Virginia Coal Mine Closing, 120 Jobs Lost

Associated Press

HAYSI, Va. (AP) — More than 120 people are being laid off at an Alpha Natural Resources mine in southwest Virginia amid declining production and demand.

The coal company said the layoffs will occur as the mine near Haysi is closed over the next two months, according to media reports.

Thursday, 66 were laid off at the Cherokee Mine. Fifty-five will remain on the job for the next 60 days to close the mine and remove equipment, among other duties, Alpha spokesman Steve Hawkins said.

Hawkins said the closure of the mine reflects the declining market for metallurgical coal. So-called met coal is used to make steel. It is often shipped abroad to Asian markets.

Hawkins also said production at the mine has declined, meaning it is near the end of its life.

"With production down, it's more difficult to get what's left and the cost of running the mine versus the market price of the product left it running in the red," he said.

The peak production of the mine was in 2007, when it produced 570,000 tons of coal. Last year, it produced about 300,000 tons and was expected to yield even less this year, Hawkins said.

The mine opened in 1997 as part of Dickenson-Russell Coal Co.

The closure is expected to be permanent, Hawkins said.

"It's difficult because it impacts men and women that work hard, and their families," Hawkins said. "But the company felt it was necessary in this situation."

The closing comes a little more than a month after CONSOL Energy laid off 188 people at its Buchanan Mine in Oakwood.

The Oakwood mine also produced met coal. The closings have sparked concern locally.

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