



## Insight

# Coal Week on Capitol Hill

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Forget sharks. This week it is all about coal.

The country's 2nd largest coal producer, Alpha Natural Resources, [announced](#) that it will undergo a "strategic repositioning," ultimately eliminating 1,200 jobs over the next year. Alpha cites the challenge presented by "a stricter regulatory regime" as one of the primary reasons for the layoffs. Four hundred of these layoffs are scheduled with the immediate closure of eight mines, in states including Virginia, Pennsylvania, and West Virginia.

This announcement comes just days before a House vote on [H.R. 3409](#), the *Stop the War on Coal Act of 2012*. The bill, scheduled for a Rules Committee [hearing](#) later today, seeks to limit the ability of executive agencies to promulgate certain environmental rules that would adversely affect employment and productivity.

And Alpha is not even the start of it. Nearly 12,000 coal-related jobs have been, or are scheduled to be, eliminated as a direct affect of regulations. That's the equivalent of reducing last month's jobs report by 1/8.

Originally, the *Stop the War on Coal Act* would have only limited certain actions by the Interior Department. The current version includes additional legislation the House previously passed and would affect other agencies, including the Environmental Protection Agency (EPA). These additional provisions would require agencies to provide better cost-benefit analyses and limit rulemakings on greenhouse gases, coal combustion residuals (the byproduct of coal combustion), and state water quality standards.

Alpha's announcement is a stark reminder of the economic implications of excessive regulation, and they are hardly strangers to this issue. Three months ago, Alpha had to [close down](#) two mines and lay off 100 workers. They were not alone.

[Arch Coal](#) and [Consol Energy](#) announced their own closures and layoffs of 750 and 318

employees, respectively. Combined, these four announcements alone amount to more than 2,300 jobs lost. And this is only in the *production* of coal.

The regulatory costs on the coal *consumption* side are even more drastic. In an ongoing [project](#), the American Action Forum tracks power plants forced to retire in the face of prohibitive regulatory requirements. To date, AAF has found 85 plants that specifically cite regulatory burdens as a central rationale. These closures alone could lead to the elimination of more than 9,500 jobs, according to industry announcements.

The bill still faces tremendous political obstacles because of the addition of legislative language from bills that previously passed the House, but are unlikely to pass the Senate. AAF has examined two of the component bills: [H.R. 2401](#) and [H.R. 2273](#). A summary of adjustments made to all of the included legislation can be found [here](#). Although this legislation faces the dual challenge of a dim outlook in the Senate and a Congress rushing out the door, it is a timely response to disturbing news on the jobs front.