



# West Virginia Coal Association

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**December 26, 2025**

**Mr. Nick Preservati**

**Director**

**West Virginia Office of Energy**

**1900 Kanawha Blvd. East**

**Building 3, Suite 500**

**Charleston, WV 25305**

**Submitted via electronic mail: [wvoeinfo@wv.gov](mailto:wvoeinfo@wv.gov)**

**Re: West Virginia Comprehensive Energy Plan**

**Dear Mr. Preservati:**

Pursuant to the notice published by the West Virginia Office of Energy (WVOE), the West Virginia Coal Association (WVCA)<sup>1</sup> offers the following comments and observations regarding the development of a comprehensive energy plan for the State of West Virginia.

The West Virginia coal industry has provided the low-cost fuel that has powered America for decades, beginning as the motive power fuel that propelled the nation's railroads and fired the iron and steel furnaces that forged the American industrial revolution. As the nation's energy needs matured and evolved, coal effectively transitioned to the baseload fuel of reliable and inexpensive electric generation that secures the nation's position in the dawning digital and artificial intelligence age. West Virginia coal continues to fuel American industrial strength and will secure a resurgence of American manufacturing. West Virginia coal also has a prominent position in the world energy market, supplying the same high-quality solid fuel resource for electric generation and industrial fuel to our international partners that secured our own economic security.

Over the past year, President Trump's energy team has been working at record pace to undo the damage inflicted on the nation's coal industry from previous federal

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<sup>1</sup> WVCA is a trade association representing the interests of companies engaged in the mining of coal within the State of West Virginia. WVCA's producing membership accounts for more than 80 percent of West Virginia's underground and surface coal production of both thermal and metallurgical coal consumed domestically and shipped around the world. WVCA also represents approximately 150 associate members that supply an array of services to the mining industry, including permitting, environmental, and engineering consulting firms; mining equipment manufacturers; coal transportation companies; coal consumers and land and mineral holding companies. WVCA's primary goal is to enhance the viability of West Virginia coal as a source of secure and efficient domestic energy. WVCA is largest state coal trade association in the country.

administrations. This action involves reversing and repealing a number of administrative actions and onerous federal regulations which specifically targeted coal mining and coal-fired electric power plants and domestic manufacturing facilities.

At the state level, Governor Morrisey and the Legislature passed House Bill (HB) 2014, the microgrid/data center legislation containing a number of provisions designed to boost the coal industry and coal-fired electricity, including requirements to upgrade and modernize the state's regulated coal fleet so they would operate at optimum capacity for an extended period of time. Full implementation of these provisions of existing state law should occur before or as integral part of any comprehensive energy plan developed by the state.

These welcomed changes in state and national energy policy are timely as the state and nation prepares for a sudden and unexpected rise in electrical demand principally due to full development of artificial intelligence systems and data processing facilities.

Before embarking on some ambitious plan to build out new generation, WVOE, as instructed by the Legislature and Governor Morrisey, should first protect its existing generation assets, workforce and the coal industry that supports them.

West Virginia's nine existing coal-fired power plants represent "premium assets" in this age of increased power demand and should serve as the fundamental building block of any plan to increase generation within the State of West Virginia. Securing the future of these existing in-state generating facilities positions the Mountain State to take advantage of new development opportunities.

Ensuring the future of these nine West Virginia coal plants also protects the substantial investment made by state ratepayers in these facilities and the lowest cost electricity they provide.<sup>2</sup> These existing coal assets represent billions of dollars in state and local tax revenues and support thousands of coal mining, power plant and other jobs throughout the economy.<sup>3</sup>

While they represent some of the largest and most efficient coal generating assets in the country, state regulators and policymakers have rightfully questioned the current operation of the plants, concerned they are not being utilized to the maximum benefit of state residents.<sup>4</sup> WVDOE should first fully implement the provisions of HB 2014 that were directed at maximizing the operation of the existing plants and incorporate similar provisions in the agency's contemplated comprehensive energy plan.

Beyond maximizing the operation of existing plants and ensuring they continue to run at the highest levels necessary to the benefit of existing ratepayers, any comprehensive energy plan must include opportunities for the build out of new coal-fired generating assets, maximizing West Virginia's natural advantages of substantial,

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<sup>2</sup> EIA electric power monthly reports

<sup>3</sup> WVU Study

<sup>4</sup> DOE review of APCO, PSC prudency report

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developed, “readily available” thermal coal reserves. Coal fired power plants offer the best option for reliable, baseload generating capacity that is fuel-supply secured and “hardened” against potential weather, transportation and other disruptions. Coal power plants are among the highest “Effective Load Carrying Capable” assets identified by interstate electric market and grid managers.<sup>5</sup> The West Virginia Legislature and the state executive have already provided specific instruction to both the WVOE and the West Virginia Department of Economic Development with the passage of the Coal Fired Grid Stabilization & Security Act of 2023.<sup>6</sup> Additionally, there are multiple sites within the state, some adjacent to currently operating coal fired plants, that can easily accommodate new coal generation.

Any comprehensive energy plan for West Virginia should also fully encourage in-state development opportunities for the state’s metallurgical coal reserves and operations. As the Trump Administration looks to revitalize America’s iron and steel industry and domestic blast furnaces are returned to service, there is a need for new metallurgical coke making infrastructure. As the nation’s leading producer of metallurgical coal and with a multitude of “shovel-ready” locations that could accommodate new facilities, West Virginia should be leading any national discussion of “reshoring” American manufacturing through the construction of new coking plants.

A state energy plan must also consider the markets for West Virginia coal beyond the state’s borders. The majority of the state’s coal production is shipped to other states for electric generation and for use in steel making or other manufacturing. As one of its leading industries, employers and taxpayers, the state should continually monitor all the domestic markets for West Virginia coal and provide outreach and support to preserve those markets. Here again, the Legislature has previously instructed the WVOE (through the Office of Coalfield Community Development to implement such a program with the passage in 2023 of HB 3303.<sup>7</sup>

West Virginia’s coal industry is a major participant in the international energy market as the nation’s largest coal exporting state. Roughly half the state’s coal production is metallurgical and thermal export coal, destined for 48 countries around the globe.<sup>8</sup> Preserving and expanding these markets is critical to sustaining the state’s overall coal production, employment and tax base. Fundamental shifts in global energy consumption and steelmaking present new challenges for this sector of the state’s coal industry.

In the global energy trade, the higher quality of West Virginia coal is moderated in a marketplace that is driven by price alone. In the developing nations of the world, energy

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<sup>5</sup> PJM ELCC ratings for coal plants.

<sup>6</sup> [http://www.wvlegislature.gov/Bill\\_Text\\_HTML/2023\\_SESSIONS/RS/bills/hb3482%20intr.pdf](http://www.wvlegislature.gov/Bill_Text_HTML/2023_SESSIONS/RS/bills/hb3482%20intr.pdf)

<sup>7</sup> [https://www.wvlegislature.gov/Bill\\_Text\\_HTML/2023\\_SESSIONS/RS/bills/hb3303%20sub%20enr.pdf](https://www.wvlegislature.gov/Bill_Text_HTML/2023_SESSIONS/RS/bills/hb3303%20sub%20enr.pdf)

<sup>8</sup> EIA quarterly coal reports, coal facts

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concentration and environmental considerations are less of a concern than in domestic markets and those in developed nations of Europe.

While West Virginia is located close to the established coal exporting infrastructure of the eastern United States, it must travel twice or more the seaborne distance to important new markets like India. While some of these limitations can be overcome based on coal quality, the availability of adequate, stable coal reserves, and established mining operations, controlling mining costs is essential. Tax burdens and regulatory requirements add considerably to the cost of producing West Virginia coal. As export markets become more price sensitive, all efforts to reduce these government-imposed costs must be considered. Other states have recognized this situation and have worked to reduce the tax burden on coal destined for the export market. Kentucky, for example, has eliminated its severance tax on both thermal and metallurgical export coal.

The maintenance and expansion of export infrastructure is also critical to maintaining this segment of the coal industry. This involves not only monitoring the performance and prospects of all related transportation modes and existing ports, but potential state investment in new facilities. The West Virginia Development Office, which maintains an active international presence to encourage state exports, must develop coal-specific expertise to effectively market the state's coal as the world's fuel of choice.

Coal mining operations are extremely capital intensive, and the currently operating coal infrastructure of West Virginia reflects billions of dollars of investment in the state's future.<sup>9</sup> Providing the capital expenditure necessary to maintain coal mining operations becomes an exercise in balancing capital outlay and spending during times of higher pricing while conserving the same when demand and pricing contracts. While coal prices fluctuate and "swing" during periods of energy market uncertainty, the demands of government and capital are steady or increase, with mining being subject in recent years to higher inflation rates on mining-specific supplies and equipment.

Investment tax credits specific to the coal industry could serve to moderate the extremes encountered in the peaks and valleys of the energy markets. While West Virginia maintains a robust economic attraction model that includes substantial tax relief to attract new businesses to the state, these incentives are generally unavailable to the coal industry and certainly limited for existing mines and infrastructure. For several years, the Legislature has considered an investment tax credit model for coal that directed at the mineral severance tax that would acknowledge first the substantial capital investment associated with bringing new mines on the market or sustaining existing operations, and second the overall economic benefit associated with coal production. The state's energy plan should embrace this investment credit mechanism to not only secure existing coal supplies but also encourage new investment as well.

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<sup>9</sup> WVU Study  
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The state's energy policy must also acknowledge the specific recruitment, training and employment needs of the coal industry. The best initiative for preparing the next generation of coal miners would be for one to exist at all under state auspices. To our knowledge, there are few, if any, job training programs or incentives for coal mining positions beyond those developed and implemented by the coal industry. In 2023, the Legislature specifically directed the Office of Coalfield Community Development to coordinate such a program with the state's existing Office of Miners' Health, Safety & Training.<sup>10</sup>

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<sup>10</sup> [https://www.wvlegislature.gov/Bill\\_Text\\_HTML/2023\\_SESSIONS/RS/bills/hb3303%20sub%20enr.pdf](https://www.wvlegislature.gov/Bill_Text_HTML/2023_SESSIONS/RS/bills/hb3303%20sub%20enr.pdf)  
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