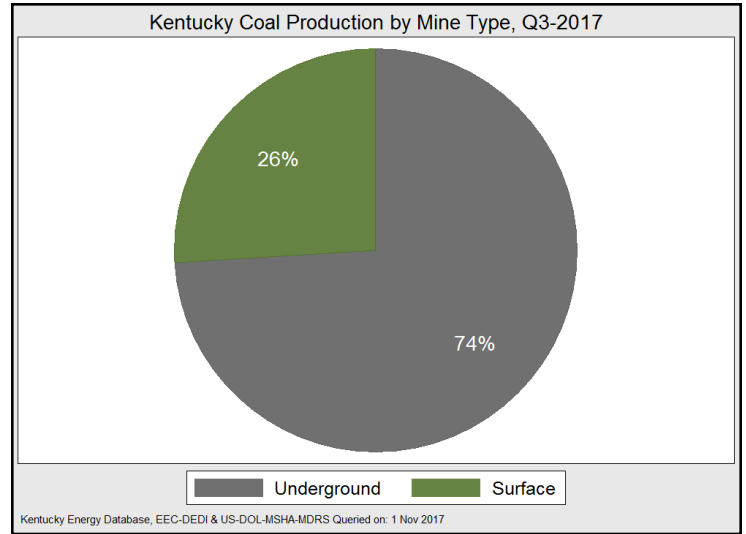
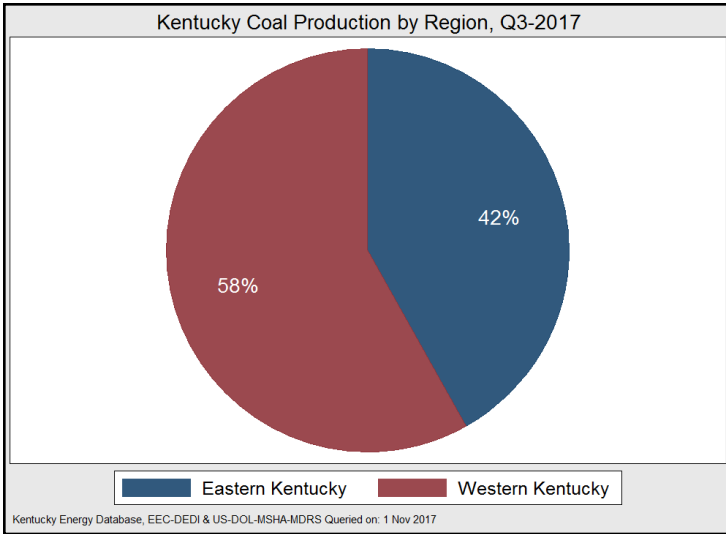


Kentucky Quarterly Coal Report

July to September 2017

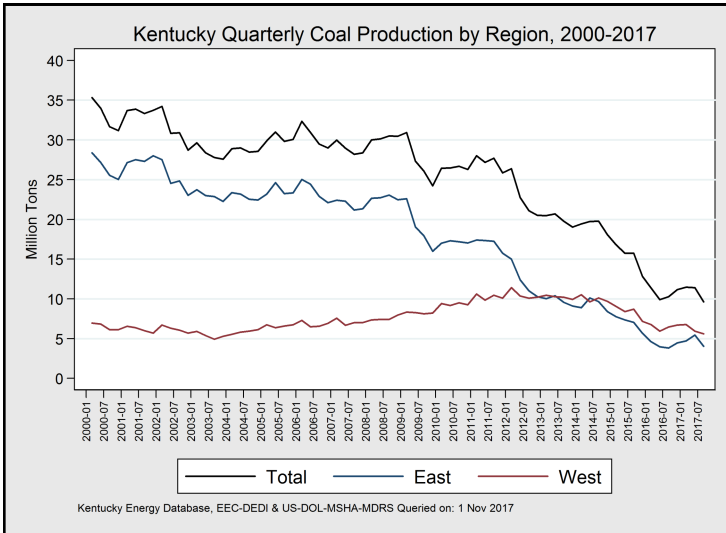


Region	Q3 Tonnage	YOY Change	Quarter Change
Total	9,630,172	-6.3%	-15.6%
West KY	5,597,554	-13.4%	-5.9%
East KY	4,032,618	+5.8%	-26.1%

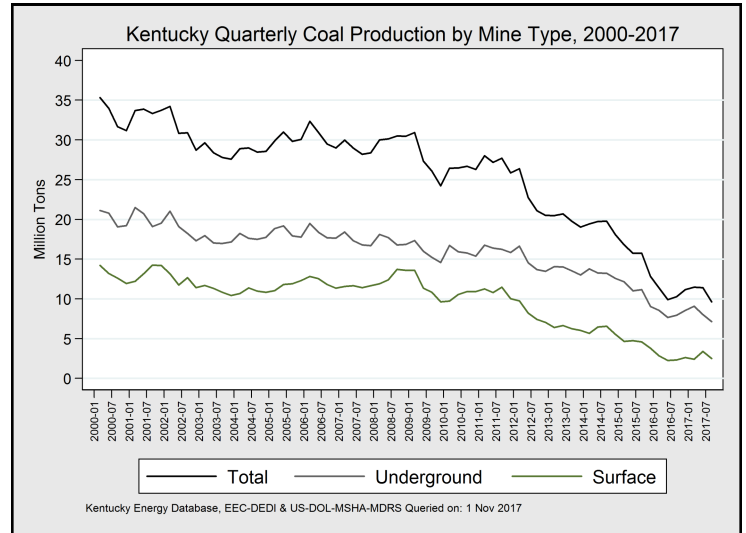
While third quarter production declined by 15.6 percent from the second quarter, year over year production decreased by 6.3 percent.

Mine Type	Q3 Tonnage	YOY Change	Quarter Change
Total	9,630,172	-6.3%	-15.6%
Underground	7,130,296	-11.5%	-11.2%
Surface	2,499,876	+6.9%	-26.0%

Coal production at underground mines totaled 7.1 million tons during the third quarter of 2017, a decrease of 11.5 percent from the previous year.



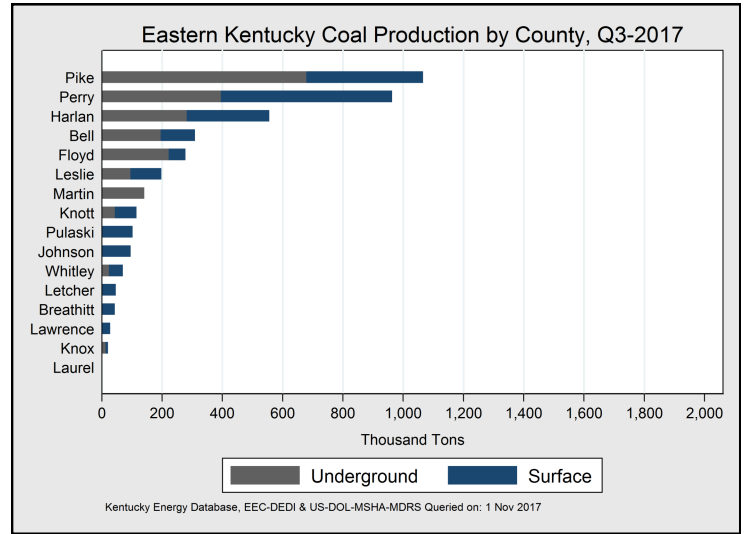
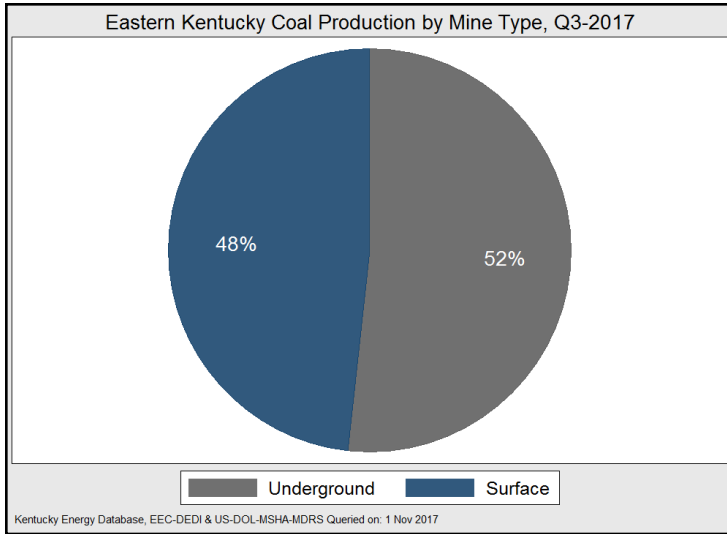
Eastern Kentucky increased output by 5.8 percent from the third quarter of 2016 to 4 million tons. Western Kentucky decreased output by 13.4 percent to 5.5 million tons. Western Kentucky mines accounted for 58 percent of Kentucky coal production while eastern Kentucky accounted for 42 percent.



In the third quarter of 2017, surface mines in Kentucky produced just under 2.5 million tons of coal, a 6.9 percent increase from the third quarter of 2016. Underground mines accounted for 74 percent of coal production in the Commonwealth, while surface mines contributed 26 percent.

Eastern Kentucky Coal Production

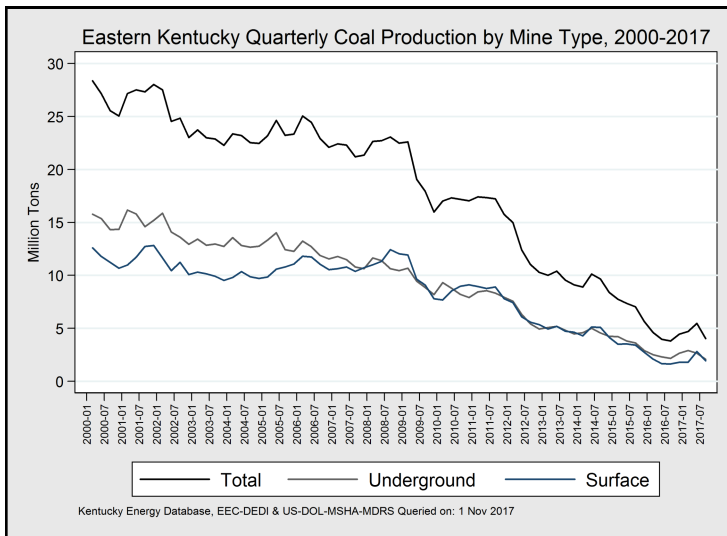
July to September 2017



Mine Type	Q3 Tonnage	YOY Change	Quarter Change
Total	4,032,618	+5.8%	-26.1%
Underground	2,086,936	-4.2%	-21.3%
Surface	1,945,682	+19.1%	-30.7%

Eastern County	Q3 Tons	YOY Change	Quarter Change
Pike	1,066,011	+0.3%	-7.6%
Perry	962,920	+27.2%	-8.5%
Harlan	555,480	-33.3%	-39.6%
Bell	309,365	+26.5%	+1.1%
Floyd	277,768	+284.7%	-7.7%
Leslie	197,735	-7.3%	-32.9%
Martin	141,228	-41.5%	-25.0%
Knott	114,874	+262.1%	+20.5%
Pulaski	102,561	+133.6%	+77.9%
Johnson	95,669	+82.9%	-89.1%
Whitley	69,989	+67.4%	+11.0%
Letcher	46,133	+34.0%	-13.1%
Breathitt	42,965	+93.9%	+416.8%
Lawrence	27,865	-20.1%	+209.5%
Knox	20,925	-39.8%	-63.4%
Laurel	1,130	-	+276.7%

Surface production in eastern Kentucky increased by 19.1 percent from the third quarter of 2016.

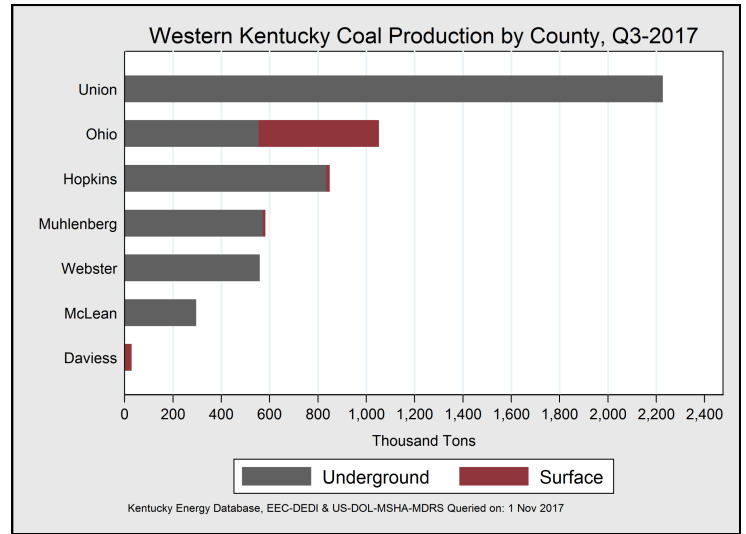
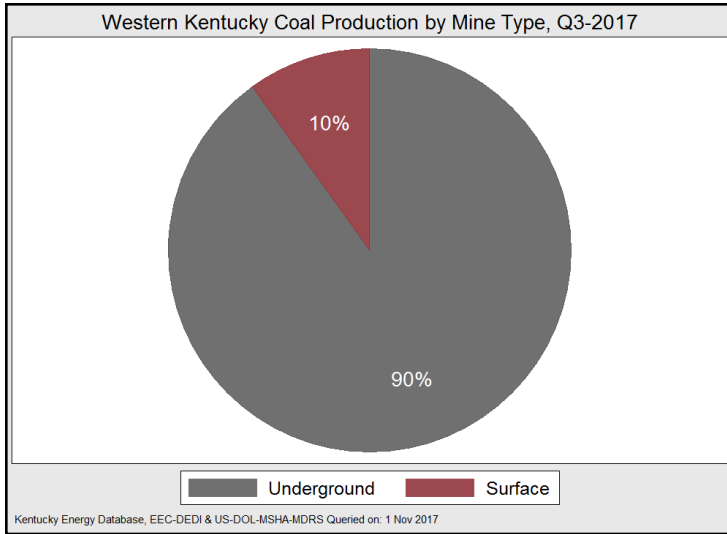


Quarterly surface production decreased by 30.7 percent from the previous quarter. Surface production totaled 1.9 million tons. Underground production experienced a decrease of 21.3 percent from the previous quarter.

Preliminary data indicate that Pike County remained the top coal producing county in eastern Kentucky during the third quarter of 2017 by mining just under 1.1 million tons, a 7.6 percent decrease from the previous quarter, but a 0.3 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 third in production with 555 thousand tons.

Western Kentucky Coal Production

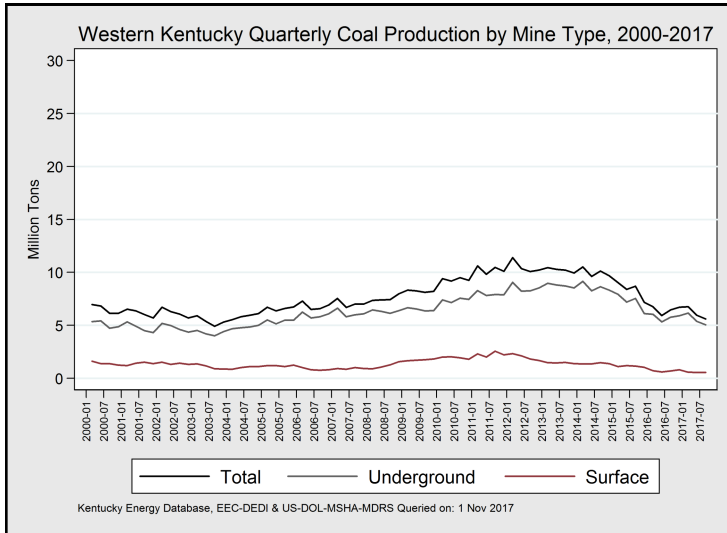
July to September 2017



Mine Type	Q3 Tonnage	YOY Change	Quarter Change
Total	5,597,554	-13.4%	-5.9%
Underground	5,043,360	-12.6%	-6.2%
Surface	554,194	-20.0%	-2.8%

County	Q3 Tonnage	YOY Change	Quarter Change
Union	2,227,793	+0.87%	+6.5%
Ohio	1,052,920	-12.86%	-5.0%
Hopkins	848,662	-12.64%	-7.1%
Muhlenberg	582,973	-29.54%	-22.0%
Webster	559,871	-39.42%	-16.0%
McLean	296,222	+4.25%	-19.2%
Daviess	29,113	-28.17%	-47.6%

Surface mines in western Kentucky decreased production by 20 percent from the 3rd quarter of 2016.



Western Kentucky coal production decreased by 13.4 percent from the third quarter of 2016, to just under 5.6 million tons. Underground production decreased by 12.6 percent from the third quarter of 2016 while surface mining operations showed a decrease of 20 percent to 554 thousand tons.

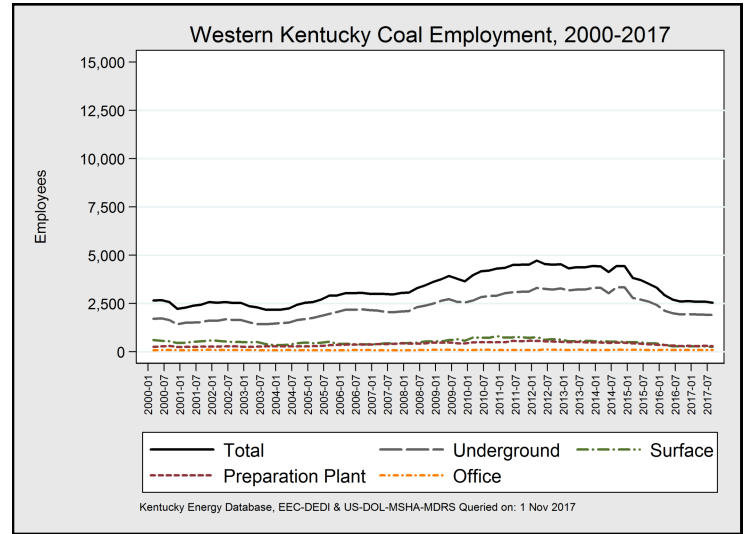
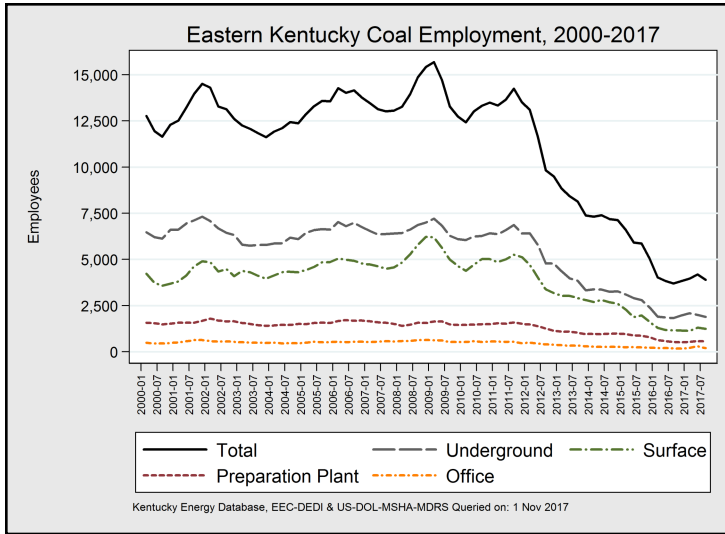
Union County mined just over 2.2 million tons of coal during the 3rd quarter of 2017, a 0.87 percent increase from the previous year and a 6.5 percent increase from the previous quarter.

McLean County experienced the largest year-over-year production increase at 4.25 percent. Union County followed with a 0.87 percent increase.

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

Kentucky Coal Mine Employment

July to September 2017



East KY	Q3	YOY Change	Quarter Change
Total	3,896	+209 +5.7%	-262 -6.3%
Pike	929	+0 +0.0%	-170 -15.5%
Harlan	762	-45 -5.6%	-120 -13.6%
Perry	691	+167 +31.9%	+3 +0.4%
Bell	383	+49 +14.7%	-10 -2.5%
Floyd	231	+97 +72.4%	+2 +0.9%
Martin	199	-61 -23.5%	+18 +9.9%
Leslie	192	+39 25.5%	-19 -9.0%
Whitley	143	+21 +17.2%	+18 +14.4%
Knox	76	-19 -20.0%	+23 +43.4%
Knott	72	+22 +44.0%	-10 -12.2%
Johnson	53	+17 +47.2%	-23 -30.3%
Letcher	48	-26 -35.1%	+19 +65.5%
Boyd	27	+2 +8.0%	+0 +0.0%
Lawrence	22	-9 -29.0%	+1 +4.8%
Pulaski	20	2 +11.1%	+4 +25.0%
Breathitt	15	-8 -34.8%	+9 +150%
Clay	14	-1 -6.7%	+0 0.0%
Magoffin	11	-37 -77.1%	-7 -38.9%
Laurel	4	-1 -20.0%	+0 +0.0%
McCreary	4	+0 +0.0%	+0 +0.0%

West KY	Q3	YOY Change	Quarter Change
Total	2,542	-68 -2.6%	-62 -2.4%
Union	659	+41 +6.6%	-10 -1.5%
Ohio	490	-18 -3.5%	-5 -1.0%
Hopkins	458	-17 -3.6%	+12 +2.7%
Muhlenberg	384	+7 +1.9%	-19 -4.7%
Webster	308	-62 -16.8%	+0 +0.0%
McLean	157	-28 -15.1%	-22 -12.3%
Marshall	46	+15 +48.4%	-14 -23.3%
Daviess	22	+5 +29.4%	+2 +10.0%
Livingston	13	-6 -31.6%	-6 -31.6%
Henderson	5	-5 -50.0%	+0 +0.0%

Description	Q3	YOY Change	Quarter Change
KY Total	6,438	+133 +2.1%	-349 -5.1%
Underground	3,794	+32 +0.9%	-131 -3.3%
Surface	1,500	+53 +3.7%	-81 -5.1%
Preparation Plant	857	+33 +4.0%	-31 -3.5%
Office	287	+15 +5.5%	-106 -27.0%

Eastern Kentucky coal mines increased employment by 209 jobs or 5.7 percent on a year over year basis. Western Kentucky decreased employment by 68 jobs or 2.6 percent on a year over year basis. Eastern and western Kentucky saw quarterly decreases of 6.3 percent and 2.4 percent, respectively.

During the third quarter of 2017, Kentucky coal mines decreased total employment by 349 jobs, a 5.1 percent drop from the second quarter of 2017. On a year over year basis, Kentucky coal mines increased total employment by 2.1 percent or 133 jobs.

For more information about coal, please visit: 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	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		6,561		11,468,171		3,967		4,708,467		2,594		6,759,704
	Q2		6,787		11,408,985		4,183		5,460,062		2,604		5,948,923
	Q3		6,438		9,630,172		3,896		4,032,618		2,542		5,597,554

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 Q3-2017 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