



ALASKA MINERS ASSOCIATION, INC.

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March 3, 2014

Senator Cathy Giessel, Co-Chair
Senator Fred Dyson, Co-Chair
Senate Resources Committee
State Capitol Building
Juneau, AK 99801

RE: SCR16

Dear Senator Giessel and Senator Dyson:

Thank you for the opportunity to comment on SCR16, requesting the Governor to investigate and report to the Legislature regarding the development of a large coal power plant and associated electrical grid to provide energy to residents of the state.

The Alaska Miners Association (AMA) is a non-profit membership organization established in 1939 to represent the mining industry in Alaska. We are composed of more than 1,500 individual prospectors, geologists, engineers, vendors, suction dredge miners, small family mines, junior mining companies, and major mining companies. Our members look for and produce gold, silver, platinum, molybdenum, lead, zinc, copper, coal, limestone, sand and gravel, crushed stone, armor rock, and other materials.

AMA is pleased to see the introduction of SCR16. Alaska's people, businesses, and certainly mining projects are struggling with extremely high costs of energy, and solutions that provide affordable energy in Alaska would be welcome relief to many.

Currently, Alaska has one coal mine, Usibelli Coal Mine, that has been operating since the 1940s. We also have several coal exploration projects in the Matanuska-Susitna Valley, West Cook Inlet, on the Kenai Peninsula, and in Healy. While not currently being explored, the North Slope holds massive coal resources.

Coal is always a player in the affordable energy equation. It is the least expensive fuel used to generate electricity, more so than natural gas and other fuels. Fortunately, Alaska has an abundant supply of coal, holding around 50% of the nation's coal resources, about 5.5 trillion tons. Not only is our coal supply of impressive quantity, it is also of impressive quality. Alaska's coal deposits are generally highly valued due to their very low sulfur content, making it some of the cleanest burning coal found in the world. Alaskan clean coal can bring affordable energy to residents of this state, meanwhile maintaining the clean and healthy environment we hold today.

AMA applauds the introduction of this legislation and encourages the committee to pass it as soon as possible. Thank you for the opportunity to submit comments, and thank you for your service to Alaska.

Sincerely,

Deantha Crockett
Executive Director