

United States Coal Sector Update to the 19th Session of the Global Methane Initiative (GMI) Coal Subcommittee

3 June 2014

U.S. Environmental Protection Agency



United States Coal Sector Update

- Coal sector trends
 - Coal production decreased from 993 MMt in 2011 to 922 MMt in 2012
 - CMM emissions also decreased during this time
 - Greenhouse Gas Reporting Rule Data
 - 2012: 151 active underground mines, 28 million metric tons CO₂e
 - 2011: 159 active underground mines, 30 million metric tons CO₂e
- New trends in the energy sector
 - Increase in natural gas consumption, price is starting to rebound slowly
 - Coal consumption relatively steady with modest price decreases
- Regulatory Update
 - BLM issued Advanced Notice of Public Rulemaking for Waste Mine Methane Capture
- Implementation of national plans/directives
 - 2013 US Climate Action Plan includes coal mine methane

CMM Project Outlook

- Challenges to emission reduction projects in United States:
 - Ownership, leasing authorities on federal lands remain unclear
 - A lack of infrastructure (e.g., pipelines) in certain regions of the country (i.e. particularly in the west) to move CMM from mines to natural gas markets.
 - Low power prices (electricity) in some parts of the country (e.g., the west) that make CMM power generation projects unattractive from an economic perspective.
 - A weak domestic voluntary offsets market due to extremely low carbon prices.

CMM Project Outlook (2)

- Approaches to overcoming challenges
 - Voluntary GHG registries and carbon markets
 - State alternative energy and renewable energy programs
 - State capital investment, loans, and tax benefits and credits
 - US EPA GHG Reporting Rule
 - Support for technology demonstration projects
 - Development of technical documents, tools and resources
- Update
 - April 2014: New project opportunities presented by California Air Resources Board inclusion of CMM as compliance offset source (Mine Methane Capture protocol)

United States Coal Sector Methane Action Plan

- **Priorities:**
 - Reduce GHG emissions
 - Promote use of clean energy source
 - Achieve profitable recovery of CMM
- **Activities to Promote Methane Mitigation and Abatement**
 - Between 1994 and 2012, U.S. CMM emissions reductions have effectively removed the equivalent of more than 326 MMtCO₂e from the atmosphere
 - U.S. identifies, evaluates and promotes CMM recovery and use opportunities; provides support for technology demonstration projects; and develops technical documents, tools and resources
 - International activities under the auspices of GMI
 - CMM/CBM Clearinghouses; pre-feasibility and feasibility studies
 - UNECE Best Practice Guidance for Effective Methane Drainage and Use in Coal Mines, technical seminars
 - Technical resources; tools; policy white papers
 - CMM Finance Guide and CMM Financial Model: updates in progress; will assist with international CMM project development

Updated online at <https://www.globalmethane.org/coal-mines/index.aspx>

Contact Information and Announcements

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**US CMM Conference
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in Pittsburgh PA**

