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BURNING COAL, BURNING CASH

Missouri's Dependence on Imported Coal



The cost of importing coal is a major drain on the economies of many states that rely heavily on coal-fired power. Thirty-eight states were net importers of coal in 2008, from other states and, increasingly, other nations. *Burning Coal, Burning Cash* ranks the states that are the most dependent on imported coal. This fact sheet shows the scale of this annual drain on Missouri ratepayers, and discusses ways to keep more of that money in-state through investments in energy efficiency and homegrown renewable energy.

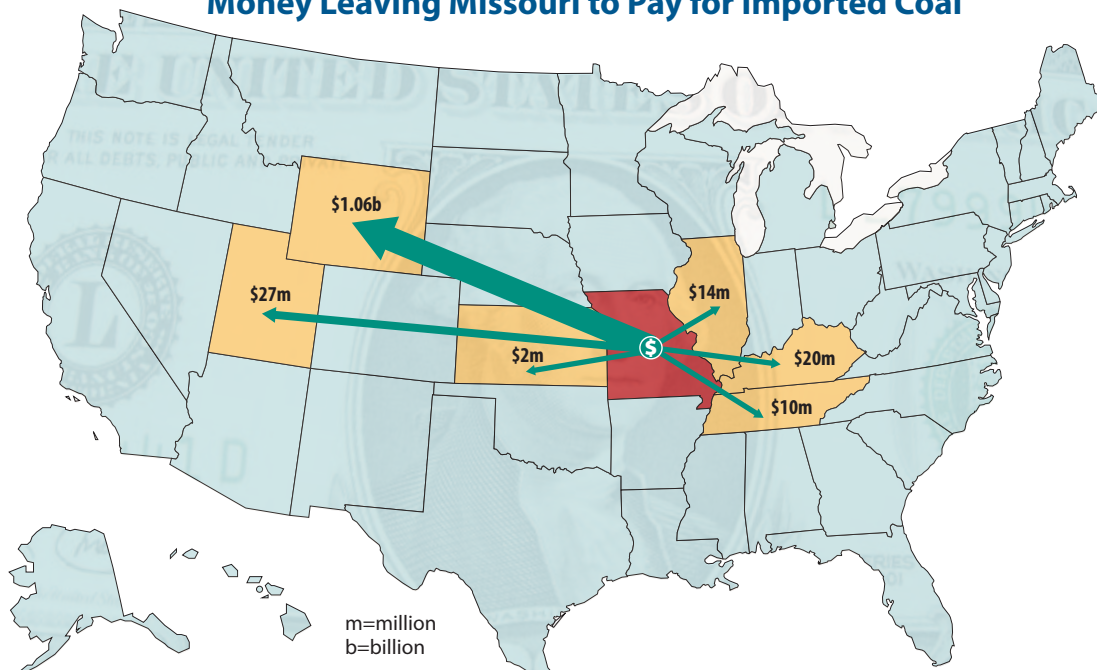
Missouri imported more than 99 percent of the coal its power plants burned in 2008—mainly from Wyoming. In-state mines supplied the remaining small fraction, and also exported coal worth \$7 million to other states. To pay for its coal, Missouri sent a net **\$1.13 billion** out of state.

AmerenUE, Missouri's largest provider of electricity services, purchased \$565 million in coal imports in 2008—half the state's gross total and more than any other Missouri power producer. AmerenUE's Labadie plant, in Franklin County, is also the most import-dependent power facility in Missouri, having spent \$241 million in 2008. The plant is the eleventh-largest source of carbon dioxide emissions (the main cause of global warming) among hundreds of coal plants nationwide.



St. Louis, Missouri. The cost of importing coal is a drain on Missouri's economy, which relies heavily on coal-fired power. Investments in energy efficiency and homegrown renewable energy can help stimulate the economy by redirecting funds into local economic development—funds that would otherwise leave the state.

Money Leaving Missouri to Pay for Imported Coal

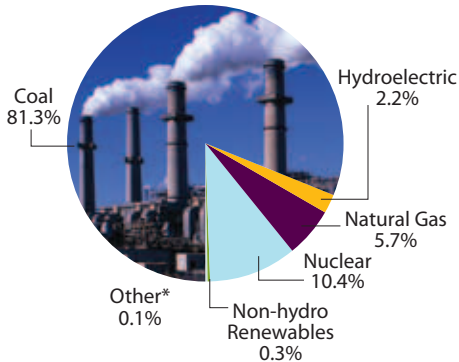


Compared with other states, Missouri:

- Is the most dependent on net imports as a share of total power use: 82 percent
- Imported the 2nd largest amount in total net weight: 43.8 million tons
- Spent the 6th most on net imports per person: \$190
- Spent the 7th most on net imports relative to gross state product: 0.48 percent
- Spent the 10th most on net imports: \$1.13 billion

Note: Not all these funds will necessarily land in the state or nation where the mining occurs. Mine owners may divert the profits to parent companies in other locations, for example. Amounts also include the cost of transportation.

Missouri's Mix of Electricity Sources (2008)



Missouri relies on coal for more than 80 percent of its in-state electricity generation, and imports more than 99 percent of that coal.

* "Other" includes oil, municipal solid waste, tires, propane, or other manufactured and waste gases from fossil fuel.

In west-central Missouri, Show Me Energy is turning crop residues and native perennial grasses into pellets, which Kansas City Power and Light and other utilities use to produce electricity, replacing some imported coal. Show Me farmers leave 30 percent of their crop residues in the field, to reduce erosion and maintain wildlife habitat and soil fertility. Owned by farmers, Show Me also recycles income within the community.

Photos (top to bottom): Photodisc; NREL

Clean Energy Solutions Can Boost Missouri's Energy Independence

Investing in energy efficiency is one of the quickest and most affordable ways to replace coal-fired power while boosting the local economy. Yet Missouri spent just 22 cents per person on ratepayer-funded electricity efficiency programs in 2007—about 850 times less than the amount it spent on imported coal.

Reducing the state's electricity use by 1 percent annually could save consumers \$30 million, and avoid the need to send as much as \$13 million out of state in the first year alone. Missouri could save that much power or more by adopting an energy efficiency resource standard. Twenty-three states have adopted such a standard, with most requiring utilities to achieve annual electricity savings of at least 1 percent (a target some states are already achieving). Leading states require annual cuts of 2 percent or more.

Fortunately, Missouri is beginning to reduce its dependence on imported coal by tapping its wealth of renewable energy resources. For example, power producers have installed more than 300 megawatts of wind power in the state since 2007—enough to power about 100,000 typical homes. Show Me Energy, a farmer-owned company in west-central Missouri, is also turning crop residues and native perennial grasses into pellets, which local power producers use to generate electricity.

The state has the technical potential to generate nearly nine times its 2008 electricity needs from renewable energy, led primarily by wind and bioenergy, though economic and physical barriers will curb some of that potential. Missouri utilities must rely on renewable resources to produce at least 15 percent of the state's power needs by 2021. Twenty-eight other states and the District of Columbia have adopted such renewable electricity standards, with 17 states setting targets of 20 percent or more.



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Citizens and Scientists for Environmental Solutions



Printed on recycled paper
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This fact sheet is based on the findings of *Burning Coal, Burning Cash: Ranking the States That Import the Most Coal*, a report by the Union of Concerned Scientists. The fully referenced report, along with other state profiles, is available on the UCS website at www.ucsusa.org/burningcoalburningcash.

The Union of Concerned Scientists is the leading science-based nonprofit working for a healthy environment and safer world.

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