Friends of the Earth

Coal's Triple-Dip

Coal Industry Subsidies and Giveaways in Substitute Lieberman-Warner Climate Security Act Amendment

In June, the Senate is scheduled to debate S. 3036, the Lieberman Warner Climate Security Act of 2008. The bill attempts to create a cap and trade system to reduce the amount of global warming pollution emitted by the United States. While the bill begins a much needed debate on global warming, it contains significant flaws that threaten to undermine its effectiveness. The recently draft substitute amendment includes significant financial giveaways to the very industry responsible for generating a majority of our global warming pollution—coal.

If signed into law today, The Lieberman Warner Boxer Substitute would give **$387 billion**[1] or more to the coal industry.

- **Free Permits for Emitting Global Warming Pollution (Sec. 552)**
  Coal receives **$243 billion** worth of pollution permits through a program called "Transition Assistance," which gives free pollution permits to the worst of carbon emitters based on their average pollution level over the past three years.[2] This section specifically targets polluting entities that produce fossil fuel-powered generation, including rural energy cooperatives.

- **Free Pollution Permits to "Clean Up" Coal's Global Warming Pollution (Sec. 1011)**
  The bill gives bonus allowances to companies that capture the global warming emissions and store them under ground from burning coal for fuel. The bill allocates 2.5% of all permits to this program, worth almost **$131 billion** cumulatively throughout the lifetime of the bill.

- **Additional Money to "Clean Up" Coal's Global Warming Pollution (Sec. 1002).**
  Here, **$13 billion** in cash is given to support carbon sequestration technology development.

Despite being a primary cause of global warming, the coal industry receives more money than other important initiatives, such as funding for adaptation to the impacts of climate change for disadvantaged communities abroad or funding to invigorate our nation's public transportation needs. Rather than supporting this dirty industry, climate legislation should focus on assisting our country and the world adapt to the impacts that climate change and a climate constrained economy will have.

[1] Friends of the Earth analysis of Lieberman-Warner Substitute Amendment.
[2] Based on FoE's analysis, with only 80% of pollution from electricity generation attributed to coal.

Coal is never "Clean"

Human Health and Environmental Impacts of Coal

Coal burning is the leading contributor to global warming pollution in the United States. Unfortunately, its impacts are not limited to global warming. The entire fuel cycle of coal, from mining to combustion, has significant environmental and societal impacts. Many of these impacts cannot be addressed by capturing and sequestering global warming pollution from coal.

The plight of coal miners and their communities

- Twelve thousand miners have died from black lung disease between 1993 and 2002 as a result of working within coal mines.[3]
- Thousands of current and former coal miners suffer from black lung cancer caused by the inhalation of dust containing crystalline silica, and other health problems from inhaling toxic fumes and gases including mercury, exposure to ultraviolet and infrared radiation, noise-induced hearing loss, and heat stroke and exhaustion.[4]
- The poverty rate within one mile of a power plant's waste facilities is twice as high as the national average; the percentage of non-white populations is 30 percent higher than the national average.[5]

Coal power plants harm human health[6]

- More than 603,000 asthma attacks and over 30,000 premature deaths each year are attributed to the fine particle pollution produced by coal fired plants.
- Coal fired plants account for 33 percent of US mercury emissions, which can cause kidney damage and damage the neurological development of infants.
- Coal fired plants account for 66 percent of sulfur dioxide (SO_2) emissions and 30 percent of nitrogen oxide (NO_X) emissions that cause respiratory illness, often leading to premature death, and contribute to acid rain and smog.
- Seventy-one tons of arsenic, a known carcinogen, causing lung, skin, bladder and liver cancer, are expected to be emitted from coal fired power plants in 2010.

Coal production damages our natural resources

- Strip mining, the most common way to mine coal, causes massive deforestation and destruction of natural habitats that contribute substantially to greenhouse gas emissions.
- Pollutants from sludge and other run-off from coal mines and refineries poison drinking water and contaminate ground waters that become toxic to fish and plants.[7]
- Mountain top removal in Appalachia has destroyed more than 1,200 miles of streams.
- Mountaintop removal has destroyed more than 470 mountains in Appalachia and leveled more than 1 million acres of land in the last few decades in the pursuit of coal.[8]

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[3] Center for Disease Control and Prevention. "Coal worker's pneumoconiosis: Number of deaths by sex, race, and age, and median age at death, U.S. residents age 15 and over, 1993-2002" http://www2a.cdc.gov/drds/worldreportdata/FigureTableDetails.asp?FigureTableID=24
[4] Keating, Martha. "Cradle to Grave: The Environmental Impacts of Coal." *Center for Clean Air Task Force*, June 2001.
[5] ibid.
[6] ibid.
[7] ibid.
[8] "Appalachia: National Treasure or National Tragedy?" *Appalachian Voices.* *http://www.appvoices.org/resources/LobbyPiece2007_draft2.pdf*