

## **STUDIES SHOW MOUNTAINTOP REMOVAL COAL MINING COSTS LOCAL ECONOMIES MORE THAN IT PROVIDES**

### **Ending Mountaintop Removal Coal Mining Would Benefit Appalachian Economies**

Several recent economic studies\* indicate that ending mountaintop removal coal mining could benefit local and regional economies with minimal costs. The debate about the future of mountaintop removal has often focused on the role of surface mining in the Appalachian economy, and the impacts to both the local economy and regional electricity prices of ending this destructive mining practice. But these recent studies shed new light on the benefits for Appalachia that would result from ending mountaintop removal mining and transitioning to clean energy jobs. Specifically, they show that:

- **Ending mountaintop removal would have a negligible effect on electricity prices in the eastern United States, where mountaintop removal coal is currently burned.** Many factors contribute to the cost of electricity, with coal prices playing just one small part. The actual impact on electricity markets of an increase in the price of coal coming out of Appalachia would vary in different regions depending on whether the wholesale electricity markets have been deregulated, but in no case would the impact be significant.
- **We have an abundance of cost-effective alternatives to mountaintop removal coal.** The availability and low-cost of these alternatives – including energy efficiency, renewable sources such as wind power and low-impact hydroelectric, natural gas, and coal from other sources – would also minimize any impact on electricity prices from restricting mountaintop mining.
- **Other types of mining in Appalachia employ more workers.** Per ton of production, deep mining employs more miners than mountaintop removal and other forms of surface mining. While the highly mechanized process of mountaintop removal mining has expanded over the last decade, the number of coal mining jobs in Appalachia has decreased.
- **Mountaintop removal coal mining costs state budgets more than it generates.** A study concluded that coal mining costs Kentucky taxpayers more than it brings into the state – a net loss of more than \$100 million annually. The costs include: increased road expenditures, operating mining-specific health and safety systems, supporting training and research and development for the industry, and various tax-breaks and subsidies. This estimate does not include healthcare costs, loss of home values, and the need for water treatment.
- **Mountaintop removal destroys clean energy sources.** Appalachia can only tap the power of clean energy – such as wind, small-scale hydropower, and other sustainable industries – if the mountaintops and valleys that support these resources remain intact. These renewable resources offer Appalachia the opportunity to diversify the rural and regional economies, and to create high-paying local jobs that will remain as long as the wind blows and the sun shines.

\*The recent economic studies include:

- Hendryx, M., Mortality Rates in Appalachian Coal Mining Counties: 24 Years Behind the Nation, *Environmental Justice*, Vol. 1, Num. 1, 2008, pp. 5-11. Available at [http://www.sludgesafety.org/health/Mortality\\_Coal.pdf](http://www.sludgesafety.org/health/Mortality_Coal.pdf)
- Hendryx, M. and M. Ahern, Mortality in Appalachian Coal Mining Regions: The Value of Statistical Life Lost, *Public Health Reports*, vol. 124, Jul-Aug 2009. Available at <http://wvgazette.com/static/coal%20tattoo/Mortality%20AppCoalRegions.pdf>
- Konty, M.F., and J. Bailey, The Impact of Coal on the Kentucky State Budget, report prepared for the Mountain Association for Community Economic Development, June 2009. Available at [http://www.maced.org/coal/documents/Impact\\_of\\_Coal.pdf](http://www.maced.org/coal/documents/Impact_of_Coal.pdf)
- Mountain Association for Community Economic Development report, The Economics of Coal in Kentucky: Current Impacts and Future Prospects, June 2009. Available at [http://www.maced.org/coal/documents/Economics\\_of\\_Coal.pdf](http://www.maced.org/coal/documents/Economics_of_Coal.pdf)
- Napoleon, A. and Schlissel, D., Economic Impacts of Restricting Mountaintop/Valley Fill Coal Mining in Central Appalachia, report by Synapse Energy Economics, Inc., August 2009. Available at <http://www.sierraclub.org/coal/factsheets.aspx>