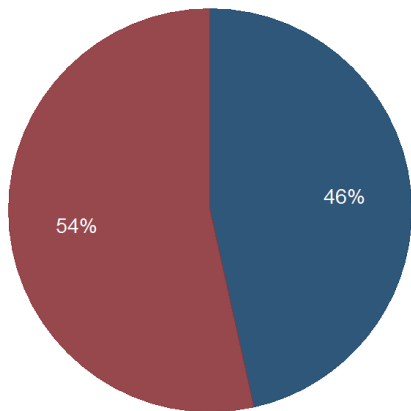


Kentucky Quarterly Coal Report

April to June 2015

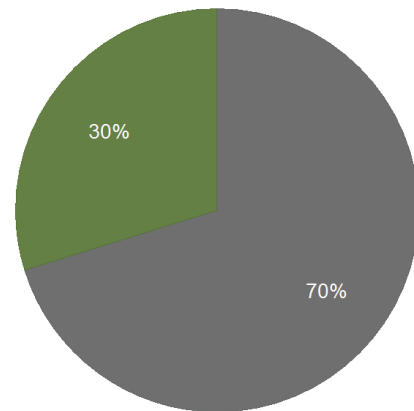
Kentucky Coal Production by Region, Q2-2015



Legend: Eastern Kentucky (Blue), Western Kentucky (Red)

Kentucky Energy Database, EEC-DEDI & US-DOL-MSHA-MDRS Queried on: 27 Jul 2015

Kentucky Coal Production by Mine Type, Q2-2015



Legend: Underground (Grey), Surface (Green)

Kentucky Energy Database, EEC-DEDI & US-DOL-MSHA-MDRS Queried on: 27 Jul 2015

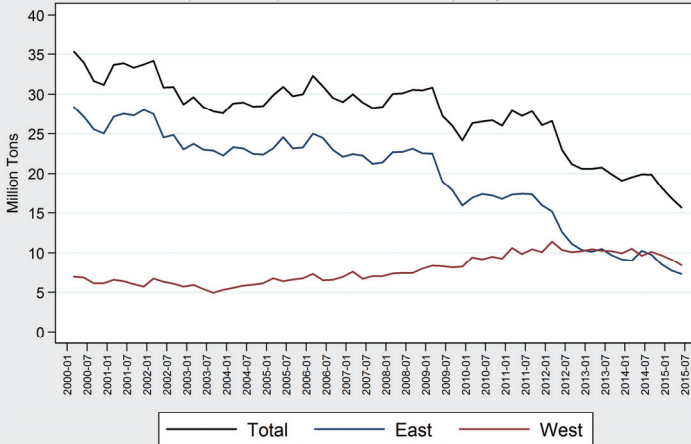
Region	Q2 Tonnage	Quarter Change
Total	15,689,641	-7.0%
Western Kentucky	8,396,251	-8.2%
Eastern Kentucky	7,293,390	-5.4%

Mine Type	Q2 Tonnage	Quarter Change
Total	15,689,641	-7.0%
Underground	11,012,890	-9.6%
Surface	4,676,751	-0.001%

Preliminary data indicate that total coal production at Kentucky mines slowed by 7.0 percent during the second quarter of 2015 to 15.7 million tons.

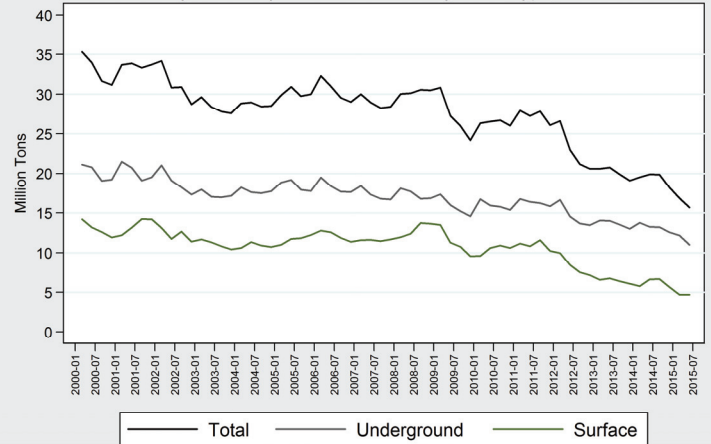
Coal production at underground mines decreased by 9.6 percent during the second quarter of 2015 and accounted for 70 percent of total Kentucky production.

Kentucky Quarterly Coal Production by Region, 2000-2015



Kentucky Energy Database, EEC-DEDI & US-DOL-MSHA-MDRS Queried on: 27 Jul 2015

Kentucky Quarterly Coal Production by Mine Type, 2000-2015



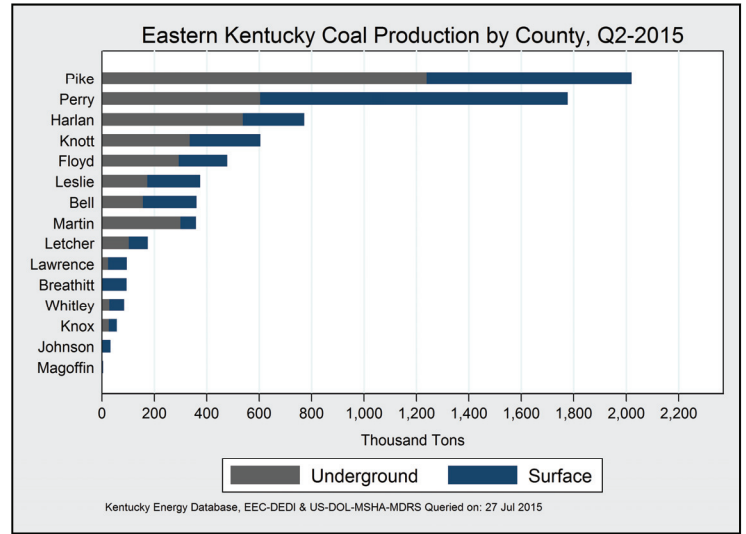
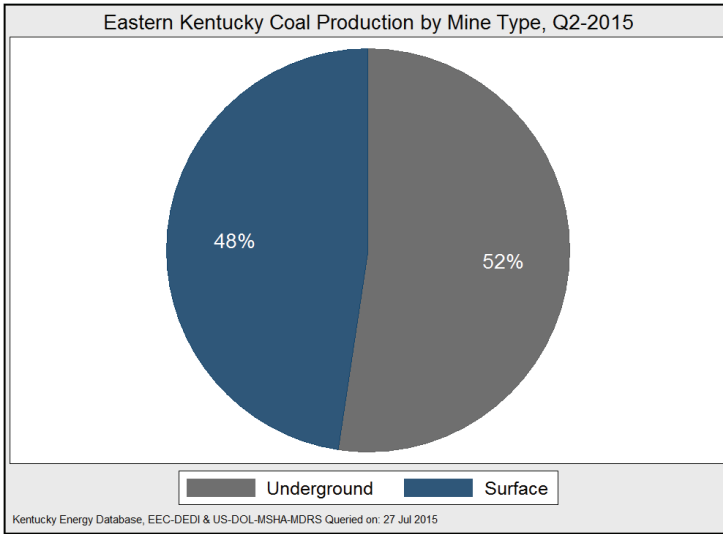
Kentucky Energy Database, EEC-DEDI & US-DOL-MSHA-MDRS Queried on: 27 Jul 2015

Kentucky coal mines decreased production in both coalfields. Western Kentucky mines decreased production by 8.2 percent, to produce 8.4 million tons for the quarter. Eastern Kentucky mines decreased production by 5.4 percent, to produce 7.3 million tons. During the second quarter of 2015, underground mines in Kentucky produced 11 million tons, a reduction of 9.6 percent from the first quarter of 2015. Assuming no additional mine closures, Kentucky is on track to mine less than 64 million tons during 2015.

The vast majority of coal mined in Kentucky is used to generate electricity in the United States. As many coal-fired power plants have been closed, demand for Kentucky coal has decreased. Of the power plants Kentucky sold coal to in 2011, one-third will have closed coal units by the end of 2015. Of the power plants currently receiving Kentucky coal, 17 have announced closures by the end of 2015, with seven more closing by 2017. Combined, these plants account for one-third of current production.

Eastern Kentucky Coal Production

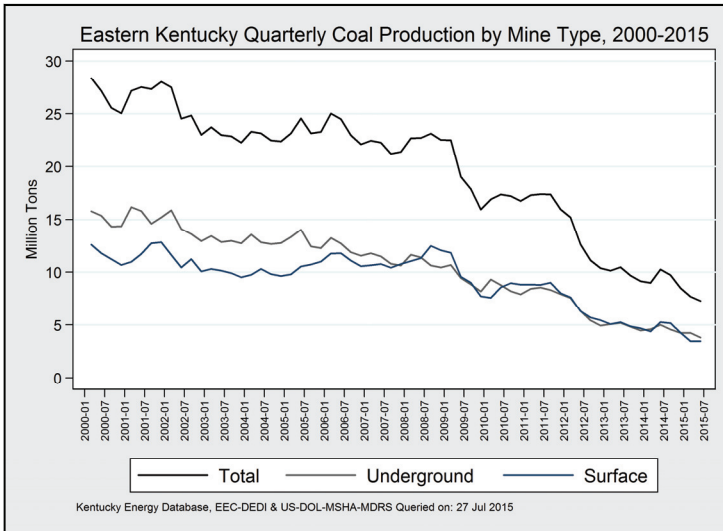
April to June 2015



Mine Type	Q2 Tonnage	Quarter Change
Total	7,293,390	-5.4%
Underground	3,819,965	-10.3%
Surface	3,473,425	+0.5%

Eastern County	Q2 Tonnage	Quarter Change
Pike	2,020,518	+6.9%
Perry	1,777,336	+7.4%
Harlan	771,751	-30.4%
Knott	605,094	+16.4%
Floyd	477,968	-19.3%
Leslie	375,411	+6.2%
Bell	361,577	-14.8%
Martin	358,876	-18.1%
Letcher	175,036	-24.2%
Lawrence	94,928	-27.3%
Breathitt	94,562	-2.7%
Whitley	85,427	+22%
Knox	57,306	-9.7%
Johnson	32,518	+39.2%
Magoffin	5,082	-94.8%
Clay	0	-100%
Wolfe	0	-100%
Laurel	0	-100%

Eastern Kentucky coal production decreased by 5.4 percent during the second quarter of 2015. Surface mines increased production by a marginal 0.5%.

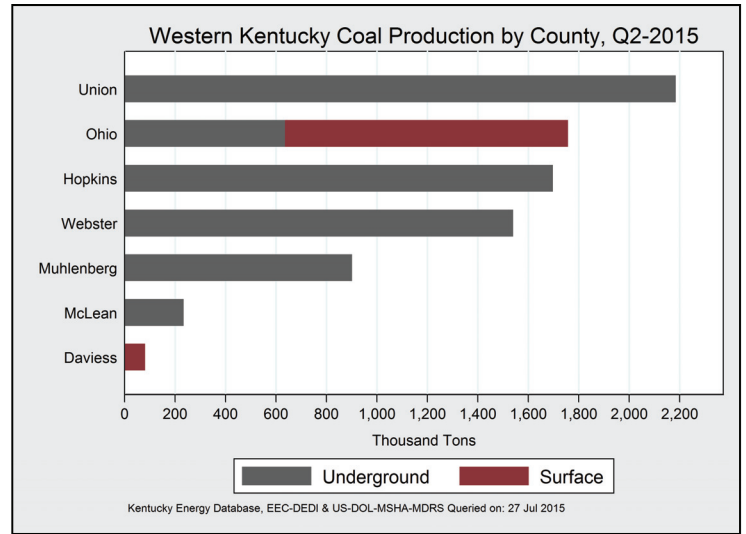
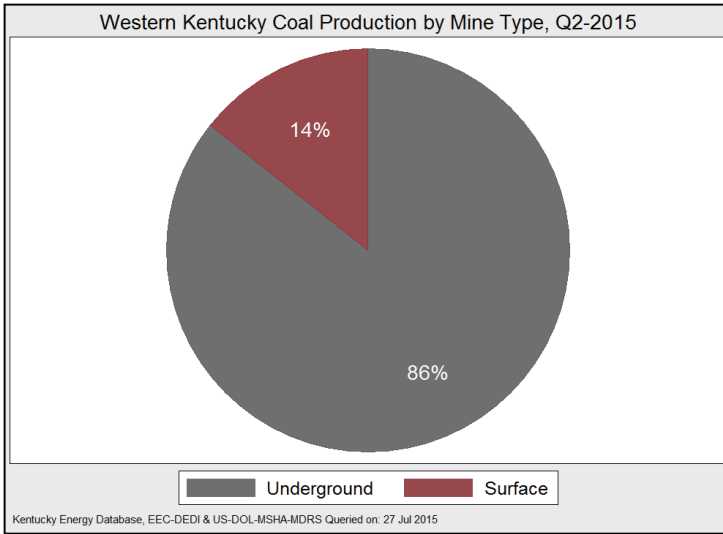


Underground mining techniques remained the leading method of coal extraction in eastern Kentucky during the second quarter. Production decreased from underground operations by 10.3 percent and accounted for 52 percent of regional production.

Pike County remained the largest coal producing county in eastern Kentucky, producing over 2 million tons during the second quarter, just 7.5 percent less than Union County.

Western Kentucky Coal Production

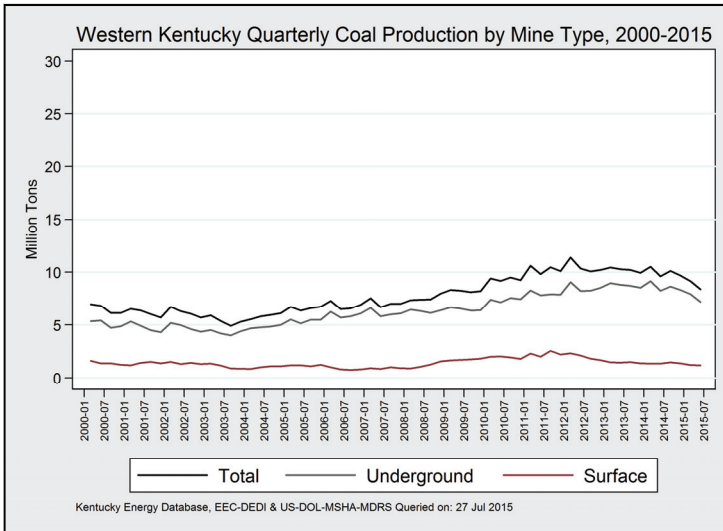
April to June 2015



Mine Type	Q2 Tonnage	Quarter Change
Total	8,396,251	-8.2%
Underground	7,192,925	-9.3%
Surface	1,203,326	-1.6%

Western County	Q2 Tonnage	Quarter Change
Union	2,184,841	-14.2%
Ohio	1,757,802	-4.7%
Hopkins	1,698,119	-10.9%
Webster	1,540,047	-3.6%
Muhlenberg	901,313	-10.5%
McLean	233,232	+45%
Daviess	80,897	-10.5%

Western Kentucky mined nearly 8.4 million tons during the second quarter of 2015, 86 percent from underground mines and 14 percent from surface mines.

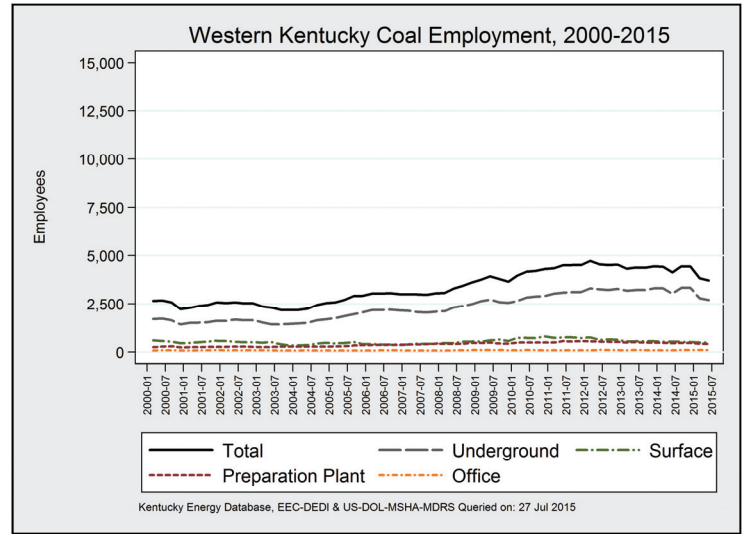
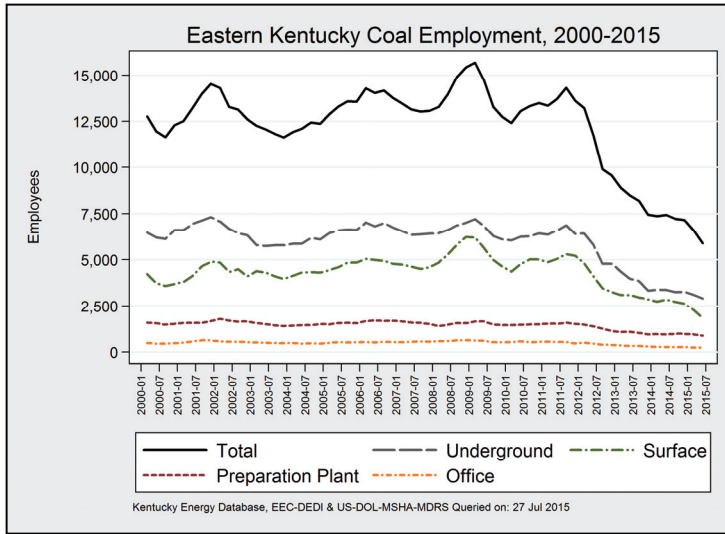


Western Kentucky coal production decreased by 8.2 percent during the second quarter of 2015. Union County remained Kentucky's leading coal producing county, despite significant declines in production due to the closure of the Highland 9 and Rough Creek mines in Union County earlier in the year.

The River View Mine in Union County, owned by Alliance Resource Partners, remained Kentucky's single-largest coal mine, producing nearly 2.2 million tons during the second quarter. The only coal producer in Union County, this one mine alone now produces more coal than any Kentucky county.

Kentucky Coal Mine Employment

April to June 2015



Eastern Counties	Q2 Employment	Quarter Change	
Total	5,889	-697	-10.6%
Pike	1,540	-220	-12.5%
Perry	984	-19	-1.9%
Harlan	784	-100	-11.3%
Floyd	448	-31	-6.5%
Martin	407	-34	-7.7
Bell	354	-98	-21.7%
Knott	268	-12	-4.3%
Leslie	242	+4	+1.7%
Letcher	226	-29	-11.4%
Whitley	186	+5	+2.8%
Knox	141	+0	+0%
Lawrence	81	-22	-21.4%
Breathitt	53	-13	-19.7%
Boyd	47	-8	-14.5%
Johnson	43	-8	-15.7%
Estill	28	-10	-26.3%
Magoffin	22	-77	-77.8%
Clay	19	-16	-45.7%
Laurel	9	-4	-30.8%
McCreary	4	+0	+0%
Owsley	3	+3	—
Wolfe	0	-8	-100%

Western Counties	Q2 Employment	Quarter Change	
Total	3,716	-110	-2.9%
Hopkins	935	-9	-1.0%
Ohio	697	-62	-8.2%
Union	679	-52	-7.1%
Webster	677	-10	-1.5%
Muhlenberg	477	+2	+0.4%
McLean	140	+21	+17.6%
Marshall	46	+2	+4.5%
Livingston	32	-1	-3.0%
Daviess	27	+1	+3.8%
Henderson	6	-2	-25%

Description	Q2 Employment	Quarter Change	
Kentucky Total	9,605	-807	-7.8%
Underground	5,615	-283	-4.8%
Surface	2,327	-443	-16.0%
Preparation Plant	1,311	-84	-6.0%
Office	352	+3	+0.9%

As of July 1, an estimated 9,605 persons were employed at Kentucky coal mines. Preliminary data indicate that Kentucky coal mines reduced on-site employment by 807 workers, or 7.8 percent of their workforce, during the second quarter of 2015. There were 283 lost underground mining jobs, 443 lost surface mining jobs, and 84 lost coal preparation plants jobs, while on-site office staff increased by 3 jobs.

During the second quarter of 2015, there were 5,889 persons employed at eastern Kentucky coal mines, a decrease of 10.6 percent from the first quarter of 2015. Coal mines in western Kentucky decreased total employment by 110 jobs or 2.9 percent. To check for an updated version of this report or for more detailed information on coal production in Kentucky, please visit us online at:

energy.ky.gov/Pages/CoalFacts.aspx

Date		Kentucky Total				Eastern Kentucky				Western Kentucky			
		Average Employment		Tons of Coal Produced		Average Employment		Tons of Coal Produced		Average Employment		Tons of Coal Produced	
		Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter
2008	Q1	17,670	16,362	121,212,504	30,047,586	14,373	13,285	91,045,224	22,689,462	3,296	3,077	30,167,278	7,358,124
	Q2		17,248		30,120,048		13,952		22,712,008		3,296		7,408,039
	Q3		18,330		30,545,532		14,886		23,118,788		3,444		7,426,744
	Q4		19,042		30,499,340		15,432		22,524,968		3,610		7,974,371
2009	Q1	17,812	19,430	108,263,968	30,834,056	14,098	15,676	75,311,872	22,501,458	3,714	3,754	32,952,100	8,332,597
	Q2		18,639		27,282,900		14,711		19,016,840		3,928		8,266,060
	Q3		17,081		25,993,732		13,284		17,865,062		3,797		8,128,670
	Q4		16,388		24,153,280		12,737		15,928,509		3,651		8,224,772
2010	Q1	17,115	16,387	105,554,104	26,332,656	13,020	12,413	68,222,672	16,911,588	4,095	3,974	37,331,432	9,421,068
	Q2		17,225		26,532,336		13,059		17,361,244		4,166		9,171,091
	Q3		17,526		26,693,746		13,317		17,199,264		4,209		9,494,482
	Q4		17,806		25,995,368		13,494		16,750,578		4,312		9,244,791
2011	Q1	18,069	17,693	109,018,240	27,906,324	13,679	13,340	68,007,480	17,299,960	4,390	4,353	41,010,760	10,606,363
	Q2		18,195		27,229,036		13,699		17,392,224		4,496		9,836,813
	Q3		18,815		27,817,568		14,306		17,353,692		4,509		10,463,876
	Q4		18,112		26,065,316		13,606		15,961,605		4,506		10,103,710
2012	Q1	15,622	17,940	91,358,160	26,600,216	11,117	13,211	49,311,848	15,200,689	4,505	4,729	42,046,316	11,399,527
	Q2		16,289		22,972,614		11,742		12,616,609		4,547		10,356,005
	Q3		14,415		21,198,904		9,901		11,120,239		4,514		10,078,665
	Q4		14,117		20,586,430		9,574		10,374,312		4,543		10,212,118
2013	Q1	12,550	13,228	80,359,000	20,605,228	8,239	8,902	39,480,036	10,158,986	4,310	4,326	40,878,964	10,446,242
	Q2		12,886		20,763,600		8,494		10,475,494		4,392		10,288,106
	Q3		12,558		19,894,588		8,190		9,685,382		4,368		10,209,207
	Q4		11,899		19,095,584		7,450		9,160,175		4,449		9,935,408
2014	Q1	11,508	11,785	77,468,336	19,511,220	7,242	7,361	37,499,304	8,986,294	4,267	4,424	39,969,028	10,524,926
	Q2		11,562		19,886,904		7,435		10,262,869		4,127		9,624,035
	Q3		11,661		19,862,646		7,219		9,738,876		4,442		10,123,770
	Q4		11,590		18,207,564		7,157		8,511,267		4,433		9,696,298
2015	Q1		10,412		16,863,140		6,586		7,713,549		3,826		9,149,591
	Q2		9,605		15,689,641		5,889		7,293,390		3,716		8,396,251

In order to provide the public with timely access to these data, this report was published on 7/31/2015 using the best-available estimates as of 7/27/2015. Data for Q2-2015 are preliminary and subject to revision. Data for previous dates have been revised. This report is produced by the Kentucky Energy and Environment Cabinet using data from numerous sources including the U.S. Department of Labor's Mine Safety Health Administration, the Kentucky Department of Revenue, and the Kentucky Division of Mine Safety. To check for an updated version of this report or for more detailed information on coal production in Kentucky, please visit the Kentucky Energy and Environment Cabinet online at: energy.ky.gov/Pages/CoalFacts.aspx