

Record Fines Imposed For Coal Mining Operations

DINA CAPPIELLO, Associated Press

WASHINGTON (AP) — The Obama administration is proposing a record fine for thousands of water pollution violations by coal mine operators in five Appalachian states.

Alpha Natural Resources Inc., the nation's third-largest coal supplier, will pay a \$27.5 million fine and spend \$200 million to reduce illegal toxic discharges from 79 mines and 25 coal processing facilities in West Virginia, Tennessee, Pennsylvania, Virginia and Kentucky.

The deal, which marks the largest fine ever for violations of water pollution limits, was filed in federal court Wednesday. It comes after a series of coal-related spills in West Virginia and North Carolina have raised questions about whether state and federal environmental officials are doing enough to curb water pollution from companies mining, processing, transporting and burning coal.

Advocacy groups said that environmental officials should do more to prevent pollution from entering waterways.

Officials with the Environmental Protection Agency and Justice Department characterized the deal as historic and said the fine was large enough to deter others in the coal industry from flouting the law.

But advocacy groups said state and federal authorities needed to do more to prevent the pollution from occurring in the first place. Environmental groups have filed lawsuits in several states to enforce the law in situations where they have felt the state and federal government have fallen short. In West Virginia, lawmakers and the governor have tried to thwart those efforts with legislation.

The government says that between 2006 and 2013, Alpha Natural Resources Inc. and dozens of subsidiaries violated water pollution limits in state-issued permits more than 6,000 times. They discharged heavy metals and other contaminants harmful to fish and other wildlife from nearly 800 outfall pipes directly into rivers, streams and tributaries, according to the government. There is no evidence that any of the violations contaminated drinking water, EPA officials said.

Monitoring records attached to the complaint show that in some cases, the releases exceeded permit limits by as much as 35 times.

Under the agreement, the mine operators will install wastewater treatment systems and take other measures aimed at reducing discharges from 79 active coal mines and 25 coal-processing plants in those five states.

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Bristol, Va.-based Alpha estimates those steps will cost about \$200 million.

Gene Kitts, Alpha's vice president for environmental affairs, said the company, which has 700 state water permits and 5,000 different discharge points, is in compliance with the Clean Water Act 99.8 percent of the time, but says "our goal is to do even better."

Half of the \$27.5 the fine will go to the federal government; the other half will be divided among West Virginia, Pennsylvania and Kentucky.

Gov. Earl Ray Tomblin, D-W.Va., said his share of the fine — \$8.9 million — will be spent on stricter enforcement of the laws at the state level.

The settlement with Alpha covers a different source of water pollution from coal — from mines and from the processing plants where the coal is prepared for shipping.

Before Wednesday's settlement, Alpha already was hurting financially, but the company said the civil penalty would not result in any layoffs. Last year, Alpha lost \$1.1 billion on total revenues of \$4.9 billion.

The company acquired Massey Energy in 2011, and more than half of the violations covered by the new settlement stemmed from that company's operations. Massey was fined \$20 million in 2008 by the federal government for similar violations of water pollution laws.

For the Obama administration, the settlement is likely to generate more criticism from the coal industry, their lobbyists and supporters in Congress. They have said that this administration is going after coal with new regulations aimed at reducing mercury and other toxic air pollutants from power plant smokestacks, as well as the first-ever proposal to reduce carbon from yet-to-be-built coal-fired power plants.

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