

Contract for coal may be extended

Gov. Bill Sheffield said earlier this month he was optimistic a key contract for export of Alaska coal to South Korea would be extended following negotiations in Korea.

"The coal contract involving Usibelli Mines, Suneel Alaska Corp. and our own Alaska Railroad has provided a real boost to our economy and opened new doors for Korea's future energy supplies," the governor said, adding he was optimistic the contract can be extended.

Sheffield discussed the coal contract extension with the Korean Minister of Energy and Resources, Chang Nak Choi, and the president of the Korea Electric Power Corp., Jung-ki Park. The power company buys between 400,000 and 700,000 metric tons of Alaska coal each year for generating electrical power.

"I assured both men that Alaska would do everything possible to make sure that contract stays alive and our association with Korea grows stronger. I asked them to do the same," Sheffield said.

Sheffield, joined by Commerce and Economic Development Commissioner Loren Lounsbury and other state officials, recently completed a six-day visit to Korea and Taiwan.

"Both countries have large trade surpluses with the United States, and I believe Alaska's resources can play a much larger role in building a more balanced future," the governor said.