WE DEVELOP ALL KINDS OF NATURAL RESOURCES.

The flowers that bloom on the hillsides near Healy each spring were planted long before there were federal requirements for reclaiming mining areas in Alaska.

Years before balancing development and preservation occurred to Congress, it occurred to us.

Alaska's unique environment is respected and guarded at the Usibelli Coal Mine. We've inherited a strong sense of responsibility from the generations that lived and worked here before us.

We think our grandchildren will be able to say that, too.

Salmon catch is highest ever
Prince William Sound catch doubles last year's harvest

Fishermen netted a record number of salmon off the Alaska coast this summer, despite the closure of some fishing grounds due to the oil spill in Prince William Sound.

The record catch, 150 million salmon, is worth about $491 million, the second highest total on record, but far short of last year's record-shattering value of $742 million. Last year's catch was much smaller and prices in 1988 averaged 30 to 50 percent higher. This season, prices for premium sockeye salmon from Bristol Bay averaged from $1 to $1.35 a pound, roughly half the price fishermen received in 1988.

A major cause of the price plunge is a glut of frozen salmon in Japan where inventories exceeded 60,000 metric tons at the beginning of this year's season. The weakening of the yen may have also contributed to the depressed prices since such a factor makes Alaska salmon more expensive to Japanese consumers.

This summer's harvest was paced by a record catch of 65 million salmon in Southeast Alaska. Bristol Bay was also a major surprise when fishermen, anticipating a harvest of 16 million fish, hauled in some 30 million salmon.

Even in Prince William Sound, where some fishing grounds were off limits due to the March oil spill, a respectable harvest occurred. Over 23 million fish were caught in the Sound by fishermen and hatcheries this summer. That's nearly double the 12.5 million fish harvested from Sound last summer, but far short of an anticipated catch in excess of 40 million fish. The record catch for the Sound was set in 1987 when 32.7 million fish were harvested.

Chuck Meacham, Regional Research Supervisor with the Alaska Department of Fish and Game, said the shortfall in Prince William Sound was largely a function of reduced returns in wild stock. Although the closures associated with the spill did contribute to a smaller catch, Meacham said the reason for the reduced return is not known at this time. (continued on page 4)
This summer RDC staff and board traveled hiltry and ven across Alaska and listened to what the people are saying. Mem-

berhood outreach consumed a great deal of time in part
due to the effective and timely clean-up effort at various
e sites, enabling the Council's individuals to be in-
for and to respond more directly to the media requests,
terviews and editorials. Many RDC members worked directly
on the spill, so firsthand knowledge abounds within our mem-
bership. As a special vote of confidence, RDC is proud to say
that all its community memberships have been renewed.

In publications, RDC's Resource Review oil spill series is
still available. RDC also released an ANWR Facts brochure
with a perspective of the oil spill this summer. The Wilder-
ness brochure is in its second printing with a new cover photo.

Some travel took RDC outside the state, as when Presi-
dent Pete Nelson spoke at the second Wise Use Conference
in Reno last month.

Closer to home, RDC staffed an exhibit at the Alaska State
Fair with the Alaska Miners, Alaska Women in Mining and the
At-Su-Loggers. We showed off our utilization of

dpowers at life as we know and love it. Your extra

ents are appreciated to build a larger quiver of arrows.
and for these funds national groups raised on the
cost to build a larger quiver of arrows.

The learning curve has been advanced, the
time. We will be re-releasing the

higher value, of the coal. Such a process is being researched

lower heating value, the power output will drop by more than 30%.
Thus a 300 megawatt plant using sub-bituminous coal may be hard

lower heating value, the power output will drop by more than 30%. Thus a 300 megawatt plant using sub-bituminous coal may be hard
pressed to produce 200 megawatts!

The lower heating value of sub-bituminous coal is mainly a function of high moisture content. Usibelli coal, for example, averages
27% moisture. A coal effective approach that could reduce the
moisture content to less than 10% would also significantly elevate
the heating value, of the coal. Such a process is being researched at
the University of Washington with the help of support from Usibelli Coal Mine and other Alaska coal interests.

But the solution to this seemingly simple problem is, in fact, far from easy. Simple methods that work in other countries
are not applicable for our sub-bituminous coal rapidly reabsorbs moisture and is unstable. Thermal drying, following by treating the coal's surface to prevent reabsorption of moisture, has been tried but the resulting large quantities of coal dust from the process create additional unmanageable problems.

Attention is now focused on processes which induce chemical and physical changes in the coal using elevated temperatures and pressures. Success will seemingly emerge with one of these single-stage processes and recent test results have been optimistic.

Since transportation costs between a mine and the overseas end user account for up to 50% of the delivered price of coal, there is a strong economic incentive to reduce the moisture content in these coals. There is no doubt that a future, upgraded, high heating-value product with excellent low pollution characteristics will command premium price in the future. A low moisture sub-
bituminous coal could be used in existing utility and industrial facilities without reductions of power output.

Markets may be won in the future for a variety of Alaska coals. Railheads to coal ships could be effectively designed to

process, for drying. A cost effective process that could
dry the coal is enzymatic drying. Enzyme is available in large quantities and is relatively inexpensive. Enzymes
are being tested at the Byrd Laboratory.

How will the energy crisis change the world? It will change us.

The energy crisis has forced us to re-examine our energy sources.
It has forced us to look at new ways to use energy.
It has forced us to look at new ways to produce energy.
It has forced us to look at new ways to conserve energy.
It has forced us to look at new ways to store energy.

Let's stop and think about what has happened.
Let's stop and think about what needs to be done.
Let's stop and think about what we can do.

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Bad days for American oil

Thoughts from the President

By Pete Nelson

Is Middle East oil really good for the economy? Should we just open the spigot and let the good times roll?

With a worldwide glut of foreign oil, Americans appear to be less concerned about our nation's energy future. Few are aware of our nation's growing dependence on cheap foreign oil and the growing vulnerability to new supply interruptions and price shocks. The Alaska oil spill is an example of a price shock resulting from a temporary and partial supply disruption.

How much longer will America's joie de vivre on OPEC oil continue? A new report by the American Petroleum Institute, the ride is about to end. The turning point could come when world demand for OPEC oil exceeds 80% of the cartel's capacity. DiBona says that in the past this has signaled a dangerously tight market. Under current conditions, it could happen again in three to five years.

At present rates of steadily increasing consumption, rising imports and falling domestic production, the U.S. may be buying more foreign oil than it can competitively produce in two or three years. Imports last year accounted for 42% of daily consumption, a level which represents almost 30% of our trade deficit. This year imports hit the 50% mark, and before the next decade is out, America could be importing 65% of its daily needs. This would cost Americans at least $200 billion more, a year more than our current trade deficit.

While most energy experts believe the U.S. can avoid getting caught in another OPEC oil crunch, but only if it starts developing more of its own resources now. Increased conservation efforts would help, but would fail short. Government studies estimate that by the year 2000, renewable energy sources such as sun, water and wind would at best supply only 10% of the nation's energy needs.

At present consumption rates, the U.S. has enough and natural gas in the ground to fuel its energy needs for eleven years without relying on foreign imports, but only if domestic production is drastically increased. Geologists estimate that as much as 100 billion barrels of crude oil are thought to exist in America, but most of this enormous energy potential is buried too far beneath public lands limits off federal lands. Two weeks ago, President Bush asked Congress to direct $85 million to a major harvest and development program to deal with the beetle infestation. The Interior Department reported last month that undiscovered U.S. oil resources exceed the 13.2 billion barrels estimated by the EIA. This would cost the U.S. 20% of its daily energy needs. This would cost Americans at least $200 billion a year, more than our current trade deficit.

Cooper Laning if a fire sweeps through there? Gay suggested that the fire that will follow in the wake of the beetle will be "incredibly hot and unusually destructive," Weeks said. "Think about a full-scale forest fire and the range of time the fire burns in your own backyard. If you burn a fire again voicing local concerns, asked "what will happen to the ANWR environment. In perspective, under a full development scenario, the pads, pipelines, facilities and roads associated with oil production would directly affect less than 7,000 acres of ANWR, a far percent of the 19-million acre refuge. ANWR represents the best single opportunity to significantly increase domestic oil production. And despite promises of energy alternatives, oil remains the world's most-sought-after commodity. For better or for worse, oil will be driving the U.S. and Alaska economy for decades to come.