

PRELIMINARY FINDINGS OF FACT

Renewal of Surface Coal Mining Permits 02-83-796 and S-0602-A

Executive Summary:

This summary outlines the request for renewal of the Gold Run Pass Permits 02-83-796 and S-0602-A. This permit was originally issued on November 1, 1990, and has been renewed seven times. The current permit is set to expire on October 25, 2026. The permit authorizes surface coal mining and related activities in compliance with AS 27.21 and 11 AAC 90.

Over the current permit term, Usibelli Coal Mine Inc (UCM) has maintained compliance with all operational, environmental, and safety requirements. Regular inspections conducted by the Division of Mining, Land & Water have confirmed compliance with the approved operation and reclamation plan and the performance standards adopted under 11 AAC 90.

The renewal of this permit will allow UCM to continue operations without disruption, supporting local economic activity and ensuring continued compliance with all applicable laws. As part of our review of UCM's request to renew this permit, the public is invited to comment on the Preliminary Findings. The deadline for comments is November 30, 2026, see the Public Notice section in this decision for details on how to send comments and where they should be sent.

- I. **Requested Action:** A request to renew Surface Coal Mining Permits 02-83-796 and S-0602-A was filed with the Division of Mining, Land and Water (DMLW) on April 6, 2026. Renewal of the permits 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 permits has been requested in accordance with AS 27.21.080(d) and 11 AAC 90.129(b). Authority to make this finding is 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 Gold Run Pass Permit authorizes surface coal mining operation in Sanderson Creek and Lignite (Hoseanna) Creek watersheds, with discharge entering Lignite (Hoseanna) Creek immediately downstream of the confluence with Sanderson Creek. Mining operations consist of truck shovel mining. Extracted coal is either shipped directly to GEVA's Healy -1 or -2 power plants or shipped by rail to other power plants in the interior of Alaska.

- IV. **Location:** The Gold Run Pass Mine Permit consists of a 519 acre mine site and is located approximately twelve miles northwest of Healy, Alaska (63.913N 148.924W). The proposed mining activities are within Sections 34-35, Township 11 South, Range 6 West, of the Fairbanks Meridian.

- V. **Geographical Features:** The mining area is located in the Lignite Creek and Sanderson Creek watersheds, with steep rolling hills being the primary terrain feature. The elevation ranges from 1,900 feet and 2,500 feet above mean sea level. The unmined portions of the permit are typical of boreal forest with abundant spruce and birch trees. Much of mining area is in reclamation status, with thick alder forests being the predominant vegetation across much of the reclamation. The mine area features localized permafrost that experiences active thawing seasonally. As is typical of subarctic regions, this area experiences short, warm summers and long, cold winters. Post mining land use in the area is classified for resource development and wildlife.
- VI. **Property description:** The mine is located within Sections 34-35, Township 11 South, Range 6 West, of the Fairbanks Meridian. Land affected by this proposed revision is owned by the State of Alaska.
- VII. **Right of entry:** The applicant maintains valid existing rights of entry and mining rights under State of Alaska Coal Lease #56505 as well as State of Alaska Coal Mining permits #02-83-796 & S-0602-A issued under authority of the Alaska Surface Coal Mining Control and Reclamation Act (ASCMCRA). These rights are free any pending litigation. Both the surface and mineral estate are owned by the State of Alaska for the permit area and the immediate surrounding area.
- VIII. **Background:** The Gold Run Pass mining area was under production before the ASMCRA was enacted. Coal was transported to a, now demolished, tippie in Healy Valley. UCM last removed coal from the mining area during the winter of 2019. The mining area is now in reclamation status, with approximately 43% of the disturbed area having received at least Phase I Bond Release for regrading to the approved postmining topography. The Hoseanna Creek Haul Road west of the intersection with Jumbo Dome Road Corridor is also permitted under the Gold Run Pass mining permit. This facility portion of the permit will continue to be operational for the foreseeable future.
- IX. **Proposed action and requested revision:** This renewal request is for an additional five-year term and includes the permit areas previously approved in the existing permits. No revisions have been requested during this permit renewal.
- X. **Current and proposed reclamation bond:** The Current reclamation bond for the Gold Run Pass Permit is \$880,195.00. Pursuant to 11 AAC 90.205(d), DMLW will revise the reclamation bond to ensure it is sufficient to guarantee the present obligations under these permits. 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.
- XI. **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.

- XII. **Compliance History:** During the permit term, DMLW did not issue any notices of violations against UCM. 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.
- XIII. **Findings:** DMLW found the renewal application to be complete and consistent with AS 27.21 and 11 AAC 90 and makes the following Preliminary Findings of Fact.
- a. The originally approved permits meet the requirements of AS 27.21 and 11 AAC 90 subject to the stipulations of the original permits, which are revised to ensure that the surface coal mining and reclamation operations will comply with these requirements.
 - b. The application for renewal was received on April 6, 2026, more than 120 days before the end of the permit term. UCM has the right to continue surface coal mining operations under the existing permit until a final decision is made on their request for renewal.
 - c. The renewal request contains all the information required and is sufficient for this office to make a completeness finding.
 - d. 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 operation and reclamation plan comply with these requirements.
 - e. Any changes to the approved activities will require approval and modification of the posted reclamation bond.
 - f. The permit areas have not changed and are not within an area designated unsuitable for mining under AS 27.21.260 Areas Unsuitable For Surface Coal Mining.

The Preliminary Findings of Fact presented above has been reviewed and considered. I find that the application for renewal is complete and is hereby approved to proceed to public notice pursuant to AS 27.21.130 Public Notice of Application and 11 AAC 90.113 Public Notice.

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10/6/2026

Russell Kirkham
Coal Program Manager, DMLW-Mining Section

Date

Public notice: Public notice of this renewal application will begin October 8, 2026, and will end November 30, 2026. Legal ads will be placed in the Fairbanks Daily News Miner on October 8, 2026, and will be noticed once a week for four consecutive weeks.

Public notice will be posted on the State of Alaska Online Public Notice System (<http://notice.alaska.gov/225391>) from October 8, 2026, to November 30, 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 the Renewal Request, and Preliminary Findings 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/225391>).

Request for comments: A person who is or may be adversely affected by the issuance of this permit may file written comments or objections and may include, with an objection, a request for an informal conference (AS 27.21.140). Written comments should be sent to the Anchorage address above or by e-mail to coalprogram@alaska.gov with the subject, “Gold Run Pass Mine Renewal”. The deadline for written comments is 5:00 PM on November 30, 2026.

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.