



Union of  
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Scientists

## BURNING COAL, BURNING CASH

# Florida's Dependence on Imported Coal



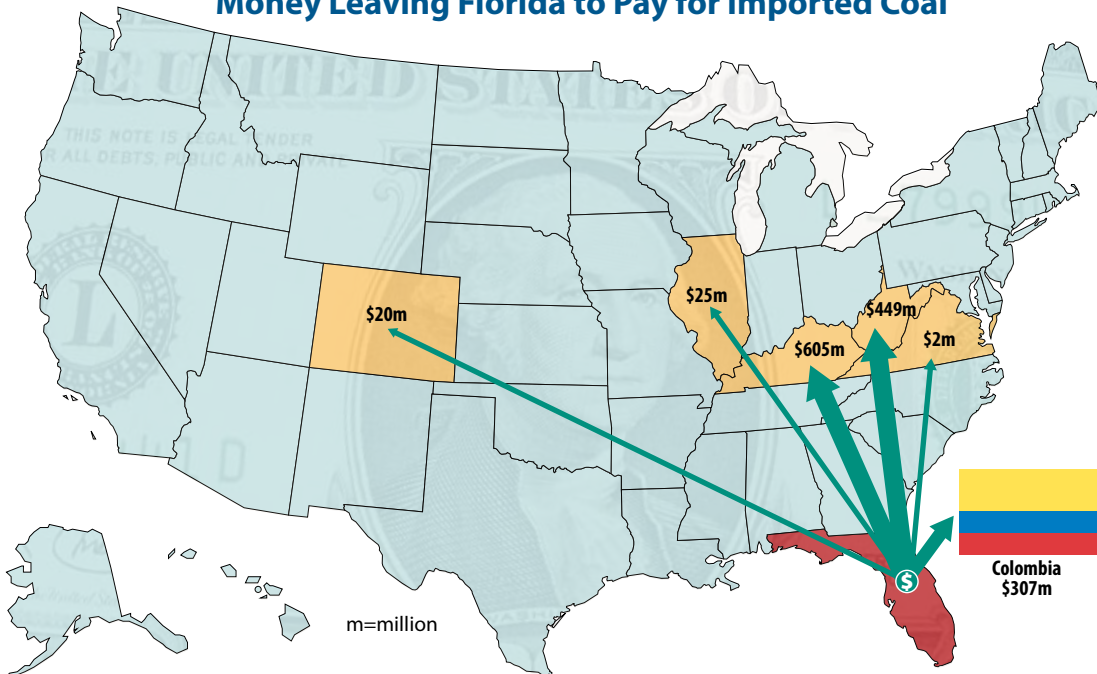
The cost of importing coal is a major drain on the economies of many states that rely heavily on coal-fired power. Thirty-eight states were net importers of coal in 2008, from other states and, increasingly, other nations. *Burning Coal, Burning Cash* ranks the states that are the most dependent on imported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

Florida imported all the coal its power plants burned in 2008—from as far away as Colorado and Colombia. To pay for those imports, Florida sent more than **\$1.56 billion** out of state. Progress Energy Florida, the state's second-largest provider of electricity services, purchased \$401 million in coal imports—one-quarter of Florida's total, and more than any other power producer in the state. The utility's Crystal River coal plant, north of Tampa, accounted for all those expenditures.



**Orlando, Florida.** The cost of importing coal to fuel power plants is a drain on Florida's economy. 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 Florida to Pay for Imported Coal

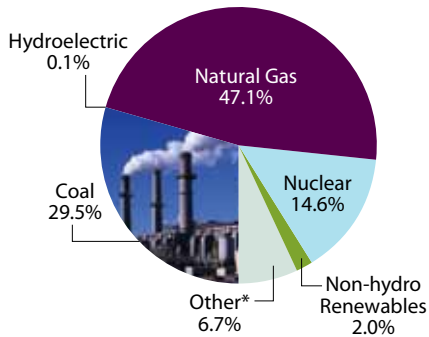


#### Compared with other states, Florida:

- Spent the 2nd most on international imports: \$307 million
- Spent the 4th most on total net imports: \$1.56 billion
- Imported the 13th most in net weight: 22.3 million tons

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. In addition, the origin of coal imports worth \$156 million was not reported to the Energy Information Administration.

**Florida's Mix of Electricity Sources (2008)**



**Despite having no in-state coal supplies, Florida relies on coal for nearly 30 percent of its in-state electricity generation.**

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

**Investing in energy efficiency is one of the quickest and most affordable ways for Florida to reduce its dependence on imported coal while boosting the local economy. For example, a blower door test (shown here) finds leaks that can be sealed, creating an airtight building with minimal heat and air-conditioning loss. Florida spent about 17 times less on ratepayer-funded electricity efficiency programs in 2007 than it spent on imported coal.**

Photos (top to bottom): Photodisc; NREL

**Clean Energy Solutions Can Boost Florida'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. Florida spent \$5.07 per person on ratepayer-funded electricity efficiency programs in 2007, achieving incremental cuts in power demand of 0.15 percent. That investment is about 17 times less than the state spent on imported coal.

The state has recently adopted a modest energy efficiency resource standard. Utilities must cut electricity demand by 3.5 percent over 10 years. Twenty-two other states have adopted such standards, most of which require 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.

Florida can also reduce its dependence on imported coal by tapping its own wealth of renewable energy resources, which could technically supply at least 41 percent of the state's 2008 power demand. Though economic and physical barriers may curb some of that potential, by-products from Florida's forestry industry, and energy crops such as switchgrass, can be harvested in a sustainable manner for use in stand-alone power plants, or co-fired in plants that now burn coal, replacing imported coal.

Green Circle Bioenergy now runs the world's largest wood-pellet manufacturing facility, in Cottondale (north of Panama City). Opened in 2008, the plant produces about 560,000 tons of biomass fuel each year, primarily for co-firing with coal. Ironically, instead of fueling local power plants, most of the pellets are now exported for use in Europe, where demand for biomass resources is strong because of aggressive clean energy policies.

Florida also has strong potential for developing solar power and offshore wind power. The state could spur 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.



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](http://www.ucsusa.org/burningcoalburningcash).

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