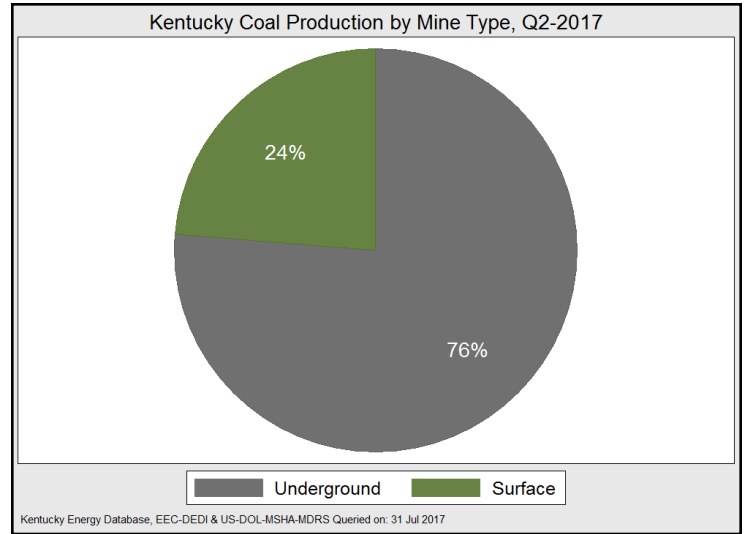
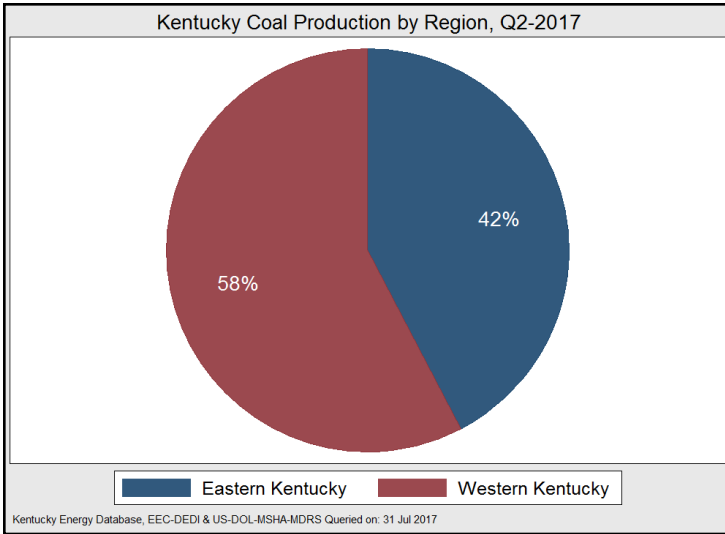


Kentucky Quarterly Coal Report

April to June 2017

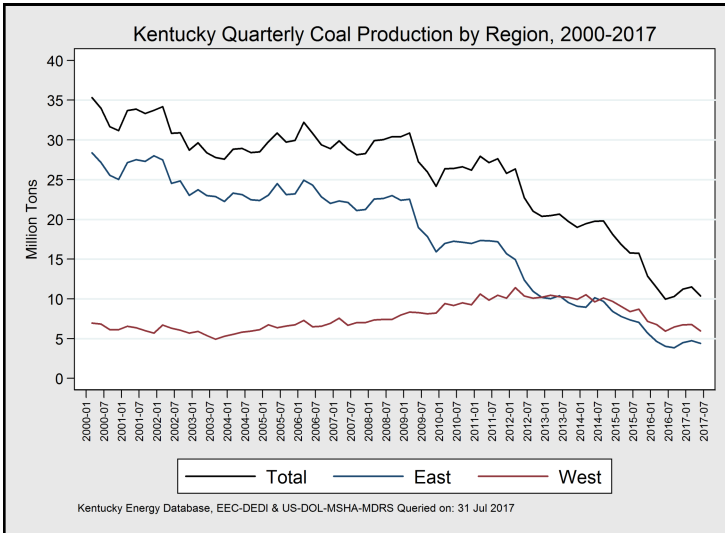


Region	Q2 Tonnage	YOY Change	Quarter Change
Total	10,369,192	+4.12%	-9.94%
West KY	5,979,931	+0.7%	-11.81%
East KY	4,389,261	+9.2%	-7.26%

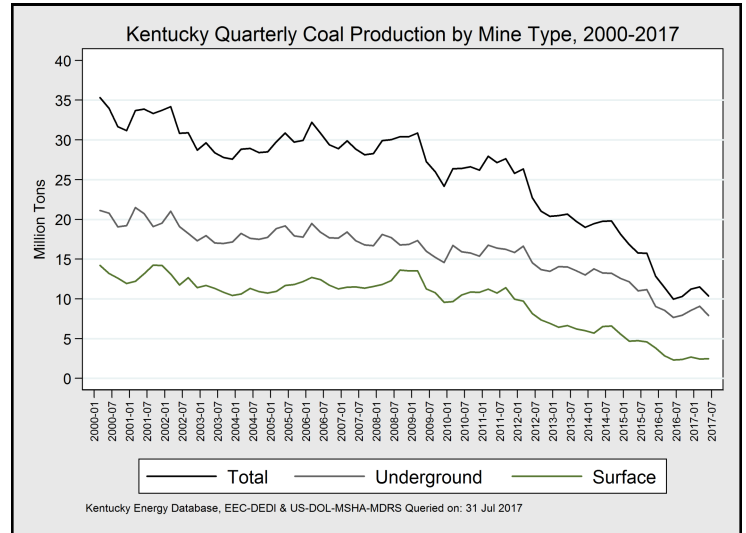
While second quarter production declined by 9.94 percent from the first quarter, year over year production increased by 4.12 percent.

Mine Type	Q2 Tonnage	YOY Change	Quarter Change
Total	10,369,192	+4.12%	-9.94%
Underground	7,906,782	+3.3%	-12.9%
Surface	2,462,410	+6.8%	+0.9%

Coal production at underground mines totaled 7.9 million tons during the second quarter of 2017, an increase of 3.3 percent from the previous year.



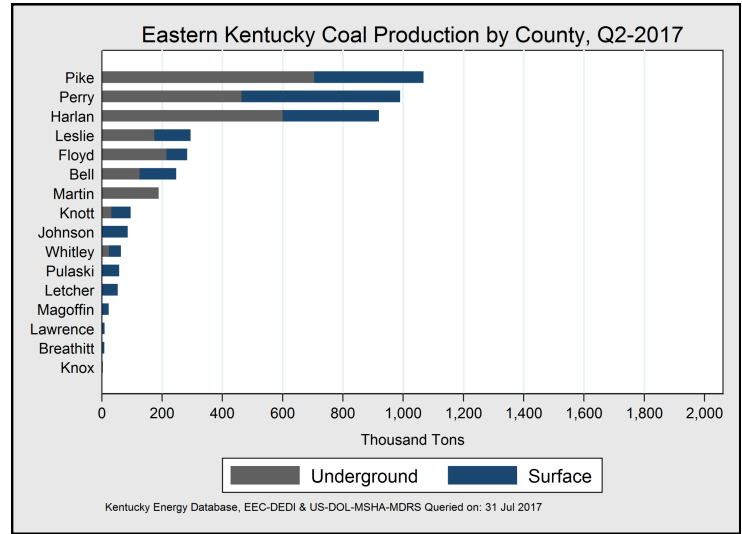
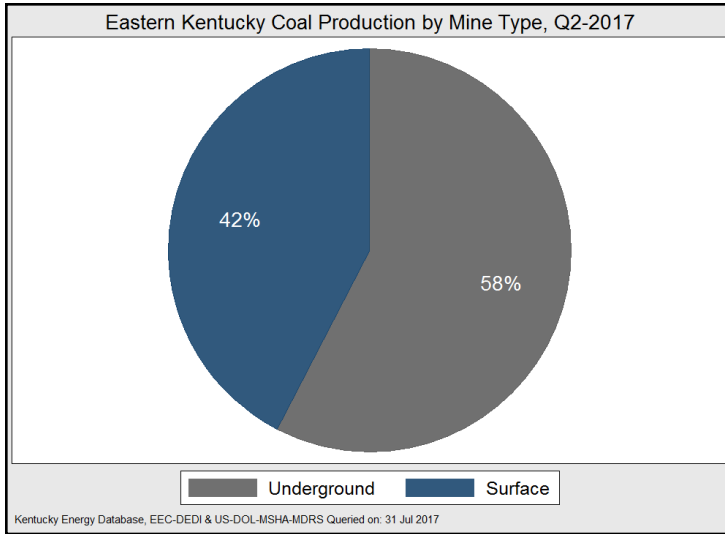
Eastern Kentucky increased output by 9.2 percent from the second quarter of 2016 to just under 4.4 million tons. Western Kentucky increased output by 0.7 percent to 4.3 million tons. Western Kentucky mines accounted for 58 percent of Kentucky coal production while eastern Kentucky accounted for 42 percent.



In the second quarter of 2017, surface mines in Kentucky produced over 2.4 million tons of coal, a 6.8 percent increase from the second quarter of 2016. Underground mines accounted for 76 percent of coal production in the Commonwealth, while surface mines contributed 24 percent.

Eastern Kentucky Coal Production

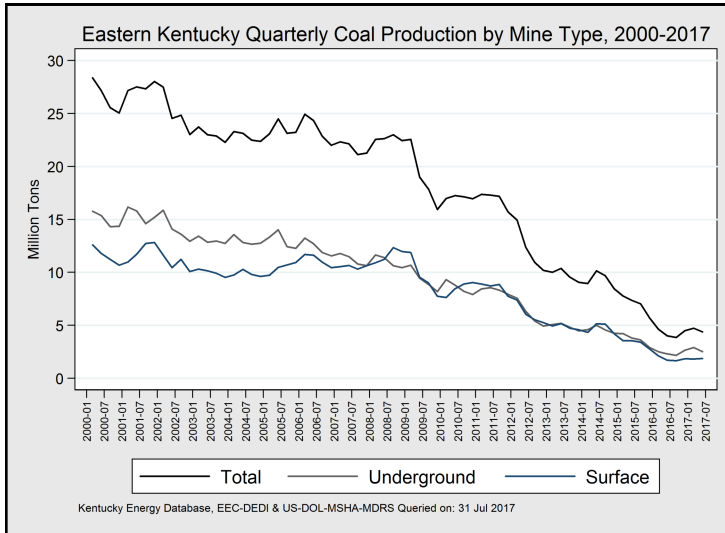
April to June 2017



Mine Type	Q2 Tonnage	YOY Change	Quarter Change
Total	4,389,261	+9.2%	-7.26%
Underground	2,527,752	+9.24%	-12.91%
Surface	1,861,509	+9.1%	+1.71%

Eastern County	Q2 Tons	YOY Change	Quarter Change
Pike	1,067,410	+25.5%	-8.4%
Perry	989,954	+14.9%	-5.0%
Harlan	919,666	+8.7%	-10.1%
Leslie	294,821	+52.6%	-7.9%
Floyd	283,028	+247.7%	-14.7%
Bell	247,205	+2.0%	-19.8%
Martin	188,328	-13.5%	+0.8%
Knott	95,332	-67.5%	+158.3%
Johnson	85,890	+150.2%	-46.1%
Whitley	63,031	-25.4%	+44.4%
Pulaski	57,666	-9.9%	-
Letcher	53,064	+3.2%	-0.1%
Magoffin	23,093	-73.9%	-39.5%
Lawrence	9,003	-70.0%	+1,896%
Breathitt	8,313	-58.8%	-1.7%
Knox	3,157	-94.9%	-79.4%
Laurel	300	-	-

Underground production in eastern Kentucky increased by 9.2 percent from the second quarter of 2016.

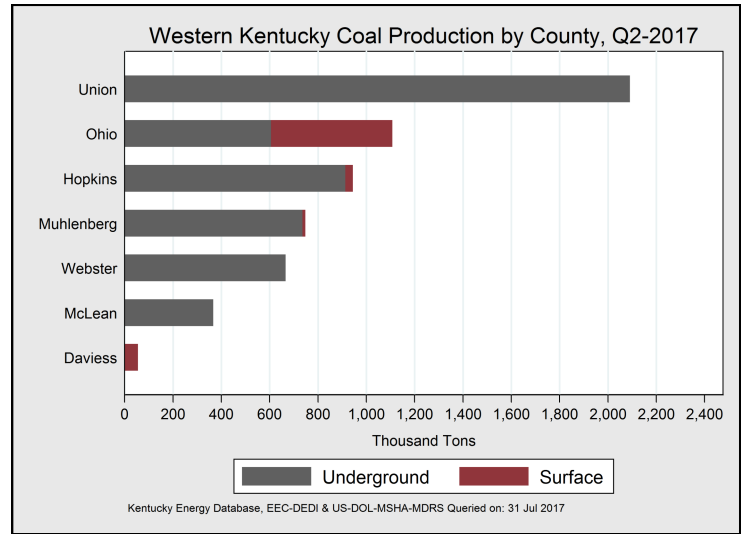
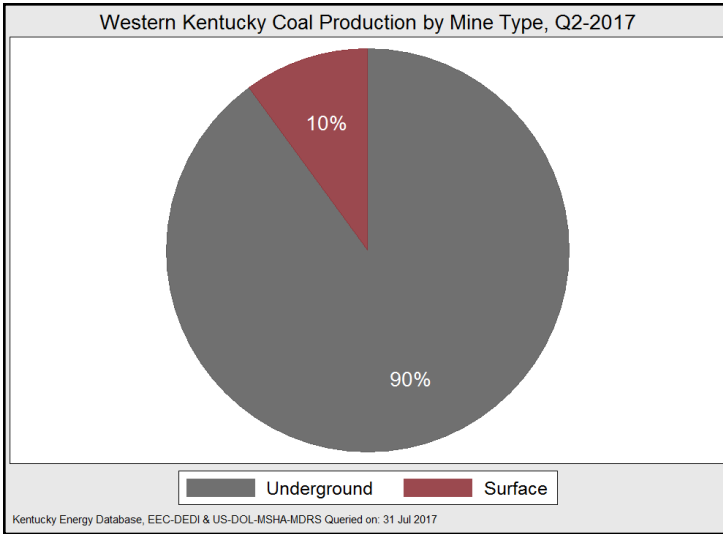


Quarterly surface production increased by 9.1 percent from the 2nd quarter of 2016 and 1.71 percent from the previous quarter. Surface production totaled 1.8 million tons.

Preliminary data indicate that Pike County remained the top coal producing county in eastern Kentucky during the second quarter of 2017 by mining just under 1.1 million tons, an 8.4 percent decrease from the previous quarter, but 25.5 percent increase from the previous year. Perry County produced just under 1 million tons to rank second in coal production in eastern Kentucky. Harlan remained in third in production with just over 900,000 tons.

Western Kentucky Coal Production

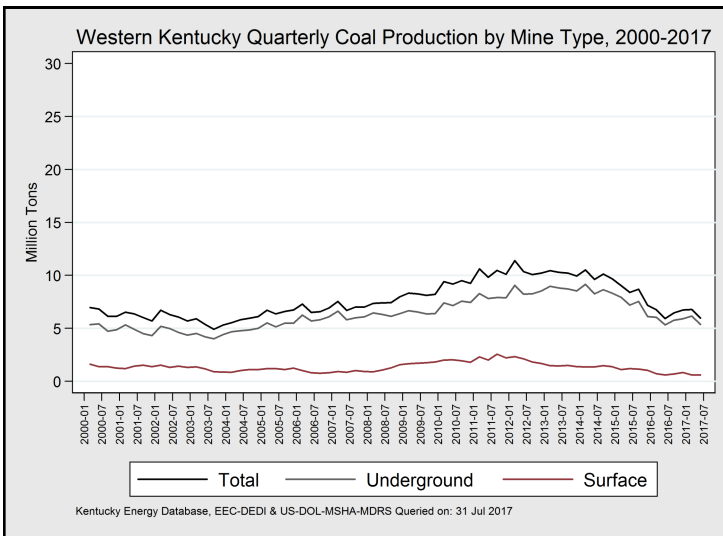
April to June 2017



Mine Type	Q2 Tonnage	YOY Change	Quarter Change
Total	5,979,931	+0.7%	-11.81%
Underground	5,379,030	+0.73%	-12.9%
Surface	600,901	+0.5%	-1.28%

County	Q2 Tonnage	YOY Change	Quarter Change
Union	2,091,187	+6.21%	-12.9%
Ohio	1,108,112	+12.3%	-8.1%
Hopkins	944,089	+2.6%	-8.6%
Muhlenberg	747,686	-0.73%	-15.6%
Webster	666,733	-27.8%	-22.1%
McLean	366,525	+7.38%	+6.6%
Daviess	55,599	+22.2%	-0.8%

Coal production in underground mines increased by 0.73 percent from the 2nd quarter of 2016.



Western Kentucky coal production increased by 0.7 percent from the 2nd quarter of 2016, just under 6 million tons. Underground production increased by 0.73 percent from the 2nd quarter of 2016 while surface mining operations showed an increase of 0.5 percent to 600 thousand tons.

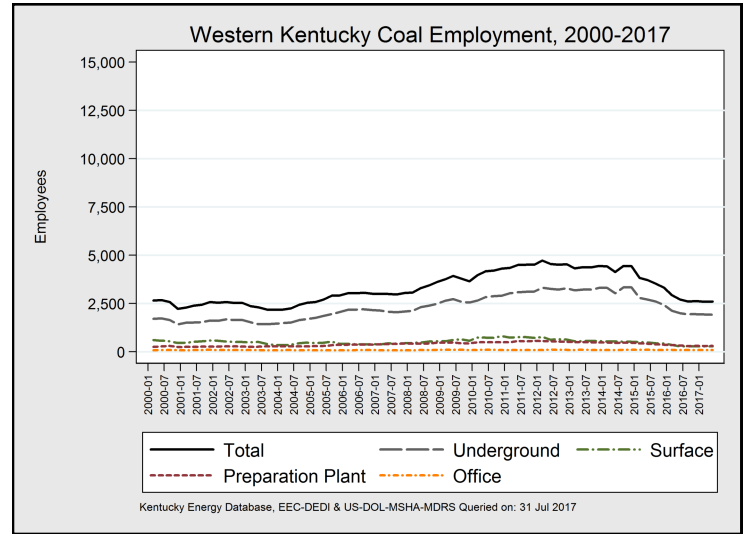
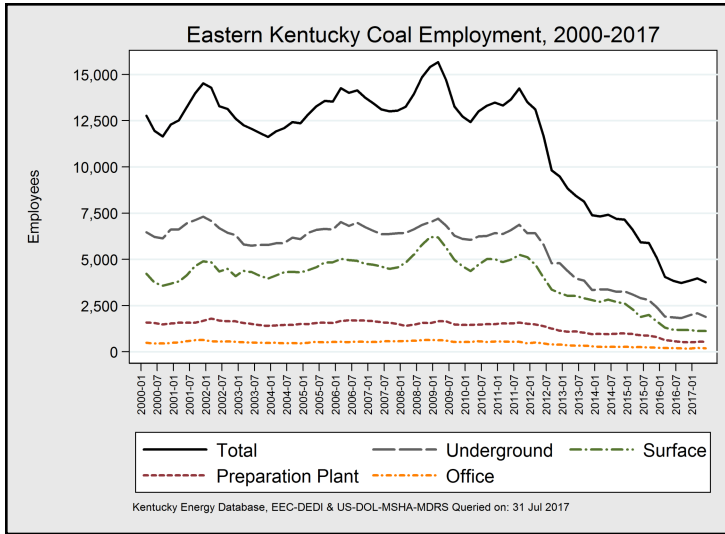
Union County mined just under 2.1 million tons of coal during the second quarter of 2017, a 6.2 percent increase from the previous year and a 12.9 percent decrease from the previous quarter.

Daviess County experienced the largest year-over-year production increase at 22.2 percent. Ohio County followed with a 12.3 percent increase.

All counties in western Kentucky except McLean County had declining coal production compared to the previous quarter.

Kentucky Coal Mine Employment

April to June 2017



East KY	Q2	YOY Change	Quarter Change
Total	3,760	-83 -2.16%	-210 -5.3%
Harlan	882	+119 +15.6%	+42 +5.0%
Pike	758	-195 -20.5%	-170 -18.3%
Perry	667	+149 +28.8%	-7 -1.0%
Bell	393	+81 +26.0%	+30 +8.3%
Floyd	217	+111 +104.7%	+2 +0.9%
Leslie	211	+28 +15.3%	+2 +1.0%
Martin	181	-110 -37.8%	-56 -23.6%
Whitley	125	+9 +7.8%	+15 +13.6%
Knott	82	-95 -53.7%	+10 +13.9%
Knox	44	-53 -54.6%	-10 -18.5%
Johnson	44	-7 -13.7%	-45 -50.6%
Letcher	28	-61 -68.5%	-27 -49.1%
Boyd	23	+2 +9.5%	-1 -4.2%
Estill	23	+13 +130.0%	-8 -25.8%
Lawrence	21	-17 -44.7%	+7 -50.0%
Magoffin	18	-28 -60.9%	-3 -14.3%
Pulaski	16	-5 -23.8%	+14 +700%
Clay	13	-1 -7.1%	-1 -7.1%
Breathitt	6	-22 -78.6%	-4 -40%
Laurel	4	-1 -20.0%	+2 +100%
McCreary	4	+0 +0.0%	+0 +0.0%
Elliott	0	+0 -	-2 -100%

West KY	Q2	YOY Change	Quarter Change
Total	2,604	-100 -3.7%	+10 +0.4%
Union	669	+20 +3.1%	+11 +1.7%
Ohio	495	-31 -5.9%	-5 -1.0%
Hopkins	446	-33 -6.9%	-6 -1.3%
Muhlenberg	403	+2 +0.5%	-3 -0.7%
Webster	308	-70 -18.5%	-3 -1.0%
McLean	179	-1 -0.6%	+4 +2.3%
Marshall	60	+13 +27.7%	+14 +30.4%
Daviess	20	+2 +11.1%	-1 -4.8%
Livingston	19	+2 -	+0 +0.0
Henderson	5	-4 -44.4%	-1 -16.7%

Description	Q2	YOY Change	Quarter Change
KY Total	6,364	-183 -2.80%	-200 -3.0%
Underground	3,821	-39 -1.01%	-203 -5.0%
Surface	1,396	-85 -5.74%	-11 -0.8%
Preparation Plant	865	-41 -4.53%	+30 +3.6%
Office	282	-18 -6.00%	-16 -5.4%

Eastern Kentucky coal mines decreased employment by 83 jobs or 2.16 percent on a year over year basis. Western Kentucky decreased employment by 10 or 3.7 percent on a year over year basis. Western Kentucky increased employment by 10 jobs or 0.4 percent compared to the previous quarter.

During the second quarter of 2017, Kentucky coal mines decreased total employment by 200 jobs, a 3 percent drop from the first quarter of 2017. On a year over year basis, Kentucky coal mines decreased total employment by 2.8 percent or 183 jobs.

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	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		6,564		11,513,520		3,970		4,732,758		2,594		6,780,762		
	Q2		6,364		10,369,192		3,760		4,389,261		2,604		5,979,931		

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 Q2-2017 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