



Strategies for Appalachian Transition

Peter Hille, President
MACED

The decline of coal

“There should be no doubt in anyone’s mind that [coal’s] role as an employer is reducing...To ignore that is to blindfold ourselves and stick our heads in the sand.”

Kentucky Governor Steve Beshear
December 2013 SOAR Summit

Factors impacting Central Appalachian coal

The easy coal has been mined out

Acid rain regulations from decades ago resulted in scrubbers on plants, higher sulfur coal can now be burned and is cheaper

Natural gas has become cheaper than coal

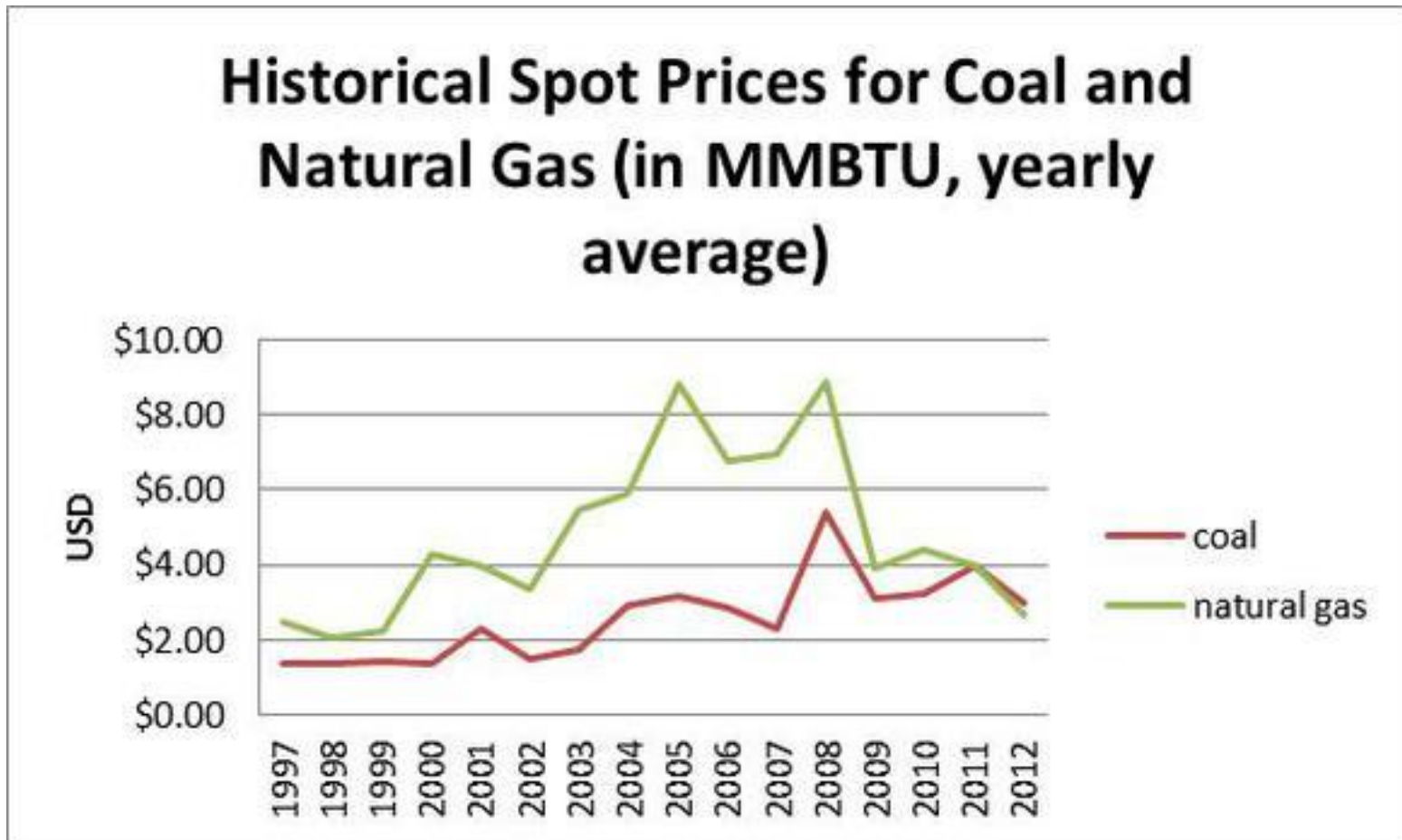
Increasing CO₂/climate change awareness poses future challenges to coal

Coal prices as of March 6, 2015

Dollars per short ton

- Central Appalachia \$53.06
- Illinois Basin \$40.32
- Powder River Basin \$11.55

Coal vs Natural Gas 1997-2012

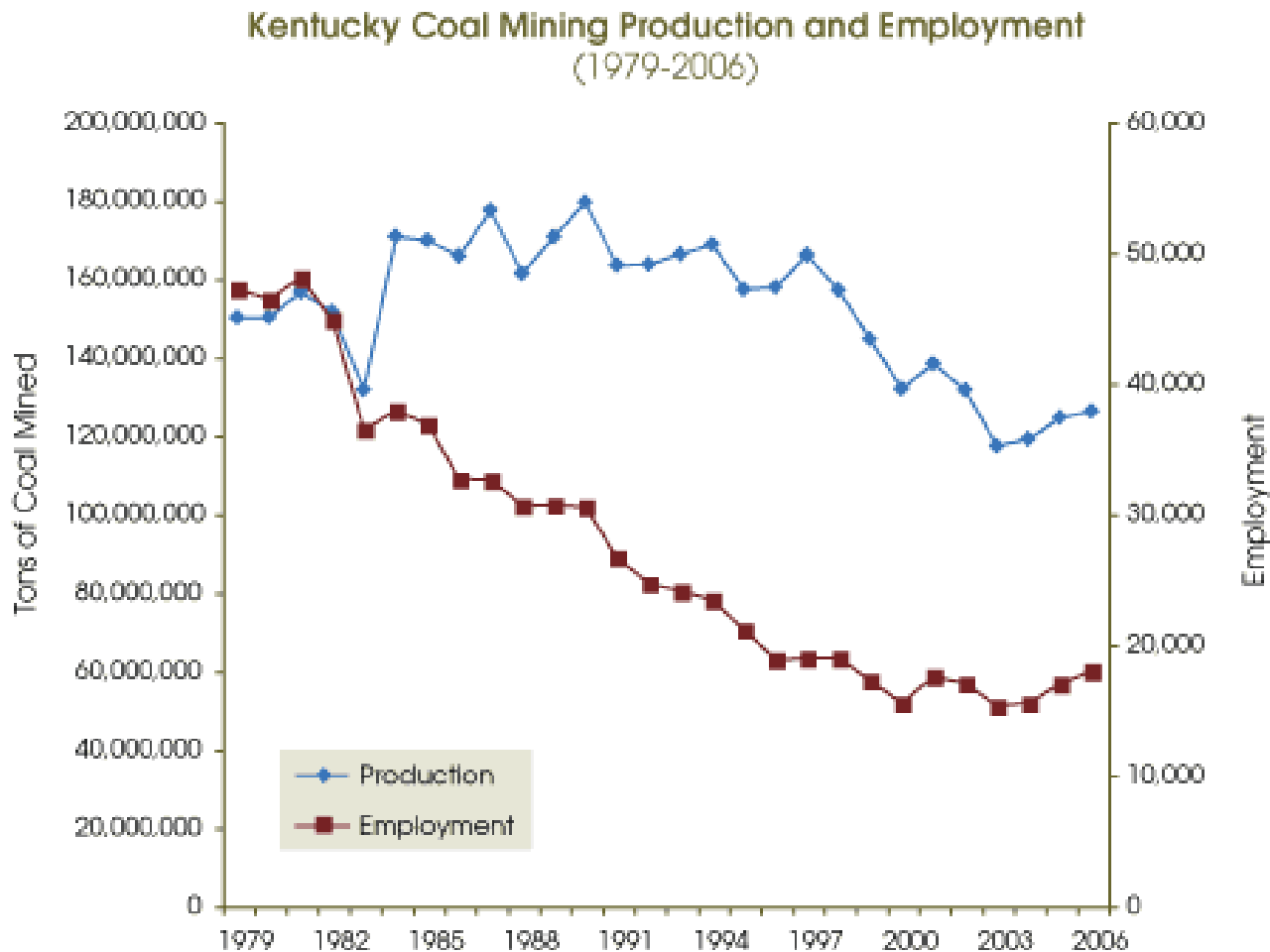


As much as coal has meant to us, it still has not built for us a self-sustaining economy. We had more high tech jobs than we could ever imagine in the coal industry, and it still didn't solve the chronic problems of the region. So we have to build that basic economic foundation.

Former Governor Paul
Patton

July 12, 2000

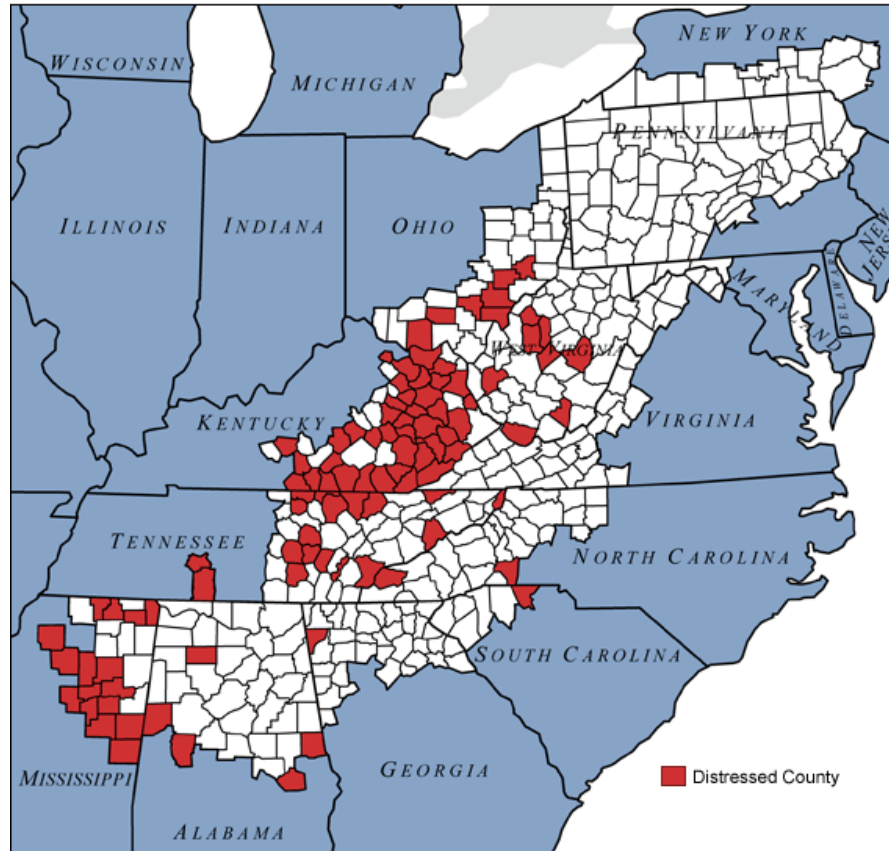
We lost the jobs before we lost the mines



Sources: Kentucky Office of Energy Policy, Kentucky Coal Association, Energy Information Administration

Economically distressed communities—even before we lost the jobs

ARC-Designated Distressed Counties, Fiscal Year 2013



Prepared by the Appalachian Regional Commission

Data Sources:

Unemployment data: U.S. Department of Labor, Bureau of Labor Statistics, LAUS, 2008–2010

Income data: U.S. Department of Commerce, Bureau of Economic Analysis, REIS, 2009

Poverty data: U.S. Department of Commerce, Bureau of the Census, American Community Survey, 2006–2010

Appalachian Transition

- A moment that demands and allows action
- A vision of a renewed region
- Strategies and approaches that create new opportunities
- Grounded in place and people
- Gathering political will for change

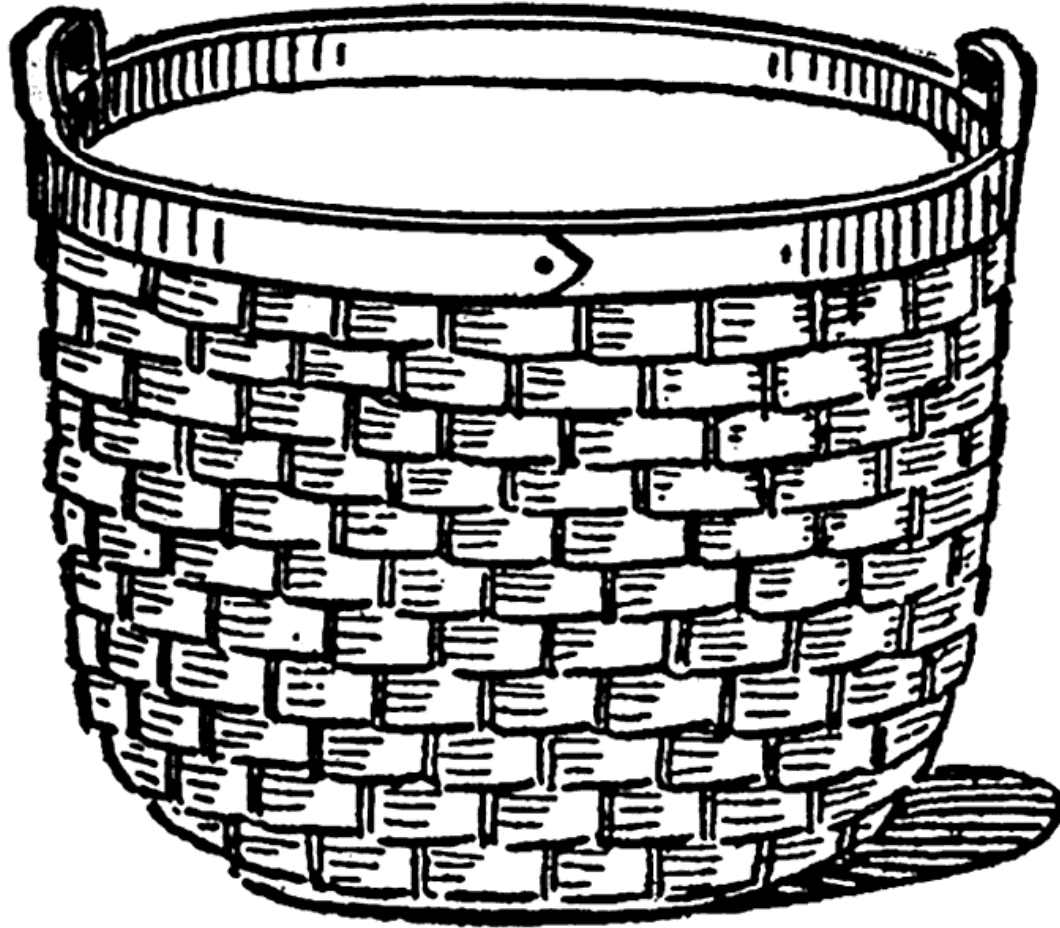
Economic opportunities

- Entrepreneurship
- Energy
- Forestry
- Health care
- Tourism
- Local foods

Policy Opportunities

- SOAR: Shaping our Appalachian Region
- President's POWER+ Plan
- 111(d) Rules
- Divestment/Reinvestment

The Basket



10.8 kW Solar Electric System





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