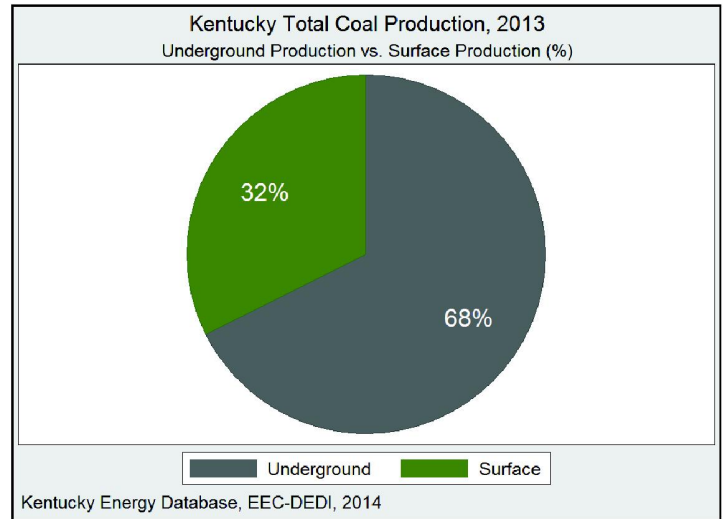
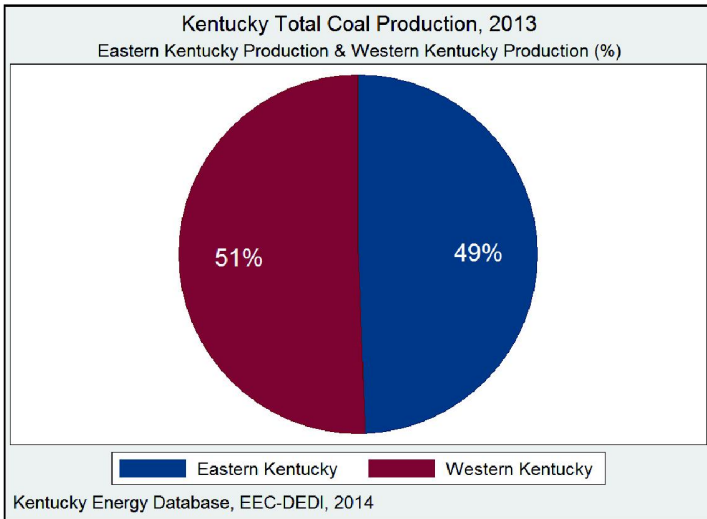


Kentucky Quarterly Coal Report

October to December 2013

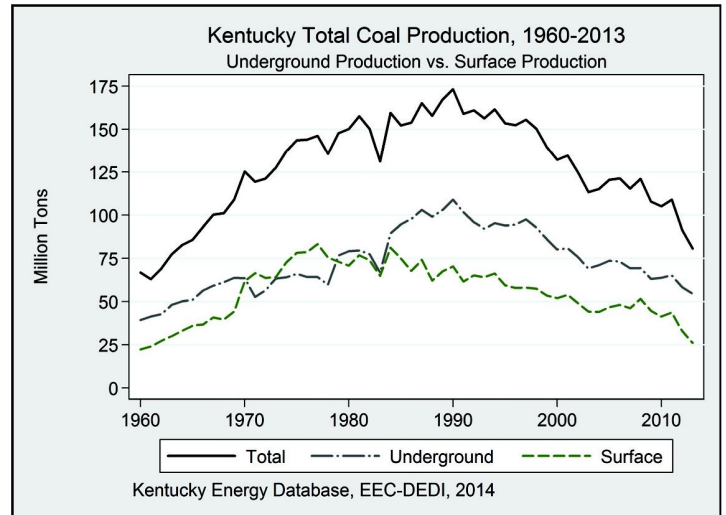
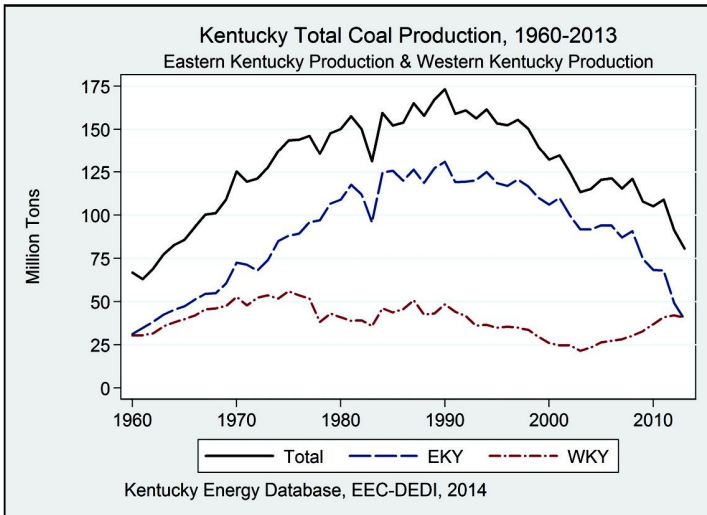


| Region | 2013 Tonnage | Annual Change |
|------------------|--------------|---------------|
| Total | 80,724,543 | -11.6% |
| Western Kentucky | 40,878,967 | -2.8% |
| Eastern Kentucky | 39,845,576 | -19.2% |

| Mine Type | 2013 Tonnage | Annual Change |
|-------------|--------------|---------------|
| Total | 80,724,543 | -11.6% |
| Underground | 54,608,126 | -6.4% |
| Surface | 26,116,417 | -20.8% |

Preliminary data indicate that Kentucky coal mines produced 80.7 million tons in 2013, a decrease of 11.6 percent from 2012.

Coal production at underground mines slowed to 54.6 million tons in 2013, a decrease of 6.4 percent. Surface mines produced 26.1 million tons, a decrease of 20.8 percent.

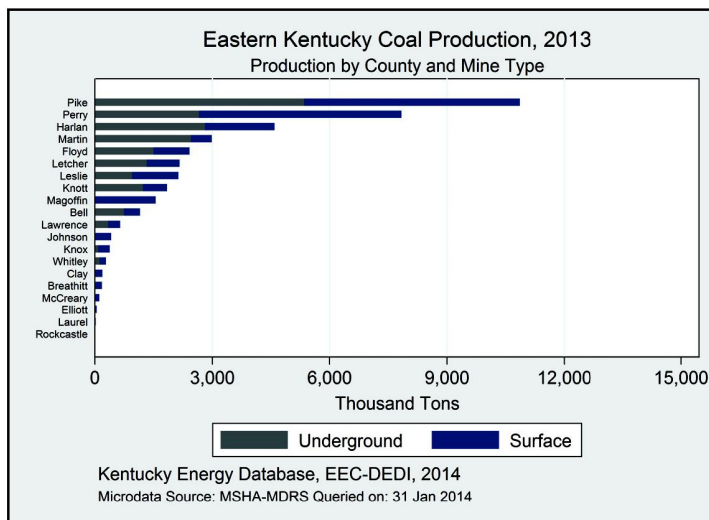
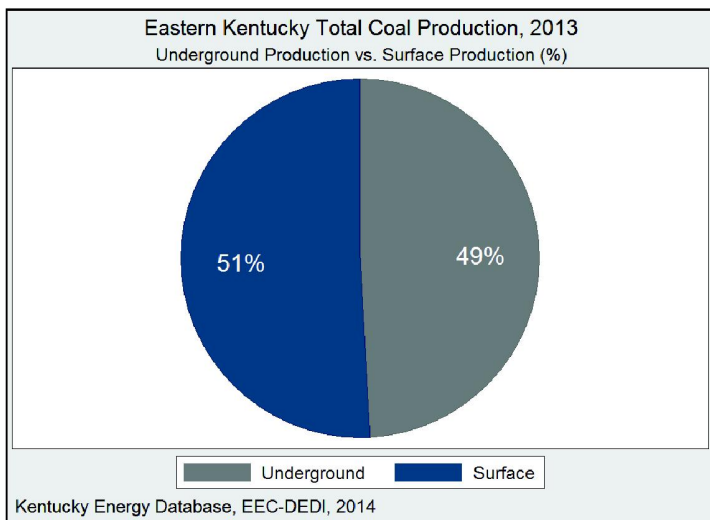


Total coal production decreased by 3.9 percent from the third to fourth quarter of 2013 to a quarterly rate of 19.1 million tons, 9.9 and 9.2 million tons in western and eastern Kentucky respectively.

During the fourth quarter of 2013, Kentucky produced coal from underground mines at a rate of 13 million tons per quarter, a decrease of 3.9 from the third quarter. Coal production at surface mining operations slowed to 6.1 million tons per quarter.

Eastern Kentucky Coal Production

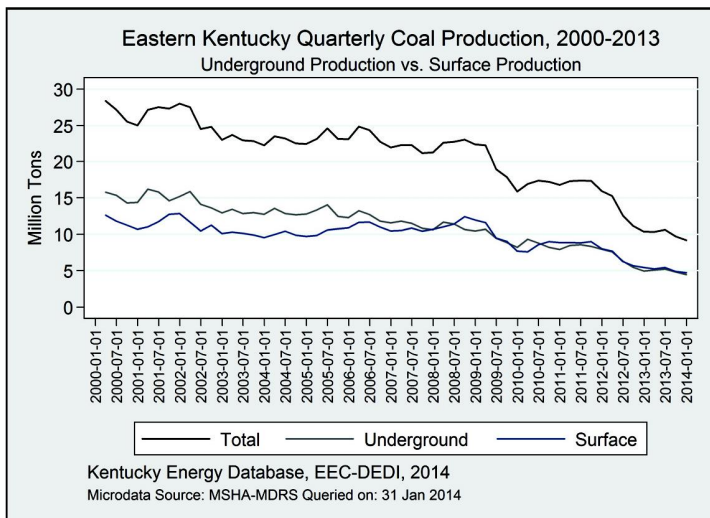
October to December 2013



| Mine Type | 2013 Tonnage | Annual Change |
|-------------|--------------|---------------|
| Total | 39,845,576 | -19.2% |
| Surface | 20,284,540 | -19.5% |
| Underground | 19,561,036 | -19.0% |

Eastern Kentucky coal production decreased in 2013 by 19.2 percent to 39.9 million tons of coal, 51 percent from surface mines and 49 percent from underground mines.

| Eastern County | 2013 Tonnage | Quarter Change |
|----------------|--------------|----------------|
| Pike | 10,866,320 | -16.9% |
| Perry | 7,840,068 | -15.1% |
| Harlan | 4,591,120 | -35% |
| Martin | 2,987,669 | -16.7% |
| Floyd | 2,419,580 | -1.2% |
| Letcher | 2,162,749 | -27.9% |
| Leslie | 2,136,704 | -30.8% |
| Knott | 1,843,011 | -23.4% |
| Magoffin | 1,551,124 | -23% |
| Bell | 1,156,997 | -1.2% |
| Lawrence | 643,970 | +170.6% |
| Johnson | 414,912 | +26.6% |
| Knox | 380,039 | -41% |
| Whitley | 285,761 | +1.9% |
| Clay | 190,001 | -35.3% |
| Breathitt | 180,251 | -37.4% |
| McCreary | 111,242 | +250.4% |
| Elliott | 46,421 | +1,837.4% |
| Laurel | 24,196 | +91.6% |
| Rockcastle | 13,441 | +172.6% |

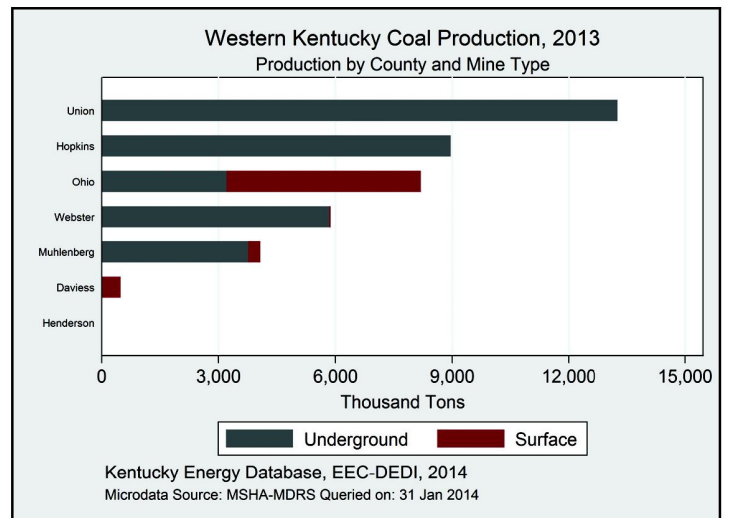
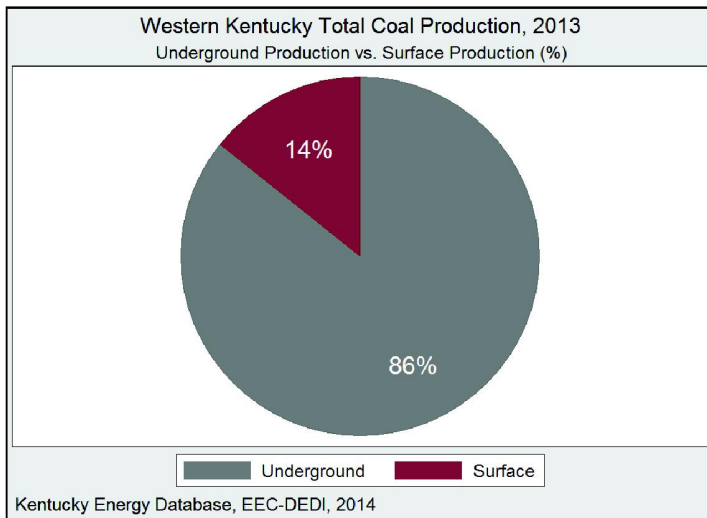


Production slowed at both surface and underground mining operations, by 19.5 and 19.0 percent mines respectively. The rate of Eastern Kentucky coal production during the fourth quarter of 2013 was 9.2 million tons.

Pike County remained the largest coal producing county in Eastern Kentucky and the second largest producing county overall, producing over 10.9 million tons during 2013.

Western Kentucky Coal Production

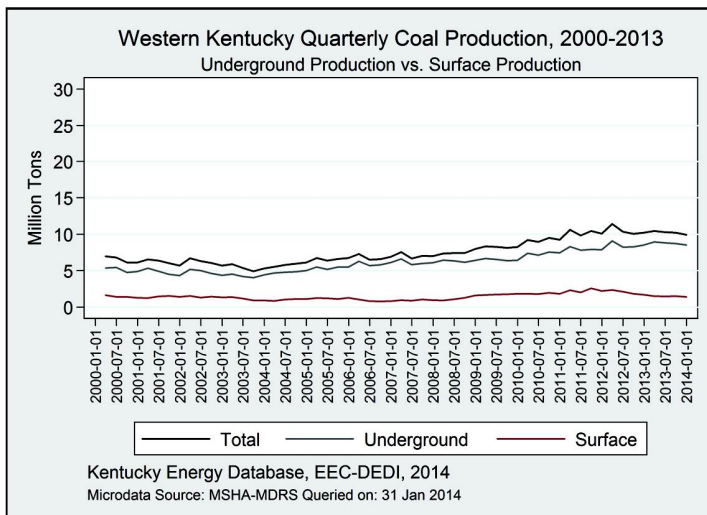
October to December 2013



| Mine Type | 2013 Tonnage | Annual Change |
|-------------|--------------|---------------|
| Total | 40,878,967 | -2.2% |
| Underground | 35,047,090 | +2.8% |
| Surface | 5,831,877 | -23.4% |

Western Kentucky mined 41 million tons in 2013, 86 percent from underground. Underground mining increased by 2.8 percent, while surface mining decreased by 23.4 percent.

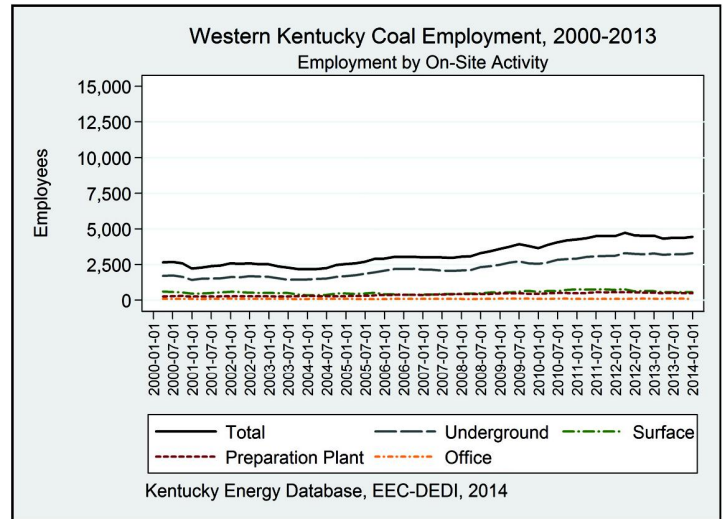
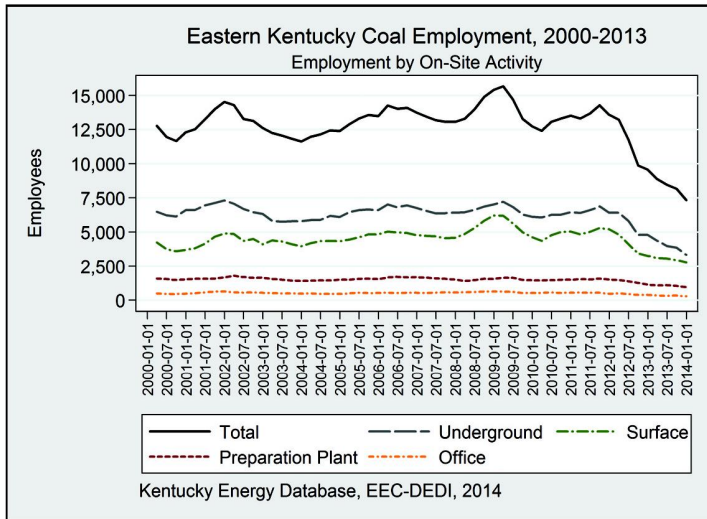
| Western County | 2013 Tonnage | Annual Change |
|----------------|--------------|---------------|
| Union | 13,265,620 | -1.6% |
| Hopkins | 8,963,894 | +0.2% |
| Ohio | 8,197,105 | +13.4% |
| Webster | 5,880,279 | +5.9% |
| Muhlenberg | 4,073,837 | -16.7% |
| Daviess | 484,569 | +22.6% |
| Henderson | 13,663 | -99.1% |



Western Kentucky coal production decreased by 2.7 percent during 2013. The rate of coal production for the fourth quarter of 2013 was 9.9 million tons per quarter. Union County remained Kentucky's leading coal producing county, producing nearly 13.3 million tons during 2013.

Kentucky Coal Mine Employment

October to December 2013



| Eastern Counties | Q4 Employment | Annual Change |
|------------------|---------------|---------------|
| Total | 7,332 | -2,232 -23.4% |
| Pike | 1,859 | -514 -21.7% |
| Perry | 1,209 | -321 21.0% |
| Harlan | 929 | -495 -34.8% |
| Martin | 644 | -77 -10.7% |
| Floyd | 504 | -42 -7.7% |
| Letcher | 383 | -226 -37.1% |
| Bell | 364 | -84 -18.7% |
| Knott | 262 | -60 -18.6% |
| Leslie | 254 | -399 -61.1% |
| Magoffin | 175 | -11 -5.9% |
| Knox | 175 | -49 -21.9% |
| Whitley | 154 | +63 69.2% |
| Lawrence | 145 | +62 74.7% |
| Boyd | 76 | -8 -9.5% |
| Johnson | 73 | +5 7.4% |
| Clay | 45 | -21 -31.8% |
| Breathitt | 40 | -22 -35.5% |
| McCreary | 25 | -10 -28.6% |
| Elliott | 10 | +10 +0.0% |
| Estill | 6 | +6 +100% |

| Western Counties | Q4 Employment | Annual Change |
|------------------|---------------|---------------|
| Total | 4,449 | -94 -2.10% |
| Union | 1,328 | +36 +2.8% |
| Hopkins | 975 | -22 -2.2% |
| Ohio | 838 | +128 +18.0% |
| Webster | 669 | -38 -5.4% |
| Muhlenberg | 477 | -99 -17.2% |
| Marshall | 50 | +0 0% |
| Daviess | 43 | +0 +0% |
| Livingston | 37 | -15 -28.9% |
| McLean | 22 | +14 +63.6% |
| Henderson | 10 | -98 -90.7% |

| Description | Q4 Employment | Annual Change |
|-------------------|---------------|---------------|
| Kentucky Total | 11,781 | -2,326 -16.5% |
| Underground | 6,632 | -1,436 -17.8% |
| Surface | 3,330 | -554 -14.3% |
| Preparation Plant | 1,438 | -234 -14.0% |
| Office | 381 | -102 -21.1% |

Kentucky coal mines reduced on-site employment by 2,326 workers, or 16.5 percent, during 2013. As of December 2013, an estimated 11,781 persons are employed at Kentucky coal mines. Layoffs included 1,990 coal miners, 1,436 underground and 554 surface. Coal preparation plants reduced employment by 234, while on-site office staff were reduced by 102.

Eastern Kentucky coal mines reduced total employment by 2,232 persons, or 23.4 percent, during the twelve months of 2013. Coal mines in western Kentucky decreased total employment by 94 jobs.

| Date | Kentucky Total | | | | Eastern Kentucky | | | | Western Kentucky | | | | |
|------|--------------------|---------|-----------------------|-------------|--------------------|---------|-----------------------|------------|--------------------|---------|-----------------------|------------|------------|
| | Average Employment | | Tons of Coal Produced | | Average Employment | | Tons of Coal Produced | | Average Employment | | Tons of Coal Produced | | |
| | Annual | Quarter | Annual | Quarter | Annual | Quarter | Annual | Quarter | Annual | Quarter | Annual | Quarter | |
| 2007 | Q1 | 16,194 | 16,449 | 115,408,135 | 29,857,552 | 13,189 | 13,449 | 87,140,740 | 22,302,720 | 3,005 | 3,000 | 28,267,395 | 7,554,832 |
| | Q2 | | 16,179 | | 29,012,344 | | 13,182 | | 22,330,520 | | 2,997 | | 6,681,824 |
| | Q3 | | 16,031 | | 28,226,908 | | 13,061 | | 21,207,510 | | 2,970 | | 7,019,398 |
| | Q4 | | 16,116 | | 28,311,331 | | 13,065 | | 21,299,990 | | 3,051 | | 7,011,341 |
| 2008 | Q1 | 17,748 | 16,365 | 121,059,852 | 30,003,678 | 14,390 | 13,286 | 90,884,900 | 22,637,880 | 3,357 | 3,079 | 30,174,952 | 7,365,798 |
| | Q2 | | 17,269 | | 30,179,429 | | 13,973 | | 22,771,390 | | 3,296 | | 7,408,039 |
| | Q3 | | 18,328 | | 30,483,824 | | 14,884 | | 23,057,080 | | 3,444 | | 7,426,744 |
| | Q4 | | 19,028 | | 30,392,921 | | 15,418 | | 22,418,550 | | 3,610 | | 7,974,371 |
| 2009 | Q1 | 17,877 | 19,422 | 107,887,419 | 30,611,297 | 14,094 | 15,668 | 74,935,320 | 22,278,700 | 3,783 | 3,754 | 32,952,099 | 8,332,597 |
| | Q2 | | 18,624 | | 27,178,480 | | 14,696 | | 18,912,420 | | 3,928 | | 8,266,060 |
| | Q3 | | 17,079 | | 25,993,920 | | 13,282 | | 17,865,250 | | 3,797 | | 8,128,670 |
| | Q4 | | 16,381 | | 24,103,722 | | 12,730 | | 15,878,950 | | 3,651 | | 8,224,772 |
| 2010 | Q1 | 17,180 | 16,290 | 105,169,487 | 26,138,293 | 13,072 | 12,400 | 68,273,880 | 16,921,040 | 4,109 | 3,890 | 36,895,607 | 9,217,253 |
| | Q2 | | 17,133 | | 26,297,751 | | 13,062 | | 17,358,670 | | 4,071 | | 8,939,081 |
| | Q3 | | 17,519 | | 26,700,882 | | 13,310 | | 17,206,400 | | 4,209 | | 9,494,482 |
| | Q4 | | 17,778 | | 26,032,561 | | 13,514 | | 16,787,770 | | 4,264 | | 9,244,791 |
| 2011 | Q1 | 18,183 | 17,670 | 108,950,570 | 27,909,620 | 13,716 | 13,317 | 67,939,800 | 17,303,260 | 4,467 | 4,353 | 41,010,770 | 10,606,360 |
| | Q2 | | 18,170 | | 27,215,910 | | 13,674 | | 17,379,090 | | 4,496 | | 9,836,820 |
| | Q3 | | 18,794 | | 27,778,980 | | 14,285 | | 17,315,100 | | 4,509 | | 10,463,880 |
| | Q4 | | 18,096 | | 26,046,060 | | 13,588 | | 15,942,350 | | 4,508 | | 10,103,710 |
| 2012 | Q1 | 15,679 | 17,943 | 91,331,390 | 26,654,700 | 11,095 | 13,214 | 49,285,070 | 15,255,170 | 4,583 | 4,729 | 42,046,320 | 11,399,530 |
| | Q2 | | 16,287 | | 22,935,560 | | 11,740 | | 12,579,560 | | 4,547 | | 10,356,000 |
| | Q3 | | 14,377 | | 21,172,280 | | 9,863 | | 11,093,610 | | 4,514 | | 10,078,670 |
| | Q4 | | 14,107 | | 20,568,850 | | 9,564 | | 10,356,730 | | 4,543 | | 10,212,120 |
| 2013 | Q1 | 12,589 | 13,197 | 80,724,543 | 20,775,760 | 8,205 | 8,871 | 39,845,576 | 10,329,510 | 4,384 | 4,326 | 40,878,967 | 10,446,242 |
| | Q2 | | 12,849 | | 20,912,300 | | 8,457 | | 10,624,190 | | 4,392 | | 10,288,110 |
| | Q3 | | 12,528 | | 19,909,430 | | 8,160 | | 9,700,223 | | 4,368 | | 10,209,207 |
| | Q4 | | 11,781 | | 19,126,940 | | 7,332 | | 9,191,653 | | 4,449 | | 9,935,408 |

Note: Production and employment data for Q4-2013 as well as 2013 annual totals are preliminary and subject to revision. Data for previous dates have been revised.
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