FINAL FINDINGS OF FACT AND DECISION
Renewal of Surface Coal Mining Permit S-0603

Executive Summary: This document constitutes the Final Findings of Fact and Decision of the Alaska Department of Natural Resources, Division of Mining, Land and Water (DMLW-Mining) decision approving the request of Usibelli Coal Mine, Inc (UCM) to renew the surface coal mine Two Bull Ridge Permit #S-0603. This permit was originally issued on October 23, 1997, and has been renewed five times. The current permit is set to expire on October 4, 2026. The current permit authorizes surface coal mining and related activities in compliance with AS 27.21 and 11 AAC 90.

The renewal of this permit will allow Usibelli Coal Mine Inc (UCM) to continue operations without disruption, support local economic activity, and ensure continued compliance with all applicable laws.

I. **Requested Action:** A request to renew Surface Coal Mining Permit S-0603 was filed with the Division of Mining, Land and Water (DMLW) on April 6, 2026. Renewal of the permit has been requested in accordance with AS 27.21.080(d) and 11 AAC 90.129(b).

This renewal request is for an additional five-year term and includes the permit areas previously approved in the existing permit. No revisions have been requested as part of this permit renewal. The originally approved permit meets the requirements of AS 27.21 and 11 AAC 90 subject to the stipulations of the original permit.

II. **Authority:** Renewal of the permit has been requested in accordance with AS 27.21.080 Renewal of Permit and 11 AAC 90.129(b) Permit revisions and Renewals. Authority to make this finding were delegated by the Commissioner of the Department of Natural Resources via Departmental Order 003 dated June 30, 2016, to the Division of Mining Land & Water. This authority is further delegated to the Mining Section via DMLW Director's delegation dated September 28, 2001, and delegated to the Coal Program Manager on April 27, 2021.

III. **Description of Project:** The Two Bull Ridge Permit authorizes a surface coal mining operation in the Lignite (Hoseanna) Creek Watershed. Mining operations consist of a combination of dragline and truck shovel mining. Extracted coal is either shipped directly to Golden Valley Electric Association's Healy -1 or -2 power plants or shipped by rail to other power plants in the interior of Alaska.

IV. **Location:** The Two Bull Ridge Mine permit consists of a 2,522-acre mine site located approximately five (5) miles northeast of Healy, Alaska (63.913N 148.924W). The permit is located within the Denali Borough. The land ownership of the project consists of General State and Mental Health Trust Lands.

V. **Geographical Features:** The mining area is located within the Lignite Creek valley which is characterized by steep rolling hills. The elevation of the permit area ranges between 1,200 feet and 2,600 feet above mean sea level. Vegetation is a northern interior boreal forest ecosystem with abundant spruce, birch, and popular trees, featuring localized permafrost that experiences active thawing. The area is typical of subarctic regions having short warm summers and long cold winters. Land use in the area is classified for resource development and wildlife.

VI. **Property description:** The mine is located within: Township 11 South, Range 7 West, Sections 26-28 and 32-35, Fairbanks Meridian; and Township 12 South, Range 7 West, Sections 3-5, Fairbanks Meridian. Land affected by this proposed revision is owned by the State of Alaska.

VII. **Right of entry:** Provide the applicable Coal Lease and other rights of entry (surfaces leases from SOA or another entity and private property)

VIII. **Background:** The Two Bull Ridge Mine was originally permitted in 1997. Since that time the permit has been renewed five times in 1999, 2005, 2011, 2016, and 2021. During this time UCM has applied for, and received, four Major Revisions and fifteen Minor Revisions to the Operations and Reclamation Plan. This is in addition to four field revisions and multiple Permit Revisions Orders that also amended the permit. Of the 2,577 acre mine site, there are currently 58.6 acres under Phase I Bond Release, 41.9 acres under Phase II Bond Release, and 32.2 acres under Phase III Bond Release. The current mining pits are nearing completion and when they are mined out the permit will be in reclamation status unless the operator elects to mine in other approved, yet undisturbed, areas on the permit.

IX. **Proposed action and requested revision:** This renewal request is for an additional five-year term and includes areas previously approved in the current permits. No additional mining areas or revisions to the existing boundaries are proposed.

X. **History of Review:** The Preliminary Findings of Fact were issued on August 14, 2026, and ended on October 5, 2026. Legal ads were placed in the Fairbanks News Miner on August 14, 2026, and were noticed once a week, for four consecutive weeks. In addition, the Public Notice was posted on the State of Alaska's Public Notice website and in the Healy, Alaska Post Office. During the public notice of the Preliminary Findings of Fact, no comments or objections were received regarding the proposed renewal.

XI. **Current and proposed reclamation bond:** The Current reclamation bond for the Two Bull Ridge Permit is $5,424,532.00. Pursuant to 11 AAC 90.205(d) the DMLW-Mining has determined that a reclamation bond in the amount of $7,705,753.00 is sufficient to guarantee the present obligations under this permit. The bond is conditioned upon the completion of the required reclamation and compliance with all terms, stipulations, and conditions of the original permits and this renewal.

XII. **Right of Renewal / Right to continue operations:** Under AS 27.21.080, the applicant has the right to renew the existing surface coal mining permits and all areas within the approved permit boundary for an additional five-year permit term.

An applicant for renewal who submits the application at least 120 days before the end of the permit term has the right to continue coal mining operations under the existing permit until the final administrative decision on the renewal is made. UCM submitted the request for renewal on April 6, 2026, more than 120 days before the end of the permit term and may continue operations until a new surface coal mining permit is issued.

XIII. **Compliance History**: During the permit term, DMLW issued two notices of violations against UCM. These violations were issued in 2002 and 2003. Both violations were abated in a timely fashion. Except for the two violations, UCM has maintained compliance with all of the requirements of the approved operation and reclamation plan and the Performance Standards adopted under 11 AAC 90.

XIV. **Findings and Decision:** DMLW reviewed the renewal application makes the following Final Findings of Fact and Decision in accordance with the Alaska Surface Coal Mining Control and Reclamation Act (ASCMCRA), found at AS 27.21, and the implementing regulations found at 11 AAC 90.

a. The renewal request is complete contains all the information required and is sufficient for this office to make a decision.

b. The application meets the requirements of the Alaska Surface Coal Program (AS 27.21) and the regulations found at 11 AAC 90.

c. The permit areas have not changed and are not within an area designated or being considered for designation as unsuitable for mining under AS 27.21.260.

d. The proposed surface coal mining reclamation and operation plan will not affect known threatened or endangered species or their critical habitat.

e. This renewal does not change the scope or the environmental impacts of the project. The activities proposed in the renewal do not differ from the originally approved permits and meet the requirements of AS 27.21 and 11 AAC 90 subject to the stipulations of the original permits, which ensure that the surface coal mining reclamation and operation plan comply with these requirements.

I find that the application for renewal meets the criteria of AS 27.21.080 and AS 27.21.180 and it is the decision of DMLW to renew Surface Coal Mining Permit S-0603.

Stephen Buckley
Chief, DMLW-Mining Section

10/14/26
Date

Public notice: Public notice of this final findings and decision will start October 15, 2026, and end November 16, 2026. Legal ads will be placed in the Fairbanks Daily News Miner on October 15, 2026, and end on November 16, 2026.

Public notice was posted on the State of Alaska Online Public Notice System (http://notice.alaska.gov/224778) from October 15, 2026, and end November 16, 2026. Additionally, public notice will be mailed directly to the Division's mailing list of affected persons and agencies and posted in the Healy post office.

Application location: Copies of existing Permit, Renewal Request, and Preliminary Findings of Fact, and final finding of fact and decision are available for review at the Alaska Department of Natural Resources, Division of Mining, Land and Water – Mining Section, 550 W. 7th Ave., Suite 920, Anchorage, AK 99501-3577 or on our website (http://notice.alaska.gov/224778).

Request for Hearings: The applicant, or a person with an interest, which is or may be adversely affected by this decision may request in writing a hearing under AS 27.21.150 to review the reasons for this decision. **Any request for a hearing must be received within 30 calendar days after the date of publication of this decision by November 16, 2026.** The request for a hearing may be mailed or delivered to Commissioner, Department of Natural Resources, 550 West 7th

Avenue, Suite 1400, Anchorage, AK 99501; faxed to 907.269.8918; or sent by electronic mail to dnr.appeals@alaska.gov.

The state is prepared to accommodate individuals with disabilities by providing auxiliary aids, services, or special modifications in order to participate in this review. Individuals who may need such assistance should contact the Department's Public Information Center in Anchorage between the hours of 10:00 am and 5:00 pm, Monday through Friday, at 269-8400 by telephone or by TDD at 269-8411.