



Georgia's Dependence on Imported Coal

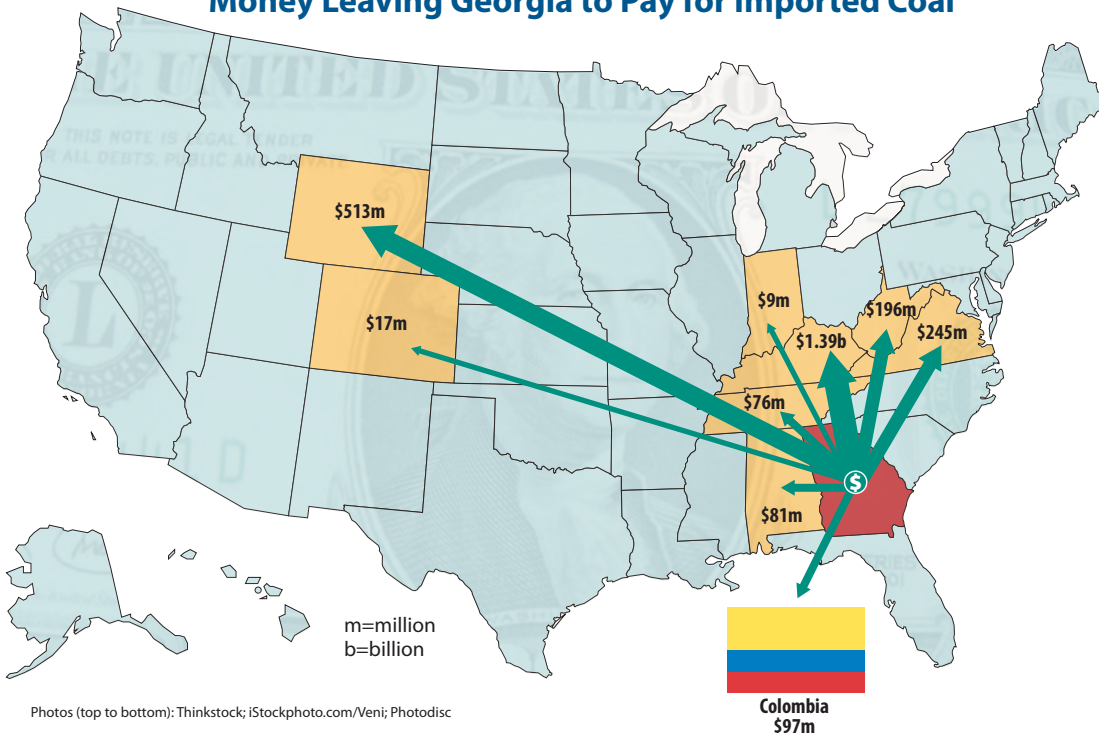
The cost of importing coal is a major drain on the economies of many states that rely heavily on coal-fired power. Thirty-eight states were net importers of coal in 2008, from other states and, increasingly, other nations. *Burning Coal, Burning Cash* ranks the states that are the most dependent on imported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

Georgia imported all the coal it used in 2008—some from as far away as Wyoming and South America. To pay for those imports, Georgia sent **\$2.62 billion** out of state—more than any other state. Georgia Power, a subsidiary of Southern Company and the largest provider of electricity services in the state, purchased nearly all that imported coal (\$2.56 billion). Georgia Power's Bowen plant, in Euharlee, spent \$706 million on coal imports—more than any other facility in the United States. The plant is the third-largest source of carbon dioxide emissions (the main cause of global warming) among hundreds of coal plants nationwide.



Atlanta, Georgia. The cost of importing coal is a drain on Georgia'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 Georgia to Pay for Imported Coal

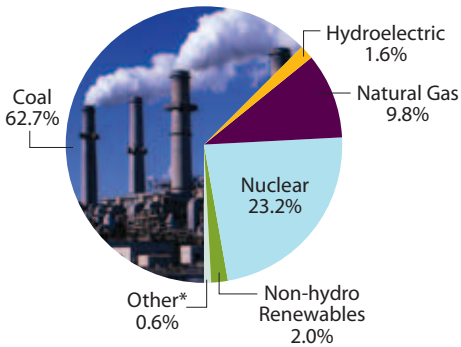


Compared with other states, Georgia:

- Spent the most on total net imports: \$2.62 billion
- Spent the 2nd most on net imports per person: \$270
- Spent the 3rd most on net imports relative to gross state product: 0.66 percent
- Imported the 3rd most in net weight: 39.4 million tons
- Spent the 5th most on foreign imports: \$97 million
- Is the 7th most dependent on net imports as a share of total power use: 65 percent

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.

Georgia's Mix of Electricity Sources (2008)



Despite having no in-state coal supplies, Georgia relies on coal for more than 60 percent of its in-state electricity generation.

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

Clean Energy Solutions Can Boost Georgia'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 Georgia spent just 50 cents per person on ratepayer-funded electricity efficiency programs in 2007—about 540 times less than it spent on imported coal.

Reducing the state's electricity use by 1 percent annually could save consumers \$79 million, and avoid the need to send \$41 million out of state in the first year alone. Georgia 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.

Georgia can also reduce its dependence on imported coal by tapping its own wealth of renewable energy resources, which could technically supply at least 84 percent of the state's 2008 power demand. Though economic and physical barriers may curb some of that potential, by-products from Georgia's forestry industry can be harvested in a sustainable manner for use in stand-alone power plants, or co-fired in plants that now burn only coal, replacing imported coal.

RWE Innogy is now building the world's largest facility for manufacturing biomass fuel, in the southern Georgia city of Waycross. When completed in 2011, the plant will produce as much as 750,000 tons of wood pellets annually. Ironically, instead of fueling local power plants, the pellets will be exported for use in Europe, where demand for biomass is strong because of aggressive clean energy policies.

Georgia also has strong potential for developing solar power, small-scale hydropower, and offshore wind power. The state could spur local deployment by adopting a renewable electricity standard, requiring utilities to gradually expand their use of renewable resources. Twenty-nine states and the District of Columbia have already adopted this effective and affordable policy.

Georgia has excellent potential for developing in-state renewable energy resources, which can help reduce the state's dependence on imported coal while creating jobs and other benefits. For example, by-products from Georgia's forestry industry can be harvested in a sustainable manner for use in stand-alone power plants (like the one pictured here) or co-fired in plants that now burn only coal.

Photos (top to bottom): Photodisc; Public Service Company of NH



Citizens and Scientists for Environmental Solutions

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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