Statement of Chris R. Hamilton

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Good evening. I'm Chris Hamilton, President of the West Virginia Coal Association and I'm grateful to have the opportunity to make a few comments at tonight's public hearing on First Energy's Proposed gas plant.

The West Virginia Coal Association is a trade association representing the majority of state coal producing companies, accounting for upwards of 80% of our state production. We also represent equipment manufacturing companies, an array of mine contractors, land companies, mine supply and mine vendors.

For the record, we wholeheartedly oppose the proposed gas plant that has been submitted to the WVPSC for approval consideration.

Our members mine both thermal coal that is consumed by public utilities, coal fired generators and high-grade metallurgical coals used in the coking and steel making processes.

We ship our product to end users in 35 states domestically and frankly, all over the world through our state's established exporting infrastructure and capabilities.

However, even with all the unprecedented help from President Trump and his energy team revising policies and regulations and lifting the burdens designed to strangle coal imposed by the Biden Administration, our export product, which incidentally accounts for half of our states output, has lost its competitive edge and has been in a free fall with low prices, untaxed domestic competition, ongoing international trade wars and the imposition of costly tariffs.

Rest assured, this valuable state commodity is losing value by the hour.

Thermal coal that is mainly impacted by First Energy's proposed gas plant has already been hit extremely hard over past couple of decades. The causes of this travesty have been well published but primarily stemming from political agendas driving bad national energy policy.

The federal government was coercing utilities to transition away from coal fired generators towards wind and solar build out and natural gas development.

This segment of the industry has stabilized with President Trump and the USDOE doing everything imaginable to retool and run our coal plants. Not only do we see power demand growing, but we have also allowed our grid to become extremely fragile with dangerously low levels of secured baseload power and generation that only coal providers.

To underscore the consequences of the "War on Coal", in 2000, West Virginia coal supplies were delivered to 150 coal fired power facilities in 32 states, fast forward to today, West Virginia thermal coals are delivered to 30 coal plants in 13 states. Coal and natural gas domestics market shares have flip flopped over this time.

West Virginia's 9 coal fired generators have provided a safe haven, a domestic market for our West Virginia thermal coal. All told it amounts to 13–16-million-ton market for about 15% of our total thermal coal production that is suddenly threatened based on the PSC's decision to approve of the proposal before you. The coal provided to our in-state coal fired powered plants accounts for $30 million annually in severance taxes and supports over 36,000 jobs in the Mountain State.

Over the next couple days, you will hear firsthand how the proposed gas plant is clearly not the least cost option for rate payers and end users.

The state energy office authored a report depicting the differential between the cost of upgrading our existing coal plants versus building out new power generators, gas or coal!

Incidentally, the Legislature passed HB 2014 "Power Generation Act" in early 2025 which among other requirements surrounding data centers and micro grids, required the states two major utilities to make important upgrades to their coal plants. Here we are a year, and a half later and not only are no meaningful upgrades being made, but none are scheduled or in the queue to be upgraded anytime soon. This issue was the focus of PSC hearings in May.

Importantly, if the existing coal plants subject to PSC regulation were upgraded and modernized as the law requires, ample and endless job opportunities and construction work would ensue at the local level.

You will hear testimony, under oath, concerning the magnitude of risk the gas plant if approved will place on West Virginia rate payers and citizens. The degree of risk simply does not pass muster. Without adequate off takes for the increase power supply, First Energy is asking you, the PSC, to have ratepayers underwrite their potential losses with from gambling in the wholesale electric market.

First Energy is also part of a three-company plan to build a new transmission line from Appalachian Powers John Amos plant in Putnam County to the proximity of First Energy's coal plants threatened by the proposed gas plant.

Completion of this transmission line will afford a number of scenarios for First Energy to raise its power capability without the new gas plant being constructed.

When the WV Public Energy Authority was stood up by the Governor, one of the stated purposes was so the PEA could facilitate Purchas Power Agreements between the states regulated plants and merchant plants. Both of West Virginia's Merchant plants have proposed plans to sell the excess power they generate to First Energy's regulated market which should still be considered today.

After all, First Energy once owned and operated one of the two state merchant plants, and several years ago proposed bringing that plant into the regulated fleet. Such a proposal seems sensible and less costly on consumers considering this arrangement today.

It's all about the miners...We're proud to appear before you in support of our state's working miners. We join with the UMW to respectfully ask you to support these men and woman who are such an integral part of West Virginia's community and social fabric and have sacrificed so much to provide the low-cost energy that has built this state and nation

Today's miner has advanced skills and competencies and operates some of the world's most technological and modern equipment found anywhere in the world. They are worthy of your support.

Like our association, they do not oppose new generation or competition because they live it every day. The coal industry works continuously to reduce its costs and expand its markets globally.

What doesn't make sense is the potential scenario of a state like West Virginia, a major power export state, to potentially be willing to trade one energy job for another especially when the one being replaced pays more and sustains more state workers and state commerce.

Our industry has weathered tremendous challenges and threats from our federal government and outside forces. We should not be threatened by our own government inside our state's boundaries.

As a state, we should embrace the notion of not trading one energy job for another. We are better than that and should embrace full development of both coal and gas industries without picking one over the other. Both have established markets and both have ample opportunities going forward.

Let's fully upgrade and fine tune our states existing power generating assets per HB 2014 to reduce consumer costs, secure our existing industrial base, lower consumer costs while protecting existing jobs and investment.