

The Impact of Usibelli Coal Mine, Inc. on Economic Development, Trade, and Tourism.

**House Special Committee on
Economic Development, Trade, and Tourism**

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UCM History



1943 - Emil Usibelli at age 50, founded UCM in Healy, Alaska.

1964 - Emil's 25-year old son, Joe became President and now serves as Chairman of the Board of Directors.



1987 - Joe Usibelli Jr. assumed duties as President.

Four Generations



- Emil Usibelli and his son,
Joe Usibelli



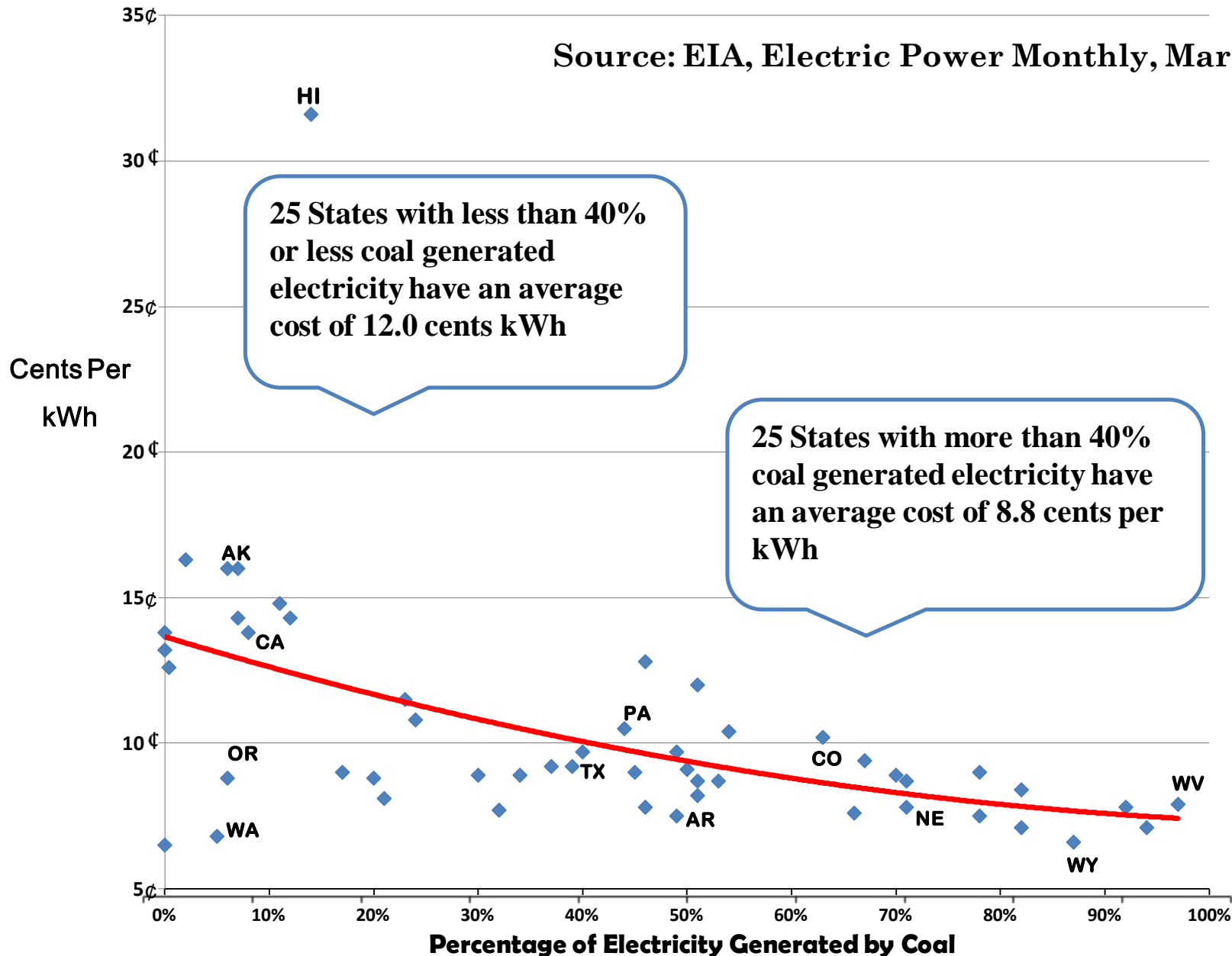
- Joe Usibelli Jr. and his
daughter, Lexi Usibelli

Coal Facts

- The U.S. has 25% of the world's coal reserves.
- Alaska has 50% of the U.S. coal reserves.
- Railbelt >1,000 years reserve at current consumption.



Source: EIA, Electric Power Monthly, March 2012



Economic Development:

Jobs

- Full-time employees – 130
- Avg # years with UCM – 17
- Employees over 30 yrs – 10
 - 20-30 yrs – 24
- Operations – 92
- Administration – 38
- 2nd, 3rd, 4th Generation – 48 (37%)
- Average Age – 44



Economic Development:

Jobs

- Engineer
- Surveyor
- Finance and Accounting
- Personnel Management
- Safety Management
- Laboratory Technician/Chemist
- Maintenance Management
- Marketing
- Public Relations
- Environmental Management
- Heavy Equipment Operator
- Truck Driver
- Dragline Operator
- Welder
- Electrician
- Warehouse Management
- Fabricator
- Diesel Engine Mechanic

Economic Development:

Lifestyle

- Year-round employment
- Urban lifestyle – not a remote camp
- Stable, long-term employer
- Highest Per-Capita Income in Alaska
- Average Annual Wage in Mining Industry:
\$100,000 *(Reference: Alaska Miners Association)*



Economic Development:

New Projects – Wishbone Hill

- Wishbone Hill is located about 10 miles north of Palmer
- Early Mining: 1916 to 1982
- Roughly 7 million tons mined from 18 mines
- 1983 - exploration drilling started on WBH project
- By 1992 all permits for Wishbone Hill mine were obtained
- 14 million tons of surface minable coal identified
- The only Bituminous coal deposit on Alaska's road system



Economic Development:

New Projects – Wishbone Hill

- 75 to 125 mine jobs at full production
- High paying stable jobs
- Year-round operation
- Money that stays in Alaska's economy
- Local Vendors & Contractors



Coal Industry Jobs - Direct

UCM	130
Alaska Railroad Corp. (coal trains)	20
Seward Coal Terminal	15
State and Federal Agencies	17
Power Plants:	
Fort Wainwright	42
Eielson AFB	55
Clear AFS	34
Aurora Energy	26
GVEA Healy #1/HCCP	34
University of Alaska	35
<hr/>	
Total	408

Export News

Short Tons of Coal Production Per Year

2007 – 1.25 million

2008 – 1.5 million

2009 – 1.9 million

2010 – 2.0 million

2011 – 2.2 million

2012 – 2.0 million

1 million tons domestic & 1 million tons export



Current Alaskan Coal Customers

* cogeneration

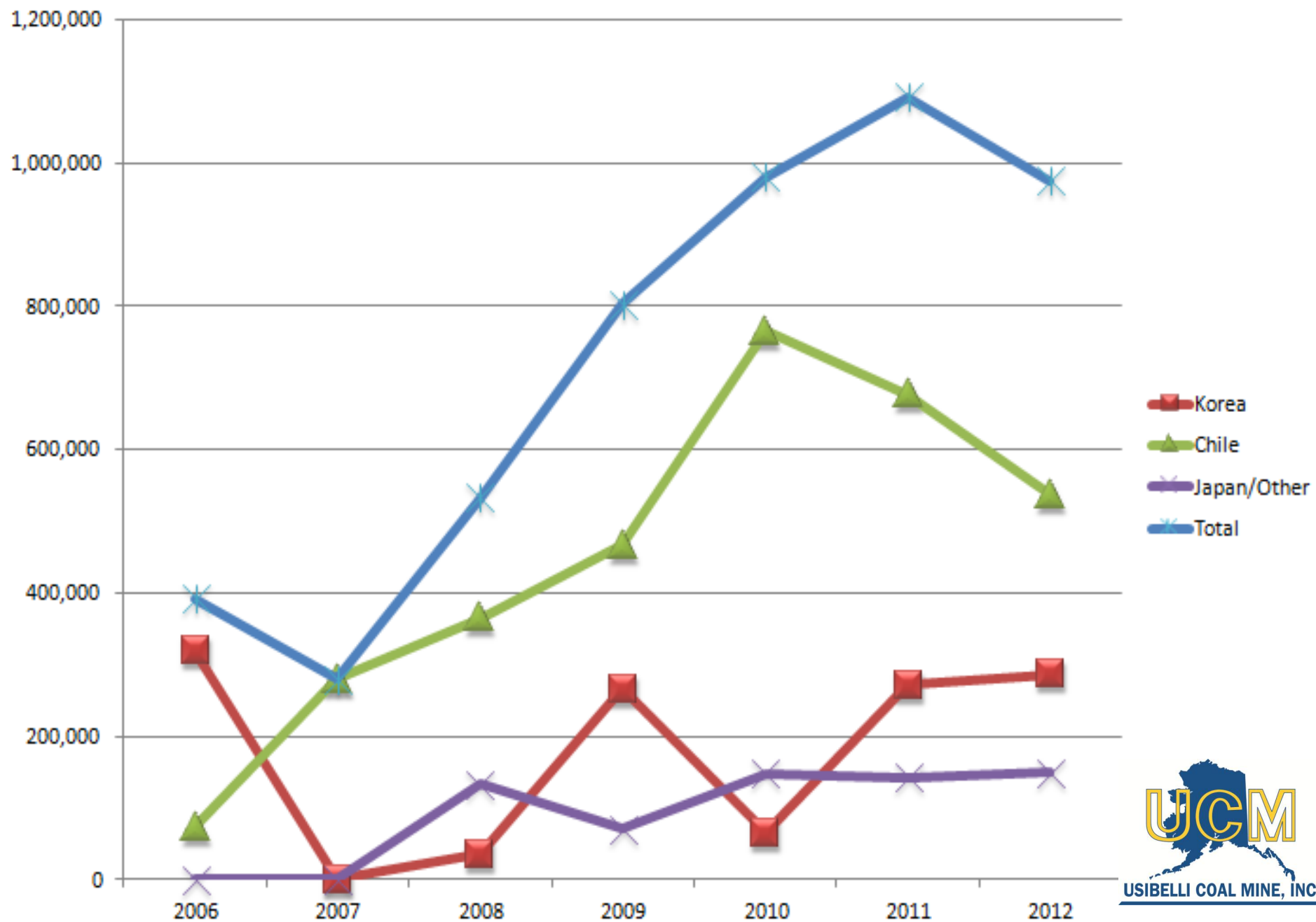


- Ft Wainwright*
- Eielson AFB*
- Clear AFS*
- UAF*
- Aurora Energy*
- GVEA

○ *Coming soon: HCCP*



Yearly Tonnage by Destination



An aerial photograph of the Seward Coal Terminal. The terminal is situated on a peninsula, with a large coal storage pile in the foreground. A long pier extends into the water, where a large cargo ship is docked. The background shows a residential area with houses and a baseball field, and a body of water to the left.

Seward Coal Terminal

- Owned by Alaska Railroad Corporation
- Operated by Aurora Energy Services, LLC

Seward Coal Terminal



Tourism

- Denali National Park
- Local Small Business Owners
- Many Seasonal Employees in Tourism
- Requests for Tours of the Mine



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