

# Open Letter to Coal Industry and Coal Analysts: The World is Moving Away from Coal and Toward Clean Energy

To Whom it May Concern in the Coal Industry and Industry Analysts,

A profound shift is happening right now in America's energy landscape. With the bankruptcy of Peabody Energy, it's clear that the coal industry is in decline, and that a massive shift in the global market favoring clean energy sources like wind and solar is underway.

However, recent [comments made by coal executives, including a Peabody Energy executive](#), suggest that some in the industry are still insisting that coal will return to prominence, even as cleaner, cheaper energy options become widely available and accessible. The Peabody executive went even further by also suggesting that the coal industry will grow under the U.S. Environmental Protection Agency's Clean Power Plan, which sets the nation's first-ever standards for carbon pollution from power plants:

"Even the EPA's Clean Power Plan scenarios project larger coal demand in the U.S. by 2030 than the annualized pace we're on for this year," [Peabody vice president Vic] Svec said. "It's a matter of working off the slack."

It's time to set the record straight. Comments like these ignore the economic and political reality unfolding at home and abroad. Clean energy is getting cheaper. A massive, ambitious American grassroots movement to move beyond coal is [winning one campaign after another](#). The international community has even set an expiration date for fossil fuels with the Paris climate agreement last year.

No one should be surprised that the coal industry is not painting a realistic picture of its future, but it is a disservice to continue to mislead the public, shareholders, and communities that once relied on coal. The last decade has proven that the steep decline in America's coal use isn't a momentary blip-- it's part of a long-term transition away from coal and toward clean energy. [Since January 2010](#), we've seen more than 230 coal plants announce retirement, more than 99,000 megawatts of coal-fired electricity slated to go offline, and states enacting policies that will end their reliance on coal completely. In fact, the coal plant retirements during 2015 in the U.S. alone matched the coal capacity retired in the 20-year period between 1990-2009--and that momentum is only growing.

After providing half of America's electricity for decades, coal power [reached a historic low](#) of 34 percent in 2015. This decline will not be short lived either. There are structural reasons coal will never regain its lost market share, including:

1. The U.S. is not building any new coal plants.
2. Clean energy technologies like wind and solar are outcompeting coal due to massive decreases in costs and innovations in efficiency.
3. Existing coal plants are increasingly uneconomical when compared to clean energy, especially when required to clean up their dangerous pollution,
4. There is incredible momentum behind the grassroots movement that is shifting the U.S. away from coal.

Community leaders at the forefront of the grassroots movement, who fought for years to phase out their local coal plants and projects, aren't going to turn around and welcome them back. And neither are their neighbors.

Because of the success of this community-based, grassroots movement, more and more people across the country are becoming informed about the dangers of coal and taking a stand against it -- which makes sense considering the significant public health risks of living near the industry's waste stream.

With 300 coal plants still operating in the U.S., [communities near mining sites](#) continue to face high levels of birth defects and cancer, areas [near coal plants](#) still suffer from sky-high rates of asthma and [contaminated water](#), and burning coal remains a major driving force behind climate disruption -- which has massive health implications globally. At the same time, it's because the stakes are so high in communities near coal plants and mining sites - where it is literally a matter of life and death - that these grassroots leaders will continue advancing this clean energy transition. It's also why the gains they're making won't be reversed.

The massive number of coal plant retirements, continued planning by states from coast to coast to move toward a clean energy economy, and the extension of solar and wind energy tax incentives are all driving carbon emission reductions so quickly that the [United States is likely to exceed the Clean Power Plan's goals as early as five years ahead of schedule](#). This will not mean - as Peabody suggests - that the coal industry can then expect its fortunes to rebound. Working with allies across this country, our goal is to meet and far exceed the Clean Power Plan and end coal burning entirely in the next 15 years.

This downward trend for coal isn't limited to the United States either. The world's other largest carbon emitter, China, has officially begun ordering provincial governments to [suspend and delay new coal-fired power plant projects and proposals](#), while simultaneously halting all new coal mine approvals and announcing its plans to [close more than 1,000 coal mines](#) in this year alone.

As the coal industry declines, we have seen explosive growth in clean energy installations across the country, with [twice as much investment in these sectors](#) as fossil fuels. Since 2008, the Department of Energy estimates that U.S. solar installations have grown seventeen-fold, from 1,200 megawatts (MW) to an estimated 20,000 MW today. The price of solar panels dropped by [80 percent](#) in the same time frame. As the technology to produce solar energy grows more affordable, more and more families are choosing to invest in rooftop solar panels to generate their own energy -- which is why rooftop solar generation has [tripled since 2010](#).

The wind industry is booming as well, with DOE estimating that U.S. wind energy capacity has increased nearly 16-fold between 2000 and 2010. U.S. wind power generation is expected to [double in the next five years](#), powering a projected [100 million homes by 2050](#). In fact, this past January, 100 percent of new electrical capacity came from wind and solar alone.

Not only do clean energy sources help us clean up our air, they're also key in ensuring America's role as a strong and competitive global player by creating jobs and boosting our economy. The wind energy industry already employs [73,000 workers in the U.S.](#), and the solar industry over [173,000](#). In fact, the solar industry is growing about [12 times faster](#) than the overall economy. A fast transition to clean energy in the U.S. would create [2.7 million new jobs](#), even factoring in any loss of jobs in the fossil fuel industry.

When we look around the world, the picture for coal does not improve. In Paris, the entire world stood together as one to back a universal climate accord which puts an expiration date on fossil fuels. So it's clear

why some of the [leading pension and endowment funds](#) across the globe are increasingly determining that they need to get fossil fuels, and particularly coal, out of their portfolios. With the long-term prospects for coal this bleak and those for clean energy this strong, divestment is more than a moral imperative, it's actually the most basic and minimum of fiduciary responsibilities.

To be clear, we still have significant work to do to continue reducing coal's pollution, negative health effects, and climate emissions, and we've just scratched the surface of growth opportunities for clean energy. But the trends are clear - coal will play an increasingly diminished role in our nation's energy future, which belongs to clean, renewable energy.

As we make that shift, however, America also needs to invest in the livelihoods of workers and communities historically dependent on coal. This means making sure that the new clean energy economy provides good jobs for the people who most need them, while also ensuring that mining sites are cleaned up and reclaimed for the health and safety of communities near them. A fair and equitable clean energy economy will provide:

- **Quality Careers** for all people employed in clean energy industries.
- **Just Transition** that protects the livelihoods and well-being of fossil fuel workers and communities
- **Equitable Access** to clean-energy-related economic opportunities (including careers, wealth, and clean energy infrastructure) for vulnerable communities and individuals (including people of color, working class and low-income people, women, and youth).
- **Affordable Clean Energy**, especially for members of vulnerable communities.
- **Democratic Accountability** that ensures that the clean energy industry operates within a democratic system of safeguards, transparency, and in the public interest.

It's time to stop promising investors, communities, and decision makers that coal will return to prominence, when the smart money is clearly on clean energy. Warren Buffett's MidAmerican utility, for example, just announced a \$3.6 billion investment in new wind farms, the largest economic investment ever in Iowa, which is home to MidAmerican. Building on prior investments, by 2020 MidAmerican will be providing 85 percent of the electricity for its customers from cheap and clean wind power, all without increasing electric rates.

This momentum toward clean energy can't be stopped, and with support from millions of Americans, we will retire and replace the 300 remaining coal plants over the next 15 years with clean energy.

Sincerely,

Mary Anne Hitt  
Director of Sierra Club's Beyond Coal Campaign

Bruce Nilles  
Senior Director of Sierra Club's Beyond Coal Campaign