



## FAST FACTS AT A GLANCE

# Coal Mining in Kentucky

### **Kentucky powers America.**

- Coal supplies half the electricity consumed by Americans.<sup>1</sup>
- Kentucky is the third largest coal-producing state in the country, producing 119.8 million tons of coal in 2008 alone.<sup>2</sup>

### **Kentucky powers Kentucky.**

- About 94 percent of Kentucky's electricity is generated from coal.<sup>3</sup>

### **Kentucky mining helps fuel the U.S. economy.**

- In 2007, coal mining in Kentucky generated about \$11.2 billion in output.<sup>4</sup>

### **Kentucky families depend on coal mining for good jobs.**

- Coal mining provides jobs for the long-term.
  - Mining in Kentucky supports more than 84,000 jobs,<sup>5</sup> paying hundreds of millions of dollars in annual wages.
  - In Pike County alone, about 17 percent of the workforce is employed in coal mining.<sup>6</sup>
- While Kentucky's unemployment rate rose to 10.9 percent in June, coal mining has helped add more than 2,000 jobs to the state economy since 2008 (<http://wowktv.com/story.cfm?func=viewstory&storyid=63008>).
- Coal mining jobs fuel other jobs.
  - For every coal mining job, an additional 3.5 jobs are created elsewhere in the economy.<sup>7</sup>

### **Coal mining jobs are well paid.**

- The average wage for a coal worker in Kentucky is about \$61,000, roughly 70 percent more than the average wage for jobs in other industries in the state.<sup>8</sup>

### **Kentucky invests in protecting the environment.**

- Kentucky coal invests hundreds of millions of dollars in coal mine land restoration, or reclamation, projects.

### **Economically healthy coal mining equals a healthy community.**

- Coal mining creates an economic cycle of good jobs and opportunity that benefits families and strengthens communities.
- Personal income and payroll taxes from Kentucky mining jobs amounted to nearly \$1.3 billion in tax revenue in 2007 alone<sup>9</sup> – and millions more in property and other taxes – which in turn is invested into vital government services, such as K-12 education.

- In 2008, coal severance taxes alone brought the state roughly \$270 million in revenue. When state budgets are suffering from a weak economy, coal is an important revenue stream for all Kentucky.

**Surface mining is a sophisticated mining technique used to mine coal near the surface of the earth. This method improves productivity and protects the environment.**

- Surface mining operations provide enough energy to power more than 25 million American homes.<sup>10</sup> In Kentucky, surface mining techniques yield about half of the state's coal.<sup>11</sup>
- Before mining even begins, companies must submit – and both the government and the landowner must approve – a comprehensive land restoration and reclamation plan. Some areas are reforested or utilized for wildlife habitat; other areas are commercially developed to improve the quality of life for residents. For example:
  - Working with the state government and the Rocky Mountain Elk Foundation, mining companies in eastern Kentucky reintroduced 1,500 elk to properly reclaimed mines over a five-year period. The elk herd now numbers more than 10,000 animals.<sup>12</sup>
  - The American chestnut tree was largely eliminated from eastern forest of the United States several decades ago by a blight that destroyed almost the entire species. Through a partnership with the American Chestnut Foundation (TACF), mining companies planted a blight-resistant version of the chestnut across 1.2 million acres in Kentucky.

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\* The National Mining Association compiles and analyzes data from a variety of official sources, including the U.S. Bureau of Labor Statistics (BLS), U.S. Department of Energy Energy Information Administration (EIA), and the Mine Safety and Health Administration (MSHA), among other U.S. and international agencies.

<sup>1</sup> National Mining Association, Fast Facts about Coal. <[http://nma.org/statistics/fast\\_facts.asp](http://nma.org/statistics/fast_facts.asp)>

<sup>2</sup> U.S. Department of Energy/Energy Information Administration, *Annual Coal Report 2007*, Table 6. < [http://www.nma.org/pdf/c\\_production\\_mines\\_state\\_type.pdf](http://www.nma.org/pdf/c_production_mines_state_type.pdf)>

<sup>3</sup> Energy Information Administration, March 2008, *Cost per kWh & Percent of Coal Generation*. < [http://www.nma.org/pdf/c\\_map\\_use\\_cost\\_electricity.pdf](http://www.nma.org/pdf/c_map_use_cost_electricity.pdf)>

<sup>4</sup> The Economic Contributions U.S. Mining in 2007 - <http://nma.org/pdf/states/econ/ky.pdf>

<sup>5</sup> The Economic Contributions U.S. Mining in 2007 – <http://nma.org/pdf/states/econ/ky.pdf>

<sup>6</sup> Kentucky Office of Energy Policy - Division of Fossil Fuels & Utility Services, and the Kentucky Coal Association.

<sup>7</sup> National Mining Association. Fast Facts about Coal. [http://nma.org/statistics/fast\\_facts.asp](http://nma.org/statistics/fast_facts.asp)

<sup>8</sup> U.S. Bureau of Labor Statistics

<sup>9</sup> National Mining Association. *The Economic Contributions U.S. Mining in 2007* – <http://nma.org/pdf/states/econ/ky.pdf>

<sup>10</sup> National Mining Association. Mountaintop Mining Fact Book. (p.2) < [http://www.nma.org/pdf/fact\\_sheets/mtm.pdf](http://www.nma.org/pdf/fact_sheets/mtm.pdf)>

<sup>11</sup> U.S. Department of Energy / Energy Information Administration < [http://www.nma.org/pdf/c\\_production\\_method.pdf](http://www.nma.org/pdf/c_production_method.pdf)>

<sup>12</sup> Kentucky Department of Fish and Wildlife Resources (July 2009)