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”

<table>
<thead>
<tr>
<th>PRODUCTION</th>
<th>E KY</th>
<th>W KY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>121 MM</td>
<td>91 MM</td>
</tr>
<tr>
<td>2009</td>
<td>108 MM</td>
<td>75 MM</td>
</tr>
<tr>
<td>2010</td>
<td>105 MM</td>
<td>68 MM</td>
</tr>
<tr>
<td>2011</td>
<td>109 MM</td>
<td>68 MM</td>
</tr>
<tr>
<td>2012</td>
<td>91 MM</td>
<td>49 MM</td>
</tr>
<tr>
<td>2013</td>
<td>80 MM</td>
<td>39 MM</td>
</tr>
<tr>
<td>2014</td>
<td>77 MM</td>
<td>37 MM</td>
</tr>
<tr>
<td>2015</td>
<td>61 MM</td>
<td>28 MM</td>
</tr>
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</table>
Eastern Kentucky is “Ground Zero”

<table>
<thead>
<tr>
<th></th>
<th>EMPLOYMENT</th>
<th>E KY</th>
<th>W KY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>18K</td>
<td>14K</td>
<td>3K</td>
</tr>
<tr>
<td>2009</td>
<td>18K</td>
<td>14K</td>
<td>4K</td>
</tr>
<tr>
<td>2010</td>
<td>17K</td>
<td>13K</td>
<td>4K</td>
</tr>
<tr>
<td>2011</td>
<td>18K</td>
<td>14K</td>
<td>4K</td>
</tr>
<tr>
<td>2012</td>
<td>16K</td>
<td>11K</td>
<td>5K</td>
</tr>
<tr>
<td>2013</td>
<td>13K</td>
<td>8K</td>
<td>4K</td>
</tr>
<tr>
<td>2014</td>
<td>12K</td>
<td>7K</td>
<td>4K</td>
</tr>
<tr>
<td>2015</td>
<td>9K</td>
<td>6K</td>
<td>4K</td>
</tr>
</tbody>
</table>
## Coal Production by State - 2015

<table>
<thead>
<tr>
<th>Rank</th>
<th>State</th>
<th>Production (MM)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>WY</td>
<td>376 MM</td>
<td>-5%</td>
</tr>
<tr>
<td>2nd</td>
<td>WV</td>
<td>98 MM</td>
<td>-15.7%</td>
</tr>
<tr>
<td>3rd</td>
<td>KY</td>
<td>61 MM</td>
<td>-20.7%</td>
</tr>
<tr>
<td>4th</td>
<td>IL</td>
<td>56 MM</td>
<td>-3.1%</td>
</tr>
<tr>
<td>5th</td>
<td>PA</td>
<td>48 MM</td>
<td>-16.3%</td>
</tr>
<tr>
<td>6th</td>
<td>MT</td>
<td>42 MM</td>
<td>-6.1%</td>
</tr>
<tr>
<td>7th</td>
<td>TX</td>
<td>36 MM</td>
<td>-18.2%</td>
</tr>
<tr>
<td>8th</td>
<td>IN</td>
<td>34 MM</td>
<td>-12.7%</td>
</tr>
</tbody>
</table>
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<thead>
<tr>
<th>Rank</th>
<th>State</th>
<th>Production (MM)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8th</td>
<td>ND</td>
<td>29 MM</td>
<td>-1.2%</td>
</tr>
<tr>
<td>9th</td>
<td>NM</td>
<td>19 MM</td>
<td>-11.9%</td>
</tr>
<tr>
<td>10th</td>
<td>CO</td>
<td>19 MM</td>
<td>-21.4%</td>
</tr>
<tr>
<td>11th</td>
<td>OH</td>
<td>17 MM</td>
<td>-22.7%</td>
</tr>
<tr>
<td>12th</td>
<td>UT</td>
<td>14 MM</td>
<td>-19.6%</td>
</tr>
<tr>
<td>13th</td>
<td>VA</td>
<td>14 MM</td>
<td>-10.3%</td>
</tr>
<tr>
<td>14th</td>
<td>AL</td>
<td>13 MM</td>
<td>-20.2%</td>
</tr>
<tr>
<td>15th</td>
<td>AZ</td>
<td>7 MM</td>
<td>-7.5%</td>
</tr>
</tbody>
</table>
Two Top Priorities of KCA
Two Top Priorities of KCA

CPP  SPR
Two Top Priorities of KCA

CPP

SPR
States Opposing EPA's Clean Power Plan Face Massive Burden

**KEY:**
- Light Blue: States Supporting CPP in Court
- Red: States Challenging CPP in Court
- Gray: States that Haven't Taken a Side

**Key for Chart:**
- Blue: % of reductions by 18 states defending EPA
- Red: % of reductions by 28 states challenging EPA

*Source: EPA and federal court documents*

U.S. Chamber of Commerce
2016 Election – A Kentucky Perspective
2016 Presidential Election
185 Days Left
"WE'RE GOING TO PUT A LOT OF COAL MINERS AND COAL COMPANIES OUT OF BUSINESS!"
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?
'Keep it in the ground' anti-drilling movement has some liftoff

By James Osborne  |  February 12, 2016  |  Updated: February 15, 2016 12:16am
KEEP IT IN THE GROUND!
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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that the future of energy technologies "starts with expansion of nuclear, and of course heavy emphasis on efficiency," Holdren said.

-Morning Consult, July 1
McCarthy Suggests Nuclear?

• EPA: Carbon rules could ensure nuclear power's survival

  — Headline from The Chicago Tribune, June 18, 2014
Nuclear Power?
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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