

Testimony Before the House Committee on Ways and Means
February 6, 2023
“The State of the American Economy: Appalachia”

Chairman Smith, Ranking Member Neal, and Members of the Ways and Means Committee, I want to thank you for the opportunity to appear today.

My name is Jamie Ward and I am here representing CONSOL Energy, a 150-year-old thermal and metallurgical coal producing company with operations in Pennsylvania and West Virginia, where I supervise the Itmann Number 5 preparation plant outside of Mullens, West Virginia. I’ve worked in the coal industry for almost 30 years.

Growing up in southern West Virginia, I was surrounded by coal mines and the coal industry from the time I was young. I attended Independence High School in Raleigh County and decided to enter the workforce after graduation, beginning my career at a local coal company, where I conducted coal sampling and quality analysis. From there, I worked at the coal companies for several different operators before landing at CONSOL. As my career in the industry progressed, I watched as coal companies began to either consolidate, go bankrupt, or be bought out, at one time causing me to work for 6 different companies in a period of 13 years.

I saw the coal industry decline further to the point where I was forced to leave West Virginia to find work in the industry in Alabama for a time. I watched the small towns of my home state fall on incredibly hard times all because of anti-coal policies that were being pushed in Washington, DC by people who had never even been to the place where I grew up. The result of these policies has been an economic disaster to the people of Appalachia.

In 2019, CONSOL Energy decided to re-invest in the thin seam coal fields of southern West Virginia, providing the opportunity for me to move back to the state and be with my family once again. My previous experience at coal preparation plants allowed me to join the CONSOL team in the position I am in now. I manage the day-to-day operations of the plant including our 25 employees and other contractors. I also interface with customers and coordinate shipments of our coal for both domestic and international sales.

CONSOL Energy owns and operates the largest underground high-Btu bituminous coal mine complex in North America, and now, in Wyoming County West Virginia, also operates our new Itmann #5 metallurgical coal mine and prep plant, which produces the coking coal used in steel production. The Itmann prep plant recently shipped its first trainload of coking coal to customers in October of last year. It was an exciting step in the right direction toward bringing the mine and plant up to full production despite many supply chain challenges that are being felt nationwide, which are the result of policy decisions made at the highest level.

Though CONSOL has brought jobs and economic stimulation to Mullens, Pineville, Itmann, and other towns in the surrounding area, all of Appalachia still faces staffing shortages. These staffing shortages are due to a variety of factors including fuel costs making it hard to travel to

work and hostile federal policies that have attacked coal jobs and deterred workers from staying in or entering our industry.

The coal industry is constantly under pressure from Washington, which makes it harder to do business and provide the materials needed for steel and the fuel for affordable electricity. Federal agencies make it difficult for any operation to even get off the ground, especially when agencies make rules that are very hard to follow. The EPA's recently updated Waters of the U.S. rule will likely extend permitting timeframes, create more uncertainty, and increase our cost if we ever try to expand our operations. All these things discourage investment by other companies in Appalachia and limit job creation for Appalachian workers.

I remember a time when someone could not drive more than three or four miles without seeing a coal mine, where you'd be able to find work. Now, I have employees coming from many miles away just to keep a job. One of them even drives 75 miles, one way, all the way from Kentucky. Imagine having to drive an hour and a half to work every day like he does, with gas prices being as high as they are. You can see how something like that would prevent someone who wants to succeed from being able to simply get to a job site.

In addition, the rising costs of groceries do not make things any easier for my staff at the plant.

The prices of milk and eggs, two items that most families need weekly, are through the roof. We pay all our workers great wages, but the rising cost of basic needs is still deeply felt no matter how much you get paid. Because of that, there is only so much that can be done from industry's side to help ease the burden of high fuel and grocery bills that we are forced to pay.

My team at the plant is incredibly hard working every day and we support the local economy through our work there.

There is a local general store in Mullens where we buy most of our boots, supplies, food, and whatever we might need, because the next nearest store to get these things is 25 miles away. This increases in the cost for necessary items when costs for supplies and groceries are already too high for most families. We use a local service garage in Mullens to service the vehicles in our fleet, because we believe in supporting the communities where we work. These things help to keep the small economy of Mullens up and running, but sadly the same cannot be said about the thousands of other towns across Appalachia which struggle because of the havoc that inflation has wreaked on the cost of living.

CONSOL's Itmann operation has the capacity to mine 800,000 – 1 million tons of coal output per year, with over 20 million tons in reserve. That amount of output is life-changing for West Virginians and others in Appalachia in need of a stable job. As I mentioned, the industry has been hampered by regulatory uncertainty and risk, higher-than-normal costs out of our control, and inflation that has been brought on by overall irresponsible policy.

We do our part. It is time for the federal government to do its part by lowering the costs rural Appalachians are forced to pay every day just to stay alive.

I look forward to any questions you may have. Thank you again for allowing me to share my perspective on the state of the American economy in Appalachia.