Bowles Rice VIEWS & VISIONS

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Bill Raney West Virginia Coal Association

Bill Raney has served as President of the West Virginia Coal Association for over 25 years. Prior to this role, he served as an inspector, supervisor and assistant chief for the West Virginia Department of Natural Resources - Division of Reclamation. A retired Colonel of the West Virginia Air National Guard, Raney is active in numerous community and industry organizations.

West Virginia Coal

Looking Forward

Through the years, many have attempted to write the obituary for our industry, and some have done everything within their governmental policy power to bring our demise to a realistic fruition. Some may perceive those efforts to have come close, with multiple bankruptcies through the past five years, consolidations bringing new realignments and market forces from unusual directions. But thank goodness we have some of the toughest, talented, resilient and innovative managers in the world who have persevered and caused predictions of our termination to be premature.

through the next several years, as we depend on exporting our coal for other countries to make steel and generate electricity as much as we do on using it to make American steel and domestic electricity.

The worldwide demand for coal is expected to remain strong, even with its typical, periodic undulations, as other countries continue to depend on coal-fired electricity to put a light bulb in every home in their region. They rely on coal-fired generation because it is predictable, resilient, reliable and affordable. Plus, it is

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The real key, combined with these young, up-and-coming managers, is the fact that we have the best coal miners in the world who have reached productivity advances heretofore thought unachievable. People all over the world continue to consider West Virginia coal, which happens to be some of the finest quality in the world, their fuel of choice. We feel confident this will continue to be the case



more reassuring to look out your back door to see a 90-day stockpile of coal that will guarantee adequate fuel for uninterrupted generation as opposed to hoping the wind blows, the sun shines or that your single-pipe supply line does not malfunction or become disabled.

It is as much a matter of energy security as it is energy reassurance. We are hopeful the Federal Energy Regulatory Commission (FERC) and the U.S. Department of Energy will soon recognize that significance from a homeland security standpoint and assure all of our citizens have access to electricity, not subject to unexpected interruptions, when they want it and when they need it.

Looking forward, we are hopeful for increased stability in the world trading environment that would smooth the dramatic undulations in



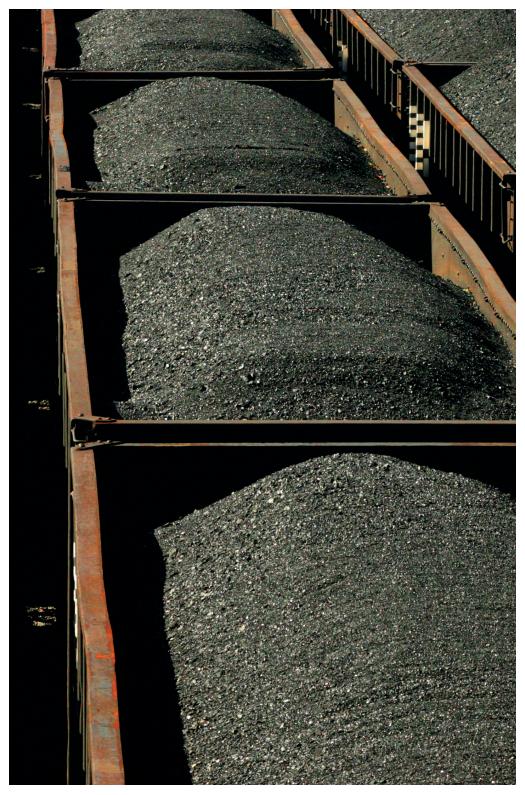
WEST VIRGINIA COAL ASSOCIATION

demand for our high-quality metallurgical and steam coals across the globe. We are equally hopeful of modernized expansions at our East Coast ports to better accommodate blending, shipping and storage.

Since we have proven over the years that our folks are "world-class good" at not only mining, but also making useful, value-added electricity out of our coal, we'd like for West Virginia to become the "powerhouse" for the nation, or at least the eastern and southern regions of our country. The construction of smaller, close-to-the-mine power plants with established access to electric grids could effectively provide low-cost, dependable electricity to other states. With the most modern of technology for efficiency, compliance and performance, these power plants could act as magnets for bringing new businesses and industries into areas with the greatest need for economic diversification.

We are also hopeful for the development and marketability of alternative uses for West Virginia coal, such as coal-toliquid fuels, space-age carbon products with high utility and the processing of rare-earth elements found in conjunction with our operations.

Despite the negative media of today and the selfishly focused groups wanting to take our coal-related jobs, we are confident in the ingenuity, perseverance and devotion of our world-class miners and managers. They have successfully carried us through many difficult times and will continue to persist, innovate and push for our sustained success.



You see, we have twice as much high-quality coal in reserve as we have mined over the past 155 years, and the skillful professionals who know how to mine it, process it, transport it and use it are the best practicing environmentalists in the world. Our mission is to protect these jobs so our folks can stay in West Virginia, close to where they grew up

and where their families can remain safe and secure.