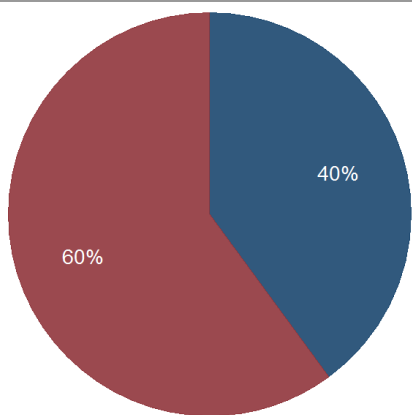


Kentucky Quarterly Coal Report

January to March 2017

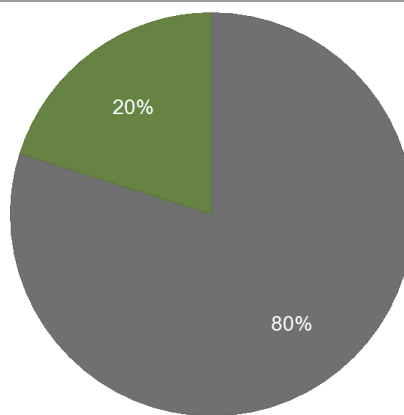
Kentucky Coal Production by Region, Q1-2017



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

Kentucky Energy Database, EEC-DEDI & US-DOL-MSHA-MDRS Queried on: 3 May 2017

Kentucky Coal Production by Mine Type, Q1-2017



Legend: Underground (Grey), Surface (Green)

Kentucky Energy Database, EEC-DEDI & US-DOL-MSHA-MDRS Queried on: 3 May 2017

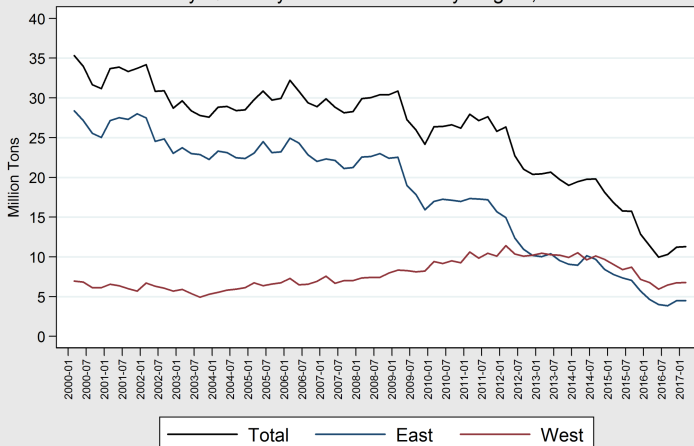
Region	Q1 Tonnage	Quarter Change
Total	11,284,667	+0.56%
Western Kentucky	6,780,762	+0.76%
Eastern Kentucky	4,503,905	+0.23%

Mine Type	Q1 Tonnage	Quarter Change
Total	11,284,667	+0.56%
Underground	9,012,310	+5.4%
Surface	2,272,357	-15.0%

Preliminary data indicate that total coal production at Kentucky mines increased by 0.56 percent during the first quarter of 2017 to just over 11.2 million tons.

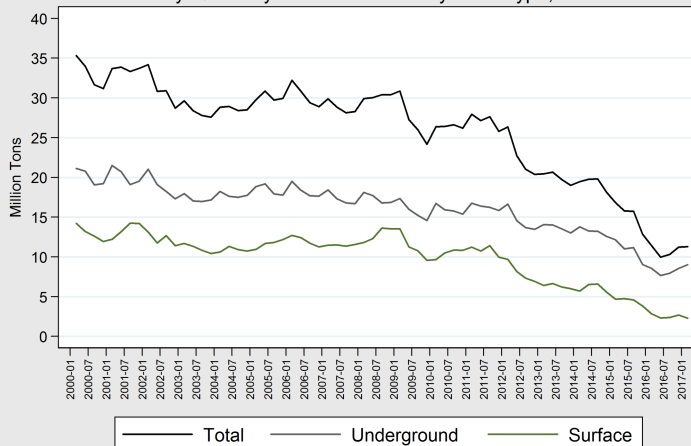
Coal production at underground mines totaled 9 million tons during the first quarter of 2017, an increase of 5.4 percent from the previous quarter.

Kentucky Quarterly Coal Production by Region, 2000-2017



Kentucky Energy Database, EEC-DEDI & US-DOL-MSHA-MDRS Queried on: 3 May 2017

Kentucky Quarterly Coal Production by Mine Type, 2000-2017



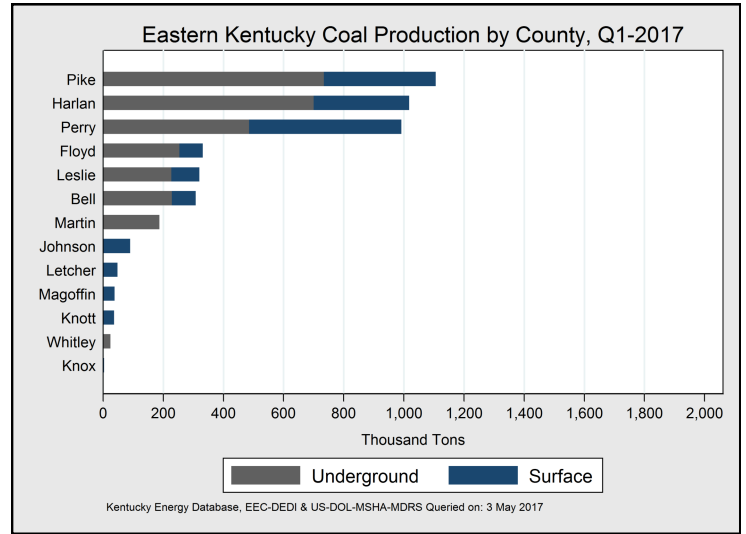
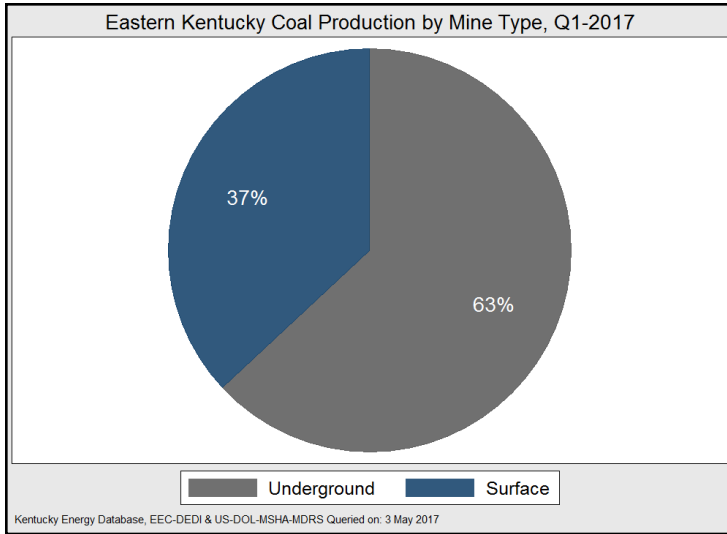
Kentucky Energy Database, EEC-DEDI & US-DOL-MSHA-MDRS Queried on: 3 May 2017

The eastern mining region increased output by 0.2 percent to 4.5 million tons. The western region increased output by 0.76 percent to produce a 0.5 percent total increase for the quarter. Western Kentucky mines accounted for 60 percent of Kentucky coal production while eastern Kentucky accounted for 40 percent.

In the first quarter of 2017, surface mines in Kentucky produced almost 2.3 million tons of coal, a 15 percent decrease from the fourth quarter of 2016. Underground mines accounted for 80 percent of coal production in the Commonwealth, while surface mines contributed 20 percent.

Eastern Kentucky Coal Production

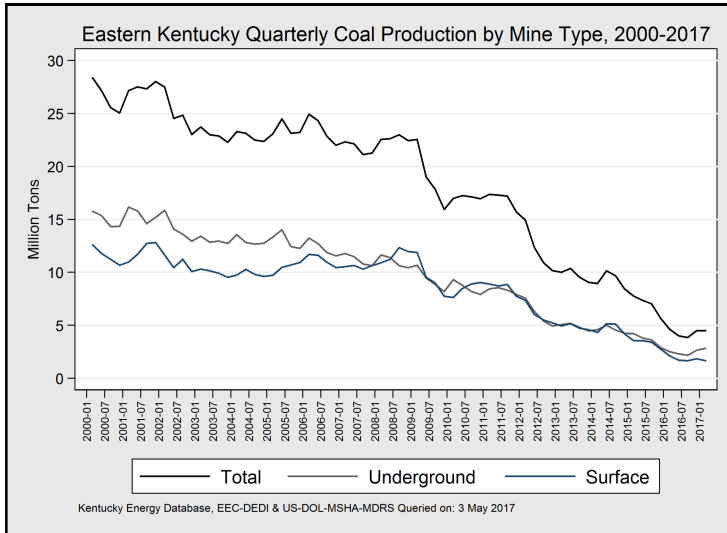
January to March 2017



Mine Type	Q1 Tonnage	Quarter Change
Total	4,503,905	+0.23%
Underground	2,840,246	+7.3%
Surface	1,663,659	-9.9%

Underground production in eastern Kentucky, which accounts for 63 percent of regional coal output, increased by 7.3 percent to 2.8 million tons in the first quarter of 2017. Surface production fell by 9.9 percent to just over 1.6 million tons.

Eastern County	Q1 Tonnage	Quarter Change
Pike	1,106,218	-2.0%
Harlan	1,018,031	+5.8%
Perry	991,999	+12.1%
Floyd	331,695	-0.6%
Leslie	320,145	+18.6%
Bell	308,276	-9.5%
Martin	186,893	-3.2%
Johnson	90,346	+0.9%
Letcher	47,972	-26.0%
Magoffin	38,183	-43.5%
Knott	36,907	+32.6%
Whitley	24,102	-47.2%
Knox	3,138	-31.3%



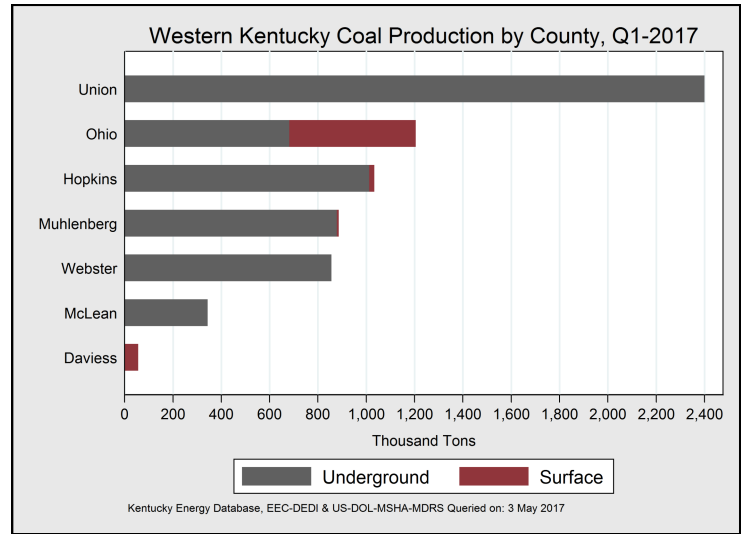
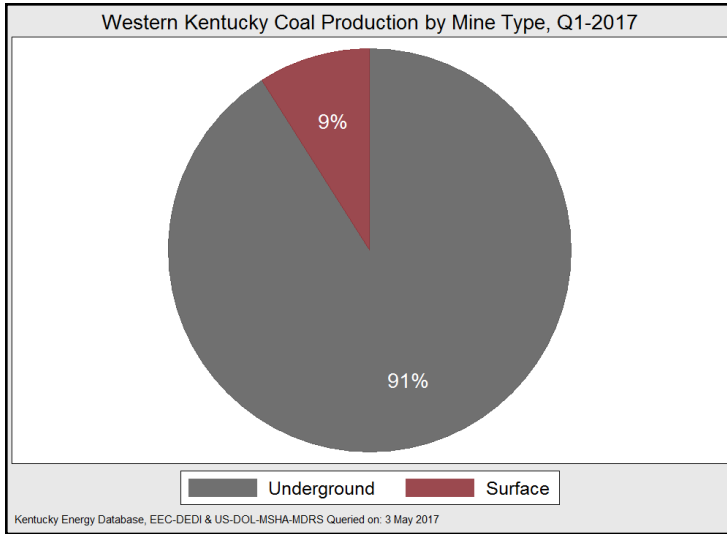
Quarterly production slowed in surface mining operations in eastern Kentucky while production increased in underground mining operations, a decrease of 9.9% and an increase of 7.3% respectively.

Preliminary data indicate that Pike County remained the top coal producing county in eastern Kentucky during the first quarter of 2017 by mining 1.1 million tons, a 2 percent decrease from the previous quarter. Harlan County produced 1 million tons to rank second in coal production in eastern Kentucky. Once the most prolific coal producing county in the region, Perry County, remained in third in production at 991,999 tons.

While regional production increased in the first quarter of 2017, eight counties in eastern Kentucky had decreases in production.

Western Kentucky Coal Production

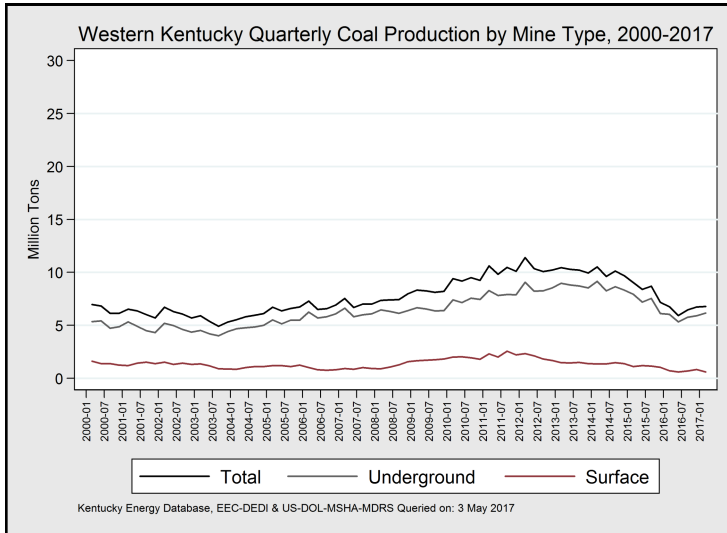
January to March 2017



Mine Type	Q1 Tonnage	Quarter Change
Total	6,780,762	+0.76%
Underground	6,172,064	+4.6%
Surface	608,698	-26.8%

Western County	Q1 Tonnage	Quarter Change
Union	2,400,370	+4.6%
Ohio	1,205,196	-10.3%
Hopkins	1,033,016	+1.9%
Muhlenberg	886,163	+8.6%
Webster	856,202	-2.5%
McLean	343,749	+6.7%
Daviess	56,066	-9.5%

Coal produced at underground mines in western Kentucky totaled just under 6.2 million tons in the first quarter of 2017 and accounted for 91 percent of regional production.



Western Kentucky coal production increased by 0.76 percent to over 6.7 million tons during the first quarter of 2017. Surface mining operations showed a significant decrease at 26.8 percent.

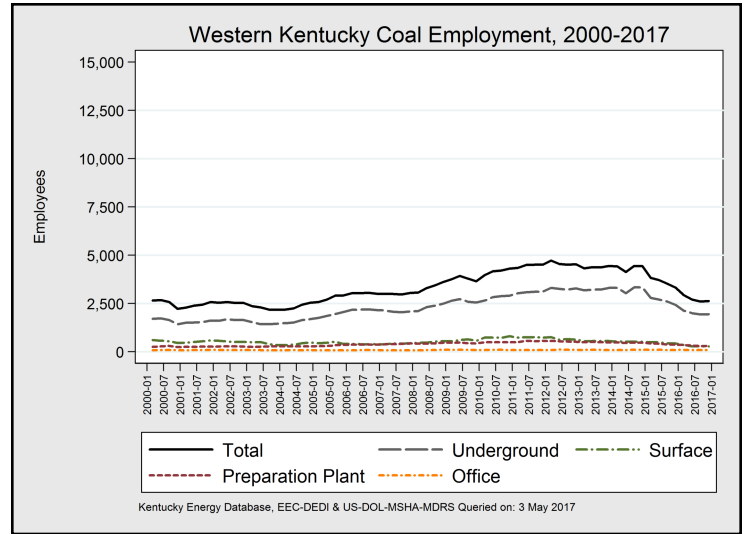
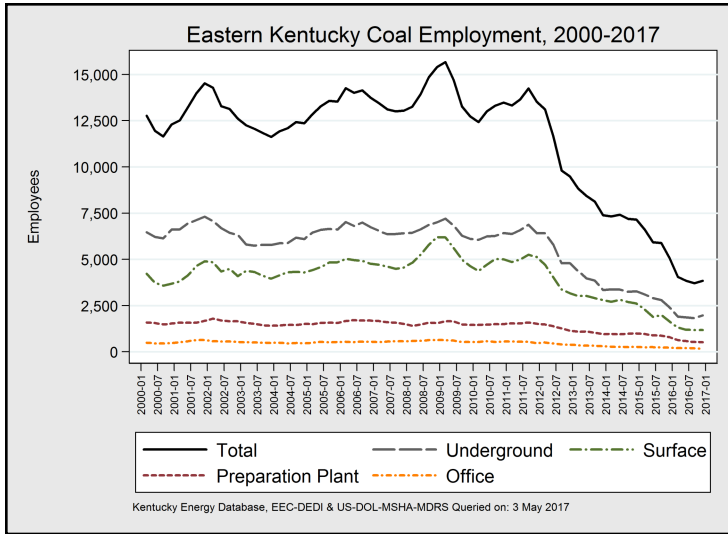
Union County mined over 2.4 million tons of coal during the first quarter of 2017, 1 million tons greater than the production of any other Kentucky county.

Muhlenberg County experienced the largest production increases in western Kentucky during the first quarter of 2017, boosting output by 8.6 percent to 886 thousand tons.

Ohio, Webster and Daviess Counties had declining coal production in western Kentucky during the first quarter of 2017. Ohio County's output fell by 10.3 percent, Webster County by 2.5 percent and Daviess County by 9.5 percent.

Kentucky Coal Mine Employment

January to March 2017



Eastern Counties	Q1 Employment	Quarter Change	
Total	3,667	-178	-4.6%
Pike	845	-99	-10.5%
Harlan	838	+21	+2.6%
Perry	649	+51	+8.5%
Bell	363	-6	-1.6%
Martin	237	-19	-7.4%
Floyd	215	+18	+9.1%
Leslie	209	+21	+11.2%
Knott	72	+25	+53.2%
Johnson	59	+8	+15.7%
Letcher	36	-20	-35.7%
Estill	31	+11	+55.0%
Whitley	22	-88	-80.0%
Magoffin	21	-22	-51.2%
Knox	20	-13	-39.4%
Clay	14	+0	+0.0%
Boyd	12	-14	-53.8%
Lawrence	10	-22	-68.8%
Breathitt	6	-13	-68.4%
McCreary	4	+0	+0.0%
Laurel	2	-4	-66.7%
Pulaski	2	-13	-86.7%

Western Counties	Q1 Employment	Quarter Change	
Total	2,594	-38	-1.4%
Union	658	+35	+5.62%
Ohio	500	-10	-1.96%
Hopkins	452	-19	-4.03%
Muhlenberg	406	+1	+0.3%
Webster	311	-33	-9.59%
McLean	175	-11	-5.91%
Marshall	46	+3	+6.9%
Daviess	21	+0	+0.0%
Livingston	19	+0	+0.0%
Henderson	6	-4	-40.0%

Description	Q1 Employment	Quarter Change	
Kentucky Total	6,261	-216	-3.3%
Underground	3,948	+22	+0.6%
Surface	1,274	-188	-12.9%
Preparation Plant	752	-72	-8.7%
Office	287	+22	+8.3%

Preliminary data indicate that Kentucky coal mines reduced on-site employment by 216 workers, or 3.3 percent of their workforce, during the first quarter of 2017. As of April 1st, an estimated 6,261 persons were employed at Kentucky coal mines, which is a level of employment not seen since the late 1800s.

During the first quarter of 2017, eastern Kentucky coal mines decreased total employment by 178 jobs, a 4.6 percent drop from the fourth quarter of 2016. Coal mines in western Kentucky decreased employment by 38 jobs or 1.4 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		Tons of Coal		Average		Tons of Coal		Average		Tons of Coal	
		Employment		Produced		Employment		Produced		Employment		Produced	
		Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter
2008	Q2		17,238		30,090,130		13,942		22,682,090		3,296		7,408,039
	Q3		18,327		30,539,540		14,883		23,112,800		3,444		7,426,744
	Q4		19,030		30,477,960		15,420		22,503,580		3,610		7,974,371
2009	Q1	17,812	19,422	108,263,968	30,809,810	14,098	15,668	75,311,872	22,477,210	3,714	3,754	32,952,100	8,332,597
	Q2		18,630		27,264,780		14,702		18,998,720		3,928		8,266,060
	Q3		17,075		25,979,240		13,278		17,850,570		3,797		8,128,670
	Q4		16,380		24,127,190		12,729		15,902,420		3,651		8,224,772
2010	Q1	17,115	16,378	105,554,104	26,304,890	13,020	12,404	68,222,672	16,883,820	4,095	3,974	37,331,432	9,421,068
	Q2		17,217		26,510,520		13,051		17,339,430		4,166		9,171,091
	Q3		17,517		26,682,350		13,308		17,187,870		4,209		9,494,482
	Q4		17,796		25,972,700		13,484		16,727,910		4,312		9,244,791
2011	Q1	18,069	17,684	109,018,240	27,889,220	13,679	13,331	68,007,480	17,282,860	4,390	4,353	41,010,760	10,606,360
	Q2		18,191		27,222,030		13,695		17,385,220		4,496		9,836,813
	Q3		18,810		27,804,080		14,301		17,340,210		4,509		10,463,880
	Q4		18,087		26,047,990		13,581		15,944,280		4,506		10,103,710
2012	Q1	15,622	17,932	91,358,160	26,571,280	11,117	13,203	49,311,848	15,171,750	4,505	4,729	42,046,316	11,399,530
	Q2		16,278		22,924,670		11,731		12,568,670		4,547		10,356,000
	Q3		14,406		21,173,110		9,892		11,094,450		4,514		10,078,670
	Q4		14,107		20,555,240		9,564		10,343,130		4,543		10,212,120
2013	Q1	12,550	13,223	80,359,000	20,590,860	8,239	8,897	39,480,036	10,144,620	4,310	4,326	40,878,964	10,446,240
	Q2		12,882		20,752,660		8,490		10,464,560		4,392		10,288,110
	Q3		12,548		19,876,820		8,180		9,667,612		4,368		10,209,210
	Q4		11,892		19,081,980		7,443		9,146,575		4,449		9,935,408
2014	Q1	11,508	11,790	77,468,336	19,494,440	7,242	7,366	37,499,304	8,969,519	4,267	4,424	39,969,028	10,524,930
	Q2		11,574		19,864,630		7,447		10,240,600		4,127		9,624,035
	Q3		11,681		19,866,500		7,239		9,742,734		4,442		10,123,770
	Q4		11,619		18,204,500		7,186		8,508,199		4,433		9,696,298
2015	Q1	9,493	10,465	61,424,920	16,938,520	5,897	6,639	28,000,918	7,788,933	3,597	3,826	33,424,002	9,149,591
	Q2		9,674		15,817,610		5,958		7,421,363		3,716		8,396,251
	Q3		9,094		15,574,200		5,579		6,867,600		3,515		8,706,595
	Q4		8,401		12,884,260		5,077		5,712,695		3,324		7,171,565
2016	Q1	6,587	6,994	42,972,304	11,449,092	3,844	4,029	16,790,895	4,560,354	2,720	2,935	25,896,688	6,764,538
	Q2		6,550		9,988,281		3,820		3,954,134		2,704		5,938,328
	Q3		6,325		10,311,796		3,697		3,803,459		2,610		6,464,425
	Q4		6,477		11,223,135		3,830		4,472,948		2,632		6,729,397
2017	Q1		6,261		11,284,667		3,667		4,503,905		2,594		6,780,762

In order to provide the public with timely access to these data, this report uses the best-available estimate for each factor at the time of publication. Data for Q1-2017 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 us online at: energy.ky.gov/Pages/CoalFacts.aspx