Hidden in Plain Sight: Alaska’s Affordable Energy

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Leadership of Usibelli Coal Mine

1943  Emil Usibelli founded the mine; 1st generation

1964  Joe Usibelli became President; 2nd generation

1987  Joe Usibelli Jr. took over as president, has led the mine for 34 years; 3rd generation
Usibelli Today

~1 million tons to be produced this year

100% of Alaska’s demand to six coal-fired power plants

More than 400 million tons of proven coal reserves
Economic Impact of Coal

100
Number of direct jobs

$13.5M
in wages to UCM employees. Average UCM wages among highest in Interior and more than twice statewide average

$28.7M
spent with over 400 different suppliers, service providers and organizations in Alaska.
Energy Impact of Coal

32% Of electric power capacity in the Interior

167 Megawatts of capacity among 6 coal-fired power plants

1M tons Of coal was consumed by Interior heat and power plants in 2020

$140M in savings for heat and power to Interior Alaska
Six Coal-Fired Power Plants in Interior Alaska

- University of Alaska Fairbanks (17 MW)
- Fort Wainwright Army Post (22.5 MW)
- Eielson Air Force Base (25 MW)
- Aurora Energy (27 MW)
- GVEA Healy 1 (25 MW)*
- GVEA Healy 2 (50 MW)*

* = electrical generation only
UAF builds nation’s newest coal-fired power plant

- New cleaner burning technology
- Provides supply stability
- Reduces emissions relative to the existing plant even while increasing output
- 17 MW of generation capacity

Emission Reductions at UAF

Source: University of Alaska Fairbanks
Economic benefits for UAF & the Interior

- Supplemental energy supply from GVEA no longer needed
- Anticipated savings of 40% in 2021 over 2019 fuel costs
- GVEA power purchase agreement
Fairbanks North Star Borough Air Quality
Air Quality in Interior Alaska Afflicted by Woodsmoke

- EPA, "Woodsmoke contributes 60% to 80% of fine particulate levels measured in the Fairbanks North Star Borough."

- More than $20 million has been invested to reduce wood smoke particulates

- District heat provided by combined heat & power plants provides higher efficiencies and improves air quality
A meaningful solution to improve air quality

Invests in Fairbanks' First-Ever Wood-Drying Kiln

- Consistent, low-moisture content wood that can be burned immediately
- Free from bugs, fungus, and mold
- Burning <20% moisture wood as compared to 40% moisture wood = 25% reduction in PM2.5

Lower Moisture = Better efficiencies = Less Wood Burned = Savings for Consumer + Improved Air Quality
STOP FOSSIL FUELS!

WHAT ABOUT THE IMPACT ON JOBS?

WHAT ARE JOBS?

GREEN NEW DEAL

LABOR
Biden Administration Does Not Support Natural Gas Pipelines

- Keystone XL Pipeline Project shut down (1,200-mile pipeline from Alberta to Nebraska)
- Natural gas is not included in Biden's plan to reach ZERO emissions by 2035
Coal Supports Military Readiness & Resiliency

- A proven fuel source for 78 years
- On-site coal stockpiles provide uninterrupted supply of energy for at least 90-days
- Over 400 years of proven reserves at Usibelli
- Self-sufficient supply chain (*government subsidies not required*)
- Army Directive 2017-01 Installation Energy and Water Security Policy: Usibelli can provide assured access to coal resources
Alaska Can Count on Coal

Stable
Secure
Reliable
Accessible
Affordable

Coal is an invaluable price shock absorber

When natural gas prices spike, coal is there to protect ratepayers by holding down electricity prices
Thank you.

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