

UNC Coal Sourcing Background

Sept. 23, 2010

As part of the bid process for supplying coal to UNC, each supplier is required to specify the mine type that is the source of its coal: contour, ridge top or deep (underground).

In the summer of 2008, in response to student concerns, Energy Services contacted its suppliers to confirm the type of mine where its coal was being mined. The students were particularly opposed to the use of coal obtained using mountaintop removal mining.

The Environmental Protection Agency has defined mountaintop removal mining as a surface mining practice involving the following:

- removal of mountaintops to expose coal seams, and
- disposing of the associated mining overburden in adjacent valleys – valley fills.

The coal purchased by the University was not from mountaintop mining operations using valley fills to dispose of overburden, according to these suppliers.

In 2009, in addition to their call for the University to end coal use by 2015, the Sierra Club and Coal-Free UNC campaigned for the University not to purchase coal from suppliers who practice mountaintop removal.

In May 2010, the University accepted a recommendation from the Energy Task Force to “make best efforts to identify and secure coal that is certified by a third party as sourced from deep mines only (i.e., not from surface or mountaintop removal mining).”

The University’s previous coal contracts expired in June 2010. Before awarding new contracts, a proposal solicitation and evaluation process was undertaken. There were 10 respondents to the request for proposals, three of which sourced coal from deep mines. These deep mine respondents were eliminated during the evaluation process because, upon testing, their coal did not meet our requirements.

These are the three companies currently providing the University’s coal supply:

- Diversified Energy Inc. of Knoxville, Tenn., 50 percent of supply
- International Resources Inc. of Glendale Springs, N.C.; 25 percent of supply
- Penn Keystone Coal Co. LLC of Claysburg, Penn.; 25 percent of supply

All of the suppliers are surface mines (contour). None of the mines are mountaintop removal with attendant valley fills, according to the brokers. This information was shared with the Energy Task Force at its Aug. 26 meeting.