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A Coal Sales Ticker Next to a 'Clean Energy' Claim?

By ANDREW C. REVKIN - December 28, 2012

Electricity, including that generated by coal combustion, has been a boon for humanity. In fact, there's much truth in the headline on Indur M. Goklany's new analysis for the anti-regulatory Cato Institute: "Humanity Unbound: How Fossil Fuels Saved Humanity from Nature and Nature from Humanity." (I'll post more on that paper soon, including an interview with Goklany.)

But that does not come close to justifying what you see on the home page of Peabody Energy, the largest coal company in the free world:

Coal Sales and a Clean Energy Claim
Just to the right of a ticker-style, real-time tally of tons of coal sold (about eight tons per second or so) is the message that the company is the* "global leader in clean energy solutions…"

Pollution from coal burning, in the United States and particularly in developing countries, has big impacts on public health, and the climate impact from coal-generated carbon dioxide could be enormous if the world's still-vast reserves are heavily exploited. We've been stuck on the coal rung of what Loren Eiseley called "the heat ladder" of energy history for too long.

I sent a site link and the video clip above to Nicholas Muller of Middlebury College and William D. Nordhaus and Robert O. Mendelsohn of Yale, authors of this influential 2011 paper in American Economics Review: "Environmental Accounting for Pollution in the United States Economy." One of its many conclusions was that "coal-fired power plants have air pollution damages larger than their value added."

As I put it in my note to them, "I find it hard to reconcile your calculation of coal's big externalized costs with such a juxtaposition (coal sales and "clean energy" leadership):

You can read the reply from Mendelsohn below, followed by more from Bob Keefe of the Natural Resources Defense Council and Vic Svec, a spokesman for Peabody Energy:

Here's Mendelsohn:

> We did not make any company specific estimates of damage. If Peabody is responsible for 23 percent of U.S. coal and if each ton of Peabody coal causes the average damage from coal in the U.S., the burning of Peabody coal is causing $12

> billion of damage from traditional health related air pollutants and almost $16 billion of damage including greenhouse gases every year. Few companies can boast more.

I also asked him if they'd gotten any significant pushback on their findings so far. Here's his reply:

Academically, there has been nothing but positive feedback so far. Politically, so far, there is no push back. However, if there was ever a hint of legislation based on our work, I am sure that it would heat up considerably.

I sent the same query to Bob Keefe, a spokesman for the Natural Resources Defense Council. He put his reaction bluntly:

Juxtaposing its coal sales against its shamefully blatantly false claims of being "a global leader in clean energy solutions" is baffling — but also indicative of Peabody Energy's inexplicable approach to the environment and the communities in which it operates.

The only way you could possibly believe Peabody's claim that it "advances environmental excellence" is if you believe breathing pollution and toxins is part of a good health routine.

Peabody consistently ranks as one of the worst polluters on the planet. If it put only a fraction of the time and money it spends on fighting environmental safeguards into actually pursing clean energy solutions, we'd all be better off.

See these links for more:

"The 15 Worst Companies For The Planet" (Business Insider Green Sheet)

Green Rankings, the 2009 List (Newsweek)

"Climate-denying Indiana Regulator helps ALEC Coal Companies Delay EPA Climate Rules" (Polluter Watch)

Finally, here's the response from Vic Svec from Peabody:

We note on the front page of our website that Peabody Energy is the world's largest private-sector coal company and a global leader in sustainable mining and clean coal solutions. One of the great untold environmental stories is the enormous progress in clean energy that has occurred in recent decades.

We forget to celebrate the enormous progress that has been made in clean coal in recent decades. The core U.S. coal statistic is this: criteria emissions from coal use in the U.S. have declined a stunning 87% since 1970, during a time when coal use has nearly tripled. "Smokestacks" for coal plants have now become steam stacks, thanks to wet and dry ESPs, baghouses, low-NOx burners, SCRs, activated carbon injection and a host of other technologies.

In addition, using coal in large centralized plants dramatically reduces the burning of fuel wood and waste that causes enormous indoor air pollution in developing nations. And we know that low-cost coal-fueled electricity has helped to bring about an explosion

of electrotechnologies: your coal-fueled mail delivery – e-mail – has dramatically lower emissions than traditional mail.

New supercritical coal plants represent another leap forward. Consider the Prairie State Energy Campus, with more than $1 billion in clean coal technologies and criteria emissions some 80% below the existing coal fleet… along with a carbon dioxide emission rate some 40% below existing plants. Prairie State is also a great example of green jobs, with thousands of workers involved in construction of the large coal plant. And Prairie State has a cost of fuel that less than one-third that of even currently suppressed U.S. natural gas prices.

Ironically, U.S. environmentalists have been a major reason more supercritical coal plants haven't been used in the United States, even taking credit for killing state-of-the-art new coal construction in the past decade. China is building far more such plants because they recognize that coal is essential to power a healthy economy and the new generation of coal plants offer great environmental advantage. Also, Peabody is proud to be the only non-Chinese partner in GreenGen, which just started up in Tianjin, China, as a major coal gasification plant that will ultimately reuse carbon dioxide for enhanced oil recovery.

Coal has been the fastest growing fuel in the world for the past decade, and has been projected to pass oil as the world's largest energy source next year. Its abundance and low-cost profile make coal essential for powering the world's best economies and helping to move hundreds of millions of people to cities… and to the middle class. Those are enormous societal benefits, and technology can ensure that his be done in an environmentally friendly way.

Dec. 29, 12:09 a.m. | Updated |

* There've been several interesting developments related to the section marked with an asterisk:

1) In a comment, Peter Gleick noted that, while I wrote that the company said it is *a* global leader in clean energy solutions, it actually stated on its home page that it is "*the* global leader in clean energy solutions." I've changed the text from "a" to "the."

2) Another commenter, Bob Armstrong, protested, quoting from the Web site as follows:

No , it says: "Peabody Energy is the global leader in CLEAN COAL solutions and advances environmental excellence in coal mining and use."
It turns out they're both right, in that it said what Gleick asserted when I recorded my video loop of the page on Dec. 19 and *now* says what Armstrong quoted.

I'll ask Vic Svec why the wording changed. Perhaps the first version was not supported by the facts?