

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672  
6528 SENATE RESOURCES

932


Senator Fahrenkamp

March 20, 1990 Page 2

creates a definite win-win situation. The only losers are those who insist that the State lands are for their private interests alone.

Koncor Forest Products supports the planning process to determine appropriate uses for State Lands. While we may disagree with some of the land use decisions, the process lends itself to public input and compromise. SB 430 is an end run around that process and should be stopped. I urge you to support responsible land management and help put a halt to SB 430.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Sturgeon", with a long horizontal flourish extending to the right.

John L. Sturgeon, President  
Koncor Forest Products

**S B**

**436**

DATE: 2/6/90

U FURTHER: Finance

Date of 5-Day Notice: 4-10-90  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4-18-90

Resources Committee considered SB 436

"An Act relating to the salvage of edible meat from big game animals and wild fowl."

and recommended:

- replace with \_\_\_\_\_ CS SB 436 (Res)  same title
- attached amendment(s)  new title
- \_\_\_\_\_ letter of intent adopted

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to \_\_\_\_\_

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

- fiscal note(s) \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

- zero fiscal note(s) FTG, Pub Saf
- \_\_\_\_\_
- \_\_\_\_\_

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

Rick Halford

[Signature]

[Signature]

Allen Sturgulowski

OTHER RECOMMENDATIONS:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Laboratory No Pass

Chair: Signature and Recommendation

as a result of boning or a close trimming of the bones;

(C) [(D)] viscera:

BY SEN. COGHILL, Frank, Halford

1 IN THE SENATE

2

SENATE BILL NO. 436

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the salvage of edible meat from

7

big game animals and wild fowl."

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

9

\* Section 1. AS 16.30 is amended by adding a new section to read:

10

Sec. 16.30.013. TIME OF SALVAGE OF MEAT ~~OR~~ HORNED OR ANTLERED

11

GAME. It is a class B misdemeanor for a person to intentionally fail

12

to salvage the edible meat of a big game animal bearing horns or

13

antlers at or before the time that the horns or antlers are ~~salvaged~~

14

\* Sec. 2. AS 16.30.030(3) is amended to read:

15

(3) "edible meat" means, in the case of big game animals,

16

the meat of the ribs, neck, brisket, front quarters as far as the

17

junction of the humerus and the radius-ulna (knee), hindquarters as

18

far as the distal joint of the tibia-fibula (stifle joint), and that

19

portion of the animal between the front and hindquarters; in the case

20

of wild fowl, the meat of the breast; however, "edible meat" of big

21

game or wild fowl does not include

22

(A) meat of the head;

23

(B) [MEAT THAT HAS BEEN DAMAGED AND MADE INEDIBLE BY

24

THE METHOD OF TAKING;

25

(C)] bones, sinew, and incidental meat reasonably lost

26

as a result of boning or a close trimming of the bones;

27

(C) [(D)] viscera;

28

\* Sec. 3. AS 16.30.030 is amended by adding a new paragraph to read:

29

(9) "salvage" means to remove the edible meat, [horns, or

1 antlers] of a big game animal or edible meat of wild fowl from the site  
2 where the animal or wild fowl was taken to a place where the edible  
3 meat [horns, or antlers] <sup>is</sup> are prepared or preserved for consumption,  
4 processing, [or storage.] or for shipping from a guides  
registered base camp.



STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT Fish and Game	DIVISION Wildlife Conservation	BILL NUMBER SB 436	SPONSOR Coghill
SHORT TITLE OF BILL Salvage of edible meat from big game animals and wild fowl			
DEPARTMENT POSITION Support			
PREPARED BY Bruce Dinneford	DATE 2-28-90	COMMISSIONER'S SIGNATURE <i>Bruce Dinneford</i>	DATE 3/6/90

SUMMARY

OTHER AGENCIES AFFECTED BY BILL Department of Public Safety	CONSTITUENT GROUPS AFFECTED BY BILL Hunters
ORGANIZATIONAL SUPPORT FOR BILL Unknown	ORGANIZATIONAL OPPOSITION TO BILL Unknown

FISCAL IMPACT:  NONE  FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

This bill would require hunters to remove all edible meat from the kill site to the location where it is to be prepared or preserved for consumption prior to removing antlers or horns from the field. While current regulations require the salvage of all edible meat as defined in 5 AAC 92.990, horns or antlers may be brought from the field prior to the meat.

ANALYSIS OF BILL/PROGRAM EFFECTS

While this bill presents no fiscal impacts to the Department of Fish and Game, it would add a regulation that may add to duties by staff in the field at check stations or otherwise monitoring hunts. Such a law could reduce the amount of valuable edible meat wasted in the field by diminishing the number of incidents where a hunter claimed he was going back for meat or had gone back to find it gone or consumed by other wildlife (i.e., bears, wolves). As written, the legislation would require the salvage of meat damaged by the method of take and would add an unnecessary burden upon hunters. The proposed definition of salvage may be interpreted to mean that horns or antlers must be brought from the field, and that meat must be taken to its final destination before horns or antlers leave the field. (Cont. on pg 2)

AMENDMENTS PROPOSED

Leave wording "meat that has been damaged and made inedible by the method of taking" intact.

Eliminate the proposed language requiring the salvage of horns or antlers, unless required by regulation for specific hunt.

Clarify whether the intent of the legislation (Cont. on pg 2)

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS ON ANALYSIS.

ANALYSIS OF BILL/PROGRAM EFFECTS Cont.

AS 16.30.010.(a) lists the failure to salvage the edible meat as a class A misdemeanor "...for a person who kills..." a big game animal. The proposed legislation suggests a class B misdemeanor and does not include the "person who kills" wording. AS 16.30.012.(a) currently prohibits the possession of antlers or horns of an animal without possessing the edible meat.

AMENDMENTS PROPOSED Cont.

is to transport all edible meat to the location of presevation or preparation prior to transporting the horns or antlers, or is transportation to a base camp sufficient.

Maintain class A misdemeanor as currently listed in AS 16.30.010(a).

## FISCAL NOTE

**REQUEST:**

Revision Date: 4/12/90  
 Title: Salvage of edible meat from big game animals and wild fowl  
 Sponsor: Senator Cochill  
 Requestor: \_\_\_\_\_

Agency Affected: Fish and Game  
 BRU: Wildlife Conservation  
 Components: \_\_\_\_\_

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & S. RUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>						
<b>REVENUE</b>						

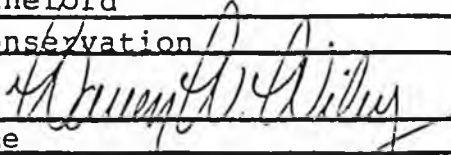
**FUNDING:** (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	0	0	0	0	0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

Prepared by: Bruce Dinneford  
 Division: Wildlife Conservation  
 Approved by Commissioner:   
 Agency: Fish and Game

Phone: 465-4190  
 Date: 4/12/90  
 Date: 4/12/90

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: Salvage of edible meat from wild game  
Sponsor: Senator Coghill, et al.  
Requestor: Senate Resources

Agency Affected: Public Safety  
BRU: Fish & Wildlife Protection  
Component: Enforcement & ISU

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

Prepared by: Captain Conrad G. Seibel  
Division: Fish & Wildlife Protection

Phone: 269-5509  
Date: 2-12-90

Approved by Commissioner: Arthur English  
Agency: Department of Public Safety

Date: 2-14-90  
Page 1 of 1

*CS*  
2/12/90

*A.H. 100*

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Public Safety  
 Title: Salvage of edible meat from BRU: Fish & Wildlife Protection  
wild game  
 Sponsor: Senator Coghill, et al. Component: Enforcement & ISU  
 Requestor: Senate Resources

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

Changes in CS SB 436 (Res)  
 have no fiscal impact. This  
 fiscal note is appropriate.  
 Projections of no fiscal impact  
 would continue through 1996

Prepared by: Captain Conrad G. Seibel  
 Division: Fish & Wildlife Protection

Phone: 269-5509  
 Date: 2-12-90

Approved by Commissioner: A.H. [Signature] Arthur English  
 Agency: Department of Public Safety

Date: 2-14-90  
 Page 1 of 1

*(Handwritten)*  
2/12/90

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: Salvage of edible meat from  
wild game  
Sponsor: Senator Coghill, et al.  
Requestor: Senate Resources

Agency Affected: Public Safety  
BRU: Fish & Wildlife Protection  
Component: Enforcement & ISU

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

*2/12/90* Prepared by: Captain Conrad G. Seibel  
Division: Fish & Wildlife Protection

Phone: 269-5509  
Date: 2-12-90

Approved by Commissioner: *S.A.H. 100* Arthur English  
Agency: Department of Public Safety

Date: 2-14-90  
Page 1 of 1

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: Salvage of edible meat from wild game  
Sponsor: Senator Coghill, et al.  
Requestor: Senate Resources

Agency Affected: Public Safety  
BRU: Fish & Wildlife Protection  
Component: Enforcement & ISU

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

Changes in CS SB 436 (Res) have no fiscal impact. This fiscal note is appropriate. Projections of no fiscal impact would continue through 1996.

Prepared by: Captain Conrad G. Seibel  
Division: Fish & Wildlife Protection

Phone: 269-5509  
Date: 2-12-90

Approved by Commissioner: A.A. English  
Agency: Department of Public Safety

Date: 2-14-90  
Page 1 of 1

*CS*  
2/12/90

## FISCAL NOTE

**REQUEST:**

Revision Date: 4/12/90  
 Title: Salvage of edible meat from big game animals and wild fowl  
 Sponsor: Senator Cochill  
 Requestor: \_\_\_\_\_

Agency Affected: Fish and Game  
 BRU: Wildlife Conservation

Components: \_\_\_\_\_

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING:** (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	0	0	0	0	0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

Prepared by: Bruce Dineford Phone: 465-4190  
 Division: Wildlife Conservation Date: 4/12/90  
 Approved by Commissioner: [Signature] Date: 4/12/90  
 Agency: Fish and Game

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Changes in CS SB 436 (Res.) have no fiscal impact. This fiscal note is appropriate. Projections of no fiscal impact would continue through 1996.

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Public Safety  
 Title: Salvage of edible meat from BRU: Fish & Wildlife Protection  
wild game  
 Sponsor: Senator Cochill, et al. Component: Enforcement & ISU  
 Requestor: Senate Resources

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

Prepared by: Captain Conrad G. Seibel  
 Division: Fish & Wildlife Protection

Phone: 269-5509  
 Date: 2-12-90

Approved by Commissioner: Arthur English  
 Agency: Department of Public Safety

Date: 2-14-90  
 Page 1 of 1

*CS*  
2/12/90

*2011-100*

## FISCAL NOTE

**REQUEST:**

Revision Date: 4/12/90  
 Title: Salvage of edible meat from big game animals and wild fowl  
 Sponsor: Senator Coghill  
 Requestor: \_\_\_\_\_

Agency Affected: Fish and Game  
 BRU: Wildlife Conservation  
 Components: \_\_\_\_\_

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING:** (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	0	0	0	0	0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

Prepared by: Bruce Dinneford Phone: 465-4190  
 Division: Wildlife Conservation Date: 4/12/90  
 Approved by Commissioner: *[Signature]* Date: 4/12/90  
 Agency: Fish and Game

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)



# Senator John B. (Jack) Coghill

Alaska State Legislature

Box V  
Juneau, Alaska 99811  
(907) 465-4797

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



## MEMORANDUM

DATE: April 18, 1990

TO: Senator Bettye Fahrenkamp, Chair  
Senate Resources Committee

FROM: Senator Jack Coghill

SUBJECT: Senate Bill 436

### BILL SUMMARY:

Senate Bill 436, "An Act relating to the salvage of edible meat from big game animals and wild fowl" is a piece of legislation which would require hunters to remove all edible meat from a big game animal bearing horns or antlers from the field before the horns or antlers are removed.

### FISCAL IMPACT:

Zero fiscal note from Department of Public Safety, Division of Fish & Wildlife Protection.

Zero fiscal note from Department of Fish & Game, Division of Wildlife Conservation.

### ABOUT THE BILL:

The intent of SB 436 is to diminish the amount of wasted meat by requiring hunters to remove all edible meat from the kill site prior to removing the horns or antlers.

SB 436 would help to eliminate instances where hunting occurs primarily for obtaining the trophy. It would also help in diminishing cases where hunters go back for the edible meat and find it gone. For example, the meat may decay or be consumed by other animals by the time the hunter goes back to salvage it.

Original sponsor(s): SEN. COGHILL, Frank, Halford

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100  
101  
102  
103  
104  
105  
106  
107  
108  
109  
110  
111  
112  
113  
114  
115  
116  
117  
118  
119  
120  
121  
122  
123  
124  
125  
126  
127  
128  
129  
130  
131  
132  
133  
134  
135  
136  
137  
138  
139  
140  
141  
142  
143  
144  
145  
146  
147  
148  
149  
150  
151  
152  
153  
154  
155  
156  
157  
158  
159  
160  
161  
162  
163  
164  
165  
166  
167  
168  
169  
170  
171  
172  
173  
174  
175  
176  
177  
178  
179  
180  
181  
182  
183  
184  
185  
186  
187  
188  
189  
190  
191  
192  
193  
194  
195  
196  
197  
198  
199  
200  
201  
202  
203  
204  
205  
206  
207  
208  
209  
210  
211  
212  
213  
214  
215  
216  
217  
218  
219  
220  
221  
222  
223  
224  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251  
252  
253  
254  
255  
256  
257  
258  
259  
260  
261  
262  
263  
264  
265  
266  
267  
268  
269  
270  
271  
272  
273  
274  
275  
276  
277  
278  
279  
280  
281  
282  
283  
284  
285  
286  
287  
288  
289  
290  
291  
292  
293  
294  
295  
296  
297  
298  
299  
300  
301  
302  
303  
304  
305  
306  
307  
308  
309  
310  
311  
312  
313  
314  
315  
316  
317  
318  
319  
320  
321  
322  
323  
324  
325  
326  
327  
328  
329  
330  
331  
332  
333  
334  
335  
336  
337  
338  
339  
340  
341  
342  
343  
344  
345  
346  
347  
348  
349  
350  
351  
352  
353  
354  
355  
356  
357  
358  
359  
360  
361  
362  
363  
364  
365  
366  
367  
368  
369  
370  
371  
372  
373  
374  
375  
376  
377  
378  
379  
380  
381  
382  
383  
384  
385  
386  
387  
388  
389  
390  
391  
392  
393  
394  
395  
396  
397  
398  
399  
400  
401  
402  
403  
404  
405  
406  
407  
408  
409  
410  
411  
412  
413  
414  
415  
416  
417  
418  
419  
420  
421  
422  
423  
424  
425  
426  
427  
428  
429  
430  
431  
432  
433  
434  
435  
436  
437  
438  
439  
440  
441  
442  
443  
444  
445  
446  
447  
448  
449  
450  
451  
452  
453  
454  
455  
456  
457  
458  
459  
460  
461  
462  
463  
464  
465  
466  
467  
468  
469  
470  
471  
472  
473  
474  
475  
476  
477  
478  
479  
480  
481  
482  
483  
484  
485  
486  
487  
488  
489  
490  
491  
492  
493  
494  
495  
496  
497  
498  
499  
500  
501  
502  
503  
504  
505  
506  
507  
508  
509  
510  
511  
512  
513  
514  
515  
516  
517  
518  
519  
520  
521  
522  
523  
524  
525  
526  
527  
528  
529  
530  
531  
532  
533  
534  
535  
536  
537  
538  
539  
540  
541  
542  
543  
544  
545  
546  
547  
548  
549  
550  
551  
552  
553  
554  
555  
556  
557  
558  
559  
560  
561  
562  
563  
564  
565  
566  
567  
568  
569  
570  
571  
572  
573  
574  
575  
576  
577  
578  
579  
580  
581  
582  
583  
584  
585  
586  
587  
588  
589  
590  
591  
592  
593  
594  
595  
596  
597  
598  
599  
600  
601  
602  
603  
604  
605  
606  
607  
608  
609  
610  
611  
612  
613  
614  
615  
616  
617  
618  
619  
620  
621  
622  
623  
624  
625  
626  
627  
628  
629  
630  
631  
632  
633  
634  
635  
636  
637  
638  
639  
640  
641  
642  
643  
644  
645  
646  
647  
648  
649  
650  
651  
652  
653  
654  
655  
656  
657  
658  
659  
660  
661  
662  
663  
664  
665  
666  
667  
668  
669  
670  
671  
672  
673  
674  
675  
676  
677  
678  
679  
680  
681  
682  
683  
684  
685  
686  
687  
688  
689  
690  
691  
692  
693  
694  
695  
696  
697  
698  
699  
700  
701  
702  
703  
704  
705  
706  
707  
708  
709  
710  
711  
712  
713  
714  
715  
716  
717  
718  
719  
720  
721  
722  
723  
724  
725  
726  
727  
728  
729  
730  
731  
732  
733  
734  
735  
736  
737  
738  
739  
740  
741  
742  
743  
744  
745  
746  
747  
748  
749  
750  
751  
752  
753  
754  
755  
756  
757  
758  
759  
760  
761  
762  
763  
764  
765  
766  
767  
768  
769  
770  
771  
772  
773  
774  
775  
776  
777  
778  
779  
780  
781  
782  
783  
784  
785  
786  
787  
788  
789  
790  
791  
792  
793  
794  
795  
796  
797  
798  
799  
800  
801  
802  
803  
804  
805  
806  
807  
808  
809  
810  
811  
812  
813  
814  
815  
816  
817  
818  
819  
820  
821  
822  
823  
824  
825  
826  
827  
828  
829  
830  
831  
832  
833  
834  
835  
836  
837  
838  
839  
840  
841  
842  
843  
844  
845  
846  
847  
848  
849  
850  
851  
852  
853  
854  
855  
856  
857  
858  
859  
860  
861  
862  
863  
864  
865  
866  
867  
868  
869  
870  
871  
872  
873  
874  
875  
876  
877  
878  
879  
880  
881  
882  
883  
884  
885  
886  
887  
888  
889  
890  
891  
892  
893  
894  
895  
896  
897  
898  
899  
900  
901  
902  
903  
904  
905  
906  
907  
908  
909  
910  
911  
912  
913  
914  
915  
916  
917  
918  
919  
920  
921  
922  
923  
924  
925  
926  
927  
928  
929  
930  
931  
932  
933  
934  
935  
936  
937  
938  
939  
940  
941  
942  
943  
944  
945  
946  
947  
948  
949  
950  
951  
952  
953  
954  
955  
956  
957  
958  
959  
960  
961  
962  
963  
964  
965  
966  
967  
968  
969  
970  
971  
972  
973  
974  
975  
976  
977  
978  
979  
980  
981  
982  
983  
984  
985  
986  
987  
988  
989  
990  
991  
992  
993  
994  
995  
996  
997  
998  
999  
1000

BY THE RESOURCES COMMITTEE

CS FOR SENATE BILL NO. 436 (Resources)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the salvage of edible meat from big game animals and wild fowl."

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

\* Section 1. AS 16.30 is amended by adding a new section to read:

Sec. 16.30.013. TIME OF SALVAGE OF MEAT OF HORNED OR ANTLERED GAME. It is a class B misdemeanor for a person to intentionally fail to salvage the edible meat of a big game animal bearing horns or antlers at or before the time that the horns or antlers are removed from the field.

\* Sec. 2. AS 16.30.030 is amended by adding a new paragraph to read:

(9) "salvage" means to remove the edible meat of a big game animal or edible meat of wild fowl from the site where the animal or wild fowl was taken to a place where the edible meat is prepared or preserved for consumption or processing or for shipping from a guide-outfitter's registered base camp.

**S B**

**439**

BILL: SB 439

NAME:

TITLE: "An Act relating to the obstruction or hindrance of lawful hunting, fishing, or trapping."

PRIME SPONSOR: COGHILL  
CO-SPONSOR: FRANK, PEARCE

CURRENT STATUS: (S) RES  
THEN JUD

STATUS DATE: 02/06/90

Selection=>

PF1	PF2	PF3	PF4	PF5	PF6	PF7	PF8	PF9	PF10	PF11	PF12
HELP	SUBJ	EXIT	MENU	TEXT	PRINT	BWD	FWD		FIRST	LAST	QUIT

SB 439 Bill/Resolution Floor Action Page 2 of 2  
 Current Status: (S) RES  
 Action  
 1 02/06/90 2345 (S) READ THE FIRST TIME - REFERRAL(S)  
 2 02/06/90 2345 (S) RES, THEN JUD  
 3 02/08/90 2386 (S) CO-SPONSOR ADDED: PEARCE

Selection=>

PF1	PF2	PF3	PF4	PF5	PF6	PF7	PF8	PF9	PF10	PF11	PF12
HELP	SUBJ	EXIT	MENU	TEXT	PRINT	BWD	FWD	CHT/JRNL	FIRST	LAST	QUIT

BASIS Text for SB 439 Screen 1 of 2  
 SB 439 Printed Page 1

1 IN THE SENATE  
 2 SENATE BILL NO. 439  
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 4 SIXTEENTH LEGISLATURE - SECOND SESSION  
 5 A BILL  
 6 For an Act entitled: "An Act relating to the obstruction or hindrance of  
 7 lawful hunting, fishing, or trapping."  
 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
 9 \* Section 1. AS 16.05 is amended by adding new sections to read:  
 10 Sec. 16.05.790. OBSTRUCTION OR HINDRANCE OF LAWFUL HUNTING,  
 11 FISHING, OR TRAPPING. (a) A person may not intentionally obstruct or  
 12 hinder another person's lawful hunting, fishing, or trapping.  
 13 (b) For purposes of (a) of this section, "lawful" means  
 14 (1) in compliance with this title, regulations adopted  
 15 under this title, and applicable federal statutes and regulations; and  
 16 (2) with the permission of the private landowner if the  
 17 hunting, fishing, or trapping occurs on private land.  
 18 (c) In a prosecution under this section, it is an affirmative  
 19 defense that the person reasonably believed that the person was law-

Selection=>

PF1	PF2	PF3	PF4	PF5	PF6	PF7	PF8	PF9	PF10	PF11	PF12
HELP		EXIT	MENU		PRINT	BWD	FWD		FIRST	LAST	QUIT

BASIS Text for SB 439 Screen 2 of 2  
 SB 439 Printed Page 1

20 fully entitled to obstruct or hinder the hunting, fishing, or trap-  
 21 ping.  
 22 (d) A person who violates this section is guilty of a misdemeanor  
 23 or and is punishable by a fine of not more than \$500 or imprisonment  
 24 for not more than 30 days, or both.  
 25 Sec. 16.05.791. CIVIL REMEDIES. (a) A person aggrieved by  
 26 conduct or threatened conduct in violation of AS 16.05.790 may peti-  
 27 tion a superior court to enjoin the respondent from engaging in the  
 28 conduct.  
 29 (b) A person aggrieved by a violation of AS 16.05.790 is  
 1 entitled to recover general damages and special damages, including  
 2 license and permit fees, travel costs, guide-outfitting fees, costs  
 3 for special equipment and supplies, and other related expenses.  
 4 (c) A court may award punitive damages in addition to the dam-  
 5 ages set out in (b) of this section.

Selection=>

PF1	PF2	PF3	PF4	PF5	PF6	PF7	PF8	PF9	PF10	PF11	PF12
HELP		EXIT	MENU		PRINT	BWD	FWD		FIRST	LAST	QUIT

Sb 433

FEB 22 1990

2/17/90

SENATOR BETTYE M. FAHRENKAMP  
P.O. BOX V  
JUNEAU, ALASKA 99811

DEAR SENATOR FAHRENKAMP,

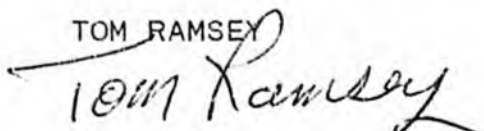
I AM WRITING TO ASK FOR YOUR SUPPORT AND EXPEDIENT  
PASSAGE OF SENATE BILL #439. ( OBSTRUCTION OF LAWFUL HUNTING,  
FISHING, OR TRAPPING )

THIS BILL, LIKE MOST OF ALASKAN VOTERS, IS NON-PARTISAN  
AND WOULD BENEFIT RESIDENTS IN EVERY PART OF OUR GREAT STATE.  
IT WAS INTRODUCED AT THE REQUEST OF A GROWING GRASSROOTS  
EFFORT TO PROTECT THOSE WHO ARE LEGAL RESOURCE USERS.

PREVIOUS SIMILAR BILLS DID NOT GET ON THE BOOKS BECAUSE  
OF GUBERNATORIAL VETO. GOVERNOR COWPER HOWEVER IS HIMSELF AN  
OUTDOORSMAN AND HAS A RECORD OF BEING VERY PROTECTIVE OF OUR  
RESOURCES AND PROPER REGULATION OF THEIR USES. I AM SURE HE  
WILL ENTERTAIN PASSAGE OF BILL #439 IF IT GETS POSITIVE  
SUPPORT IN THE SENATE AND HOUSE.

QUICK ACTION BY THE RESOURCES COMMITTEE MAY WELL BE THE  
DECIDING FACTOR FOR THE SUCCESS OF THIS BILL.

SINCERELY,

TOM RAMSEY  


P.O. BOX 58405

FAIRBANKS, ALASKA 99711

CC: STEVE COWPER

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Public Safety  
 Title: Relating to the obstruction of BRU: Fish & Wildlife Protection  
lawful hunting, fishing, and trapping  
 Sponsor: Senators Coghill, Frank Component: Enforcement  
 Requestor: Senate Resources

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

Prepared by: Captain Conrad G. Seibel  
 Division: Fish & Wildlife Protection

Phone: 269-5509  
 Date: 2-12-90

Approved by Commissioner: SA. H. English  
 Agency: Department of Public Safety

Date: 2-14-90  
 Page 1 of 1

**S B**

**449**

DATE: 2/7/90

FURTHER: Labor & Commerce  
Finance

Date of 5-Day Notice: 3-8-90  
(in accordance with Uniform Rule 23)

DATE TURNED  
INTO OFFICE: 3-16-90

Resources Committee considered SB 449

"An Act relating to authorization for the issuance of bonds and procurement for certain research projects; and providing for an effective date."

and recommended:

- replace with \_\_\_\_\_ CS \_\_\_\_\_  same title
- attached amendment(s)  new title
- \_\_\_\_\_ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

**ATTACHES NEW FISCAL NOTE(S):**

Department(s)/Date:

Department(s)/Date:

fiscal note(s) Commerce +  
6.con. Del. - AIDEA

zero fiscal note(s) \_\_\_\_\_

appropriation-no fiscal note

Governor's bill w/fiscal note

**SIGNING DO PASS:**

**OTHER RECOMMENDATIONS:**

*[Handwritten signatures]*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Chair: Signature and Recommendation

## FISCAL NOTE

**REQUEST:**

Revision Date: \_\_\_\_\_ Agency Affected: Commerce & Econ. Dev.  
 Title: Act relating to issuance of bonds and procurement for certain development projects BRU: Alaska Industrial Development and Export Authority  
 Sponsor: Senate Resources Components: \_\_\_\_\_  
 Requestor: Senate Resources

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>	122,000.0	0	0	0	0	0
<b>REVENUE</b>	0	0	0	0	0	0

**FUNDING:** (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS	92,000.0					
OTHER	30,000.0					
<b>TOTAL</b>	122,000.0	0	0	0	0	0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

Analysis is attached as page 2.

Prepared by: Bertram L. Wagon, Executive Director Phone: (907) 561-8050  
 Division: Alaska Industrial Development & Export Authority Date: 3/12/90

Approved by Commissioner: Larry Mercurieff *Sam Bell for* Date: 3-13-90  
 Agency: Department of Commerce & Economic Development

**Distribution (by preparer):**

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**ANALYSIS - FISCAL NOTE - SB 449**

Section 1 of this bill would give AIDEA the authority to issue up to \$85 million in bonds for the Healy cogeneration project.

The estimated construction cost of the project is \$192 million. It is estimated that up to \$70 million in bonded debt will be required. The \$85 million figure contained in the bill provides a cushion for cost overruns that may exceed the current estimate. The actual amount of bonds will most likely be less. In addition to the AIDEA bond authorization, capital appropriations of \$92 million in federal funds and \$30 million in state funds will be required.

The state funds are shown under "other" in the fiscal note as the exact source is undetermined. The fiscal note shows all appropriations for the project in FY 91 since all appropriations will be required before AIDEA can issue bonds for the project. We anticipate that the project will be completed in FY 96 and that the expenditure by fiscal year will be as follows:

FY 91	\$ 8,000.0
FY 92	11,000.0
FY 93	46,000.0
FY 94	52,000.0
FY 95	58,000.0
FY 96	<u>17,000.0</u>
Total	\$192,000.0

FNSB  
Support  
HB 520

By: Mark Howe  
Introduced: 03/08/90

ADOPTED MAR 00 1990

RESOLUTION NO. 90- 030

A RESOLUTION URGING PASSAGE OF HB 520 AUTHORIZING THE  
ISSUANCE OF BONDS AND PROCUREMENT FOR CERTAIN  
DEMONSTRATION PROJECTS

WHEREAS, the Federal Government has approved a grant for \$92.3 million for federal funding of the Healy cogeneration project and the state has encumbered but not appropriated \$30 million; and

WHEREAS, approximately \$85 million is required to complete the project; and

WHEREAS, the construction of the plant along with the improvements to the Healy-Fairbanks electrical power line will result in better and less expensive power costs to the residents of Fairbanks.

NOW, THEREFORE, BE IT RESOLVED, that the Fairbanks North Star Borough Assembly urges the passage of HB 520.

BE IT FURTHER RESOLVED, that copies of this resolution shall be sent to the Honorable Steve Cowper, Governor, State of Alaska, Larry Mercurieff, Commissioner, Department of Commerce and Economic Development, the Honorable David Donley, Chairman of the House Labor and Commerce Committee, the Honorable Lyman F. Hoffman and the Honorable Ronald L. "Ron" Lanson Co-Chairs of the House Finance Committee and all members of the Interior Delegation.

PASSED AND APPROVED THIS 8th DAY OF MARCH, 1990.

Paul A. Chynoweth  
Presiding Officer

ATTEST:

Mona Lee Preller  
Clerk of the Assembly

# Alaska State Legislature

REPRESENTATIVE  
MARK BOYER

VICE-CHAIRMAN, HOUSE  
HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

MEMBER, HOUSE LABOR AND  
COMMERCE COMMITTEE

CHAIR, CHILDREN'S CAUCUS



FAIRBANKS

1098 LAKEVIEW TERRACE  
FAIRBANKS, ALASKA 99701  
(907) 456-6473

JUNEAU

P.O. BOX V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3466

## House of Representatives

TO: Senator Bettye Fahrenkamp

FROM: Representative Mark Boyer *MB*

RE: HB 520, providing AIDEA authority to bond for the construction of the Healy Cogeneration Project, and HB 237, providing for an appropriation of \$30 million from the Railbelt Energy Fund for the Healy Project.

DATE: March 6, 1990

As you will recall, during the last legislative session we segregated \$30 million within the Railbelt Energy Fund as a contingent appropriation for the construction of a coal cogeneration power plant at Healy.

The contingencies to that appropriation were: that draft power sales agreements be in place before the effective date of the actual appropriation; that other funds, especially federal funds would be available to the project of at least \$30 million; and that a financial plan for the project be available to the legislature.

Since that time, the federal Department of Energy priorities have refocused on clean coal burning and power generating processes which resulted in a revised Healy project and the allocation of \$92.3 million for that project from the Clean Coal Technology grant program. The federal allocation would go to the Alaska Industrial Development and Export Authority which is currently developing a full financial plan to be presented to the legislature early next week. Additionally, AIDEA and the Alaska Energy Authority are working with the Golden Valley Electric Association and the Usibelli Coal Company to develop draft power sales agreements.

Attached are two important information pieces pertaining to the new Healy project. Some supporters of last year's \$30 million contingent appropriation have expressed concern that the project they supported has changed and is no longer supportable. It is my hope that you will review the attached information and come to the same conclusion as I; the Healy Cogeneration Project has changed its initial focus in favor of a greater and more specific federal interest but maintains its

FAIRBANKS 20B



original coal beneficiation (coal drying) thrust and continues to be the premier RBEF energy project. As envisioned, the demonstration project will move ahead and the coal drying technology will be pursued without state funds after construction of the project and its federal demonstration period.

Because of the importance of this project to the Railbelt and potentially to the United States, the Senate and House Resources Committee will meet in joint session to review the AIDEA authorization and the new technology and its potential application on Tuesday, March 13.

I remain steadfast in my commitment to the project. It remains the only project which once on-line will result in stable electric rates for railbelt consumers and is the only project being considered for construction from the Railbelt Energy Fund which leverages federal and other funds with such a small state commitment.

The federal government is committed and the rate payers in the Northern railbelt remain committed. It is my hope that the legislative commitment is equally firm.

The following questions and answers are from a state-wide poll that was conducted for the Usibelli Coal Mine. I think that you will agree the consensus is overwhelming public support for this project.

"Under its clean coal technology program, the U.S. Department of Energy has offered to pay approximately half the total cost of building a new, coal-fired power plant at Healy, Alaska, which is about halfway between Anchorage and Fairbanks. The Healy project was selected because it will use clean-burning technology and low sulphur coal, and may become the cleanest coal-burning plant in the world.

Do you basically support or oppose the idea of developing a high-technology, clean-burning, coal-fired power plant?"

Support.....	81%
Oppose.....	11%
Unsure.....	8%

"If constructed, the Healy project could bring world-wide attention to clean-burning coal technology and Alaska's large reserves of clean coal. How important is this to Alaska?"

Very important.....	61%
Somewhat important.....	28%
Not too important.....	5%
or Not at all important...	3%
Unsure.....	3%

"While electricity generated by the proposed Healy plant will be mainly used in the northern railbelt region, the plant

could also provide power to the Anchorage area and Kenai Peninsula communities during power outages and other emergencies. How important is this to you?"

Very important.....	33%
Somewhat important.....	32%
Not too important.....	21%
Not at all important...	11%
Unsure.....	3%

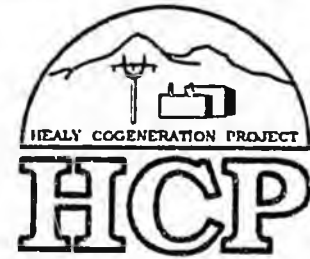
"The 230 million dollar Railbelt Energy Fund was created by the Alaska Legislature to help provide low-cost power to railbelt communities from Kenai to Fairbanks. Last year the state legislature reserved 30 million dollars from the Railbelt Energy Fund for the Healy project if it was selected for the clean coal program. Now that Healy has been selected, do you feel the legislature should or should not grant the 30 million dollars that was set aside for the project?"

Should.....	79%
Should not.....	9%
Unsure.....	12%

enclosure (2)

February 1, 1990

# Healy Cogeneration Project



*The combination of new coal-burning technologies and low-sulfur Alaska coal will result in one of the cleanest coal-burning power plants in the world*

## Healy Cogeneration Project Selected

In August 1989 the Alaska Industrial Development and Export Authority (AIDEA) submitted a proposal for the Healy Cogeneration Project (HCP) to the U.S. Department of Energy (DoE) under the DoE's Clean Coal Technology Program. In December 1989, the HCP proposal was selected from among 48 other projects for grant funding of up to \$93.2 million. The grant will finance nearly half of the design, capital and initial operating costs of the HCP plant. The project schedule calls for plant construction to be complete in 1995 with a one-year start-up and test program to follow.

The HCP project will construct a state-of-the-art coal-fired power plant at Healy, Alaska. The power plant will provide 50 megawatts of competitively priced electricity to satisfy increasing railbelt demand; will demonstrate innovative coal burning technologies; and may provide energy for the future development of a pilot-scale plant to benefit high-moisture Alaska coals. The combination of new coal-burning technologies and low-sulfur Alaska coal will result in one of the cleanest coal-burning plants in the world.

## Alaska Benefits

The Healy Cogeneration Project will draw national and interna-

tional attention to the demonstration of leading-edge technologies and provide a variety of benefits to the state's economy. The project will employ approximately 200 workers during a two year construction period and create about 50 year-round jobs in Healy once the plant is fully operational. In addition to employment, several other long-term economic benefits will contribute to the future well-being of Alaska's railbelt.

## Satisfying Growing Railbelt Energy Needs

The addition of a new, efficient 50 megawatt power plant will provide power to satisfy increasing railbelt energy demands and will help diversify the fuel base of the railbelt power grid. Between 1984 and 1989, kilowatt-hour sales by GVEA increased nearly 24 percent. By the mid to late 1990's, additional base load generating capacity will be needed. While primarily serving northern railbelt customers, the strategically located generating plant would also be available for transmitting power to the southern railbelt.

## Technology for New and Existing Power Plants

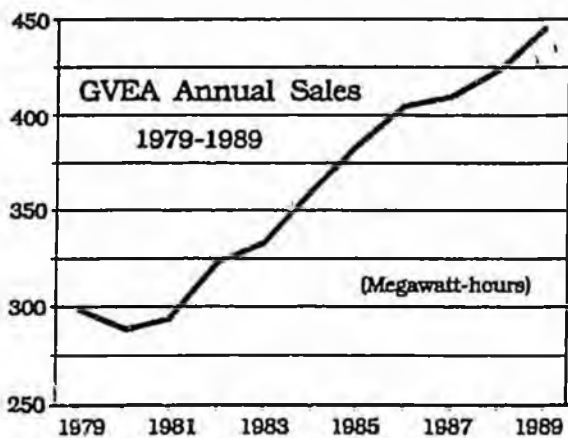
The HCP will demonstrate a clean-burning technology that can be used to retrofit or repower existing power plants in Alaska, the nation, and the Pacific Rim.

Most coal-fired power plants in Alaska and other states will require life extension work within the next 10 to 15 years. EPA's stringent New

*The addition of a new, efficient 50 megawatt power plant will provide competitively priced power to satisfy increasing railbelt energy demands.*

Source Performance Standards will be applied to these plants and HCP technology may be the lowest-cost solution for meeting these standards.

In addition to environmental advantages, the use of HCP technology to retrofit coal-fired power plants in the Pacific Rim will open new markets for Alaskan coal. Currently, few Pacific Rim plants are designed to use Alaska's high-mois-



ture low-energy coal. HCP technology will allow Alaskan coal to be burned in these plants without the need for extensive boiler modifications.

The project may also demonstrate the feasibility of new power plants in other areas of Alaska. The reduced size of HCP technology relative to conventional coal plants will make the use of modular construction possible. This may result in lower construction costs for small sized plants which heretofore have not been economically feasible.

#### Beneficiation of Alaska Coal

A future component of the project may be the use of energy from HCP in a proposed pilot plant which will test methods to increase the quality of Alaskan subbituminous coal by reducing its moisture content or by producing entirely new fuel products. Alaska subbituminous coal has superior environmental qualities compared to coal from virtually all other states and countries. However, its low energy value -- due primarily to its high-moisture content -- makes the coal costly to transport and puts it at an economic disadvantage in international markets. The value and competitiveness of Alaska coal could be increased through drying, gasification, liquefaction or a combination of these processes. The excellent environmental

qualities and high energy value of beneficiated Alaska coal would result in a premium fuel for export markets.

#### Focus on Alaska's Coal Resources

Alaska has enormous resources of coal and could become a major energy supplier to the Pacific Rim. The HCP project will be a showcase for leading-edge coal-burning technology and will bring national and international attention to Alaska's low-sulfur coal resources. The proj-

ect will also send a clear signal to industry that Alaska is serious about using new and environmentally superior technologies to utilize the state's enormous natural resources.

#### Clean Coal Technology Program

The Clean Coal Technology program (CCT) was created by the U.S. Congress in response to concerns about acid rain. The program is administered by the DoE and focuses on the reduction of air pollutants considered to be precursors of acid rain. Five rounds of funding totaling over \$2.5 billion have been planned. The first two rounds made \$973 million available while the third and current round has \$540 million available to support qualifying projects. The \$93.2 million granted to HCP represented over 17 percent of the total funding available in round three.

The objectives of the current round of CCT funding are to promote, through demonstration projects, the commercialization of innovative technologies which are capable of significantly reducing emissions of sulfur dioxide and nitrogen oxides in existing coal burning facilities and/or providing for future energy needs in an environmentally acceptable manner.

The DoE may match up to 50 percent of the costs for the design, construction and initial operation of selected projects. Project owners are responsible for financing the re-

*The project will employ approximately 200 workers during a two year construction period and create about 50 year-round jobs when complete*

remainder of the cost. Under the terms of the program, AIDEA and DoE must negotiate an agreement during 1990 for the design, construction, demonstration and financing of the HCP project before federal funding may be awarded.

## Project Description

The Healy Cogeneration Project involves six participants. These include the Alaska Industrial Development and Export Authority (AIDEA), which will own the project and be assisted by the Alaska Energy Authority; Golden Valley Electric Association (GVEA) which will operate, maintain and purchase power from the project; Usibelli Coal Mine, Inc. (UCM) which will supply coal and has offered a project location site; Stone & Webster Engineering Corporation, which will act as project design and management engineer; TRW Combustion Business Unit, which will provide proprietary combustion technology; and Joy Technologies Inc. which will provide proprietary emission control technology.

The HCP power plant will use an innovative design integrating advanced combustion, heat recovery, and emission control technologies. The environmental emissions from the HCP plant, including sulfur dioxide and nitrogen oxides, may be lower than any other coal-based power system in the world.

The HCP plant will use approximately 300,000 tons per year of low-sulfur subbituminous coal and will

produce 50 megawatts of competitively priced electrical power. The plant will contribute to energy resource conservation by burning both run-of-mine coal and high-ash waste coal that could not be normally utilized. In the project's demonstration phase, various Alaska coals will be tested and the plant will be made available for testing coals from other states.

The estimated cost of the project is \$192 million. The HCP was selected for up to \$93.2 million of cost-sharing by DoE. Additionally, in the 1989 legislative session, the Alaska legislature reserved \$30 million from the Railbelt Energy Fund for potential appropriation to the HCP project. The appropriation of the reserve was to be contingent upon the selection of the project by DoE, the preparation by AIDEA of an acceptable financial plan, and the drafting of power sales agreements. The HCP participants are requesting that the reserved funds be appropriated to the project during the 1990 legislative session. The balance of the project costs will be secured by AIDEA through the sale of revenue bonds.

## Project Participants

Six participants cooperated in the preparation of the HCP proposal and will participate in the performance of the project.

1. The Alaska Industrial Development and Export Authority (AIDEA) supervised the prepara-

tion and submittal of the HCP proposal to DoE and will:

- be the HCP project owner and coordinate the functions of the Alaska Energy Authority;
- prepare a financial plan for submittal to the Alaska legislature; and
- issue revenue bonds to finance project costs not covered by federal or state grants.

2. Golden Valley Electric Association (GVEA) will:

- oversee the project's design and construction;
- operate and maintain the HCP power plant;
- purchase electricity produced by the project;
- manage the training of operator personnel; and
- perform power plant start-up activities.

3. Usibelli Coal Mine, Inc. (UCM) initiated, oversaw and funded the costs of preparing the HCP proposal and will:

- make land owned or leased by UCM available for the siting of the HCP project;
- supply coal to HCP and dispose of plant ash; and
- review project design and construction activities.

4. Stone and Webster Engineering Corporation acted as consulting engineer and prepared the HCP proposal under contract to UCM and will:

- act as design engineer and supply key members to the project management and design team; and
- provide construction and management services to AIDEA.

*The project will draw international attention to the demonstration of leading-edge technology and provide a variety of benefits to Alaska's economy.*

5. TRW Combustion Business Unit assisted in the preparation of the HCP proposal and will:

- provide proprietary combustion technology to the project;
- participate in the project design; and
- provide warranties and guarantees covering the design and performance of TRW equipment.

6. Joy Technologies Inc. assisted in the preparation of the HCP proposal and will:

- provide proprietary technology for the sulfur and ash removal;
- participate in the project design; and
- provide warranties and guarantees covering the design and performance of Joy Technologies equipment.

## New Technologies

The Healy project will integrate entrained coal combustion (ECC) technology developed by TRW Combustion Business Unit and spray dryer absorber (SDA) technology developed by Joy Technologies Inc.

### Entrained Coal Combustion

In ECC technology, pulverized coal is injected into a precombustion chamber where it is entrained in swirling air and partially burned. The ash contained in the coal is converted to molten slag which is collected and drained off the chamber walls. The removal of over 80 percent of the ash before reaching

the boiler minimizes conventional maintenance problems and allows the combustion technology to be used with boilers originally designed for other fuels.

Additional air is added in a secondary burner where further combustion of the hot gases takes place before entering the boiler. At the entrance to the boiler, limestone is injected into the combustion gases to react with and provide first-stage removal of sulfur dioxide. The temperatures and oxygen levels throughout the combustion stages are carefully controlled to both minimize the formation of nitrogen oxides and maximize sulfur removal.

Pilot tests of ECC have demonstrated its reliability and high energy efficiencies, while emissions of sulfur dioxide and nitrogen oxides have been shown to be equal to or lower than those from other new technologies. Additionally, the size of ECC combustion units are relatively small compared with other new technologies. Therefore, they can be more easily adapted to existing boilers and may make smaller-scale coal plants feasible.

### Spray Dryer Absorber

In addition to sulfur reductions in the ECC combustion system, Joy Technologies' SDA emission control system further reduces sulfur dioxide levels in the flue gases. A recycled ash product, produced by the limestone injected during combustion, is mixed with water and sprayed into the flue gases. Sulfur

dioxide reacts with the spray and is removed along with the remaining ash in filter bags. The second-stage removal of sulfur dioxide and the reduced costs of limestone recycling contribute to the environmental and operational efficiencies of the HCP design.

## Project Contacts

For further information on the Healy Cogeneration Project, contact the personnel listed below.

### Alaska Industrial Development and Export Authority

John Olson, Project Manager  
480 W. Tudor Road  
Anchorage, AK 99503  
Tel. (907) 561-8050  
Fax. (907) 561-8998

### Golden Valley Electric Association

Mike Kelly, General Manager  
Vayla Colonell, Member Services  
758 Illinois Street  
P.O. Box 71249  
Fairbanks, AK 99707-1249  
Tel. (907) 452-1151  
Fax. (907) 451-5633

### Usibelli Coal Mine, Inc.

John Sims, Vice President Marketing  
Steve Denton, Consulting Engineer  
122 First Avenue, Ste. 302  
Fairbanks, Ak 99701  
Tel. (907) 452-2625  
Fax. (907) 451-6543



# A Summary of the Usibelli Coal Beneficiation Project

---

## Contents

I. Summary of project investigations	2
II. Potential markets for value-added coal products	3
III. Overview of coal beneficiation technology	4
IV. Chronology of UCM coal beneficiation efforts	6

---



## I. Summary of Project Investigations

### Introduction

The process of upgrading raw coal to increase its quality is referred to as beneficiation. As with other raw materials or products, any process that upgrades the quality of the coal also increases its value in the marketplace.

In addition to simple coal beneficiation methods such as crushing, screening, and washing, there are a variety of processes being developed that use high temperatures and pressures to reduce the moisture content of coal, increase its quality, and, in some cases, transform it into completely different energy forms.

Usibelli Coal Mine, Inc. (UCM) currently beneficiates its coal by crushing to a size of 2 inches or less. But though simple crushing adequately prepares UCM coal for its current markets, the coal contains a high moisture content typical of subbituminous coals. While the ultra-low sulfur content of UCM coal suggests that it could become a premium product in the Pacific Rim, its high moisture content and resulting low heat value presently make it incompatible with most existing coal plants in the Pacific Rim.

### Summary of investigations

The goal of the Usibelli coal beneficiation project is to identify a process and develop a commercial scale plant that will upgrade Alaskan subbituminous coal into a product (or products) that will have expanded opportunities in domestic and export markets.

Over the last four years, UCM has committed over \$100,000 investigating thermal drying processes and doing preliminary research into more advanced processes. Thermal drying of UCM coal received the greatest emphasis because the existing coal handling and transportation systems appeared suitable for handling a dried coal product. It was also felt that a thermal drying plant would be an appropriate candidate for funding under the U.S. Department of Energy's Clean Coal Technology program.

While simple thermal drying techniques are

widely used to heat and dry the surface of washed or naturally wet coal, the moisture in subbituminous coal is chemically bound and more intense heating processes are required to drive it out. Testing has shown that subbituminous coal may fragment as it dries, which complicates handling. Furthermore, the dried coal may reabsorb moisture during subsequent storage and transportation.

Between 1986 and Spring 1989, samples of UCM coal were shipped to beneficiation pilot plants in the United States and Canada. The resulting products were tested at the University of Alaska Fairbanks' Mineral Industry Research Laboratory (MIRL). UCM purchased laboratory autoclave equipment for MIRL which was used to test advanced high pressure drying processes. Additionally, consultants were retained to evaluate test results and to advise on project design and scope.

In January 1989, UCM contracted with Stone & Webster Engineering Corporation (Stone & Webster) to analyze test results, to review the economic and technical aspects of the various thermal drying processes, and to make recommendations to UCM for future work.

The Stone & Webster report was completed in June 1989 and found that thermal drying technologies for subbituminous coal had not been sufficiently developed, tested and refined to meet the requirements of the current round of the Clean Coal Technology program. As a result, it was concluded that the inclusion of a coal drying process into the Healy Cogeneration Project (HCP) would significantly weaken the proposal.

Prior to developing a commercially sized drying plant, the report recommended that a pilot scale plant be built and bulk samples of dried coal be produced and shipped to prospective markets. A bulk pilot test would accomplish two things. It would determine moisture reabsorption rates under actual conditions and, equally important, demonstrate the performance of the dried coal product -- a necessary step before a new fuel product can expect to gain market acceptance.

The report also concluded that other processes, including mild gasification and mechanical drying, might provide better market opportunities by producing higher value products. However, while these processes are technically viable, further research would be needed to be sure market economics were favorable.

### Future plans

Having largely completed preliminary tests and research into thermal and mechanical coal drying processes, UCM will next investigate the technical performance and economics of mild gasification. This will include analyzing the markets for mild gasification products, reviewing existing mild gasification technologies, and testing the performance of UCM coal in bench scale tests. If the results are positive, a feasibility analysis of mild gasification will be performed and the results compared with analyses for thermal and mechanical drying.

A final review of thermal drying, mechanical drying and mild gasification will be made and the most promising technology selected. If the technology is insufficiently developed, the construction of a pilot-scale test facility will be necessary. If the technology is sufficiently developed, a full scale commercial plant could be built.

It is very probable that future rounds of the Clean Coal Technology program will make cost sharing available for coal beneficiation projects such as UCM's. In fact, it is likely that a well prepared Alaska coal beneficiation project will be as attractive to the objectives of the program as was the HCP project. However, with the exception of possible research funding from the Alaska Science and Technology Foundation, state public funds are not anticipated to be needed for the development of either a pilot scale or commercial size beneficiation plant.

UCM foresees construction of the pilot and/or commercial plant adjacent to the HCP plant which, depending upon existing demand, could provide energy for the a pilot plant in the form of either process heat or electrical power.

## II. Potential Markets for Value-Added Products

### Potential export markets

There are several export market areas for value-added products created from Alaskan subbituminous coal.

- Power plant fuel: Though this is a highly competitive market, a low-moisture, low-sulfur coal with the high combustion reactivity of UCM coal would command a top price at electrical utility plants.
- Industrial fuel: The same considerations for power plants would apply to industrial processes, such as cement making, which require large amounts of process heat for manufacturing.
- Steel making: Coal char, a high-value product of mild gasification, is receiving increased attention as a substitute for coke in steel making.
- Transportation fuels: Pulverized coal-and-water mixtures and coal liquids both have the potential to replace petroleum products for internal combustion engines, especially for low speed diesels, such as large marine engines.
- Heating fuels: Japanese and Korean homeowners commonly heat with smokeless, high cost, coal briquettes produced from imported and domestic coals.
- Chemicals: Common chemicals that can be produced from coal such as benzene, tar, and pitch have high value and are currently imported by Pacific Rim countries.

Alaska subbituminous coal and products derived from it will enjoy advantages over competing sources.

- Alaska subbituminous coal has an extremely low sulfur content and a low ash content that will result in environmentally superior products and reduced ash handling costs.
- Alaska subbituminous coal has a high combustion reactivity.
- Due to Alaska's proximity to potential customers, Alaska products will enjoy lower ocean-freight costs.
- Alaska products may enjoy an additional market advantage by helping to reduce customer trade imbalances with the U.S.



### Potential domestic markets

The potential in-state market for value-added coal products is probably much smaller than the potential export market, but there may be similar needs.

- Power plant fuel: Reduced transportation costs and increased power output possible from a higher energy coal fuel could be attractive.
- Industrial fuel: The availability of high energy solid or liquid fuels derived from in-state coal may become attractive for larger Alaska industrial users.
- Transportation fuel: The production of coal liquids or coal-water-mixtures may be useful for fuel additives or substitutes.
- Chemicals: Coal liquids such as methanol may be useful for oil-field operations, while tar and pitch may be useful for briquetting coal for home heating.

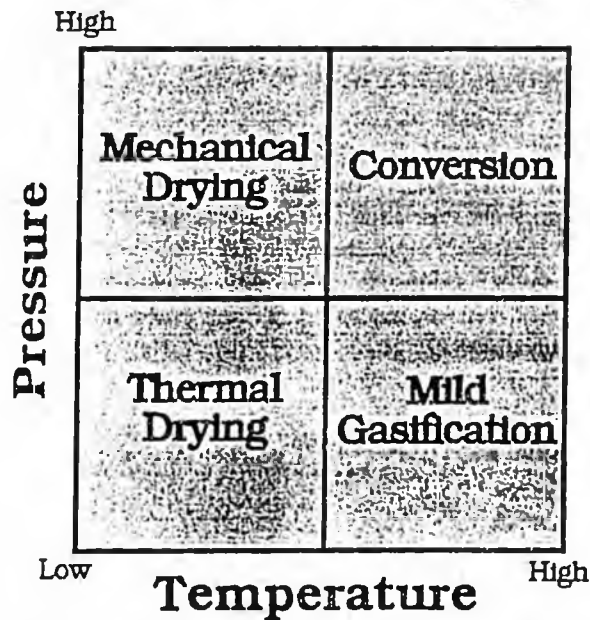


Figure 1. Advanced beneficiation processes classified by operating temperature and pressure.

### III. Overview of Advanced Beneficiation Technologies

The beneficiation of coal spans a spectrum of processes. Conventional techniques include crushing, sizing, washing, surface drying and briquetting. There are a variety of advanced beneficiation technologies of which some are still in the early stages of research.

#### Advanced beneficiation technologies

There are four general types of advanced beneficiation processes and they may be classified by the level of heat and pressure used in each process (figure 1). The type and form of end-products vary with each process. In general, operating and capital costs increase with increasing process temperatures and pressures.

- Thermal drying: Raw coal is heated at relatively low temperature and pressure, which results in a short to moderate term moisture reduction. Thermal drying preserves the reactive nature of the coal (which contributes to its rapid and thorough combustion) and minimizes the loss of volatile gases (which contributes to its total energy content). However, dried coals are subject to fragmentation (breaking into fine particles) and to the reabsorption of moisture during storage and transportation.

- Mechanical drying: Raw coal is heated to moderate temperatures at high pressure to squeeze out moisture. This results in a low moisture product with longer term stability than simple thermal drying. However, there is often significant loss of volatile gases and briquetting is frequently required because of fragmentation.

- Mild gasification: Also referred to as pyrolysis, raw coal is heated to high temperatures at low pressure. The process produces low volatile carbon (char), water, liquids (oil), and volatiles (gas). These products may require further refinement to meet market specifications.

- Conversion: Using high pressure and high temperature, the coal is converted into liquids (liquefaction) and/or gas (gasification). As with mild gasification, these products generally require further refinement to meet market specifications.



**Products of advanced coal beneficiation**

There are five basic products resulting from the four types of advanced coal beneficiation: dried coal, low moisture solid fuel, char, oil, and gas. Figure 2 shows the types and comparative value of products generated from each of the four advanced processes.

-Dried coal: Dried subbituminous coal could be substituted for higher rank bituminous coal in power and industrial plants. The cost per million Btu to transport the dried coal would be lowered and the heat output at the end-user's plant could be maintained or increased. Any reabsorption of moisture during handling, transportation and storage would reduce processing gains.

- Low moisture solid fuel: Like dried coal, this product could be substituted for bituminous coal but would have a higher energy value (Btu/

lb), higher carbon content and lower rate of moisture reabsorption than dried coal.

-Char: Char is primarily carbon with a very low volatile (gas) content. Char is a potential substitute for coke in steel making and could also be used as a clean, smokeless fuel for residential heating in Pacific Rim countries.

- Oil: Liquefaction of coal produces a product similar to crude oil. It can be refined, like crude oil, to yield a variety of high value products that are used as feedstocks for manufacturing a variety of chemicals or liquid fuels.

- Gas: Coal gasification produces a gas, similar to natural gas but with lower heating value, that can be used for generating process heat or electricity.

<p><b>Mechanical Drying</b></p> <p>Low Moisture Solid Fuel \$2.40/MMBtu</p> <p>\$30/ton</p>	<p><b>Conversion</b></p> <p>Gas \$1.50/MMBtu Oil \$3.10/MMBtu</p> <p>\$47/ton</p>
<p><b>Thermal Drying</b></p> <p>Dried Coal \$2.40/MMBtu</p> <p>\$32/ton</p>	<p><b>Mild Gasification</b></p> <p>Char \$4.00/MMBtu Gas \$1.50/MMBtu Oil \$3.10/MMBtu</p> <p>\$57/ton</p>

\* Value of oil assumed at \$18 per barrel

Figure 2. Types of advanced coal beneficiation processes and the comparative value of their products in SU.S. per million Btu's (MMBtu) and SU.S. per ton of feed coal.



#### IV. Chronology of UCM Coal Beneficiation Efforts

October 1986: A two ton bulk sample of UCM coal was shipped to Butte, Montana for thermal drying tests at Western Energy Company's pilot plant.

July 1987: UCM, through consultant Brown & Root USA, Inc., began investigating the potential for a cogeneration plant at Healy which would produce 150 megawatts of electricity and 500,000 tons per year of beneficiated coal.

April 1988: Consultants Brown & Root completed a report for the "Usibelli Cogeneration and Beneficiation Project" that provided conceptual designs and estimated costs for a 150 megawatt/500,000 ton per year cogeneration plant.

September 1988: UCM purchased an autoclave for the UAF Mineral Industry Research Laboratory to perform high-pressure beneficiation tests on UCM and other Alaska coals.

November 1988: UCM completed an internal evaluation on the market potential of thermally dried coal. The evaluation found that while potentially large sales at premium prices could be expected due to the low sulfur content of thermally dried Alaska coal, the potential for moisture reabsorption was a key factor in the technical and economic viability of the process.

January 1989: Stone & Webster Engineering Corporation was selected to review work done to date and prepare a report analyzing the technical and economic feasibility of coal beneficiation processes suitable for UCM coal.

January 1989: Coal samples were shipped for

bench testing to several firms developing coal beneficiation technologies including K-Fuels in Gillette, Wyoming; Carbontec in Bismark, North Dakota; Western Energy in Butte, Montana; Coal Mining Research Center in Devon, Alberta; Hazen Research Laboratory in Golden, Colorado; and Synfuels Genesis in La Jolla, California.

May 1989: The products resulting from the January 1989 tests were returned to the UAF Mineral Industry Research Laboratory (MIRL) for analysis. The product quality results of the MIRL analyses were forwarded to Stone & Webster for use in their report.

June 1989: Stone & Webster Engineering Corporation reviewed the thermal drying test work done for UCM and recommended that the inclusion of a thermal drying process into the HCP project would significantly weaken the proposal, and that prior to developing a commercially sized thermal drying plant, a pilot scale plant should be built and a bulk sample of dried coal be produced and shipped to market. The report also found that a combination of thermal drying and mild gasification may prove to be economically attractive. Stone & Webster recommended that further testing and market analyses should be done before UCM selects a beneficiation technology for development.

July 1989: A 2 1/2 ton bulk sample of UCM coal was shipped to the Japanese New Energy Development Organization (NEDO) for gasification testing.

October 1989: A 1 1/2 ton bulk sample of UCM coal was shipped to the Western Research Institute (WRI) in Laramie, Wyoming for testing in a 100 lb/hr pilot plant using an inclined fluid-bed dryer. WRI is currently preparing a proposal to perform work using the inclined fluid-bed dryer to test mild gasification.

**HEALY  
COGENERATION  
PROJECT**

# PROJECT HISTORY

1988

\* 150 MEGAWATT CONCEPT  
-TECHNICAL EVALUATION

\* MARKET ANALYSIS  
-POWER & COAL

\* 50 MEGAWATT CONCEPT  
-PRELIM. FEASIBILITY

1989

\* PROJECT RESERVE BY  
STATE LEGISLATURE

\* PROPOSAL TO DOE

# PROJECT PARTICIPANTS HEALY POWER PROJECT

---

M0290113

- Alaska Industrial Development and Export Authority      AIDEA
- Golden Valley Electric Association, Inc.      GVEA
- Joy Technologies, Inc. and Niro Atomizer      JOY
- Stone & Webster Engineering Corporation      SWEC
- TRW Combustion Business Unit      TRW
- Usibelli Coal Mine, Inc.      UCM

# DOE CLEAN COAL III

## OBJECTIVES

- \* REDUCE ACID RAIN  
PRECURSORS ( $\text{SO}_x$  &  $\text{NO}_x$ )
- \* REDUCE U.S. - CANADA  
AIR POLLUTION
- \* COMMERCIALIZE CCT'S
  - RETROFIT
  - REPOWER
  - NEW COAL-BASED ELECT.  
GENERATION



## Clean Coal III - Competition

DOE Received 48 Proposals

\$3.9 billion Total Value

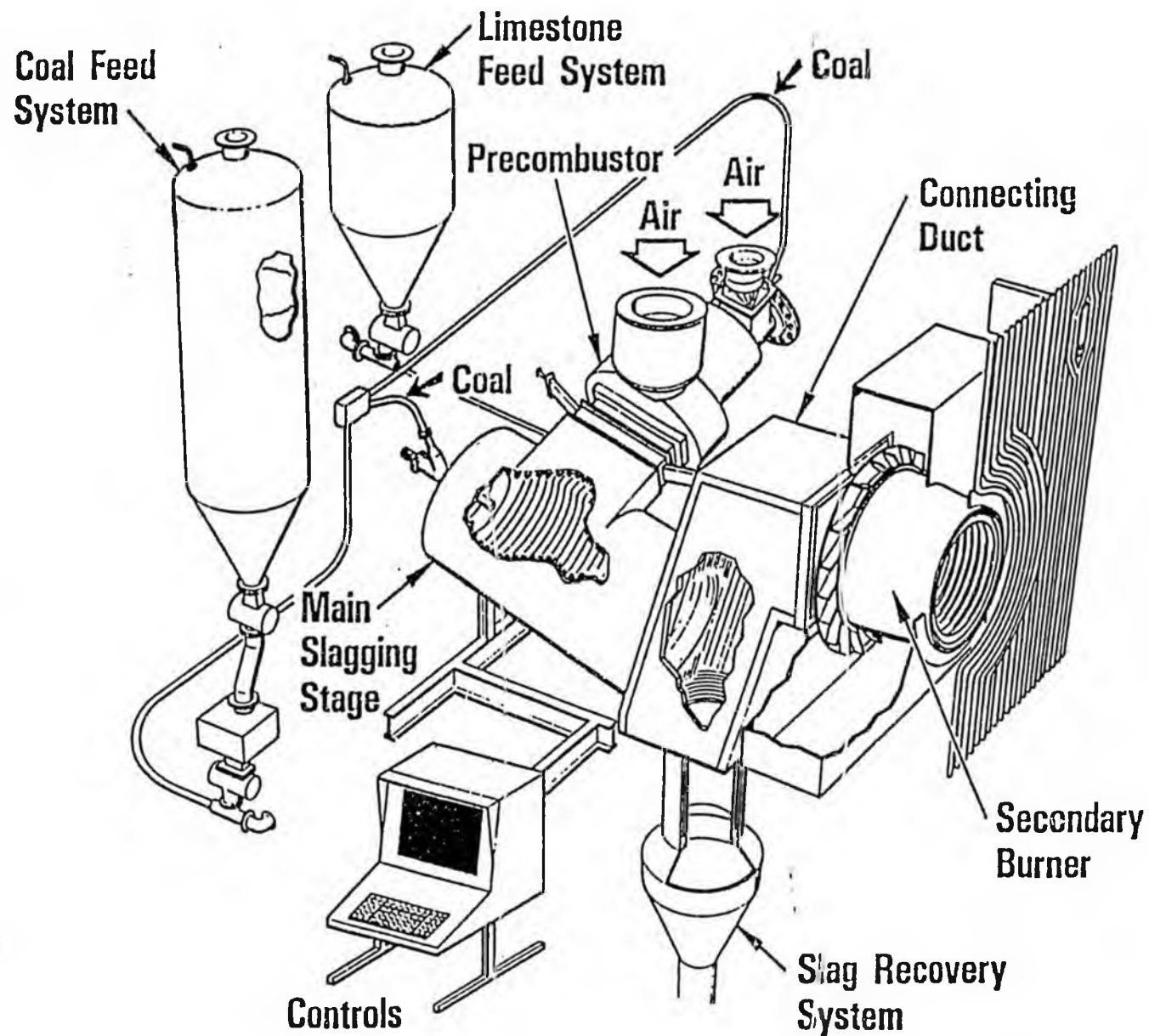
DOE Selected 13 Proposals

\$1.3 billion Total Value

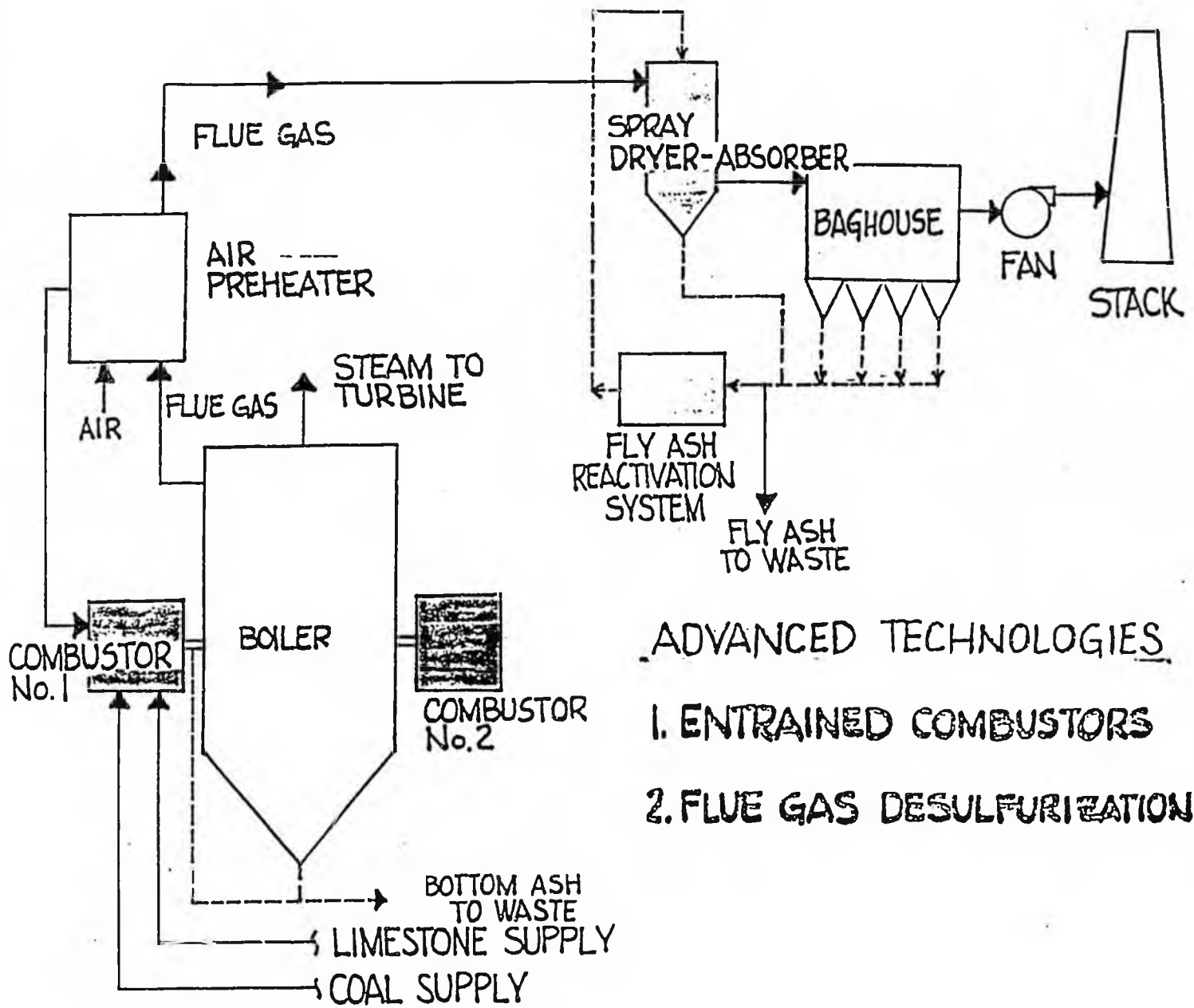
\$540 million DOE

\$770 million Private & State

Pre - Award activities must be completed  
by December 22, 1990



**TRW ENTRAINED COMBUSTION SYSTEM**  
 Alaska Industrial Development and Export Authority



ADVANCED TECHNOLOGIES

1. ENTRAINED COMBUSTORS
2. FLUE GAS DESULFURIZATION

# HCP BENEFITS

- \* LOW COST, COAL-BASED POWER
- \* CLEAN COAL TECHNOLOGY - LOW PLANT EMISSIONS
- \* FUEL DIVERSIFICATION FOR POWER GENERATION
- \* WASTE COAL UTILIZED
- \* ENHANCED COAL EXPORT
- \* USEFUL BYPRODUCTS

## SOURCES OF FUNDS

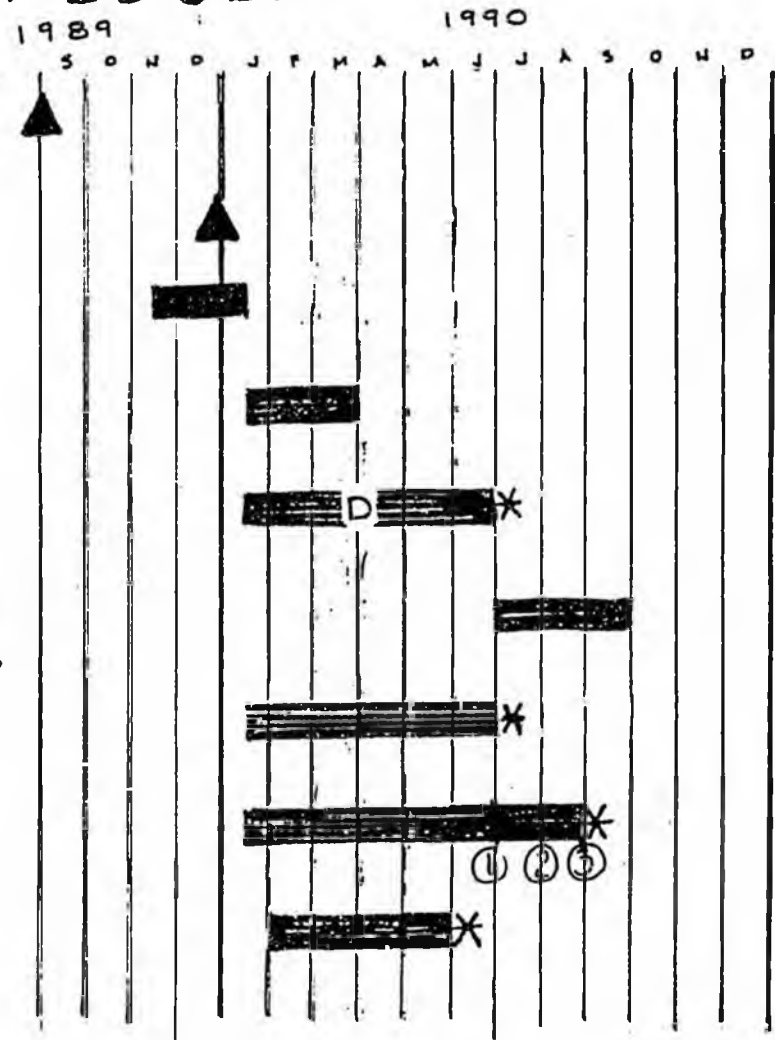
* CCT PROGRAM	\$ 93,186,000
* RAILBELT FUND	30,000,000
* AIDEA BONDS	<u>68,532,000</u>
	\$ 191,718,000

## USES OF FUNDS

* DESIGN & PERMITS	\$ 26,721,000
* CONSTRUCTION	134,197,000
* DEMONSTRATION	<u>30,800,000</u>
	\$ 191,718,000

# HCP NEAR-TERM SCHEDULE

DOE PROPOSAL  
 DOE SELECTION  
 FIN. CONSULT. SELECT.  
 FINANCIAL PLAN  
 POWER SALES AGMT.  
 APUC REVIEW P.S. AGMT.  
 COAL SALES AGMT.  
 DOE COOP. AGMT.  
 SECURE LEG. APPRN.



DOE COOP. AGMT.

① FINAL REPAYMENT PLAN

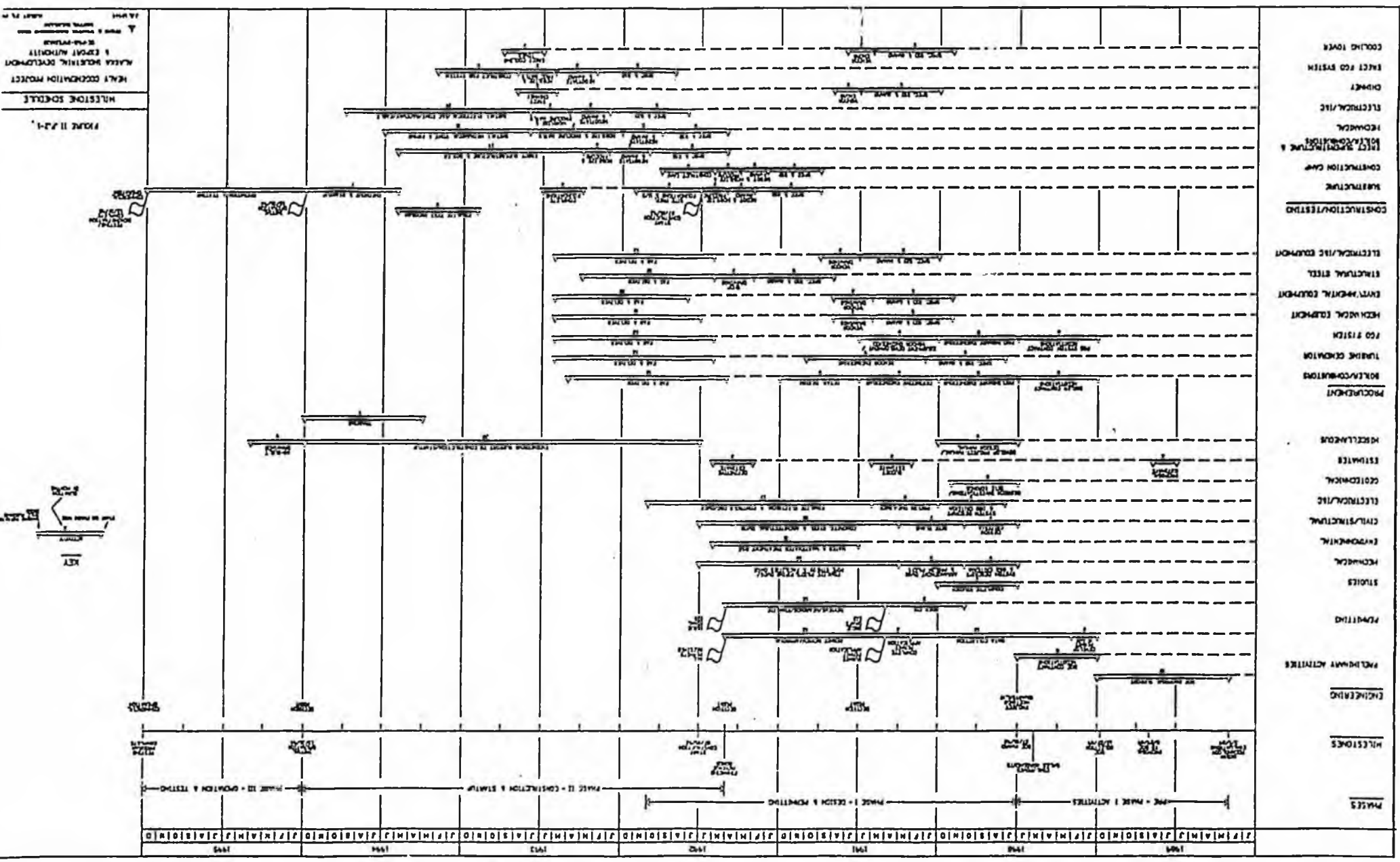
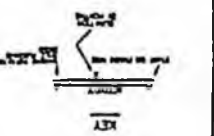
② HOST SITE AGREEMENT

③ DEMONSTRATE FINANCIAL CAPABILITY

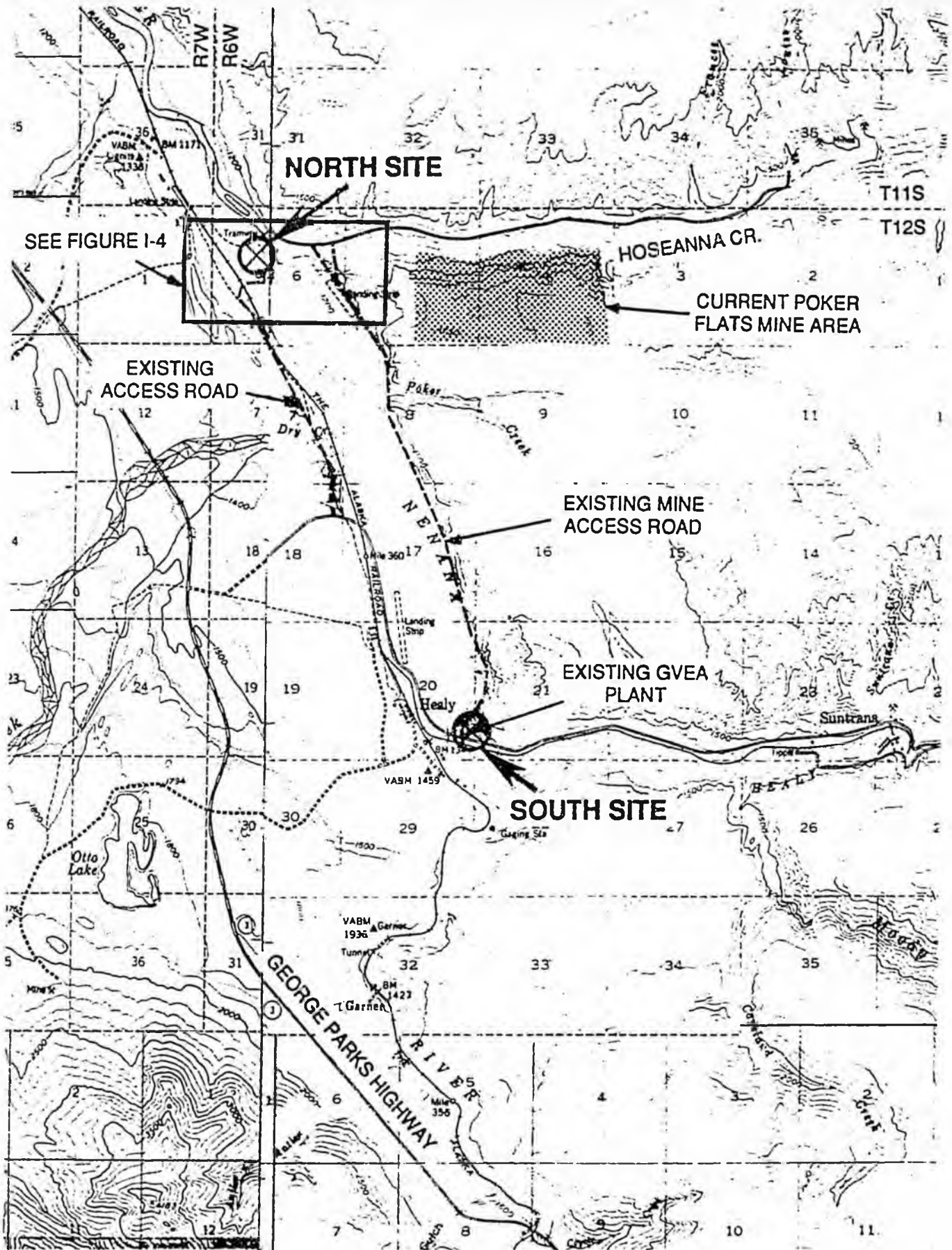
ALASKA REGIONAL DEVELOPMENT  
 & EXPORT AUTHORITY  
 HEALTH OCCUPATION PROJECT  
 GUESTHOUSE SCHEDULE  
 PAGE 11-2-1

DATE: 11-2-1

PHASE I - DESIGN & PERMITTING  
 PHASE II - CONSTRUCTION & STAFFING  
 PHASE III - OPERATION & TESTING



1965 1966 1967 1968



**PROJECT AREA**  
**HEALY POWER PROJECT**  
 Alaska Industrial Development and Export Authority

## CONSTRUCTION EMPLOYMENT

Mid - 1992 through 1994

\$134,197,000 Budget

Construction Employment - 200 Workers

## OPERATIONAL EMPLOYMENT

GVEA/UCM - Power Generation  
50 to 60 workers

UCM - Coal Beneficiation (Potential)  
Additional Workers

## Financial Feasibility - Major Factors

Federal & State Financial Contributions

Tax - Exempt Financing

Construction Costs

Conservative to Test Feasibility

Estimates Reviewed

Contingency Reserved

Operating Costs

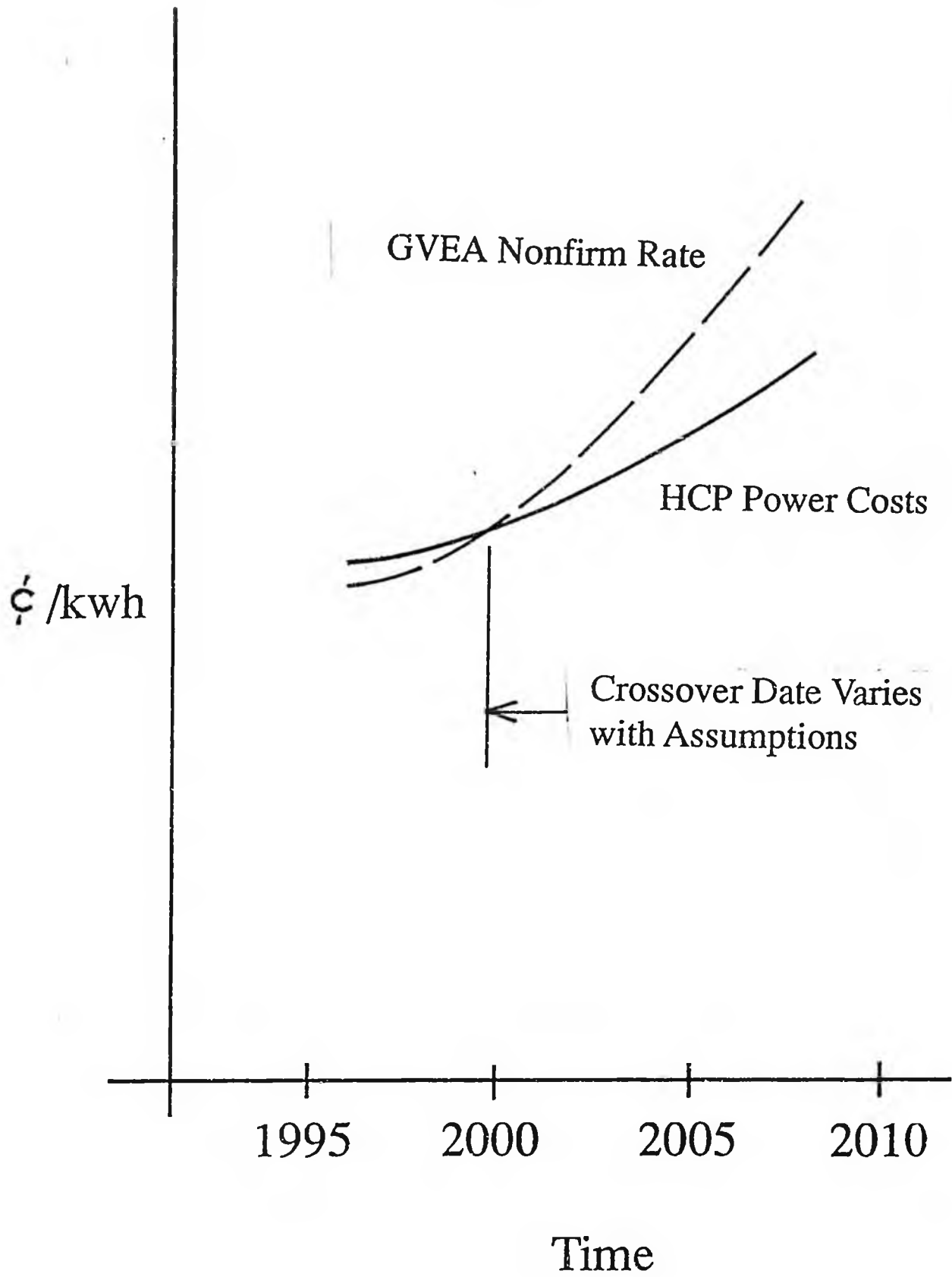
2 Alternative Sites

Fixed & Variable Costs

Comparison Power Prices

Other Generating Sources

Based on Model of GVEA System



**KENT DAWSON COMPANY**

**V. Kent Dawson**

---

P.O. Box 20790  
Juneau, Alaska 99802

Phone: (907) 463-2533  
FAX: (907) 586-8388

*Offices located at 311 North Franklin Street*

# Healy Cogeneration Project



*The combination of new coal-burning technologies and low-sulfur Alaska coal will result in one of the cleanest coal-burning power plants in the world*

## Healy Cogeneration Project Selected

In August 1989 the Alaska Industrial Development and Export Authority (AIDEA) submitted a proposal for the Healy Cogeneration Project (HCP) to the U.S. Department of Energy (DoE) under the DoE's Clean Coal Technology Program. In December 1989, the HCP proposal was selected from among 48 other projects for grant funding of up to \$93.2 million. The grant will finance nearly half of the design, capital and initial operating costs of the HCP plant. The project schedule calls for plant construction to be complete in 1995 with a one-year start-up and test program to follow.

The HCP project will construct a state-of-the-art coal-fired power plant at Healy, Alaska. The power plant will provide 50 megawatts of competitively priced electricity to satisfy increasing railbelt demand; will demonstrate innovative coal burning technologies; and may provide energy for the future development of a pilot-scale plant to benefit high-moisture Alaska coals. The combination of new coal-burning technologies and low-sulfur Alaska coal will result in one of the cleanest coal-burning plants in the world.

## Alaska Benefits

The Healy Cogeneration Project will draw national and interna-

tional attention to the demonstration of leading-edge technologies and provide a variety of benefits to the state's economy. The project will employ approximately 200 workers during a two year construction period and create about 50 year-round jobs in Healy once the plant is fully operational. In addition to employment, several other long-term economic benefits will contribute to the future well-being of Alaska's railbelt.

## Satisfying Growing Railbelt Energy Needs

The addition of a new, efficient 50 megawatt power plant will provide power to satisfy increasing railbelt energy demands and will help diversify the fuel base of the railbelt power grid. Between 1984 and 1989, kilowatt-hour sales by GVEA increased nearly 24 percent. By the mid to late 1990's, additional base load generating capacity will be needed. While primarily serving northern railbelt customers, the strategically located generating plant would also be available for transmitting power to the southern railbelt.

## Technology for New and Existing Power Plants

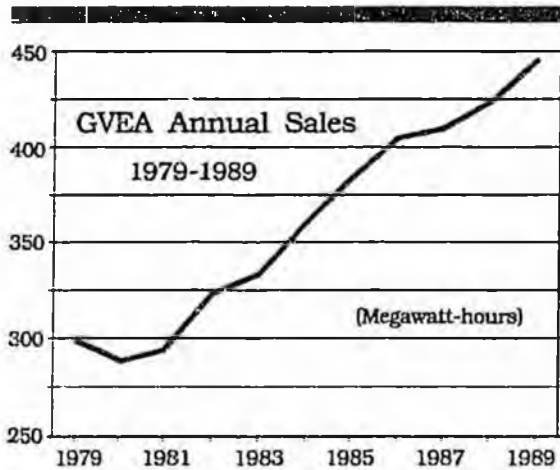
The HCP will demonstrate a clean-burning technology that can be used to retrofit or repower existing power plants in Alaska, the nation, and the Pacific Rim.

Most coal-fired power plants in Alaska and other states will require life extension work within the next 10 to 15 years. EPA's stringent New

*The addition of a new, efficient 50 megawatt power plant will provide competitively priced power to satisfy increasing railbelt energy demands.*

Source Performance Standards will be applied to these plants and HCP technology may be the lowest-cost solution for meeting these standards.

In addition to environmental advantages, the use of HCP technology to retrofit coal-fired power plants in the Pacific Rim will open new markets for Alaskan coal. Currently, few Pacific Rim plants are designed to use Alaska's high-mois-



ture low-energy coal. HCP technology will allow Alaskan coal to be burned in these plants without the need for extensive boiler modifications.

The project may also demonstrate the feasibility of new power plants in other areas of Alaska. The reduced size of HCP technology relative to conventional coal plants will make the use of modular construction possible. This may result in lower construction costs for small sized plants which heretofore have not been economically feasible.

#### Beneficiation of Alaska Coal

A future component of the project may be the use of energy from HCP in a proposed pilot plant which will test methods to increase the quality of Alaskan subbituminous coal by reducing its moisture content or by producing entirely new fuel products. Alaska subbituminous coal has superior environmental qualities compared to coal from virtually all other states and countries. However, its low energy value -- due primarily to its high-moisture content -- makes the coal costly to transport and puts it at an economic disadvantage in international markets. The value and competitiveness of Alaska coal could be increased through drying, gasification, liquefaction or a combination of these processes. The excellent environmental qualities and high energy value of beneficiated Alaska coal would result in a premium fuel for export markets.

#### Focus on Alaska's Coal Resources

Alaska has enormous resources of coal and could become a major energy supplier to the Pacific Rim. The HCP project will be a showcase for leading-edge coal-burning technology and will bring national and international attention to Alaska's low-sulfur coal resources. The proj-

ect will also send a clear signal to industry that Alaska is serious about using new and environmentally superior technologies to utilize the state's enormous natural resources.

#### Clean Coal Technology Program

The Clean Coal Technology program (CCT) was created by the U.S. Congress in response to concerns about acid rain. The program is administered by the DoE and focuses on the reduction of air pollutants considered to be precursors of acid rain. Five rounds of funding totaling over \$2.5 billion have been planned. The first two rounds made \$973 million available while the third and current round has \$540 million available to support qualifying projects. The \$93.2 million granted to HCP represented over 17 percent of the total funding available in round three.

The objectives of the current round of CCT funding are to promote, through demonstration projects, the commercialization of innovative technologies which are capable of significantly reducing emissions of sulfur dioxide and nitrogen oxides in existing coal burning facilities and/or providing for future energy needs in an environmentally acceptable manner.

The DoE may match up to 50 percent of the costs for the design, construction and initial operation of selected projects. Project owners are responsible for financing the re-

*The project will employ approximately 200 workers during a two year construction period and create about 50 year-round jobs when complete*

remainder of the cost. Under the terms of the program, AIDEA and DoE must negotiate an agreement during 1990 for the design, construction, demonstration and financing of the HCP project before federal funding may be awarded.

## Project Description

The Healy Cogeneration Project involves six participants. These include the Alaska Industrial Development and Export Authority (AIDEA), which will own the project and be assisted by the Alaska Energy Authority; Golden Valley Electric Association (GVEA) which will operate, maintain and purchase power from the project; Usibelli Coal Mine, Inc. (UCM) which will supply coal and has offered a project location site; Stone & Webster Engineering Corporation, which will act as project design and management engineer; TRW Combustion Business Unit, which will provide proprietary combustion technology; and Joy Technologies Inc. which will provide proprietary emission control technology.

The HCP power plant will use an innovative design integrating advanced combustion, heat recovery, and emission control technologies. The environmental emissions from the HCP plant, including sulfur dioxide and nitrogen oxides, may be lower than any other coal-based power system in the world.

The HCP plant will use approximately 300,000 tons per year of low-sulfur subbituminous coal and will

produce 50 megawatts of competitively priced electrical power. The plant will contribute to energy resource conservation by burning both run-of-mine coal and high-ash waste coal that could not be normally utilized. In the project's demonstration phase, various Alaska coals will be tested and the plant will be made available for testing coals from other states.

The estimated cost of the project is \$192 million. The HCP was selected for up to \$93.2 million of cost-sharing by DoE. Additionally, in the 1989 legislative session, the Alaska legislature reserved \$30 million from the Railbelt Energy Fund for potential appropriation to the HCP project. The appropriation of the reserve was to be contingent upon the selection of the project by DoE, the preparation by AIDEA of an acceptable financial plan, and the drafting of power sales agreements. The HCP participants are requesting that the reserved funds be appropriated to the project during the 1990 legislative session. The balance of the project costs will be secured by AIDEA through the sale of revenue bonds.

## Project Participants

Six participants cooperated in the preparation of the HCP proposal and will participate in the performance of the project.

1. The Alaska Industrial Development and Export Authority (AIDEA) supervised the prepara-

tion and submittal of the HCP proposal to DoE and will:

- be the HCP project owner and coordinate the functions of the Alaska Energy Authority;
- prepare a financial plan for submittal to the Alaska legislature; and
- issue revenue bonds to finance project costs not covered by federal or state grants.

2. Golden Valley Electric Association (GVEA) will:

- oversee the project's design and construction;
- operate and maintain the HCP power plant;
- purchase electricity produced by the project;
- manage the training of operator personnel; and
- perform power plant start-up activities.

3. Usibelli Coal Mine, Inc. (UCM) initiated, oversaw and funded the costs of preparing the HCP proposal and will:

- make land owned or leased by UCM available for the siting of the HCP project;
- supply coal to HCP and dispose of plant ash; and
- review project design and construction activities.

4. Stone and Webster Engineering Corporation acted as consulting engineer and prepared the HCP proposal under contract to UCM and will:

- act as design engineer and supply key members to the project management and design team; and
- provide construction and management services to AIDEA.

*The project will draw international attention to the demonstration of leading-edge technology and provide a variety of benefits to Alaska's economy.*

5. TRW Combustion Business Unit assisted in the preparation of the HCP proposal and will:

- provide proprietary combustion technology to the project;
- participate in the project design; and
- provide warranties and guarantees covering the design and performance of TRW equipment.

6. Joy Technologies Inc. assisted in the preparation of the HCP proposal and will:

- provide proprietary technology for the sulfur and ash removal;
- participate in the project design; and
- provide warranties and guarantees covering the design and performance of Joy Technologies equipment.

## New Technologies

The Healy project will integrate entrained coal combustion (ECC) technology developed by TRW Combustion Business Unit and spray dryer absorber (SDA) technology developed by Joy Technologies Inc.

### Entrained Coal Combustion

In ECC technology, pulverized coal is injected into a precombustion chamber where it is entrained in swirling air and partially burned. The ash contained in the coal is converted to molten slag which is collected and drained off the chamber walls. The removal of over 80 percent of the ash before reaching

the boiler minimizes conventional maintenance problems and allows the combustion technology to be used with boilers originally designed for other fuels.

Additional air is added in a secondary burner where further combustion of the hot gases takes place before entering the boiler. At the entrance to the boiler, limestone is injected into the combustion gases to react with and provide first-stage removal of sulfur dioxide. The temperatures and oxygen levels throughout the combustion stages are carefully controlled to both minimize the formation of nitrogen oxides and maximize sulfur removal.

Pilot tests of ECC have demonstrated its reliability and high energy efficiencies, while emissions of sulfur dioxide and nitrogen oxides have been shown to be equal to or lower than those from other new technologies. Additionally, the size of ECC combustion units are relatively small compared with other new technologies. Therefore, they can be more easily adapted to existing boilers and may make smaller-scale coal plants feasible.

### Spray Dryer Absorber

In addition to sulfur reductions in the ECC combustion system, Joy Technologies' SDA emission control system further reduces sulfur dioxide levels in the flue gases. A recycled ash product, produced by the limestone injected during combustion, is mixed with water and sprayed into the flue gases. Sulfur

dioxide reacts with the spray and is removed along with the remaining ash in filter bags. The second-stage removal of sulfur dioxide and the reduced costs of limestone recycling contribute to the environmental and operational efficiencies of the HCP design.

## Project Contacts

For further information on the Healy Cogeneration Project, contact the personnel listed below.

### Alaska Industrial Development and Export Authority

John Olson, Project Manager  
480 W. Tudor Road  
Anchorage, AK 99503  
Tel. (907) 561-8050  
Fax. (907) 561-8998

### Golden Valley Electric Association

Mike Kelly, General Manager  
Vayla Colonell, Member Services  
758 Illinois Street  
P.O. Box 71249  
Fairbanks, AK 99707-1249  
Tel. (907) 452-1151  
Fax. (907) 451-5633

### Usibelli Coal Mine, Inc.

John Sims, Vice President Marketing  
Steve Denton, Consulting Engineer  
122 First Avenue, Ste. 302  
Fairbanks, Ak 99701  
Tel. (907) 452-2625  
Fax. (907) 451-6543



APR 23 1990

ALASKA INDUSTRIAL DEVELOPMENT  
AND EXPORT AUTHORITY

---

480 WEST TUDOR • ANCHORAGE, ALASKA 99503-6690 • (907) 561-8050 • FAX: (907) 561-8998

April 18, 1990

The Honorable Bettye Fahrenkamp  
Alaska State Legislature  
Room 125, Capitol  
P.O. Box V  
Juneau, Alaska 99811

Subject: Healy Power Project - Draft Power Sales Agreement

Dear Senator Fahrenkamp:

Enclosed for your review and consideration is a Draft Power Sales Agreement for the Healy Power Project.

The draft agreement (Attachment B) is intended to satisfy the requirement of SLA 1989, Chapter 117, Section 217(e)(2)(A), that the Alaska Industrial Development and Export Authority (AIDEA) and Golden Valley Electric Association (GVEA) record their intention to enter into a final power sales agreement.

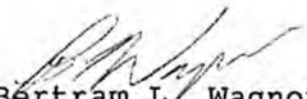
Having completed the draft power sales agreement AIDEA has satisfied all requirements as outlined in SLA 1989, Chapter 117, Section 217 (Attachment A). These requirements included:

1. A draft power sales agreement for firm energy output from the plant. (See Attachment B).
2. A financial plan for the Healy Power Project. (See Attachment C)
3. A commitment from the federal Department of Energy, Clean Coal Technology Program, to the Healy Power Project for a grant in an amount that at least matches the state contribution.... (See Attachment D)

The Honorable Bettye Fahrenkamp  
April 18, 1990  
Page Two

Should you have any questions or need additional information please do not hesitate to contact me.

Sincerely,



Bertram L. Wagnon  
Executive Director

WRS/bjf  
Enclosures

cc: Jack Jessie, Chairman, AIDEA Board of Directors  
Mike Kelly, GVEA  
Bob LeResche, Alaska Energy Authority

ATTACHMENT A

SLA 1989, Chapter 117, Section 217

13 \* Sec. 217. (a) The sum of \$30,000,000 is appropriated from the Rail-  
14 belt energy fund (AS 37.05.520) to the general fund, contingent upon (b) of  
15 this section.

16 (b) The sum of \$30,000,000 is appropriated from the general fund to  
17 the Railbelt energy fund (AS 37.05.520) for the Healy cogeneration project,  
18 contingent upon (a) of this section.

19 (c) Funds may not be expended from the Healy cogeneration project  
20 reserve until appropriated by the legislature..

21 (d) The unappropriated balance of the appropriation made in (b) of  
22 this section lapses into the Railbelt energy fund without restrictions  
23 June 30, 1990.

24 (e) It is the intent of the legislature that

25 (1) this appropriation is for a Railbelt energy need and is not  
26 specific to House District 17, or Senate District J, with respect to future  
27 reappropriation;

28 (2) before any legislative appropriation for the Healy cogenera-  
29 tion project, the project sponsors shall provide the legislature with:

SCS CSEB 163(Fin) am S

-56-

1 (A) a draft power sales agreement for firm energy output  
2 from the plant;

3 (B) a financial plan for the Healy cogeneration project;  
4 and

5 (C) a commitment from the federal Department of Energy,  
6 Clean Coal Technology Program, to the Healy cogeneration project for a  
7 grant in an amount that at least matches the state contribution; and

8 (3) during the interim, the project sponsors shall work with the  
9 Alaska Industrial Development and Export Authority to evaluate ownership  
10 and financial options.

DRAFT POWER SALES AGREEMENT  
FOR THE HEALY CO-GENERATION PROJECT

To fulfill the requirements of Section 217(e)(2)(A), 1989 SLA Ch. 117, Alaska Industrial Development and Export Authority ("AIDEA") and Golden Valley Electric Association, Inc. ("GVEA") record their intention to enter into a final Power Sales Agreement ("Agreement") with respect to the Healy Co-Generation Project ("Project") containing the following provisions:

1. AIDEA will use its best efforts to issue bonds in an amount not to exceed \$85 million to finance the Project and to design, construct and complete the Project according to a timetable to be agreed and attached to the Agreement. The Bonds will be payable from Project revenues or from sources other than the state, as identified in the Agreement.

2. GVEA will agree to purchase 100 percent of the energy output ("Project Capacity") of the Project. Amounts paid for Project Capacity ("Payments") in each year would be payable on a monthly basis in amounts equal to amounts that AIDEA is required to deposit in its various accounts under the bond resolution or bond indenture which will be attached to the Agreement; such amounts to include debt service on the bonds, operations and maintenance costs, insurance, and payments to repair and replacement reserve accounts agreed to by the parties. The actual debt service component payment amounts shall be agreed by the parties and will be fixed at the time of

issuance of bonds. GVEA will make its commitments irrevocable prior to the beginning of construction or the issuance of bonds. GVEA's obligation will also be contingent upon entering into appropriate coal purchase and steam sales agreements satisfactory to it. GVEA will also pay all costs of operation and maintenance of the Project and normal repairs and replacements. The parties will agree as to the means of financing major repairs and improvements which could include a covenant by AIDEA to use its best efforts to finance the costs of such major repairs and improvements.

3. The term of the Agreement will commence when the Agreement has been signed, when all necessary approvals, including approval by the Alaska Public Utilities Commission (APUC), have been obtained and when the state and federal appropriations, and grants and authorizations are made available. The grants include (a) grant from U.S. Department of Energy of \$93.2 million, (b) State appropriation to AIDEA of \$30 million in 1990 dollars with interest, and (c) State appropriation to AEA for the Northern Intertie totalling \$66 million in 1990 dollars with interest. Further necessary approvals will be identified in the Agreement. The time within which the necessary approvals must be obtained and appropriations made available would be fixed prior to the financing date. The Agreement will extend 35 years from the date of commercial operation.

4. The obligation to make Payments by GVEA will begin on the date of commercial operation. The date of commercial operation will be the date on which the DOE completes all demonstration and testing of Project technology, the Project demonstrates full Project capability, and engineers retained for the purpose declare the Project to be fully able to be operated at not less than its design capacity on a sustained basis for its projected life of 35 years. The Agreement will contain a provision allowing its termination by either party if the date of commercial operation is not achieved prior to a fixed date.

5. Financing during construction will be credit enhanced under a letter of credit with the construction and project guarantys customary for this kind of financing. The agreement will be "Take or Pay" from the date of commercial operation. This means that GVEA will agree to make Payments notwithstanding a suspension or reduction in the amount of energy supplied by the Project. Other agreements with Project participants may provide for financial assistance to the Project and GVEA if the technology performs below that of conventional plants.

6. Prior to the issuance of Bonds, GVEA will agree to operate and maintain the Project under terms and conditions acceptable to both parties.

7. GVEA will have the right to make optional additions to the Project at its own expense. AIDEA and GVEA

will agree to accept an independent consultant's determination as to whether or not the proposed addition would have any adverse affect on GVEA's abilities to perform under the Agreement. The Agreement will contain covenants by GVEA to establish appropriate rates to meet its obligations under the Agreement, to maintain its system in good repair, and not to enter into contracts which limit its power to perform under the Agreement; provided, however, that GVEA's relationship with the Rural Electrification Administration will not be compromised by these covenants.

8. The Agreement will contain provisions permitting the assignment of payments to the Trustee under the bond resolution or indenture and provisions that additional bonds may be issued upon a joint finding that additions are necessary to provide for the economic and efficient operation of the Project.

9. The Agreement will provide that GVEA will maintain appropriate insurance.

10. GVEA will agree to consent to the adoption of supplemental resolutions or indentures for the issuance of bonds to either complete the Project or to finance additions and improvements in a form to be determined by the parties and attached to the Agreement. Appropriate permission for GVEA to assign the agreement as required by its other financing documents would be included.

11. The Agreement will permit GVEA, upon providing for payment of (a) the AIDEA bonds, (b) the \$30 million AIDEA contribution, and (c) any other obligations AIDEA has incurred concerning the Project, to terminate the Agreement and end the Project or to purchase the Project.

12. AIDEA will have a right to bring suit immediately to enforce payments due under the Agreement and the right to terminate or suspend the delivery of energy. GVEA will have the right to bring any action, suit or proceeding as necessary to enforce its rights but will not have the right to suspend its payment obligations.

13. The Agreement will contain covenants to maintain the integrity of the Agreement, require GVEA and AIDEA to pursue all necessary administrative and judicial remedies, and to take necessary steps to comply with federal and state law and to comply with all lawful terms of applicable licenses.

14. The Agreement will contain all agreements necessary for tax exempt financing, if tax exempt financing can be secured.

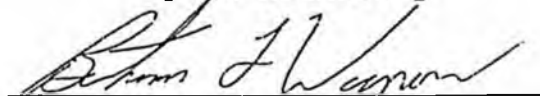
15. The Agreement will make provision for potential use of unused heat from the Project by Usibelli Coal Mine, Inc. under conditions mutually acceptable to GVEA and Usibelli, and approved by AIDEA.

16. The Agreement will contain appropriate severability, a no-remedies cumulative provision and similar contract technical provisions.

17. The parties agree to negotiate in good faith to finalize a power sales agreement including the above terms, and to use their respective best efforts to complete such agreement and submit it to all appropriate bodies, for approval no later than September 30, 1990 (including, but not limited to, the governing bodies of both parties, the Alaska Public Utilities Commission and the U.S. Rural Electrification Administration).

Agreed, this 17<sup>th</sup> day of April, 1990;

Alaska Industrial Development  
and Export Authority



Bertram L. Wagnon  
Executive Director

Golden Valley Electric  
Association

---

Michael P. Kelly  
General Manager

17. The parties agree to negotiate in good faith to finalize a power sales agreement including the above terms, and to use their respective best efforts to complete such agreement and submit it to all appropriate bodies, for approval no later than September 30, 1990 (including, but not limited to, the governing bodies of both parties, the Alaska Public Utilities Commission and the U.S. Rural Electrification Administration).

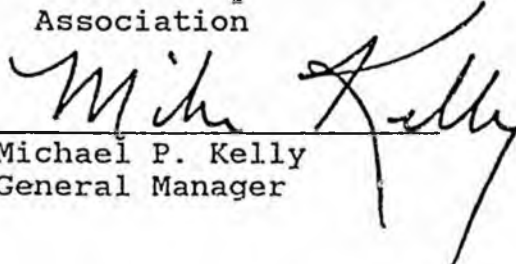
Agreed, this 17<sup>th</sup> day of April, 1990;

Alaska Industrial Development  
and Export Authority

---

Bertram L. Wagnon  
Executive Director

Golden Valley Electric  
Association

  
Michael P. Kelly  
General Manager

ATTACHMENT C

Financial Plan and Feasibility Study dated March 30, 1990, previously sent under separate cover.



Department of Energy  
Washington, DC 20585

Mr. Bert Wagnon  
Executive Director  
Alaska Industrial Development  
and Export Authority  
480 West Tudor  
Anchorage, AK 99503-6690

Dear Mr. Wagnon:

I would like to add my congratulations to those which you have already received for being selected for negotiations in the Clean Coal Technology Program. I am looking forward to working with you for successful negotiations for award of a Cooperative Agreement and more importantly the successful completion of the project.

The Secretary of Energy has issued a directive that sets a 12 month deadline for negotiations and approval of all 13 projects selected. My first step to meet this objective is to have a senior management policy meeting with all 13 of the participants, the Directors of the DOE Energy Technology Centers at Morgantown and Pittsburgh and the Deputy Assistant Secretary for Coal Technology. I would like to take this opportunity to invite you or your designee to this meeting. The meeting is scheduled for 10:30 A.M. on January 3, 1990, in the Forrestal Building located at 1000 Independence Avenue, S.W., Washington, D.C. 20585.

I apologize for such short notice but every week is vital to meet the objectives and this meeting is viewed with a great deal of urgency and importance by myself and my staff.

Please call the office of Mr. Jack Siegel at 202/586-1650, with the name(s) of the individuals from your organization who will be attending. On the day of the meeting call this same number from the security desk at the Forrestal Building and you will be escorted to the meeting room.

I look forward to meeting with you.

Sincerely,

A handwritten signature in black ink, appearing to read "M R McElwrath".

Michael R. McElwrath  
Acting Assistant Secretary  
Fossil Energy

<b>FEDERAL ASSISTANCE</b>		2. APPLICANT'S APPLICATION IDENTIFIER		a. NUMBER 000-1		3. STATE APPLICATION IDENTIFIER		a. NUMBER N/A	
TYPE OF SUBMISSION (Mark appropriate box)		<input type="checkbox"/> NOTICE OF INTENT (OPTIONAL)		b. DATE Year month day 1989/8/29		NOTE TO BE ASSIGNED BY STATE		b. DATE ASSIGNED Year month day 19	
		<input type="checkbox"/> PREAPPLICATION							
		<input type="checkbox"/> APPLICATION							
		Carry Blank							
4. LEGAL APPLICANT/RECIPIENT						5. EMPLOYER IDENTIFICATION NUMBER (EIN)			
a. Applicant Name Alaska Industrial Development & Export Authority						X 926001185			
b. Organization Unit						6. PRO-GRAM (From CFDA)			
c. Street/P.O. Box 480 West Tudor Road						Public Law a. NUMBER 1010446			
d. City Anchorage						MULTIPLE <input type="checkbox"/>			
e. County N/A						b. TITLE Clean Coal Technology			
f. State Alaska									
g. ZIP Code 99503									
h. Contact Person (Name) William R. Snell									
i. Telephone No. (907) 561-8050									
7. TITLE OF APPLICANT'S PROJECT (Use section IV of this form to provide a summary description of the project) Healy Cogeneration Project demonstrating TRW's Entrained Combustion System with limestone injection and Joy Technologies' activated recycle SDA Systems.						8. TYPE OF APPLICANT/RECIPIENT A-Federal B-Interstate C-Business Organization D-County E-City F-Local District G-Special Purpose District H-Community Action Agency I-Higher Educational Institution J-Local Title K-Other (Specify): Enter appropriate letter <input type="checkbox"/> A			
9. AREA OF PROJECT IMPACT (Names of cities, counties, states, etc.) Railbelt Communities						10. ESTIMATED NUMBER OF PERSONS BENEFITING 350,000		11. TYPE OF ASSISTANCE A-Grant B-Interest-Free Loan C-Loan D-Insurance E-Other Enter appropriate letter(s) <input type="checkbox"/> A	
12. PROPOSED FUNDING			13. CONGRESSIONAL DISTRICTS OF:			14. TYPE OF APPLICATION A-Construction B-Renovation C-Purchase D-Construction E-Improvement Enter appropriate letter <input type="checkbox"/> A			
a. FEDERAL \$93,186,000			a. APPLICANT			b. PROJECT Railbelt Anchorage to Fairbanks			
b. APPLICANT 68,532,000.00			15. PROJECT START DATE Year month day 19 90/1/2			16. PROJECT DURATION 72 Months			
c. STATE 30,000,000.00			18. DATE DUE TO FEDERAL AGENCY Year month day 1989/8/29			17. TYPE OF CHANGE (For 14c or 14e) A-Increase Dollars B-Increase Duration C-Increase Duration D-Increase Duration E-Construction Enter appropriate letter(s) <input type="checkbox"/>			
d. LOCAL ---.00						N/A			
e. OTHER ---.00									
f. Total \$191,718,000									
19. FEDERAL AGENCY TO RECEIVE REQUEST Department of Energy						20. EXISTING FEDERAL GRANT IDENTIFICATION NUMBER DE-PS01-89FE61825			
a. ORGANIZATIONAL UNIT (IF APPROPRIATE) Office of Procurement Operations						b. ADMINISTRATIVE CONTACT (IF KNOWN) Herbert P. Watkins			
c. ADDRESS U.S. Dept. of Energy Office of Procurement Operations Forrestal Building, Room 1J-005 Attn: Document Control Spec						111. REMARKS ADDED <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
22. THE APPLICANT CERTIFIES THAT: To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved.						a. YES, THIS NOTICE OF INTENT/PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON: DATE _____			
						b. NO, PROGRAM IS NOT COVERED BY E.O. 12372 <input checked="" type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW <input type="checkbox"/>			
23. CERTIFYING REPRESENTATIVE a. TYPED NAME AND TITLE William R. Snell, Deputy Director of Development						b. SIGNATURE 			
24. APPLICATION RECEIVED 19			25. FEDERAL APPLICATION IDENTIFICATION NUMBER			26. FEDERAL GRANT IDENTIFICATION			
27. ACTION TAKEN			28. FUNDING			29. ACTION DATE Year month day 19			
<input type="checkbox"/> a. AWARDED			a. FEDERAL \$ .00			30. STARTING DATE Year month day 19			
<input type="checkbox"/> b. REJECTED			b. APPLICANT .00			31. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number)			
<input type="checkbox"/> c. RETURNED FOR AMENDMENT			c. STATE .00			32. ENDING DATE Year month day 19			
<input type="checkbox"/> d. RETURNED FOR E.O. 12372 SUBMISSION BY APPLICANT TO STATE			d. LOCAL .00			33. REMARKS ADDED			
<input type="checkbox"/> e. DEFERRED			e. OTHER .00			<input type="checkbox"/> Yes <input type="checkbox"/> No			
<input type="checkbox"/> f. WITHDRAWN			f. TOTAL \$ .00						

**S B**

**454**

STATE COMMITTEE REPORT  
FIRST COMMITTEE OF REFERRAL

DATE: 2/8/90

FURTHER: Finance

Date of 5-Day Notice: 2-22-90  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-2-90

Resources Committee considered SB 454

"An Act relating to closure of state land to multiple purpose use."

and recommended:

- replace with \_\_\_\_\_ CS SB 454 (Res)  same title
- attached amendment(s)  new title
- \_\_\_\_\_ letter of intent adopted

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to \_\_\_\_\_

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

- fiscal note(s) \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

- zero fiscal note(s) \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Signature]  
[Signature]  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

[Signature]  
[Signature] No Rec  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

[Signature]  
 Chair: Signature and Recommendation

# Alaska State Legislature

## Senate Resources Committee

Senator Bettye Fahrenkamp, Chairman  
Senator Jay Kertula, Vice Chairman  
Senator Dick Eliason  
Senator Steve Frank  
Senator Pick Hallford  
Senator Arliss Sturgulevski  
Senator Fred Zharoff



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

To: Senate Resources Committee members  
From: Sen. Bettye Fahrenkamp  
Date: March 2, 1990  
Re: SB 454, use of state lands

Section 1. The purpose of this section is to define "multiple use" to ensure that all the achievable land uses are considered in the planning process on an equal basis. In other words, two uses does not constitute "multiple use" if there are other land uses that can coexist simultaneously. Multiple use means all uses of land and it does not exclude compatible competing land uses.

Section 2. The purpose of this section is to require the commissioner of the Department of Natural Resources to submit a report to the legislature and the governor detailing the state land closed to mineral location and mining during the previous calendar year. It specifies that the report must include known resource values of the area, the reason for the closure, the effective date of the closure, and the legal description of the land involved in the closure. It allows the legislature the authority to disapprove closures and by resolution to make recommendations to the commissioner on the future management of the area. It further requires the department to submit a report every ten years that lists land withdrawn from mineral location and mining, or withdrawn from multiple use.

Section 3. This section revises the language so that it is clear that the department is not required to classify all lands, but only those considered necessary and proper. It requires the department of Natural Resources to add to its annual report to the legislature under this section, a list of instances when the department has closed lands of less than 640 acres to multiple use.

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.  
JUNEAU, ALASKA 99801-1796  
PHONE: (907) 465-2400

March 2, 1990

The Honorable Bettye Fahrenkamp  
Alaska State Senator  
P.O. Box V  
Juneau, AK 99811

Dear Senator Fahrenkamp:

**Subject:** CSSB 454 (Resources), an act relating to the use of state land.

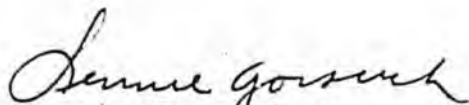
**Background:** This bill would modify the definition of multiple use to include all compatible competing users, require an annual report on land closed to mineral location and mining, and add to the reporting requirement of AS 38.05.300(b), an annual report on land and water closed to multiple use.

**Position:** The department supports CSSB 454 (Resources). Its definition of multiple use reflects the philosophy and practices of this department. The proposed changes would prevent an overly narrow construction of the term in the future.

Additionally, the reporting requirements will expand the scope of the annual reports prepared by the department.

Please let me know if we can be of further assistance.

Sincerely,

  
Lennie Gorsuch  
Commissioner

cc: Bill Sponsors  
Committee Members  
Bob Evans, Legislative Liaison  
Office of the Governor  
Denby Lloyd, Special Staff Assistant  
Office of the Governor  
Commissioner Don Collinsworth  
Department of Fish and Game