

Kaiser commenced a \$3.5 million expansion program to develop new recoverable reserves from a surface mine to boost production by about 250,000 long tons a year when development is completed in 1976. The company also reached an agreement with Japanese interests to conduct a joint exploration project on part of Kaiser's coal land holdings to determine coal reserves and to study the feasibility of bringing a second underground hydraulic mine into production at a rate of 1.5 million tons a year by the late 1970s.

The Fording mine near Elkford about 40 miles north of Kaiser Resources mines shipped an estimated 1.9 million long tons of clean coal. Fording signed an agreement in 1974 with Kaiser Resources under which Kaiser will provide hydraulic coal mining technology for an underground test program to be carried out by Fording on its Eagle Mountain area.

Byron Creek Collieries produced 200,000 tons of coal in their first year of production. Eventual mining capacity is set at 500,000 tons a year.

Alberta is Canada's leading coal-producing province, producing both subbituminous and bituminous coals. Subbituminous coal primarily suits electricity generation. Most bituminous coal is exported to Japan. Bituminous production declined slightly in 1974 to 3.6 million tons while subbituminous production rose to 5.6 million tons, up 14.8% from a year earlier.

Alberta continued to expand its subbituminous industry in 1974 to meet the demand for energy in the province. Thermal electric plants located close to coal mines can be expected following Alberta government recommendations calling for more coal-fired generation of electricity. Coal is already moving from mines to power sites at Wabamun Lake and the Forestburg area. At Wabamun Lake, 40 miles west of Edmonton, Calgary Power Ltd. operates two power plants on coal from two mines. The utility has contracted out the mining operations to Manalta Coal Ltd. The Highvale mine, newest in the province, plans expansion from the current level of 2.4 million to 6.5 million tons by 1978. Calgary Power is studying a 2,100-MW thermal plant for the Dodds-Round Hill area near Camrose.

Four mines produce coking coal in Alberta. The largest operator, McIntyre Porcupine Mines, Limited, near Grande Cache produced an estimated 1.4 million long tons of clean coal from its underground No. 2 mine and No. 8 and 9 surface mines. The chief markets for McIntyre's high quality coal include steel industry consumers in Japan, the United States and Canada. In 1974 the company furthered plans to expand its surface mining capability. During the year, the new No. 9 mine was brought into production to offset the depletion of reserves at the No. 8 mine.

During 1974 a strike at the Cardinal River Coal Ltd. near Luscar forced a four-month shutdown. The company is expanding its operations to deliver 1.5 million long tons annually to its Japanese customers. In 1974 the company was able to produce only 700,000 tons of coal.

Canmore Mines, Limited continued to export small quantities of semi-anthracite during 1974. Coleman Collieries Limited had reduced operations because of underground mining difficulties. As a result Coleman carried out pre-production stripping operations on its Tent Mountain No. 4 open-cut area scheduled for initial production in 1975.

Saskatchewan. In 1974 four lignite mines in the Estevan-Bienfait region of southern Saskatchewan produced about 3.8 million tons of lignite. Manitoba and Saskatchewan Coal Company (Limited) produced nearly 2.3 million tons from its Boundary Dam operation. Manalta Coal Ltd. accounted for the rest of the Saskatchewan production from its Utility and Klimax mines.

Lignite production generally is expanding to meet the growing requirements of the Saskatchewan Power Corporation. The Boundary Dam station at Estevan is the largest user of lignite. When the generating capacity of this station is increased from 582 MW to 882 MW by 1977, its coal consumption will increase to 4.5 million tons annually.

New Brunswick. In 1974 N.B. Coal Limited, a provincial Crown company, produced a total of 415,000 tons of coal from six surface mines within the Minto coal field. Approximately 180,000 tons went to pulp and paper mills in Quebec and the remainder was delivered to the NB Electric Power Commission's Grand Lake and Chatham power stations.

Nova Scotia. In Nova Scotia demand for both coking coal and thermal coal remained high. As a result the Cape Breton Development Corporation continued to make plans to expand production. In August 1974 the new DEVCO mine at Lingan started its first longwall operation and by mid-November was producing at a rate of about 15,000 tons of saleable coal a week.