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Usibelli welcomes decision to affirm Wishbone Hill mining permit

PALMER – The Alaska State Department of Natural Resources today announced that the DNR Commissioner’s decision to renew the mining permit for the Wishbone Hill Mine has been affirmed.

This final decision comes after nearly four years of litigious delays created by anti-mining activists. Usibelli Coal Mine Inc. (UCM) has worked tirelessly for the past four years to secure the permit renewal. Originally granted in 1991, the mining permit must be renewed every five years. When UCM sought renewal in 2011, a group of environmental organizations began their favored process of using meritless lawsuits and administrative delays to stall, and ultimately stop, the mine’s further development.

“Usibelli remains committed to further developing the coal mine at Wishbone Hill,” stated Lorali Simon, Vice President of External Affairs. “We appreciate DNR’s continued attention to this matter. We’re pleased, though not surprised, by this final decision to affirm the permit,” she said.

Coal mining throughout the Matanuska Coal Field began in the early 1900s in support of the war effort. Mining continued into the 1980s. This bituminous coal deposit has been explored, analyzed, and cataloged for over 100 years. UCM acquired the leases and permits to the Wishbone Hill project in 1997 and has worked diligently to develop the mine ever since.

“While we understand that there are people who do not want to see Alaska’s coal resources developed, there are many local residents who want family-wage jobs and recognize the value of economic development in this area, especially at a time when the State’s budget is being dramatically reduced,” Simon added. “Usibelli has a 72-year history of responsibly mining coal in Alaska. The State’s laws and regulations that control coal mining are some of the most rigorous found anywhere in the world,” she said.

UCM began mining coal in Alaska's Interior region in 1943. The company remains family-owned and operated. UCM has approximately 110 year round employees and produced about 1.6 million tons of coal last year at its mine in Healy. About half the coal provides fuel for six coal-fired power plants in the Interior, and the remaining coal is sent to the export market.

The Wishbone Hill Mine would be UCM's first expansion into a different region of Alaska. The neighboring town of Sutton celebrates its rich history in coal mining through the Alpine Historical Society's museum and the Coal Miners Hall of Fame. Even the town's new library was designed to look like an old-fashioned coal washing plant.

Usibelli completed a feasibility study for Wishbone Hill in 2010. At full production, the mine could produce approximately 500,000 tons of coal annually, although the company has said that it would take a number of years to ramp up to that level. Usibelli expects to employ between 75-125 people at Wishbone Hill and the mine life could be between 12-25 years.

With the mining permits secured, the company will now review its feasibility study, as well as current market conditions as it works to develop the Wishbone Hill Mine.

For more information please contact Lorali Simon at lorali@usibelli.com, or (907) 982-6744.

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