

The company was evaluating a potential hydraulic mine at Eagle Mountain in anticipation of expanded output.

Byron Creek Collieries produced approximately 343 000 t of clean coal in 1976 for both domestic and export markets. Production will be expanded to meet increased demands from Ontario Hydro for western bituminous coal over the next few years.

Studies continued in 1976 in several areas of BC on potential metallurgical and thermal coal developments. In northeastern BC, marketing, transportation, socio-economic and feasibility studies were under way at several locations. Prospects for exporting coking coal in the early 1980s depend on world demand and competitiveness in world markets. In southeastern BC, European, Japanese and Canadian interests continued feasibility studies on new and existing properties. BC Hydro and Power Authority conducted studies into the potential use of its Hat Creek lignite deposits near Ashcroft for future power generation.

In mid-1977, the province announced a policy to form the basis for current and future development of coal resources. The new policy outlined a licence system incorporating competitive bidding; committed BC's coal resources to development consistent with other provincial objectives; retained the existing \$1.36 a tonne royalty; tied BC's export coal prices to world prices; and reserved BC's coal for provincial, other Canadian and finally, foreign needs.

**Alberta.** In terms of volume, Alberta is Canada's leading coal-producing province, mining bituminous, sub-bituminous, and semi-anthracite coals with the sub-bituminous coal used primarily to generate electricity. Most bituminous coal is now exported to Japan for coke making, although some is destined for shipment to Ontario for electric power generation in the near future. Bituminous production reached 4.6 million t in 1976 and sub-bituminous, 6.4 million, representing increases of 12% and 8% respectively over 1975 levels.

Alberta continued to expand its sub-bituminous industry in 1976 and 1977 to meet increasing demand for electrical energy and satisfy some of Saskatchewan's electricity needs. On the Prairies, thermal electric plants are generally located close to coal mines to facilitate low cost power generation. At Wabamun Lake, west of Edmonton, Calgary Power Ltd. operates two power plants using coal from two surface mines. Other coal-fired power plants include the Drumheller, Battle River and Grande Cache stations.

In 1976 and 1977 new coal-fired thermal electric generating stations to meet Alberta's power needs in the 1980s were proposed. Calgary Power Ltd. and Alberta Power Ltd. took the first steps to obtain government approval for their proposed Keephills and Sheerness generating stations, for operation in 1984 and 1985.

Four mines produce coking coal in Alberta. In 1976 the largest operator, McIntyre Mines Ltd. near Grande Cache, produced 1.9 million t of clean coking coal and 580 000 t of middlings. Most of the coking coal was sold to the Japanese steel industry while middlings coal went to Alberta Power Ltd. for power generation at Grande Cache.

Luscar Ltd.'s Cardinal River mine produced approximately 1.7 million t of clean coal in 1976, all for the Japanese steel industry. Development of two new pits began near existing operations.

Canmore Mines Ltd. produced 91 000 t of semi-anthracite coal in 1976 while Coleman Collieries Ltd. extracted 955 000 t of clean coal from its underground and open-pit mines. Feasibility studies continued at Coleman's Tent Mountain No. 5 mine to supplement dwindling capacity at existing underground operations.

Several mines produced sub-bituminous coal in the plains region of the province for power generation. Output at Calgary Power Ltd.'s Highvale mine west of Edmonton reached 2.6 million t in 1976; the nearby Whitewood mine produced 2.1 million. Both supply on-site power stations. Southeast of Edmonton, Manalta Coal Ltd.'s Vesta mine and Forestburg Collieries Ltd.'s Diplomat mine processed 533 000 and 773 000 t, respectively, for power generation and industrial markets. Output at Manalta's Roselyn mine northeast of Calgary reached 362 000 t in 1976, most marketed to Saskatchewan Power's generating station at Saskatoon.

In 1976, the Alberta Cabinet approved Luscar Sterco Ltd.'s Coal Valley project to supply bituminous coal to Ontario Hydro over a 15-year period beginning in 1978. Coal