in two lawsuits filed by the State of Alaska and Safari Club that challenge National Park Service and U.S. Fish and Wildlife Service regulations prohibiting aggressive sport hunting methods targeting wolves and bears. The State wants to allow the shooting of brown bears over bait, the use of traps and snares to kill brown bears, the shooting of mother bears with cubs, the killing of wolves with pups while denning, and the use of aircraft to scout and shoot bears.

Trustees will stay engaged in the suit as it progresses, while working to stop agency actions to undermine the purpose of preserves and refuges. This year the Department of the Interior instructed NPS and USFWS to rewrite the regulations that protect bears and wolves on National Preserves in Alaska and on the Kenai National Wildlife Refuge.

These vital regulations currently prohibit practices such as using bait to hunt bears, and killing cubs or sows with cubs. A rewrite would undermine one of the agency mandates to manage Preserves and Refuges for wildlife diversity, not the needs of commercial hunting groups.

MARINE ECOSYSTEMS

Protecting Cook Inlet waters

Cook Inlet contains the only coastal waters in the United States where oil and gas facilities are allowed to discharge wastes such as drill cuttings, fluids and post-production water. All other coastal oil and gas facilities in the country meet a zero discharge requirement. Trustees for Alaska continues to fight for the same safeguards in its work with Cook Inletkeeper. This year, we drafted and submitted comments on a project by Cook Inlet Energy for Sabre, a new exploratory well in critical habitat of the endangered Cook Inlet beluga whale.



THE NEXT GENERATION

SUMMER 2017 INTERNS

Trustees for Alaska welcomes legal interns every summer and gives them opportunities to learn, grow, and explore. While here, they journey into Alaska's wild places while gaining valuable on-the-ground legal experience. They conduct legal research, draft pleadings, participate in client meetings, and assist with litigation that helps prepare them for their future careers.





Kat Henrichs

"The highlight of the summer has been engaging on the issues that matter most to me. My research projects have covered topics ranging from the proposed Pebble mine in Bristol Bay, to oil and gas development in the National Petroleum Reserve on Alaska's North Slope, to the proposed land exchange and road project in Izembek National Wildlife Refuge in the remote Aleutian Islands.

My summer with Trustees for Alaska has exceeded my expectations in every way. I will carry these experiences forward with me throughout my career as a public interest attorney and advocate for the environment and human rights."

-Kat Henrichs, University of Arizona.



Catherine Danley

"Interning at Trustees for Alaska has been an incredible opportunity to experience and help protect Alaska's wilderness. Not only has this internship developed my research and writing skills, but it has also strengthened my desire to work in public interest environmental law after I graduate.

Living in Alaska also gave me numerous opportunities to enjoy the outdoors. Whether I was kayaking out of Whittier or hiking through the Chugach Mountains, I gained a greater appreciation for the unique and diverse wilderness and wildlife that call this beautiful state home. Alaska is truly a national treasure."

-Catherine Danley, University of Utah's S.J. Quinney College of Law.



Hannah Oakes

"The Trustees attorneys provided me with constructive feedback on my work. I saw my writing become stronger and clearer and my research more thorough and efficient. I was grateful for the opportunity to both grow as an attorney, and to contribute to Trustees' work in protecting Alaska's myriad unique ecosystems. The most exciting thing I learned from my internship with Trustees is that we can and do defend the public interest.

There is a lot of momentum working against environmental conservation and wildlife protection, but Trustees has shown me that persistence, dedication, and thoughtful strategy can bring about lasting change.

Going forward, I will take skills gained this summer and apply them in my work as a public interest attorney."

- Hannah Oakes, University of Colorado, Boulder.

FINANCIALS

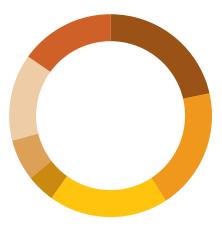
2017

REVENUE



Grants 54%	\$569,788		
Contributions 22%	\$232,915		
In-kind Revenue 12%	\$131,682		
Interest 11%	\$13,897		
Other 1%	\$10,782		
Colleen Burgh Fund for Science and the Law <1%	\$5,050		
Total:	\$1,064,114		

EXPENSES



America's Arctic 21%	\$280,590
Clean Air & Water 22%	\$300,477
Climate Change 15%	\$204,124
Marine Ecosystems 6%	\$79,320
Wild Lands & Wildlife 9%	\$124,939
Administration 13%	\$170,453
Fundraising 13%	\$180,796
Total:	\$1,340,699

STATEMENTS OF FINANCIAL POSITION

September 30th	2017	2016
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 310,018	\$ 388,940
Receivables:		
Foundation grants	70,000	-
Other receivables	2,330	1,414
Prepaid expenses	8,175	7,604
Total Current Assets	390,523	397,958
Property and equipment	53,979	44,307
Less accumulated depreciation	(41,647)	(35,727)
Property and Equipment, Net	12,332	8,580
Total Assets	\$ 402,855	\$ 406,538
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 14,640	\$ 14,892
Accrued payroll liabilities and leave	33,189	23,588
Current portion, capital lease payable	791	4,635
Total Current Liabilities	48,620	43,115
Long Term Liabilities - capital lease payable,		
net of current position	-	791
Total Liabilities	\$ 48,620	\$ 43,906
NET ASSETS		
Unrestricted:		
Designated by the board for operations	150,000	150,000
Undesignated	83,832	59,922
Temporarily restricted	120,403	152,710
icinpolarity restricted		
Total Net Assets	\$ 354,235	\$ 362,632
	\$ 354,235	\$ 362,632

IN GRATITUDE THANK YOU

Thank you to all the generous individuals and foundations that make our work to defend Alaska's lands, waters, wildlife, and people possible.

FY17 FOUNDATIONS

444S Foundation Alaska Conservation Foundation The Brainerd Foundation Campion Foundation Eaglemere Foundation George H. and Jane A. Mifflin Memorial Fund The Harder Foundation The Leighty Foundation New-Land Foundation New-Land Foundation Patagonia, Inc. True North Foundation WestWind Foundation William B. Wiener, Jr. Foundation

CLIENTS & CONSERVATION PARTNERS

Trustees for Alaska works alongside many organizations in defense of Alaska's most valuable asset—its natural heritage. We never charge for our legal services. Groups that we represented and helped Trustees make a difference in FY17 include:

- The Alaska Center Alaska Community Action on Toxics Alaska Marine Conservation Council Alaska Quiet Rights Coalition Alaska Wilderness League Alaska Wildlife Alliance Alaskans for Wildlife Ambler Traditional Council Audubon Alaska **Brooks Range Council Castle Mountain Coalition** Center for Biological Diversity Chuitna Citizens Coalition **Conservation Lands Foundation** Cook Inletkeeper **Copper Country Alliance**
- Curyung Tribal Council (IRA) Defenders of Wildlife Denali Citizens Council Earthworks Eyak Preservation Council Friends of Alaska National Wildlife Refuges Gwich'in Steering Committee The Humane Society Kachemak Bay Conservation Society Koliganek Village Council (IRA) National Audubon Society National Parks Conservation Association National Wildlife Refuge Association Natural Resources Defense Council Northern Alaska Environmental Center Nunamta Aulukestai
- The Pew Charitable Trusts REDOIL (Resisting Environmental Destruction on Indigenous Lands) Resurrection Bay Conservation Alliance Residents of Nuiqsut Salmon State Sierra Club Southeast Alaska Conservation Council Stand for Salmon The Wilderness Society Trout Unlimited United Tribes of Bristol Bay Wild Salmon Center Wilderness Watch



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To see a list of our current Board and their bios, go to *www.trustees. org/board-of-trustees/; for staff, go to www.trustees.org/our-team/*





MISSION STATEMENT

We use the law to protect and defend Alaska's lands, waters, wildlife, and people.

TRUSTEES FOR ALASKA

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Trustees for Alaska thanks the talented photographers that contributed their images for this report:

Ken Madsen (cover) Carl Johnson (page 2, 3, 4, 6) Malkolm Boothroyd (pages 5 & 10) Bob Waldrop (page 7)



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