

## INDIANA

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*This paper provides information regarding the importance of coal-fired electricity and coal production to Indiana.*

### COAL-FIRED ELECTRICITY

- There are **16 coal-fired power plants** (42 individual coal-fired electric generating units) in Indiana. These plants represent a total of 16,000 megawatts (MW) of electric generating capacity.<sup>i</sup>
- Indiana has the nation's **second-largest** coal-fired electric generating fleet.<sup>ii</sup> Indiana's largest coal-fired power plants are owned by Duke Energy, Vectren Corporation, American Electric Power, NiSource Inc., AES Corporation, and Hoosier Energy.<sup>iii</sup>
- Coal-fired electricity is estimated to support **46,700 jobs** in Indiana and is responsible for **\$11.2 billion** in economic output.<sup>iv</sup>
- During the first four months of 2016 (latest data available), coal ranked **first** among electricity sources for Indiana.<sup>v</sup> Coal provided 69% of Indiana's electricity, natural gas 30%, and renewables and other sources 1%.<sup>vi</sup> In 2014, nine of the ten largest power plants in Indiana were coal-fired.<sup>vii</sup>
- Indiana's coal-fired power plants will have invested **\$11.8 billion** in air pollution control technologies by 2020, making Indiana's investment the **largest** among the states in power plant emission controls.<sup>viii</sup> Indiana power plants have reduced emissions of major air pollutants by **80%** since 1995.<sup>ix</sup>
- **Twenty-seven (27)** coal-fired electric generating units (totaling 4,347 MW) in Indiana have shut down or will shut down due to EPA policies.<sup>x</sup> Indiana ranks **fourth** among states in coal-fired electric generating capacity being forced to shut down because of EPA policies.

### COAL PRODUCTION

- Indiana produced **34.4 million tons** of coal in 2015, making the state the eighth-largest coal producer.<sup>xi</sup> (Indiana produced 39 million tons of coal in 2013 and 2014.<sup>xii</sup>) Most of Indiana's coal production is located in the western part of the state. Approximately 28% of Indiana's coal production is shipped

to utilities in 12 other states.<sup>xiii</sup>

- In the first quarter of 2016, there were **2,831 coal mining jobs** in Indiana.<sup>xiv</sup> A total of **7,400 jobs** are supported by Indiana coal mining.<sup>xv</sup>

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<sup>i</sup> SNL Energy data.

<sup>ii</sup> EIA, *Electric Power Monthly*, June 2016.

<sup>iii</sup> SNL Energy data.

<sup>iv</sup> Estimates of the total jobs and economic output attributable to coal-based generation were derived from electric generation and electric utility sales revenue data published by EIA, and state-specific economic multipliers for the electric power industry developed by the U.S. Department of Commerce, Bureau of Economic Analysis. Direct jobs include workers in the generation, transmission, and distribution segments of the electric power industry. Indirect jobs include jobs in supporting industries, including coal mining, coal transportation, and jobs in other industries and communities that benefit from the purchases, wages, and taxes paid by the coal-fired power sector.

<sup>v</sup> EIA, *Electric Power Monthly*, June 2016.

<sup>vi</sup> *Ibid.*

<sup>vii</sup> EIA, *State Electricity Profiles*, Indiana, Table 2, Ten Largest Plants by Generation Capacity, 2014.

<sup>viii</sup> Energy Ventures Analysis, *Capital Investments in Emission Control Retrofits in the U.S. Coal-fired Generating Fleet through the Years, 2016 Update*, January 26, 2016.

<sup>ix</sup> EPA Air Markets Program Division Database Query (July 13, 2016). The U.S. coal-fired electric generating fleet has reduced its emissions of conventional air pollutants by 92% per kWh since 1970. Nationwide, owners of coal-fired power plants had invested \$111 billion through 2015 to achieve these emission reductions, and they are projected to invest an additional \$16 billion through 2020.

<sup>x</sup> ACCCE, *Coal Unit Retirements as of June 13, 2016*. Retirements are based on public announcements by the coal unit owners.

<sup>xi</sup> EIA, *Quarterly Coal Report, October – December 2015*, released April 2016.

<sup>xii</sup> EIA, *Coal Data Browser*. <http://www.eia.gov/beta/coal/data/browser/>

<sup>xiii</sup> EIA, *Annual Coal Distribution Report 2014*, released April 2016, Table OS-7. Of the 39 million tons of coal produced in Indiana in 2014, 28 million tons were used within Indiana, while 11 million tons were shipped to 12 other states.

<sup>xiv</sup> U.S. Department of Labor, Mine Safety and Health Administration, *Mine Injury and Worktime Quarterly*, January – March 2016, Table 3.

<sup>xv</sup> To estimate indirect and induced jobs, we used the same 1.61 multiplier as in *The Economic Impact of the Coal Industry in Pennsylvania*, Pennsylvania Economy League of Greater Pittsburgh, March 2014.