Energy Commission Releases VA Tech Study on Upstream Challenges for Coal in the U.S.

Washington, D.C. – The National Commission on Energy Policy (NCEP) today released a study assessing major issues facing the continued large scale production of coal in the United States. The study, funded by NCEP and undertaken by Virginia Tech (VT), sought to investigate different aspects of the coal supply chain and to highlight critical “upstream” fuel cycle issues that need to be addressed to ensure that the domestic coal industry can continue meeting the nation’s energy demands while delivering the social benefits and environmental performance demanded by the public.

The study examines the domestic coal production system, which includes: coal reserves determination; mining technology and resource optimization; coal processing technologies; health and safety issues; environmental protection; standards and practices; and human resources issues.

After significant input from a diverse group of stakeholders and more than a year of research, VT produced a comprehensive report reviewing all coal-related upstream issues, identifying problems and strengths, and recommending areas of improvement. In particular, the study found several key challenges that face the industry, including:

- The need to develop, test, and adopt new, environmentally responsible technologies for both coal mining and processing.
- Workforce shortages at all levels and in all segments of the coal sector are a major challenge for the industry.
- Readily and publicly available data on the major upstream factors covered in this report are inadequate for timely decision-making.
- A need to cultivating a “beyond compliance” culture within the coal industry and relevant government agencies in order to foster greater cooperation in addressing upstream issues and promote public trust.
- Coal mining continues to lack broad social acceptance at local, regional, and national levels.

“Because coal will be an important energy source for the foreseeable future, our expert Committee examined the entire coal production cycle and identified the key challenges facing the upstream..."
components of the system,” said Michael Karmis, the Report Committee Chair and Stonie Barker Professor, Director, Virginia Center for Coal & Energy Research. “One of the most important themes to emerge is the need for better information, improved technology and increased cooperation among public and private stakeholders to ensure a successful and socially acceptable coal industry going forward.”

“As we transition towards a new, clean energy economy, we should think about all aspects of the energy system. In the case of coal, we must consider not only the CO₂ emissions that need to be captured and permanently sequestered but the entire supply chain,” said Nate Gorence, a Policy Analyst at the National Commission on Energy Policy. “For coal, significant work is being done on how to mitigate CO₂ emissions from smokestacks by way carbon capture and storage (CCS) but little attention has been directed toward mining and other upstream issues. This study is important because it provides valuable information about the overarching challenges facing the coal production system. Only by addressing the entire coal industry—from production to consumption—can we truly lay the groundwork for an advanced energy system that includes a role for coal. We believe this study is a big step forward in providing a framework for evaluating the upstream components of the coal industry.”

NCEP has been a leading voice for implementing pragmatic policy solutions that steadily transition our nation toward a low-carbon energy system. Successful commercialization of carbon capture and storage (CCS) technology, in particular, offers a path forward for reconciling continued use of coal with the need to reduce carbon emissions. However, the challenges facing the coal production supply chain, which are highlighted in this study, deserve careful attention and need to also be simultaneously addressed in order to ensure that coal remains an important, and accepted, component of our nation’s future energy system.

*The National Commission on Energy Policy is a project of the Bipartisan Policy Center. The BPC was founded in 2007 by former Senate Majority Leaders Howard Baker, Tom Daschle, Bob Dole and George Mitchell. Currently, the BPC conducts projects, including NCEP, in the areas of transportation, health care, energy and climate change, national and homeland security, and science.*

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