

SCR

6

FIRST COMMITTEE OF REFERRAL

Date of passed 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: rules

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

DATE TURNED INTO OFFICE 2-6-87

Mr. President:

RESOURCES Committee considered SR 6

export of Alaska oil.

and recommended:

- replace with CS _____ same title
- attached amendment(s) and new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____
- letter of intent adopted and attached

** Committee attached or adopted fiscal note(s) NO fiscal note - \$200 package
word zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Signature]
[Signature]
[Signature]
[Signature]

[Signature]
Chairman signature and recommendation

Committee Backup Attached

5-0380A
Bradley
1/14/87

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IN THE SENATE

BY COGHILL

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act designating certain state land as the Suntrana Mine Historic Site."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 41.35 is amended by adding a new section to read:

Sec. 41.35.041. SUNTRANA MINE HISTORIC SITE. (a) The land described in (b) of this section is designated as the Suntrana Mine Historic Site. The land and improvements remaining on the land shall be managed by the commissioner for the purposes stated in AS 41.35.-010.

(b) The Suntrana Mine Historic Site consists of the following described state land:

((Legal Description to Follow))

Alaska State Legislature

Senate Resources Committee



Sen. John B. (Jack) Coghill, Chairman
Sen. Paul Fischer, Vice-Chairman
Sen. Lloyd Jones
Sen. Arliss Sturgulewski
Sen. Jim Duncan
Sen. Fred Zharoff
Sen. Dick Eliason

Box V
Juneau, Alaska 99811
(907) 465-4907

MEMORANDUM

TO: Members of Senate Resource Committee

FROM: Resource Committee Staff

RE: SCR 6; Relating to designation by the governor of Suntrana Mine as a Historic Site.

DATE: February 14, 1987

Staff sees no problem with this resolution since it is supported by the Department of Natural Resources, the Usibelli Coal Mine, Inc., and we have received no opposition from the residents of Healy.

Enclosed in your bill file are:

1. DNR's position paper in support;
2. DNR's zero (0) fiscal note;
3. letter of support from the Alaska Environmental Lobby;
4. sponsors statement;
5. an article by Leslie Barber, "The Road to Suntrana: A Journey Back in Time";
6. an article by Catherine Usibelli, "One Alaskan Coal Mine";
7. and copies of Suntrana Mine pictures, 1920's to 1986.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801
PHONE: (907) 465-2400

February 13, 1987

The Honorable Jack Coghill
Chairman
Senate Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Senator Coghill:

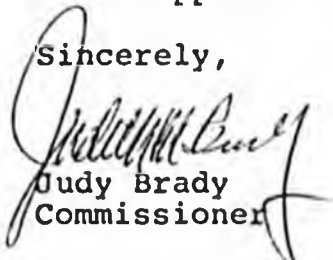
Subject: SCR 6, which urges that the Suntrana Mine be designated a historic site.

Position: The department agrees with designation of the Suntrana Mine as an historic site, subject to resolution of two issues.

Explanation: The site does qualify under state law for the designation urged in SCR6. A problem is that the land was selected under the Federal Mental Health Enabling Act of 1956 and as such, any transaction affecting the land's ability to generate revenues would require action by the Mental Health Trust Commission. In the event the litigation which led to the establishment of the Commission is resolved by new legislation involving a money settlement, this problem would be resolved. A second issue is that the site would need to be made free of any safety hazards and that erosion is suitably controlled.

Once these issues are resolved, our expectation is that the site would be managed, through a management agreement supported by fees charged visitors.

Sincerely,



Judy Brady
Commissioner

cc: Committee Members
Governor's Legislative Liaison



Alaska Environmental Lobby, Inc.

204 N. Franklin Street, Suite 3 Juneau, Alaska 99801

907-586-2345

Senator Jack Coghill
P.O. Box V
Juneau, Alaska 99811

February 2, 1987

Dear Senator Coghill,

On behalf of the Alaska Environmental Lobby, we would like to thank you for introducing Senate Concurrent Resolution Number 6, concerning designation of Suntrana Mine as a Historic Site. AEL strongly supports protecting and preserving our cultural, as well as our natural resources. We're happy to see your concern for such preservation reflected in your sponsorship of this resolution. Thank you again and we look forward to working with you on more land and resource issues.

Sincerely,

Gail Gatton
Executive Director

Claire Holland
Volunteer, Delta

Senator John B. (Jack) Coghill
Alaska State Legislature

Pouch V
Juneau, Alaska 99811
(907) 465-4921

Box 55028
North Pole, Alaska 99705
(907) 488-0862



MEMORANDUM

TO: Members of the Senate Resources Committee
FROM: Senator Coghill
RE: SCR 6; Relating to designation by the governor of Suntrana Mine as a Historic Site.
DATE: February 14, 1987

SCR 6 makes good public policy, it is important to preserve our heritage.

The trend toward historical preservation of areas of land and natural resources has gained momentum on a national scale over the last decade. I believe it is important to preserve the evidence of the methods man has employed to develop the public resources, just as it is important to conserve certain "wild" areas.

This resolution makes good sense in three areas.

First, tourism; the Suntrana Mine site is about 30 minutes driving time from the Denali Park lodge. The site offers the opportunity for the possible development of a state historic mining equipment museum, as well as having the notoriety of being Alaska's first large scale coal mine site.

Secondly, education; the University of Alaska currently conducts tours of the site as an example of the way mining used to be done. Without this type of knowledge it becomes even more difficult to develop new and innovative mining techniques. There are also unique geologic features present, which are also used as teaching tools.

Finally, there is heritage, the Suntrana Mine is located on Alaska's only mine which exports coal to foreign markets. Since it began operations in the early nineteen hundreds, Suntrana has supplied energy and jobs for the Alaskan economy. It is my feeling that the sweat and hard work that built this country is every bit as important for future generations to remember, as is the preservation of unique wildlife habitat. After all, part of our heritage is the history evidenced by the footsteps of our forefathers.

This resolution asks the governor, to establish the Suntrana Mine as a remembrance for future generations, least they forget the hard work, and the people that past before them.

For these reasons I encourage a do pass recommendation.

Leslie Barber
Dits'in Yah Arts, Ltd.
1535 Mary Ann
Fairbanks, Alaska 99701
(907)456-3422

September 26, 1986
About 1100 words
First North American
Serial Rights

THE ROAD TO SUNTRANA: A JOURNEY BACK IN TIME

by Leslie Barber

Between falling leaves and falling snow, lies a fallow time of year. The air is too cold for summer activities. Not enough snow has fallen for winter ones. Time for a weekend drive to enjoy some of Alaska's history, wildlife and unique geologic features on one of Alaska's little-known scenic, historic roads--the road to Suntrana.

Located just east of Healy, a two-hour drive from Fairbanks on the Parks Highway, the Suntrana road is known as the Healy Fork cutoff. This well-maintained gravel road winds through the mountains along Healy Creek. About six miles from the highway, the road suddenly crests.

Down below, nestled in a mountain bowl, lie a handful of weathered frame cabins. A large, oddly-shaped steel building with an abandoned rail yard dominates the scene.

THE ROAD TO SUNTRANA: A JOURNEY BACK IN TIME
by Leslie Barber
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Here lies the remains of the 1920s town of Suntrana, birthplace of Alaska's coal industry and home to Alaska's coal-mining pioneers. The cabins were coal miners' homes. The strange steel building, called the "tipple," used to load coal into train cars.

Thick seams of coal ripple through the sandstone cliffs above the tipple. Puffs of white smoke drift up from the cliffs. The smoke is created by natural, spontaneous combustion of the coal seams. The local Athabascan Indians called the cliffs "Suntrana," or "burning hills."

The winds of time have carved the sandstone outcrops into eerie, castle-like formations. Giant clinkers--coal burned by lightning or natural combustion--can be found along the road.

Suntrana began in 1922 when Austin "Cap" Lathrop started the area's first coal mine. Remnants of old underground shafts are still visible in the cliffs. On trails now used for hiking, horse-drawn sleds once hauled coal from the mine.

Andrew "Sarge" and Jessie Costa spent many years in Suntrana. Sarge worked on the tipple. "The tipple was his baby," said Jessie, commenting on the quality of care Sarge devoted to keeping the tipple in top shape.

Jessie still remembers her first day in Suntrana. A neighbor filled her in on the town gossip. When Sarge came home from the mine and heard the "news," he advised her: "You just believe what you see and not what you hear."

By the late 1930's, over 200 people were living in

THE ROAD TO SUNTRANA: A JOURNEY BACK IN TIME

by Leslie Barber

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Reachable only by rail, Suntrana people came and went via the "doodlebug." The "doodlebug" was a single rail car that took passengers between the Healy depot and Suntrana.

Later, a school and two churches were built. Goat Mary's, discreetly placed on the opposite side of the river from Suntrana--but on the way home from the tipple, was the local establishment for "ladies of the night".

Jessie remembers the time her first husband, Boyd, went to Goat Mary's to quiet a disturbance. He told her he'd be back shortly. She gave him an hour. Then another hour. Then she shot her .357 through Goat Mary's chimney. As she put it, "People came running out of the house in every shape of undress."

Another Suntrana couple working at Cap's mine was Emil and Rose Usibelli. The Depression caused them to seek their fortune in Alaska. Emil cut wood for the Lathrop mine.

Rose remembers Suntrana as a good place to raise children. Her first child, Joe Usibelli, was born in a log cabin there. The main problem she had was keeping him out of the river. That was solved with a fence around the yard.

Emil brought the first car, truck and tractor to Suntrana. Skeptic neighbors debated the merits of these purchases. But Emil's risks were rewarded. In the 1940s, the U.S. Army needed more coal for Ladd Field (Fort Wainwright). Emil--with the only truck and tractor in town--was recommended for one of the new coal leases.

Emil and Rose traveled upriver from Suntrana to their lease site and set up camp. So began the town of Usibelli;

THE ROAD TO SUNTRANA: A JOURNEY BACK IN TIME

by Leslie Barber

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Beyond Usibelli, a large canyon looms in the distance. The canyon is locally called the Hydraulic Pit. Emil pioneered open-pit coal mining in Alaska. He mined this pit for a time using hydraulic giants or water cannons. Today, the highlight is seeing the Dall sheep that frequent the pit.

The sheep like the shelter of the steep pit walls. No hunting is allowed. In the spring, the sheep bear their lambs in the canyon. In the fall, they come down to the canyon from the mountains for warmth.

The sheep demonstrate the success of Usibelli's reclamation efforts. The Hydraulic Pit was the first to be reclaimed. Emil's son Joe Usibelli was a pioneer in the truest sense. He instituted reclamation five years before it was required by law.

The road beyond the Hydraulic Pit becomes four-wheel drive. It leads to another pit, more recently reclaimed. Foxes and birds are just starting to return to this pit. Moose and sheep are expected in the future.

Cap Lathrop died on the Suntrana tippie tracks in the early 1950s. Usibelli bought out the company that acquired Cap's assets. Usibelli also bought out his own partner, T. E. "Thad" Sanford.

As Sarge recalls it, Thad tried first to buy out Emil. Thad said to Emil, "I'll give you \$11,000 for your share." Emil replied, "I'll give you \$22,000 for yours." Thad sold to the higher bidder.

THE ROAD TO SUNTRANA: A JOURNEY BACK IN TIME

by Leslie Barber

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Jessie, Sarge and Rose remember the 1950s as a time of camaraderie. People played cards, held dances and sponsored movies.

After the road from Fairbanks was built, The Healy Hotel, Otto Lake Lodge and the Healy Roadhouse became places to go for fun. "Railroaders, power people and mine people would go together from place to place. People would bring food and we'd have a potluck and dance," recalls Jessie.

By the 1970's, mine expansion was increasing the number of people in Suntrana. This caused growing housing demands for the prime homeowner--Usibelli Coal Mine, Inc. The company was beginning to spend more on housing than on mining.

Since a new mine pit and tipple were to be opened near Healy, the company also decided to relocate housing there. Land was leased from the railroad and subleased to anyone who wanted it. Miners were encouraged to own their own homes. The result was the Tri-Valley subdivision. Some miners moved their old Suntrana houses to Healy.

The Suntrana tipple loaded its last coal about 1979. But memories linger. Jessie and Sarge take regular trips to see the old tipple. Rose thinks it should be preserved.

Four generations of coal mine families have now traveled the road to Suntrana. The newest generation explore old mine trails and take visitors to see the sheep. They point out abandoned historic buildings and recall, for a moment, their family's role in a vanishing Alaskan history.

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VOLUME 14

ONE ALASKAN COAL MINE

By Catherine A. Usibelli

For the last 15 years, Usibelli Coal Mine, Inc., located in Healy, has been the only commercial coal mine operating in Alaska. The mine is situated on the north side of the Alaska Range about 120 miles south of Fairbanks, not far from Denali National Park. Beneath the mountains and valleys in this area is a large coal basin, the Nenana Coal Field, with coal reserves predicted to last over one hundred years if mine production remains at the current rate. Miners have worked the Nenana Coal Field since the early 1900's, but today only one mine remains active, supplying sub-bituminous coal to interior Alaska and for export to Korea.

The Nenana Coal Field, running along the Nenana River, is one of the many coal basins in Alaska and represents only a very small portion of the total coal resource in the state. Alaska is estimated to hold about 1/2 of all the coal in the U.S. and possibly about 1/6 of all the coal in the world. Energy has become a critical issue to Alaskans, and coal is developing as a major energy resource with potential expanded usage not only in-state but for a major foreign export market as well. Usibelli Coal Mine has kept pace with the industry's developments by keeping a keen eye on the future while never forgetting the importance of its heritage.

The founder of Usibelli Coal Mine, Emil Usibelli, came to Alaska in 1935 to work at the Evans Jones Mine in the Matanuska Valley. Two years later, he moved to Suntrana and worked in an ~~underground coal mine operated by the Healy River Coal Corporation.~~ Suntrana is located in the valley adjacent to the present day mining

operation. Outcropped on the steep bluffs which flank the Suntrana Valley are prominently displayed coal seams. These steeply inclined black seams are a constant reminder of the abundance of coal found in this region of the state. The earliest settlers here were Athabascan Indians who gave Suntrana its name which means "burning hills" in their language. The coal seams often spontaneously combust causing smoke to rise from the surface of the mountain side. Many visitors including geologists often travel to this area especially to study and view the unique hillsides which have been eroded away to reveal layers of coal, sandstone and clay, rich with plant fossils and capped by thick accumulations of gravel

In and around Suntrana are remains of past mining operations; closed-up entrances to tunnels, pieces of old machinery and historic structures. Most of the mining done here in the early days was underground. Coal was transported by horse-drawn sleds until the Alaska Railroad was completed in 1922.

When Emil Usibelli began working in Suntrana, the Healy River Coal Corporation, owned and operated by Captain Lathrop, produced nearly half of all the coal mined in Alaska. With the arrival of World-War II in 1941 and the military build-up which occurred in Alaska during and after the war, many coal-producers acquired leases on military coal reserves and operated under U.S. Army licenses. Usibelli was among them, and in 1948 eleven years before Alaska's statehood, Usibelli Coal Mine was incorporated.

The company opened as a small surface mine east of Suntrana operating with one small crawler tractor and two trucks. By 1950, most of the smaller coal mines operating under government contract

were beginning to phase out. This was a boom or bust time for the coal business; some survived but most didn't. Usibelli was determined to stay in business. In 1961, Usibelli purchased the Suntrana property where he had worked as a newcomer to the area. Two years later the facility was shut down. Eventually all underground mines in the area closed, and Usibelli Coal Mine focused all efforts on surface mining which is the method of operation still used by the company today.

In 1964, Emil Usibelli was killed in a mining related accident. His son, Joseph Usibelli, immediately took over as president of the company and is currently operating the mine along with his sister and five of his children who are involved in the mine's operation, either full-time or part-time.

As consumption of coal in the interior increased, the corporation, under its new leadership, expanded to keep pace with Alaska's energy needs. In 1970, the last remaining competitor in the area, Vitro Minerals Mine, was purchased by Usibelli Coal Mine, leaving the corporation as the only commercial coal mine operating in the state. Shortly thereafter, Usibelli signed its first long-term military contract to supply coal to the military bases of interior Alaska. This was an important step towards securing a market for the coal mine. However, this progress was not taken for granted. Usibelli realized that in order to remain competitive, sophistication and increased efficiency of mining operations and business activities was essential to the company's future. Major changes in the company's organization were made. Individual departments such as Engineering, Accounting, Safety and Reclamation were established in order to

develop needed areas of expertise.

Perhaps the most pioneering and at the same time satisfying effort in the company's reorganization was the establishment of an active reclamation program. Reclamation efforts at Usibelli began in 1971 prior to and in anticipation of the Congressional Surface and Reclamation Act of 1977. This Act requires miners to adhere to strict regulations defining reclamation efforts. Reclamation is the final stage in the mining process and is a long yet necessary procedure which attempts to return mined land to a condition which closely approximates its original appearance. A major goal is to return mined land to an aesthetically attractive state combined with productive use such as for wildlife habitat. Usibelli's reclamation program has proven very successful. Reclaimed roadsides, valleys and hills are blanketed with vegetation and attract a variety of wildlife as well as many visitors who come to observe responsible development and environmental reclamation working side by side.

In addition to the changes in corporate structure which Usibelli Coal Mine adopted, the company reacted to the increase in demand for coal by making significant capital improvements. In 1977, a 33-cubic yard, walking dragline was purchased. This machine, which is used for stripping, weighs 4,275,000 pounds and is the single largest piece of mining equipment used in the state of Alaska today. Usibelli has invested in a new backhoe used for loading coal, a new shovel for stripping, three Caterpillar D-10's, and a fleet of seven new rock and coal trucks, each with a 75-ton bed capacity.

* A new coal load-out facility, known as a tipple, was constructed in 1982. The tipple is a coal-processing center where coal

* THE OLD TIPPLE AT
SUNTRANA WAS SHUT-DOWN PAGE 4
AT THIS TIME.

is crushed and carried by conveyor belt to an A-frame building for storage. Railroad cars travel on a track which runs through a tunnel directly underneath the A-frame. Coal from the A-frame is released through a chute and loaded directly into Railroad cars for delivery to customers.

The company's new headquarters was completed in 1983. With a total of 46,000 square feet of floor space available on three floors, this building houses the office, warehouse and main shop. Usibelli's operation has been completely computerized since 1975. Three computer systems are used; a Honeywell Ultimate system and two Hewlett Packard computers which are utilized solely by the Engineering Department. Presently, Usibelli Coal Mine employs 120 men and women.

Although over the years many changes have occurred in the growth and organization of the coal mine, ownership remains today as it did in the beginning with the Usibelli family. In 1985, Usibelli Coal Mine produced and sold 1.2 million tons of coal. The company supplies coal to eight major customers. Coal is sent north to Clear Air Force Base, Municipal Utilities System for the City of Fairbanks, University of Alaska-Fairbanks, Eielson Air Force Base, and Fort Wainwright Army Base. In Healy, Coal is supplied to Reliable Coal, a retail coal-sales operation, and Golden Valley Electric Association, a mine-mouth power plant. Coal is sent south to Sun Eel Shipping Company in Seward where it is shipped to South Korea. Exportation of Alaskan coal to Korea, which began in 1984, has doubled Usibelli's production and represents a significant step not only for the company but for the entire Alaskan coal industry as well.

Clearly, nothing in the evolution of Usibelli Coal Mine has

remained stagnant. Just as in times past, the coal industry will change bringing forth new competition, new markets and new developments. Looking forward and anticipating these changes will determine what lies ahead. Remembering the efforts of those from the past can provide the motivation to pave the way. Meanwhile, the heritage of one Alaskan coal mine continues.

Suntrana:

Birthplace of Alaska's coal industry

By
Catherine Usibelli

Little is known about the early mining days in the Healy area. What remains are some names, places and a few old photographs. Mining began in 1918 when construction of the Alaska Railroad reached the Healy River Coal Field located in the Nenana Coal Basin. The miners who first settled this area built their underground mines in a place called Suntrana.

Suntrana is located just east of Healy along Healy Creek which flows out of the Nenana River. Outcropped on the steep bluffs which flank the Suntrana Valley are prominently displayed coal seams. These steeply inclined black seams are a constant reminder of the abundance of coal found in this region.

Elements of time have eroded the landscape into unique layers of coal, sandstone and clay, rich with plant fossils and capped by thick accumulations of gravel. Many of the visible coal seams spontaneously burn, causing smoke to rise from the surface of the hillside. Early settlers in this valley were Athabascan Indians who gave Suntrana its name which means "burning hills."

In and around Suntrana are remains of past mining operations: closed-up entrances to tunnels, pieces of old machinery and historic structures. Coal was transported by horse-drawn sleds to Healy where it was used during construction of the railroad. The Healy River Coal Corporation, founded by Austin "Cap" Lathrop, was the first commercial coal mining operation in Suntrana. In 1922, a railroad spur was built connecting Suntrana to the main line at Healy. Final completion of the Alaska Railroad occurred in 1923 when it reached the booming



Horse-drawn sleds haul coal from the Suntrana coal field in the 1920s.

gold town of Fairbanks. A market was opened for supplying coal to Interior Alaska.

Until the early 1940s, the Healy River Coal Corporation produced nearly half the coal mined in Alaska. The rest came primarily from the Evan Jones Mine in the Matanuska Coal Field outside Anchorage. At this time a new market for coal developed as a result of the military build-up in Alaska during and after World War II. Coal was needed to fuel and heat newly established military posts and airfields. A number of mines were opened in and around Suntrana under U. S. Army mining licenses. Among these was a small surface mine, the first of its kind, located just east of Suntrana. It was owned and operated by Emil Usibelli.

This was the forerunner to present day Usibelli Coal Mine which has been the only commercial coal mine operating in Alaska for the last fifteen years. The mine has long since moved from the Suntrana Valley, expanding into outlying areas also rich with coal.

Many generations of coal mine families have lived and worked in the Suntrana area. Evidence of their past is limited to a few old mine trails and some abandoned buildings. Their role in developing Alaska's mining industry should never be forgotten. What is left of their memory should be preserved as a reminder to future generations. There is a place where old and new remain side by side, together, as the beginning and continuation of Alaska's coal mining heritage; a place called Suntrana.

Minerals commission to draft Alaska policy

The Alaska Mineral Commission has voted to draft an Alaska minerals policy act to protect the interests of resource development.

Vice Chairman Darrell Spilde said a policy act would be a good vehicle to incorporate the Commission's goals and would provide a framework under which the Commission can address additional, more specific recommendations.

Spilde pointed out that Idaho adopted minerals policy legislation largely drafted by the Idaho Miners Association. It requires other legislation and regulations to reflect the objectives of the minerals policy. Both Idaho and Nevada have such policies.

"The most effective way to institutionalize change would be to legislate it," said Spilde. "The Commission's policy recommendations would be most effective if they were enacted as law."

Once in place, Spilde said all other government actions would have to be consistent with the Act. Spilde was recently appointed to RDC's State Board of Directors.

Paul Glavinovich, Director of the Resource Development Council's Minerals Division, told the Commission at its September 19 meeting that RDC is launching a legislative program to address problems with access, land use, water quality, permitting and regulations.

In terms of access and land use, Glavinovich said a major concern is the preservation of access across federal conservation units and

vast areas of state land that have been classified into very restrictive land uses.

The RDC director said the Council plans to introduce legislation that would amend water quality standards and require a standard that is achievable through current technology. He said the Council intends to pursue policies that would designate the Division of Mining within the Department of Natural Resources as the lead agency in exploration and development permitting.

In addition, Glavinovich said "we will continue to argue that the regulation of mining be based upon cost benefit analysis with economic considerations reflected in final regulation."

At an earlier meeting in Fairbanks, the 11-member Commission focused on various factors contributing to the underdevelopment of Alaska's mineral industry. They include the following responses:

- Much of Alaska's land is unavailable for mineral entry or has significant restrictions on development.
- The legislature has no effective control over regulations, including authority to recall or annul administrative regulations that do not reflect legislative intent. In some cases, the legislature has given overlapping authority to more than one department.

(Continued on page 6)

THE FOLLOWING DOCUMENT HAS
NOT BEEN FILMED BUT IS
AVAILABLE IN THE ORIGINAL
FILE



USIBELLI COAL MINER

Vol. 5

Usibelli Coal Mine, Inc., Usibelli, Alaska, September 1985

Page 1

Terminal Complete — Shipments Begin

The Seward Coal Terminal is a deep water port constructed in 1984 by the Suneel Alaska Corporation. With the commencement of shipments of Alaskan Coal to Korea Electric Power Corporation, the Seward Coal Terminal will handle over twelve million tons of coal in the next fifteen years. Eleven people are employed full time by Suneel Alaska with additional part-time employees working during ship loading.

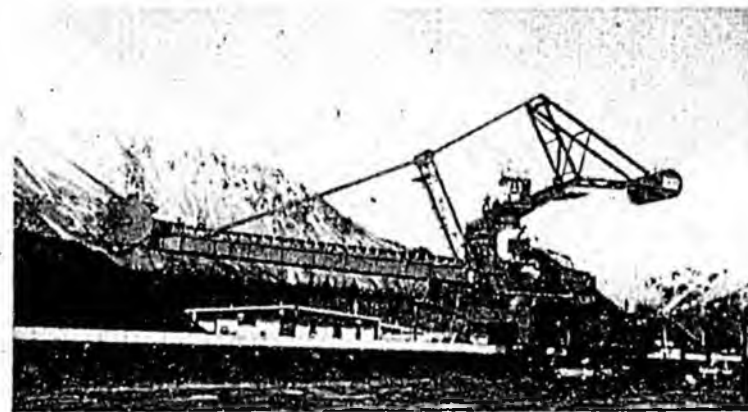
The Seward Coal Terminal was manufactured by Samsung Heavy Industries Company, Ltd. The \$21-million-dollar project was financed by both private and public funds. Chemical Bank of New York, Sun Eel Shipping Company, and the State of Alaska were primary financiers of the project.

The terminal encompasses almost 34 acres, leased from the Alaska Railroad. Ships up to 120,000 dead weight tons will utilize the approximately 60-foot deep

basin. Coal arrives by rail into the terminal. A receiving hopper system and car dump unload the coal. It is then transported through an extensive conveyor belt system which has a total length of 6,590 feet. A railmounted stacker/reclaimer system stockpiles the coal at a rate of 3,300 tons per hour. The stockpile capacity is 132,000 tons.

Approximately every 35 days, a Sun Eel Shipping Company vessel is loaded with coal bound for South Korea. The stacker/reclaimer system reloads coal onto the conveyor system. The belt conveyor transports the coal to a fixed position slewing shiploader. Coal is loaded into ships at a rate of 1,100 tons per hour.

Although coal is the only export product currently handled by the Seward Coal Terminal, other products may be shipped at some future date. The Seward Coal Terminal is capable of handling other Alaskan exportable commodities such as grain, gravel, and other



Coal stacker reclaimer builds and recovers the stockpile in Seward



New Hydraulic Shovel

Expected to arrive in late September, 1985 is Usibelli Coal Mine's new O&K RH120C hydraulic excavator. UCM is pur-

tively lightweight and short cycle times. Because of their lower cost, they are rapidly displacing cable shovels in sizes up to twenty cubic-

USIBELLI COAL MINE, INC.

MARKETING
2173 University Avenue So.
Suite 101
Fairbanks, Alaska 99709
(907) 479-2630
FAX 479-2793

January 22, 1987

Senator Jack Coghill's Office
Pouch V (MS 3100)
Juneau, Alaska 99811

ATTN: Bruce Geraghty/Elizabeth Ziegler

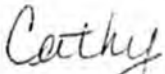
Dear Bruce/Elizabeth:

Enclosed are two sets of photographs (old and new) of Suntana.
I have attached suggested cut-lines on each photograph for one
set.

I hope the enclosed will be sufficient for your purposes
at this point in time. Please let me know if there is anything
further that you will need.

Your efforts on our behalf are very much appreciated.

Sincerely,



Catherine A. Usibelli
MARKETING ASSISTANT

encl.

Senator John B. (Jack) Coghill
Alaska State Legislature

Pouch V
Juneau, Alaska 99811
(907) 465-4921

Box 55028
North Pole, Alaska 99705
(907) 488-0862



January 22, 1987

Commissioner Brady
400 Willoughby Center
Juneau, Alaska 99811

Dear Commissioner Brady;

The historical coal mining area in my district is the Suntrana site, near Healy. Coal has been extracted from this area since 1918 and the site still contains remnants of these past operations. Still standing is a coal loading device, called a tippie, and various buildings. I think the areas should be preserved and have drafted legislation to achieve this goal.

I understand that the Division of Mining and Geology is attempting to have this area reclaimed to wildlife habitat. This would certainly ruin the historical and cultural significance of the Suntrana site. I believe it is in the best interest of the state to hold off on any reclamation action, especially in light of this pending legislation.

Please let me know at your earliest convenience if we are in agreement on this issue.

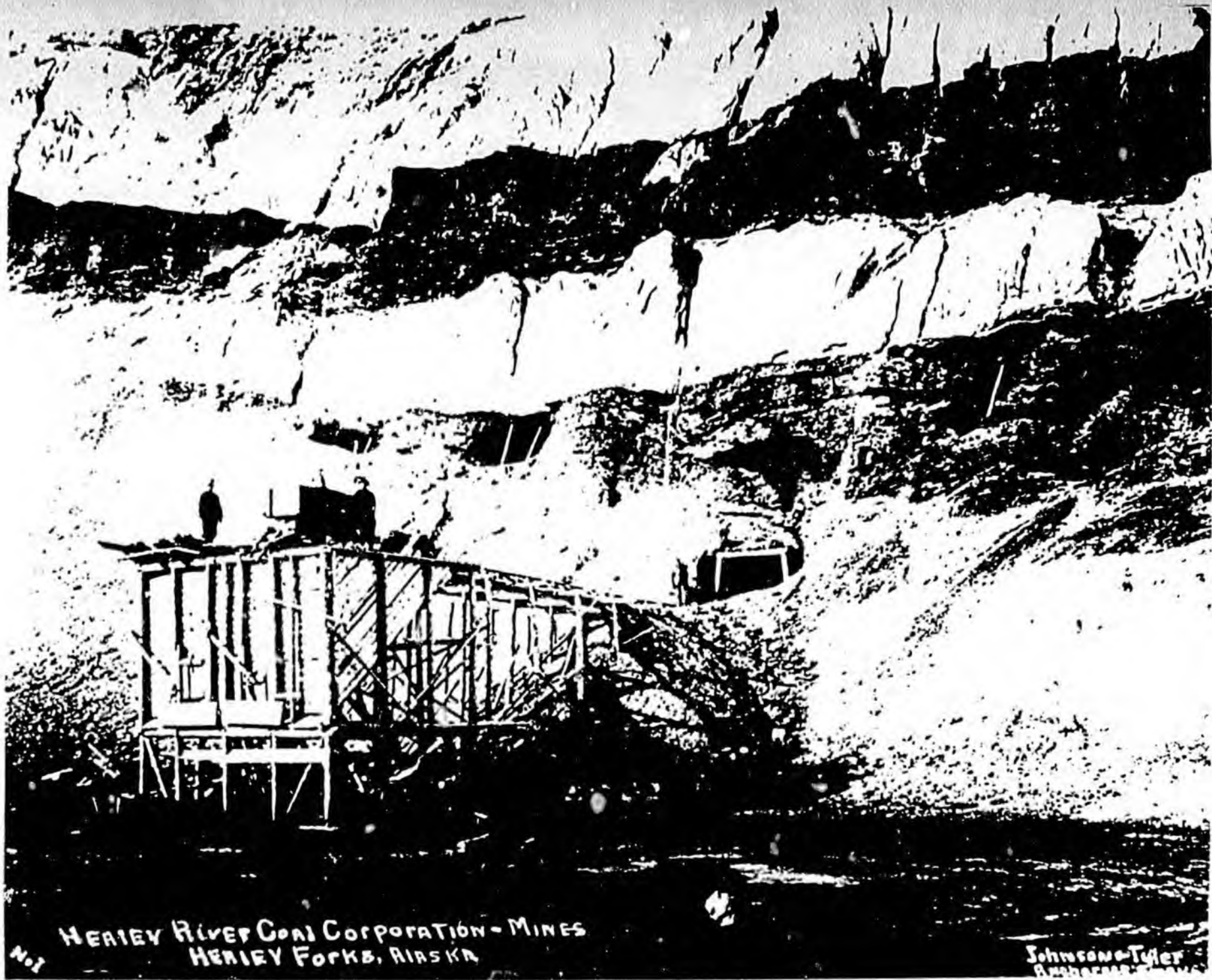
Sincerely,

A large, stylized handwritten signature in cursive script, appearing to read "John B. Coghill".



Yukon River Coal Corporation - Mines
Healey Forks, Alaska

Date unknown
early 1900?



HERIEY RIVER COAL CORPORATION - MINES
HERIEY FORKS, ALASKA

Johnson-Tyler
Anchorage, Alaska

early 1920's



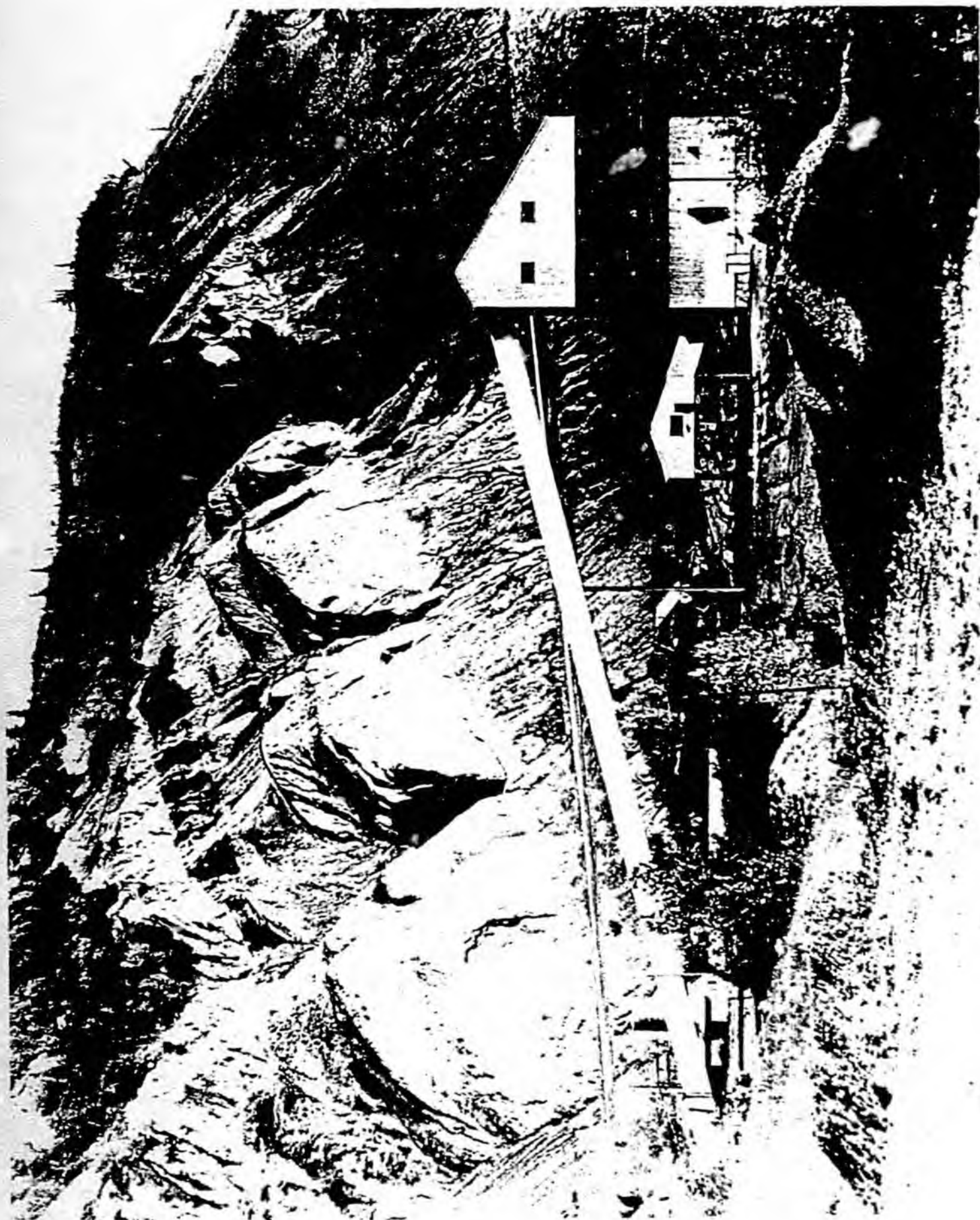
Sept 10, 1922

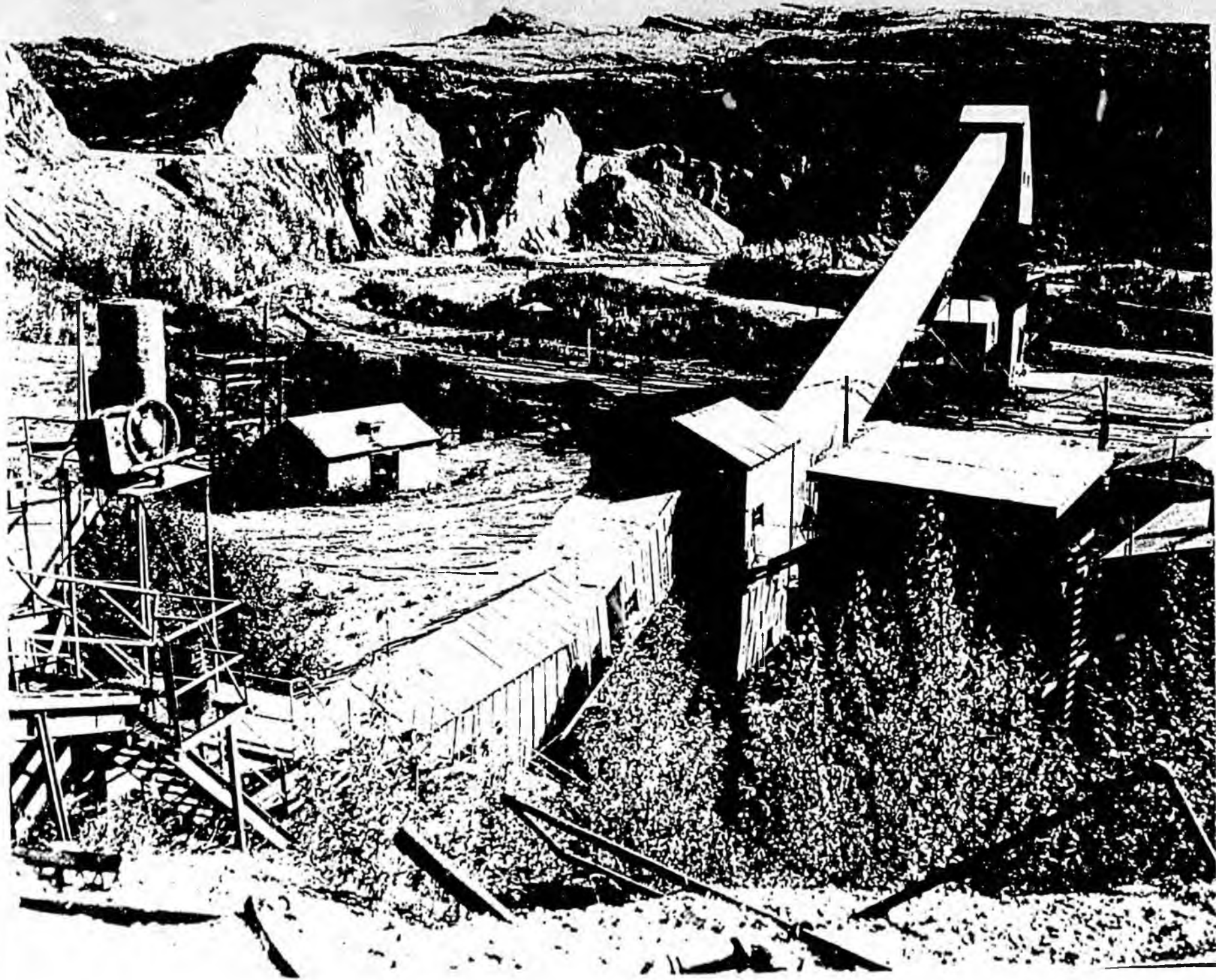
WAGNER'S CONTRACT NEAR COALFIELD



early 1930's

9861

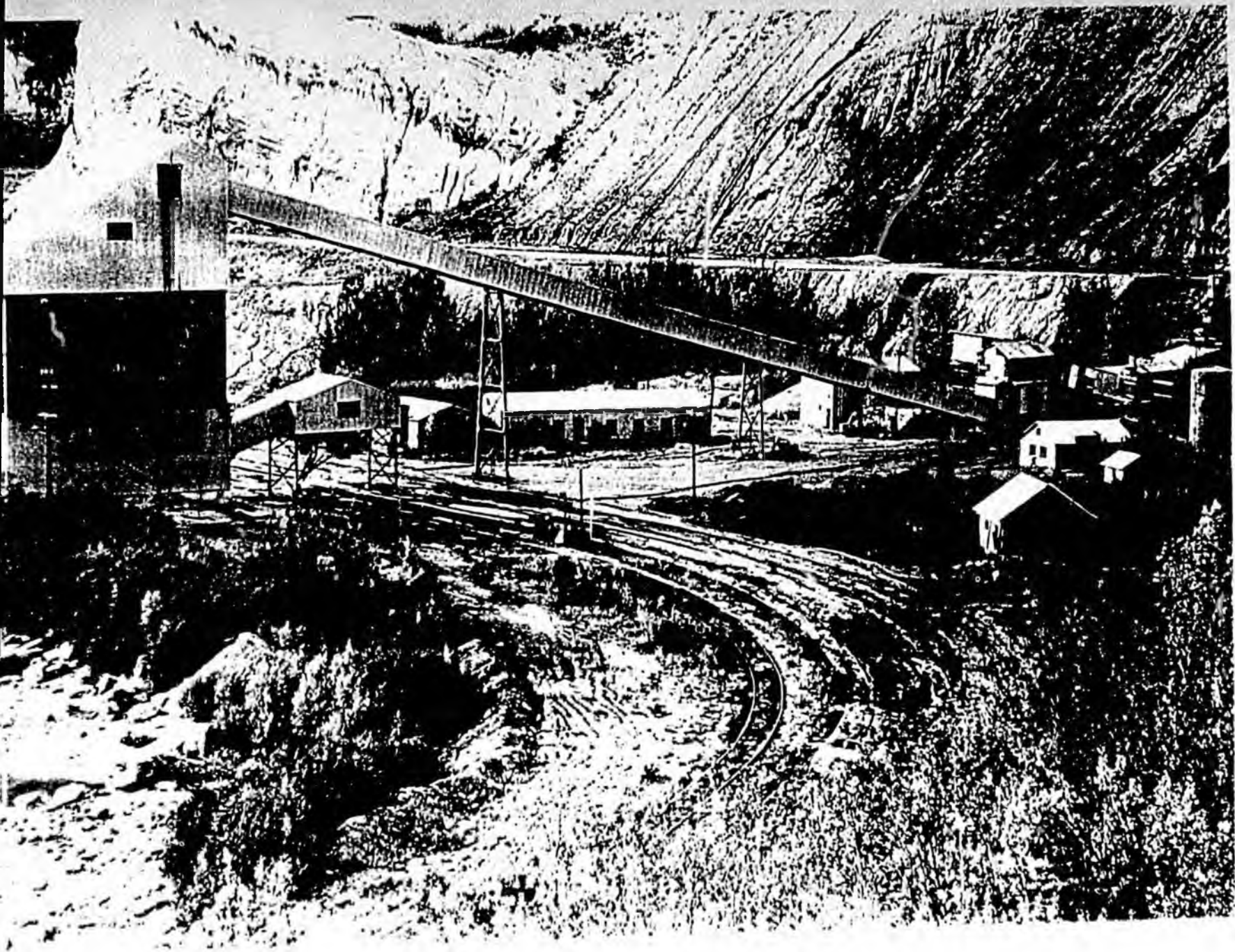




1986

1986





1986



early
1930's