



Illinois' 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 Illinois ratepayers, and discusses ways to keep more of that money in-state through investments in energy efficiency and homegrown renewable energy.

Illinois imported 94 percent of the coal burned in its power plants in 2008. To pay for that coal, it sent **\$1.49 billion** out of state—primarily to Wyoming. In-state mines supplied the rest of Illinois' coal and also exported coal worth \$806 million to other states. The state spent a net \$683 million on imported coal.

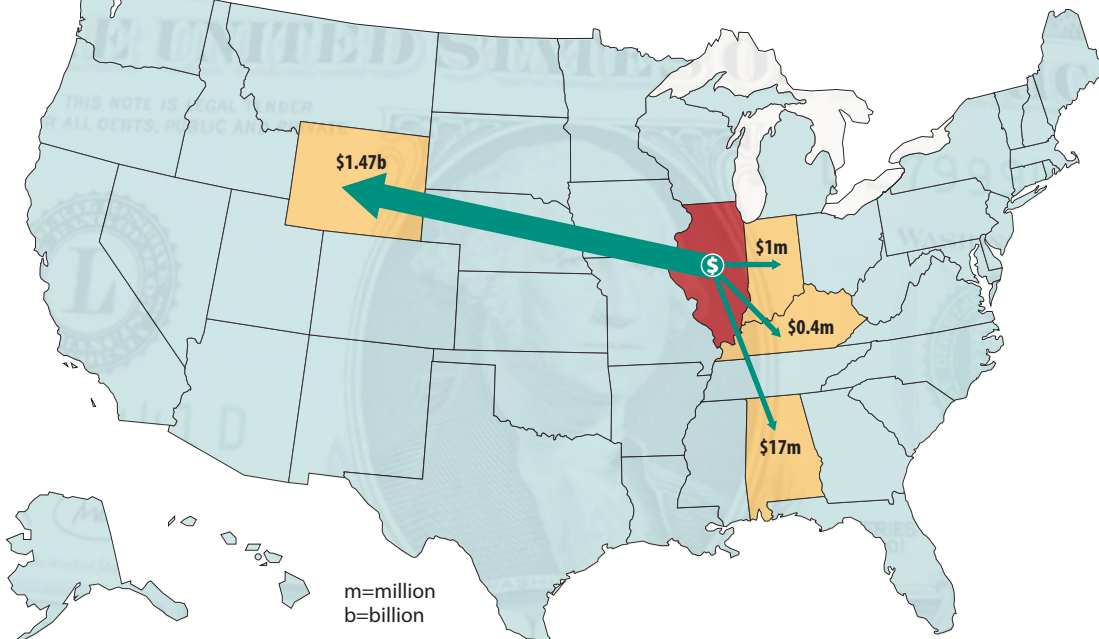
Midwest Generation, a subsidiary of Edison Mission Energy and one of Illinois' largest independent power producers, purchased \$512 million in coal imports—one-third of the state's gross total, and more than any other power producer in the state. Dynergy's Baldwin Energy Complex, in Randolph County, is the most import-dependent power facility in Illinois, having spent \$209 million in 2008. The plant is also the thirtieth-largest source of carbon dioxide emissions (the main cause of global warming) among hundreds of coal plants nationwide.

Because Illinois plants export some of the power they generate, some of the financial costs of these coal imports may shift to electricity consumers in other states. If that occurs, Illinois residents would bear the environmental costs of burning the imported coal (such as air emissions, water use, and ash disposal) without benefiting from the resulting power.



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

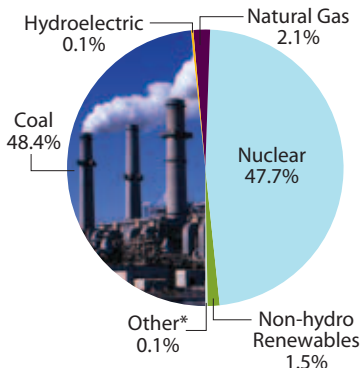


Compared with other states, Illinois:

- Imported the 4th most in net weight: 37.2 million tons
- Spent the 14th most on total net imports: \$683 million

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.

Illinois' Mix of Electricity Sources (2008)



Illinois relied on coal for nearly half the electricity produced in the state in 2008, and imported more than 90 percent of that coal. The state generated 38 percent more electricity than the state's retail customers bought. That suggests in-state coal plants may have exported some of their power.

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

Illinois 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 economic benefits. Since 2007, Illinois has installed more than 1,700 megawatts of wind energy capacity (like the project pictured here in LaSalle County), placing it in the top tier of states.

Photos (top to bottom): Photodisc; NREL

How Illinois Is Boosting Energy Independence with Clean Energy Solutions

Investing in energy efficiency is one of the quickest and most affordable ways to replace coal-fired power while boosting the local economy. Yet Illinois spent just six cents per person on ratepayer-funded electricity efficiency programs in 2007—nearly 900 times less than it spent on imported coal. Fortunately, the state has recently adopted a strong energy efficiency resource standard. Utilities must achieve annual cuts in electricity demand that ramp up to 2 percent by 2015. Twenty-two other states have adopted such power-saving targets, with several committing to annual savings of 2 percent or more.

Illinois is also poised to reduce its dependence on imported coal by tapping its own wealth of renewable energy resources. The state has the technical potential to generate more than five 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, Illinois has already made progress in using renewables.

Since 2007, Illinois has installed more than 1,700 megawatts of wind energy capacity, placing it in the top tier of states. For example, the Top Crop wind facility, a 102-megawatt project in LaSalle County, came online in 2009 and supplies the state with enough clean, homegrown energy to power more than 30,000 homes. Top Crop also employs more than two dozen people full-time, and provides added income for local farmers and landowners and new tax revenues for local communities.

Illinois has also made one of the nation's strongest commitments to renewable energy. Utilities must rely on those resources to supply 25 percent of the state's power by 2025. Twenty-eight other states and the District of Columbia have adopted such renewable electricity standards.



Citizens and Scientists for Environmental Solutions

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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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