

December 3, 2009

## **COAL MUST EMBRACE THE FUTURE**

Senator Robert C. Byrd (D-W.Va.)

For more than 100 years, coal has been the backbone of the Appalachian economy. Even today, the economies of more than 20 states depend to some degree on the mining of coal. About half of all the electricity generated in America and about one quarter of all the energy consumed globally is generated by coal.

Change is no stranger to the coal industry. Think of the huge changes which came with the onset of the Machine Age in the late 1800's. Mechanization has increased coal production and revenues, but also has eliminated jobs, hurting the economies of coal communities. In 1979, there were 62,500 coal miners in the Mountain State. Today there are about 22,000. In recent years, West Virginia has seen record high coal production and record low coal employment.

And change is undeniably upon the coal industry again. The increased use of mountaintop removal mining means that fewer miners are needed to meet company production goals. Meanwhile the Central Appalachian coal seams that remain to be mined are becoming thinner and more costly to mine. Mountaintop removal mining, a declining national demand for energy, rising mining costs and erratic spot market prices all add up to fewer jobs in the coal fields.

These are real problems. They affect real people. And West Virginia's elected officials are rightly concerned about jobs and the economic impact on local communities. I share those concerns. But the time has come to have an open and honest dialogue about coal's future in West Virginia.

Let's speak the truth. The most important factor in maintaining coal-related jobs is demand for coal. Scapegoating and stoking fear among workers over the permitting process is counter-productive.

Coal companies want a large stockpile of permits in their back pockets because that implies stability to potential investors. But when coal industry representatives stir up public anger toward federal regulatory agencies, it can damage the state's ability to work with those agencies to West Virginia's benefit. This, in turn, may create the perception of ineffectiveness within the industry, which can drive potential investors away.

Let's speak a little more truth here. No deliberate effort to do away with the coal industry could ever succeed in Washington because there is no available alternative energy supply that could immediately supplant the use of coal for base load power generation in America. That is a stubborn fact that vexes some in the environmental community, but it is reality.

It is also a reality that the practice of mountaintop removal mining has a diminishing constituency in Washington. It is not a widespread method of mining, with its use confined to only three states. Most members of Congress, like most Americans, oppose the practice, and we may not yet fully understand the effects of mountaintop removal mining on the health of our citizens. West Virginians may demonstrate anger toward the Environmental Protection Agency (EPA) over mountaintop removal mining, but we risk the very probable consequence of shouting ourselves out of any productive dialogue with EPA and our adversaries in the Congress.

Some have even suggested that coal state representatives in Washington should block any advancement of national health care reform legislation until the coal industry's demands are met by the EPA. I believe that the notion of holding the health care of over 300 million Americans hostage in exchange for a handful of coal permits is beyond foolish; it is morally indefensible. It is a non-starter, and puts the entire state of West Virginia and the coal industry in a terrible light.

To be part of any solution, one must first acknowledge a problem. To deny the mounting science of climate change is to stick our heads in the sand and say "deal me out." West Virginia would be much smarter to stay at the table.

The 20 coal-producing states together hold some powerful political cards. We can have a part in shaping energy policy, but we must be honest brokers if we have any prayer of influencing coal policy on looming issues important to the future of coal like hazardous air pollutants, climate change, and federal dollars for investments in clean coal technology.

Most people understand that America cannot meet its current energy needs without coal, but there is strong bi-partisan opposition in Congress to the mountaintop removal method of mining it. We have our work cut out for us in finding a prudent and profitable middle ground – but we will not reach it by using fear mongering, grandstanding and outrage as a strategy. As your United States Senator, I must represent the opinions and the best interests of the entire Mountain State, not just those of coal operators and southern coalfield residents who may be strident supporters of mountaintop removal mining. I have spent the past six months working with a group of coal state Democrats in the Senate, led by West Virginia native Senator Tom Carper (D-Del.), drafting provisions to assist the coal industry in more easily transitioning to a lower-carbon economy. These include increasing funding for clean coal projects and easing emission standards and timelines, setting aside billions of dollars for coal plants that install new technology and continue using coal. These are among the achievable ways coal can continue its major role in our national energy portfolio. It is the best way to step up to the challenge and help lead change.

The truth is that some form of climate legislation will likely become public policy because most American voters want a healthier environment. Major coal-fired power plants and coal operators operating in West Virginia have wisely already embraced this reality, and are making significant investments to prepare.

The future of coal and indeed of our total energy picture lies in change and innovation. In fact, the future of American industrial power and our economic ability to compete globally depends on our ability to advance energy technology.

The greatest threats to the future of coal do not come from possible constraints on mountaintop removal mining or other environmental regulations, but rather from rigid mindsets, depleting coal reserves, and the declining demand for coal as more power plants begin shifting to biomass and natural gas as a way to reduce emissions.

Fortunately, West Virginia has a running head-start as an innovator. Low-carbon and renewable energy projects are already under development in West Virginia, including: America's first integrated carbon capture and sequestration project on a conventional coal-fired power plant in Mason County; the largest wind power facility in the eastern United States; a bio-fuel refinery in Nitro; three large wood pellet plants in Fayette, Randolph, and Gilmer Counties; and major dams capable of generating substantial electricity.

Change has been a constant throughout the history of our coal industry. West Virginians can choose to anticipate change and adapt to it, or resist and be overrun by it. One thing is clear. The time has arrived for the people of the Mountain State to think long and hard about which course they want to choose.