

Alaska's #1 Seaport:

## The Port That Grew in the Wrong Place

Since the earliest times, the usual way of getting to and from around Alaska has been by boat. People settled along the seacoasts and Interior rivers, not just for the fishing, but to take advantage of these watery highways for trade and travel.

Over the years, kayaks and umiaks and dugout canoes gave way to old-style steamboats and river barges, and finally to the big container ships and super-tankers of today. And with the vessels, the ports grew too.



Photos by Tom Sadowski



Say you were poking around Alaska's 6,640 miles of coastline looking for the perfect place to develop Alaska's No. 1 seaport. You might have a checklist something like this to help you decide. Write a plus (+) for "good" or a minus (-) for "not so good" by each item:

- Calm sheltered harbor.
- Deep clear water close to shore.
- Free of ice year-around.
- Muddy shifting seabottom.
- Strong tides and currents.
- Ice sloshing in and out.

If you put a plus by the first three items, you might settle on any number of ports—Valdez, Ketchikan or Seward, to name a few.

If you put a plus by the last three items (but you probably didn't), welcome to the Port of Anchorage! So far as its natural environment is concerned, it may be one of the most misplaced ports in the world. Yet it has grown against all odds to become the supply center for 80 percent of Alaska's population.

How does it work? Why is it there? Alaska Tidelines joined Anchorage 4-H Club members Mark and Mike McDonald, Duane Taylor and Jamie Irwin, and dock security officer Jackie Carr (left to right) on a tour of the port to find out.

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Anchorage Daily News/Fran Durner

A workman clears some coal bound for Korea at the Port of Anchorage Wednesday.

## Koreans test Alaska's coal

By JOHN LINDBACK  
Daily News reporter

Thousands of tons of Alaska coal will be headed for Korea — through the Port of Anchorage — if a test shipment from a mine near Healy proves satisfactory, according to municipal officials.

A contract containing far-reaching economic implications is expected to be signed this week between the Sun Eel Shipping Company of Korea, the municipality, the Alaska Railroad, and Usibelli Coal Mines of Healy, officials said.

The agreement will be carried out if a test load of 33,000 metric tons of coal, expected to be shipped in December, proves satisfactory to the Koreans, said Jim Dunn, head of the city's transportation department. The test shipment is expected to be used for making cement.

"Koreans are interested in long-term reliability," said Blaine Porter, a U.S. State Department specialist on foreign trade working with the mayor's office. "They're not interested in buying by the shipload — they want to buy it (by the) year."

The Anchorage Assembly was informed of the contract Tuesday during an executive session. Municipal Press Officer Kathy Madison said "several months of planning" have gone into the first test shipment, with "careful attention given to the economic feasibility of the project, safety factors, handling procedures and environmental concerns."

Efforts to initiate export of the coal through the Port of

Anchorage were spearheaded by Mayor Sullivan and Alaska Railroad General Manager Frank Jones, Madison said.

Estimates indicate nearly 100 new jobs in Southcentral and Interior Alaska could be created by the contract if the test shipment proves successful, Dunn said.

In addition, city officials are hopeful Korean goods would be channeled through Anchorage on the ships bound here to pick up coal.

"There are a lot of ripple effects from this. We may not have calculated all the potential benefits the port, the municipality and the state will accrue as a result of this," Dunn said.

The contract would necessitate improvements at the port, Dunn said, but the extent and cost are undetermined.

Increased business could mean fewer cost increases over the next few years for other port users, he said.

The state has long had problems marketing its coal. "Coal competes not only

against other coal but it competes against other forms of energy on a world-wide basis," Porter said. "There's lots of coal around. It's just a matter of making Alaska coal as attractive as possible to foreign markets."

Porter said Koreans will probably use large-scale imports of Alaska coal for power generation.

Ports at Seward and Whittier are also capable of handling the coal exports, Dunn said, but the cost to the Koreans would be greater there because rail charges would be higher.

"Primarily, it's just the economics of our locations as to where the coal is," that provides Anchorage an advantage over Seward and Whittier, Dunn said.

A trade mission of Koreans toured the state recently to explore natural resources.

Korea has shown increased interest in Alaska recently. Last summer Korea became the only foreign country to permanently locate a consulate general here.



Anchorage Daily News/Marc Olson

### Ice ship

The Sea-Land container vessel Philadelphia arrived at the Port of Anchorage Sunday with an extra heavy load — tons of ice built up while

crossing the Gulf of Alaska. Winds of 80 miles per hour buffeted the ship and helped damage at least seven containers on board.

## Coal freighter waits on icy Inlet

by Bill Kossen  
Times Writer

Ice, not immigration officials, may be what keeps a Yugoslavian coal freighter from docking in Anchorage this year.

The ship was scheduled to arrive in Anchorage Friday afternoon to load a test shipment of Alaska coal and take it to Korea. But it couldn't plow through the ice in Cook Inlet and turned back Friday, about 12 miles south of Anchorage.

Friday night, the ship and crew were anchored off Homer Spit and waiting to see if the weather warms up enough to try another attempt, which now appears unlikely, according to Southwest Alaska Pilot's Association's Jack Epperson.

Port of Anchorage Manager Bill McKinney said Sea-Land Service Co. and Totem vessels have been successful sailing up Cook Inlet and may possibly plow a path for the freighter Sava.

But the decision whether to try again must be made by the master of the ship, McKinney said.

"What he says, goes."

Waiting out the cold snap may be expensive, he added.

"We may be in for a long, cold winter. It would cost the people chartering the vessel (Sun Eel Shipping Co., of Korea) a lot of money. I don't know how much," McKinney said.

The Sava and its 30 crewmen

were to stay in Anchorage during the three or four-day loading operation and then head out to sea for the two-week trip to Seoul, Korea.

It was to be loaded here with 30,000 metric tons of coal mined from the Usibelli coal mines near Healy. If the coal meets Korean standards, Ssang Yong Cement Co., Usibelli, Alaska Railroad and Sun Eel Shipping Co. will negotiate a contract for 500,000 metric tons of coal a year for 10 years. A metric ton equals 2,209 pounds.

About 100 jobs would be created by the long-term contract, most of them local.

Because the Port of Anchorage isn't designated by the U.S. Coast

Guard as a port-of-call for vessels carrying a communist flag, there was some concern last week that the vessel wouldn't be allowed to dock at the port.

Crewman didn't obtain visas for entering the U.S. when the when the Save left the People's Republic of China earlier this month.

But those problems were ironed out, according to Gary Johnson, deputy district director for the U.S. Immigration Service. He said immigration officials may waive the requirement for visas for the crewmen. And because Yugoslavia isn't a communist-bloc country, its ships can land at ports where other ships bearing communist flags cannot, he added.

## Freighter braves Cook Inlet ice to load Alaskan coal for Korea

The Yugoslavian freighter "Sava," scheduled to pick up 30,000 metric tons of Alaskan coal for shipment to South Korea, made its way to Anchorage on Sunday through ice-choked Cook Inlet.

The ship, accompanied through the inlet by the 180-foot Coast Guard cutter "Sedge," reached port shortly after 5 p.m.

It will take about 10 days to load the coal from the Usibelli Mines near Healy, according to Kathy Madison, a municipal press officer. Loading began Sunday night.

The ship, which had been turned back by ice on the inlet in an earlier try, had been due in Anchorage Dec. 18, Madison said.

"They've never encountered ice like that before so they're being very, very cautious," she added.

City leaders are keeping their fingers crossed that the

test shipment — the first export of Alaska coal — will prove satisfactory for the Koreans.

A successful test shipment could mean a contract with the Koreans that would result in thousands of tons of Alaska coal headed for Korea through the Port of Anchorage.

City estimates have indicated that nearly 100 new jobs in Southcentral and Interior Alaska could be created by such a contract.

City leaders have also pointed to a possible ripple effect of Korean goods being channeled through Anchorage on ships bound here to pick up coal.

A contract for the test shipment was recently signed between the Sun Eel Shipping Company of Seoul, Korea, the municipality, the Alaska Railroad and Usibelli Mines.

Future agreements are expected to call for the railroad to ship the coal from Healy to Anchorage where it would be

loaded on ships at the Port of Anchorage.

## Yugoslavian ship to pick up coal

by John Knowlton  
Times Writer

Overcoming immigration obstacles, a Yugoslavian freighter will arrive at the Port of Anchorage this week to load a test shipment of Alaska coal and take it to Korea.

The freighter "Sava" and its 30 crewmen is scheduled to arrive Wednesday, stay in Anchorage during the three or four-day loading operation and then head out to sea for the two-week trip to Seoul, Korea.

While here it will be loaded with 30,000 metric tons of coal mined from the Usibelli coal mines near Healy. The shipment had been planned for 33,000 tons but because of the bulk of the coal, only 30,000 tons will fit into the freighter's con-

tainers. The coal will be tested in the burners of Ssang Yong Cement Co. in Seoul. If the test burn is successful, Ssang Yong, Usibelli, Alaska Railroad and Sun Eel Shipping Co. of Korea will negotiate a contract for 500,000 metric tons of coal a year for 10 years. A metric ton is equal to 2,209 pounds.

The parties signed an agreement Nov. 20 committing themselves to future talks if the test burn is successful. Earlier in November, Ssang Yong signed a five-year contract with a Colorado firm for delivery of coal to its Seoul cement company.

The Alaska test shipment is expected to have a half million dollar economic impact on the Anchorage

area, but the long-term contract would mean an additional 100 jobs, most of them local.

Because the Port of Anchorage isn't designated by the U.S. Coast Guard as a port-of-call for vessels carrying a communist flag, there was some concern last week that the vessel wouldn't be allowed to dock at the port.

In addition, the crewmen didn't obtain visas for entering the U.S. when the "Sava" left the People's Republic of China earlier this month. However, U.S. immigration and port officials said today those problems have been overcome.

"It doesn't appear that there will be any problem for the vessel or the crew," Gary Johnson, deputy dis-

trict director for the U.S. Immigration Service, said today.

The arrival of the freighter "is going to be a real good test of our ability to handle coal," said Port Manager W. D. McKinney. He said ice floes in Cook Inlet recently have caused some difficulty for Sea-Land and Totem vessels during docking operations.

If the freighter does dock successfully, it will take about three or four days to load the coal.