

KENTUCKY COAL

A KCA Presentation to the North Carolina Coal Institute

Bill Bissett, President
Kentucky Coal Association
2800 Palumbo Drive, Suite 200
Lexington, KY 40509
859/233-4743
bbissett@kentuckycoal.com
www.KentuckyCoal.com



Outline

- **Kentucky Coal Association**
- **Ky Coal Production & Employment**
- **KCA's Top Priorities - CPP & SPR**
- **2016 Election – A Kentucky Perspective**
- **Keep It In The Ground (KIITG)**
- **The Future of Coal**
- **Questions & Answers**

About Kentucky Coal Association

- Represents **More Than 90%** of Kentucky's **Coal Production**
- **15** Member Companies
- **100+** Associate Member Companies
- Provides a “**Voice**” for Kentucky Coal
- Coordinates the ***Friends of Coal-Kentucky*** and the ***Friends of Coal License Plate Program***



About Kentucky Coal - 2015

- **61 million tons** of coal production
- **Third** in nation next to **Wyoming & WV**
- **Two Coalfields** – *Appalachian Coal Basin* and *Illinois Coal Basin*
- Primarily **Steam Coal**
- Used Domestically in **SE United States**



Eastern Kentucky is “Ground Zero”

- | <u>PRODUCTION</u> | <u>E KY</u> | <u>W KY</u> | |
|-------------------|-------------|-------------|-------|
| – 2008 | 121 MM | 91 MM | 30 MM |
| – 2009 | 108 MM | 75 MM | 33 MM |
| – 2010 | 105 MM | 68 MM | 37 MM |
| – 2011 | 109 MM | 68 MM | 41 MM |
| – 2012 | 91 MM | 49 MM | 42 MM |
| – 2013 | 80 MM | 39 MM | 41 MM |
| – 2014 | 77 MM | 37 MM | 40 MM |
| – 2015 | 61 MM | 28 MM | 33 MM |

Eastern Kentucky is “Ground Zero”

- | <u>EMPLOYMENT</u> | <u>E KY</u> | <u>W KY</u> | |
|-------------------|-------------|-------------|----|
| – 2008 | 18K | 14K | 3K |
| – 2009 | 18K | 14K | 4K |
| – 2010 | 17K | 13K | 4K |
| – 2011 | 18K | 14K | 4K |
| – 2012 | 16K | 11K | 5K |
| – 2013 | 13K | 8K | 4K |
| – 2014 | 12K | 7K | 4K |
| – 2015 | 9K | 6K | 4K |

Coal Production by State - 2015

- **1st** **WY** **376 MM** **-5%**
- **2nd** **WV** **98 MM** **-15.7%**
- **3rd** **KY** **61 MM** **-20.7%**
- **4th** **IL** **56 MM** **-3.1%**
- **5th** **PA** **48 MM** **-16.3%**
- **6th** **MT** **42 MM** **-6.1%**
- **7th** **TX** **36 MM** **-18.2%**
- **8th** **IN** **34 MM** **-12.7%**

Coal Production by State - 2015

- **8th** **ND** **29 MM** **-1.2%**
- **9th** **NM** **19 MM** **-11.9%**
- **10th** **CO** **19 MM** **-21.4%**
- **11TH** **OH** **17 MM** **-22.7%**
- **12th** **UT** **14 MM** **-19.6%**
- **13th** **VA** **14 MM** **-10.3%**
- **14th** **AL** **13 MM** **-20.2%**
- **15th** **AZ** **7 MM** **-7.5%**

Two Top Priorities of KCA



Two Top Priorities of KCA

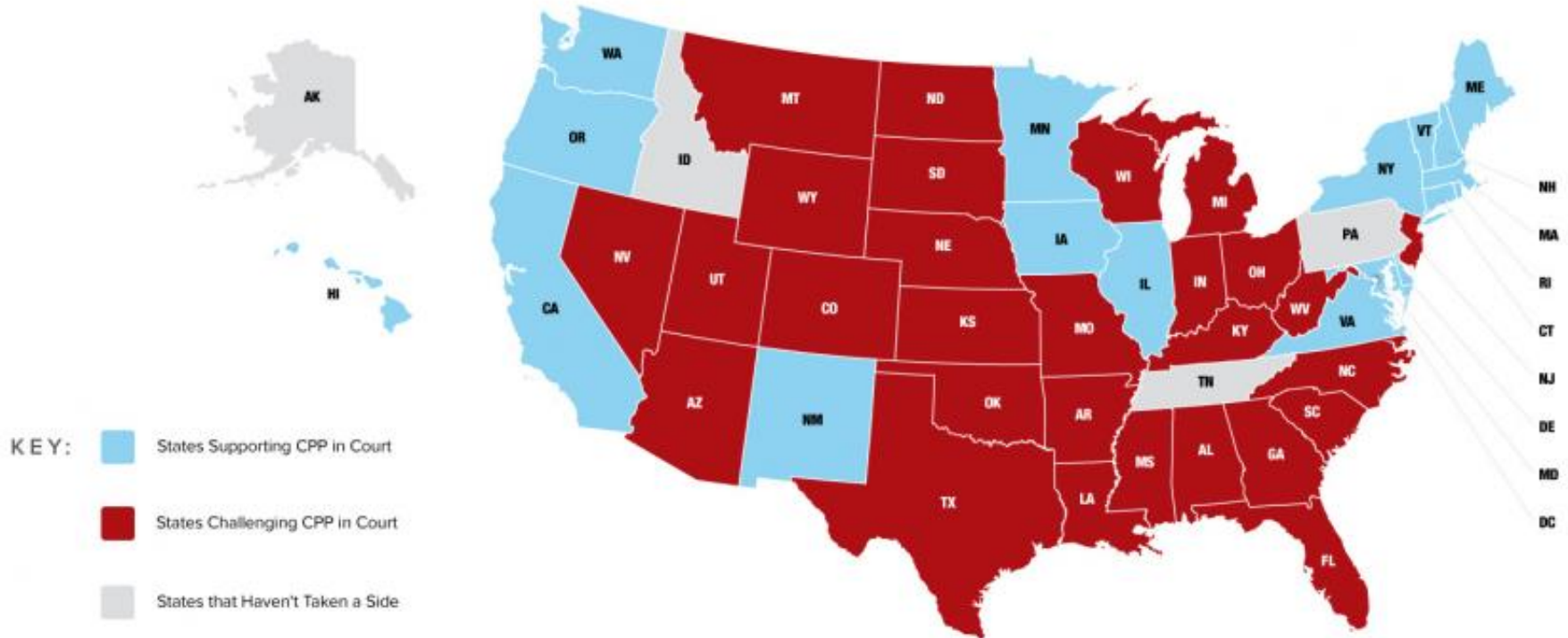
CPP

SPR

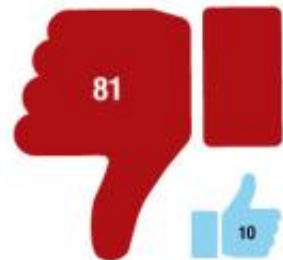
Two Top Priorities of KCA



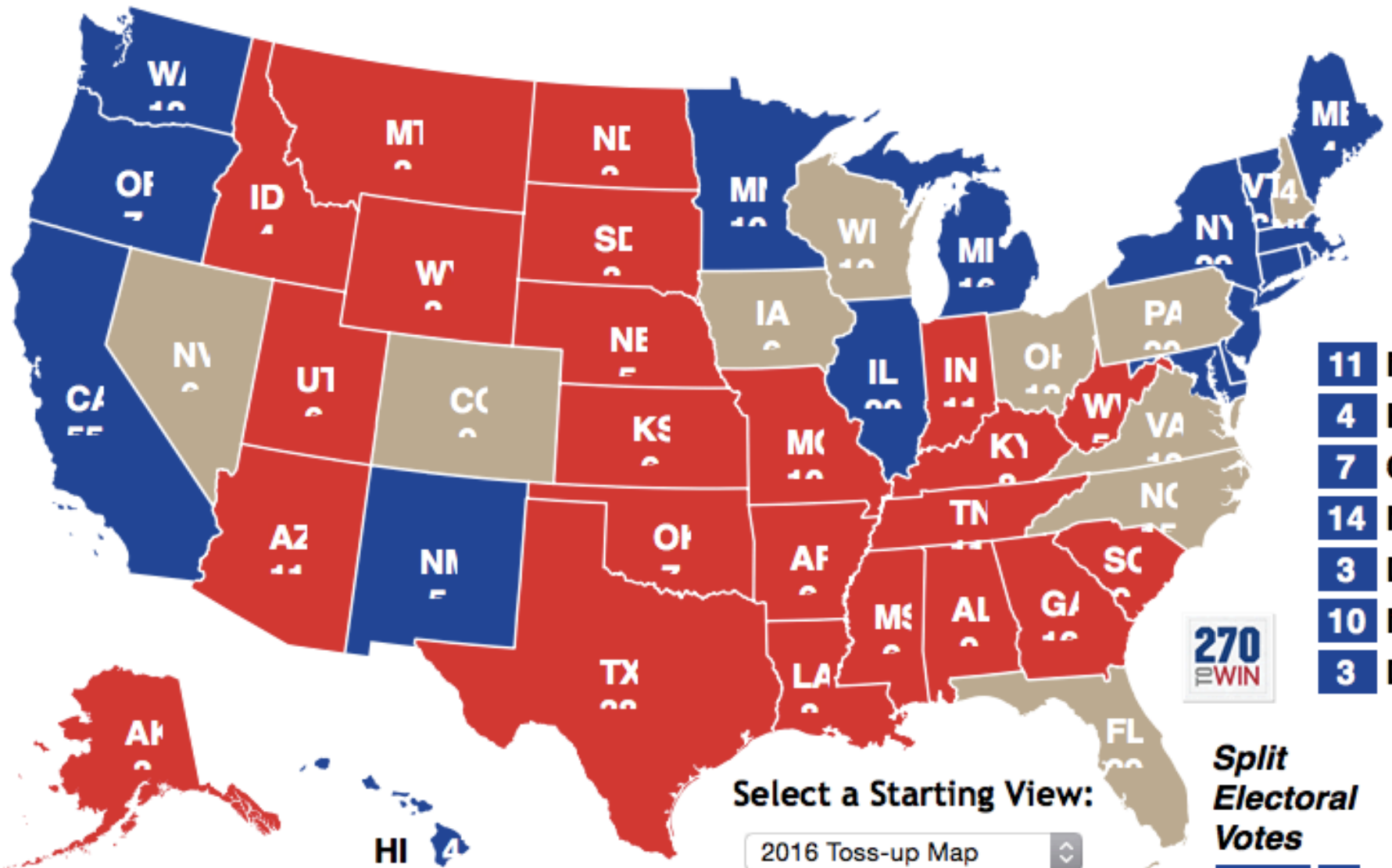
States Opposing EPA's Clean Power Plan Face Massive Burden



Source: EPA and federal court documents



U.S. CHAMBER OF COMMERCE



- 11** MA
- 4** RI
- 7** CT
- 14** NJ
- 3** DE
- 10** MD
- 3** DC

270
WIN

Select a Starting View:

2016 Toss-up Map

States most likely to be competitive

Split Electoral Votes

ME 3	1	i
NE 3	1	1

Customize your map by changing one or more states; return here to share it

***2016 Election
– A Kentucky
Perspective***



2016 Presidential Election



185 Days Left



Columbus, Ohio

9:53 PM ET

"WE'RE GOING TO PUT
A LOT OF
COAL MINERS
AND COAL COMPANIES
OUT OF BUSINESS!"

QUESTION:

Is it the case to poor whites who vote Republican
they should vote for you and your economic policies

LIVE

CNN

9:53 PM ET

Sec. Hillary Clinton

- ***“Now we’ve got to move away from coal and all the other fossil fuels...”***

-Columbus, Ohio – March 13, 2016

“IF YOU ARE FOR HILLARY, THEN YOU ARE NOT FOR COAL.”

New Video from Columbus, Ohio Shows Hillary Clinton as an Anti-Coal Candidate

LEXINGTON, KY – Bill Bissett, President of the Kentucky Coal Association, released the following statement in reaction to Hillary Clinton’s comments yesterday at a town hall meeting in Columbus, Ohio. A transcript of Clinton’s remarks and link to the video is below.

“After reviewing the comments of Hillary Clinton, it is clear to me that anyone who believes in the production and use of coal in this country should have nothing to do with Clinton’s campaign to lead this nation. At a time when nearly every coalfield in this country is suffering from the second term of President Barack Obama, Clinton’s remarks are insulting to coal miners everywhere. I am especially troubled by her taking credit for ending coal jobs and opportunities by saying, “We’re going to put a lot of coal miners and coal companies out of business.” If a

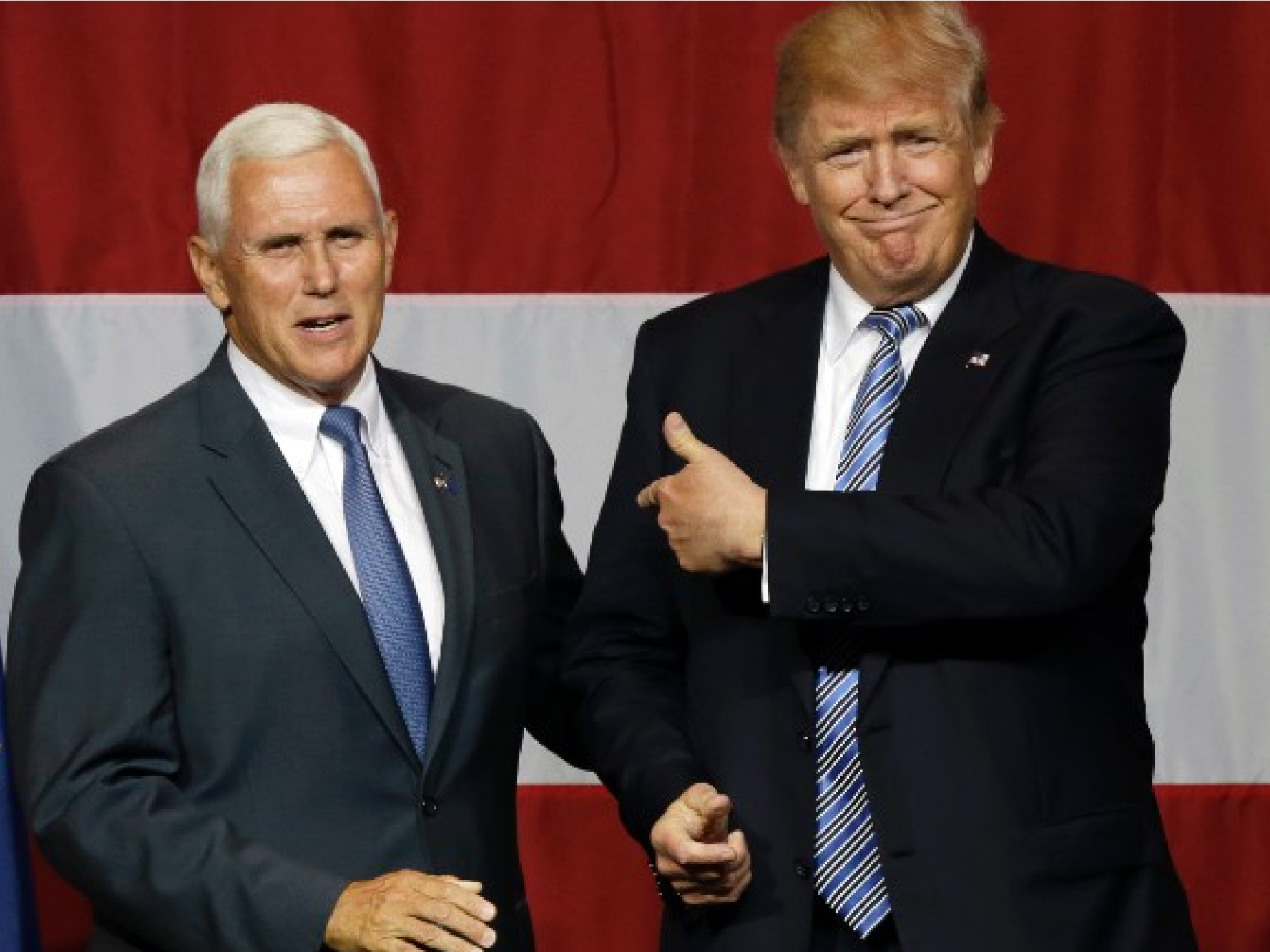




Donald Trump on Coal

- ***"We'll start winning, winning, winning, and you are going to be very proud, and for those miners, get ready because you're going to be working your asses off!" (Trump) said.***

CNN, May 6, 2016



Sierra Club on Trump / Pence?

- ***“We believe a Trump-Pence ticket would move us more rapidly towards a climate disaster,” Sierra Club Political Director Khalid Pitts. “When it comes to the environment, there is no plan B.***

- Morning Consult, July 15, 2016

***Keep It In The
Ground?***



The Houston Chronicle – 2/12/16

'Keep it in the ground' anti-drilling movement has some liftoff

By James Osborne | February 12, 2016 | Updated: February 15, 2016 12:16am



26



KEEP
IT
IN
THE
GROUND!



TEXT "FRACK" TO 69866

FRACKING =
CLIMATE CHANGE
STOP FRACKING NOW

TE







YES WE CAN
BAN FRACKING
AMERICANS AGAINST FRACKING

KEEP
IT
IN
THE
GROUND

THE
PEOPLE

Obama Admin's John Holdren

- *“The notion that we’re going to keep it all in the ground is unrealistic,” Holdren said. “We are still a very heavily fossil-fuel dependent world.”*
- *“When I look at the future of energy technology, I am looking at advanced technologies for fossil fuels, as well as expansion of nuclear, renewables, and of course heavy emphasis on improving efficiency,” Holdren said.*

-Morning Consult, July 11, 2016

Obama Admin's John Holdren

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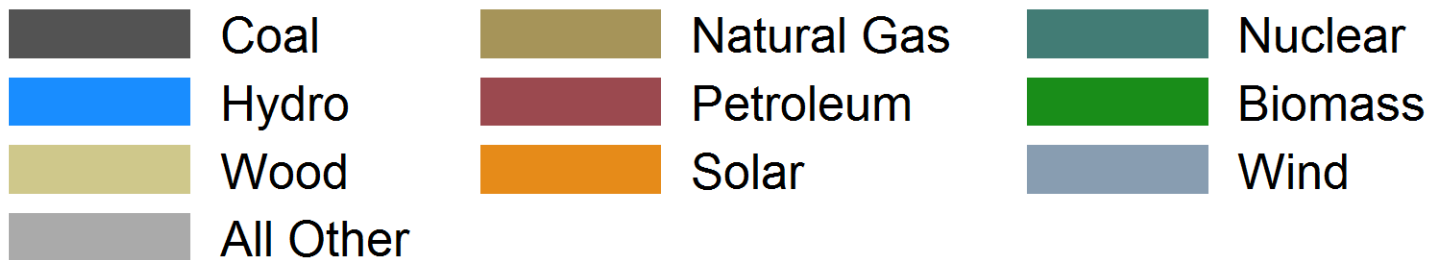
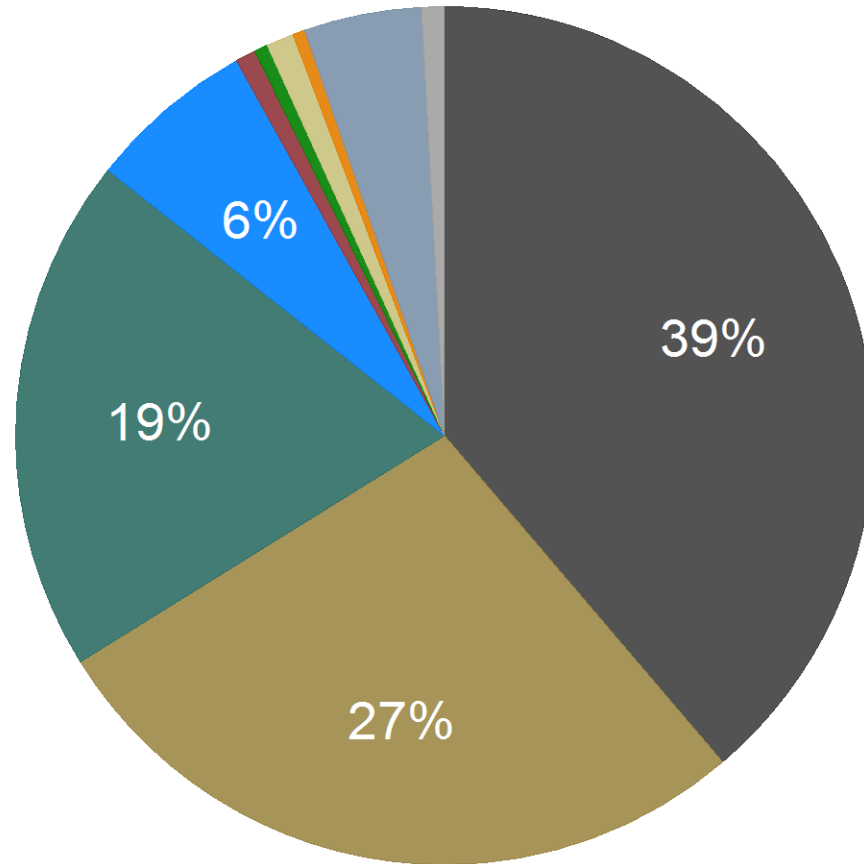
-Morning Consult, July 3

McCarthy Suggests Nuclear?



- ***EPA: Carbon rules could ensure nuclear power's survival***
 - Headline from *The Chicago Tribune*, June 18, 2014

United States Electricity Generation by Fuel, 2014



Nuclear Power?



Atlanta CPP Hearing – 7/29/14



Friends of Coal



Trademarked

**Friends
of Coal** [®]



Friends of Coal States

- **West Virginia**
- **Kentucky**
- **Virginia, Ohio, Indiana,
Illinois, Alabama, Colorado,
Utah, Montana, Wyoming &
Texas**

South America: Colombia

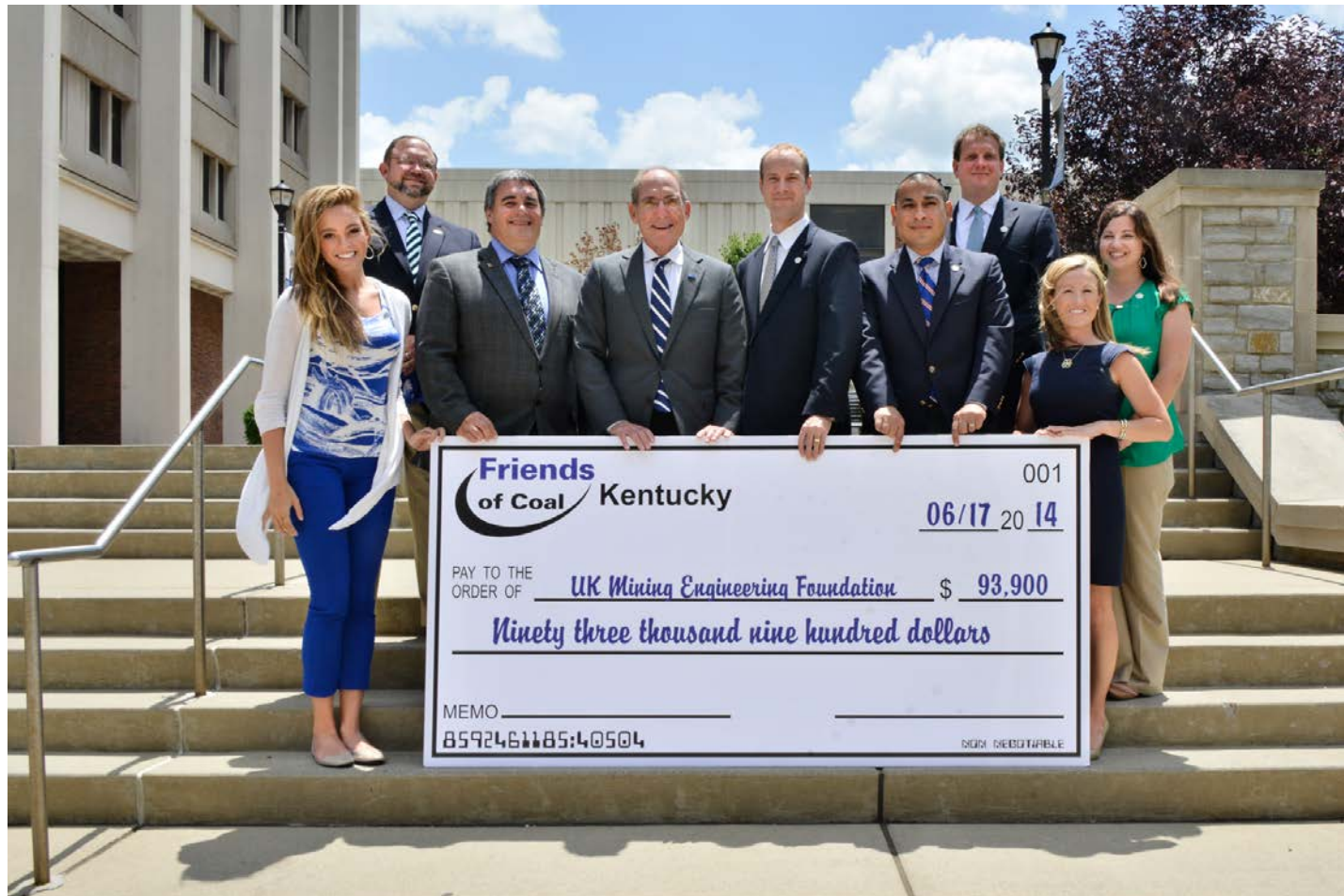
Amigos

del Carbón

104,000+



More Than \$340,000 in Scholarships for UK Mining Engineering in 4 Years



The Future of Coal?



Future of Coal?

- **What methods will we be able to use to mine coal?**



Future of Coal?

- **What methods will we be able to use to mine coal?**
- **How much coal will we mine?**



Future of Coal?

- **What methods will we be able to use to mine coal?**
- **How much coal will we mine?**
- **Who will be the end user of our coal?**



Questions?

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