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Recently, the *Wall Street Journal* published a story, "[Coal Suffers as Coronavirus Saps Power Demand](#)," saying that coal is dying because it is more expensive than other electricity sources. We were limited to roughly 250 words in our response to the story. Here's what we wanted to say (in 500 words) had there been a less restrictive limit.

April 29, 2020

Dear *Wall Street Journal* Editor:

I was disappointed by the April 23 article "Coal Suffers as Coronavirus Saps Power Demand" because its story line incorrectly suggests that coal is dead.

One of the strengths of the U.S. electricity system is its diverse mix of electricity sources. Each of these sources—coal, natural gas, nuclear, wind, and solar—has its relative advantages. Ignoring the advantages of coal-based power plants is the main reason I was disappointed with the article's conclusion that coal is dead because it is more expensive than other electricity sources.

This conclusion is wrong for a couple of reasons.

First, coal-based electricity is not always more expensive than other electricity sources. Natural gas is very cheap right now. It costs less than \$2 per MMBtu (\$1.79 at the time I am writing this letter). So, electricity from gas-fired power plants is less expensive at the moment than electricity from many coal-fired power plants ... but that fact does not mean coal is dead. Natural gas can be considerably more expensive at other times. For example, gas prices spiked to more than \$90 in some regions of the country during extremely cold weather in 2014, and they exceeded \$30 during more recent cold weather spells. Because of high gas prices and the underperformance of wind power, coal had to pick up more than 60 percent of the increased demand for electricity in a 13-state region during unusually cold weather in 2018.

As a rule of thumb, electricity from coal is less expensive than electricity from natural gas when gas prices hit \$3 or more, which can happen for a number of reasons. It is critical to have coal to rely on when gas prices increase.

Also, new wind and solar are at least 60 percent more expensive on a levelized cost basis than existing coal-based power plants. Levelized costs are a good way to compare electricity sources because they include all the costs of building and operating an electricity source over its lifetime.

Second, the article failed to mention other advantages of coal-based power plants. For example, having resilient and fuel-secure electricity supplies has become increasingly important to grid operators and national security experts because of extreme weather and cyber and physical threats to infrastructure. Coal-based power plants are one of the most resilient and fuel secure sources of electricity we have. For example, coal-based power plants maintain several weeks of coal on-site, which means they are not vulnerable to fuel supply disruptions. Most other sources of electricity are neither resilient nor fuel secure.

Despite the article, we hope your readers will continue to appreciate the benefits of coal-based electricity.

Sincerely,



Michelle Bloodworth
President and CEO