Union of Concerned Scientists BURNING COAL, BURNING CASH Ohio's Dependence on Imported Coal



The cost of importing coal is a major drain on the economies of many states that rely heavily on coalfired power. Thirty-eight states were net importers of coal in 2008, from other states and, increasingly, other nations. *Burning Coal, Burning Cash* ranks the states that are the most dependent on imported coal. This fact sheet shows the scale of this annual drain on Ohio ratepayers, and discusses ways to keep more of that money in-state through investments in energy efficiency and homegrown renewable energy.

Ohio imported nearly three-quarters of the coal its power plants used in 2008—some from as far away as Montana and Wyoming. To pay for those imports, Ohio sent **\$1.87 billion** out of state. In-state mines supplied the rest of Ohio's coal and also exported coal worth \$381 million to other states. The state spent a net \$1.49 billion on imported coal.

First Energy Generation, Ohio's second-largest provider of electricity services, purchased \$570 million in coal imports—30 percent of the state's gross total, and more than any other power producer in the state. First Energy's W.H. Sammis plant, in Stratton, spent \$291 million on coal imports—more than any other power plant in Ohio. The plant is the twenty-first-largest source of carbon dioxide emissions (the main cause of global warming) among hundreds of coal plants nationwide.



Cleveland, Ohio. The cost of importing coal is a drain on Ohio's economy, which relies heavily on coal-fired power. Investments in energy efficiency and homegrown renewable energy can help stimulate the economy by redirecting funds into local economic development—funds that would otherwise leave the state.



Compared with other states, Ohio:

- Spent the 5th most on net imports: \$1.49 billion
- Imported the 6th most in net weight: 32.7 million tons

Note: Not all these funds will necessarily land in the state or nation where the mining occurs. Mine owners may divert the profits to parent companies in other locations, for example. Amounts also include the cost of transportation.

Ohio's Mix of Electricity Sources (2008)



Ohio relies on coal to produce 85 percent of the electricity it generates the second-highest percentage among the states we profiled.

 "Other" includes oil, municipal solid waste, tires, propane, or other manufactured and waste gases from fossil fuel.

Clean Energy Solutions Can Boost Ohio's Energy Independence

Investing in energy efficiency is one of the quickest and most affordable ways to replace coal-fired power while boosting the local economy. Yet Ohio spent just \$2.51 per person on ratepayer-funded electricity efficiency programs in 2007—about 51 times less than it spent to import coal. Fortunately, the state adopted a new energy efficiency resource standard in 2008. Utilities must reduce power demand by an average of 1.3 percent annually from 2009 to 2025. Twenty-two other states have adopted similar standards, with several requiring annual power savings of 2 percent or more.

Ohio is also working to reduce its dependence on imported coal by tapping its wealth of renewable energy resources. For example, the Ohio Power Siting Board recently approved the construction of three large-scale wind projects that will supply the state with nearly 500 megawatts (MW) of local, clean power. And First Solar, a global leader in thin-film solar photovoltaic (PV) technology, is nearing completion of a major expansion of its Perryville manufacturing facility. The plant will support more than 1,000 jobs and have the capacity to produce 213 MW of PV modules each year.

The state has the technical potential to generate nearly 1.3 times its 2008 electricity demand from renewable energy, led primarily by wind and bioenergy, though economic and physical barriers will curb some of that potential. Ohio utilities must rely on renewable resources to produce at least 12.5 percent of the state's power needs by 2025. Twenty-eight other states and the District of Columbia have adopted such renewable electricity standards, with 17 states setting targets of 20 percent or more.



Ohio has excellent potential for developing in-state renewable energy resources. The wide-scale deployment of solar PV, like this array at Oberlin College, can help reduce the state's dependence on imported coal while creating jobs and other benefits.

Photos (top to bottom): Photodisc; NREL





This fact sheet is based on the findings of *Burning Coal, Burning Cash: Ranking the States That Import the Most Coal*, a report by the Union of Concerned Scientists. The fully referenced report, along with other state profiles, is available on the UCS website at *www.ucsusa.org/burningcoalburningcash*.

The Union of Concerned Scientists is the leading science-based nonprofit working for a healthy environment and safer world.

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