



Get the Facts About...Coal Use in Asia

Fact: Demand for coal in Asian markets is strong and projected to grow.

The U.S. Energy Information Administration estimates that coal will serve as the primary energy source for many countries in Asia for years to come, with countries such as India expected to dramatically increase use of coal.¹ Like the United States, which still depends on coal for almost half its power², Asian countries are using this energy source to provide electricity to a rapidly-growing population and to fuel development. Due to low cost and large worldwide supply, coal is the most economical option. Asian countries do not anticipate a transition away from the power source in the near future. They can, however, upgrade their use of the resource (e.g., to sourcing US coal with lower sulfur content).

Fact: Most coal shipped via the proposed bulk terminal expansion projects at Northwest ports would be superior to coal now in use across Asia, as well as other energy alternatives.

The proposed bulk export terminals would ship coal that is better for the environment in almost every way than the coal mined locally by countries such as China that have higher sulfur dioxide and nitrogen oxide levels.³ Furthermore, coal produces energy more consistently and cheaply than the other energy alternatives.

Many Asian markets are committed to lowering the amount of sulfur emissions⁴. A lower sulfur level is one of the defining characteristics of Powder River basin coal versus other types currently in use and a factor in rising demand for this coal in Asia.

Fact: If US coal isn't shipped through Northwest ports it will be shipped by ports in other regions.

The shipping industry in Canada, and particularly British Columbia, has been growing at a rapid pace. Exports of goods and services account for more than 40 percent of economic activity in Canada, and coal is B.C.'s largest single export commodity.^{5,6}

British Columbia has been moving to rapidly expand its exporting capacity to meet growing Asian demand. Ridley Export Terminal in BC, for example, plans to more than double its coal export capacity by 2015⁷. In addition, Westshore Terminal in BC is increasing its coal capacity to nearly 33 million tons per year. Denis Horgan, general manager of the Westshore Terminal, has said it's unrealistic that coal exports from the Powder River Basin would not travel through the Northwest on the way to its port.⁸

"In the debate over coal export terminals in the Northwest, many have argued regarding their impact on global climate issues. I have rarely heard the use of this Powder River Basin coal compared to the alternative of China using its own coal... If the nations of East Asia are to continue using coal in increasing levels — as all estimates show them to do — it's better if that coal be of high quality."

— Professor Fred Thompson, Willamette University⁹

¹ U.S. Energy Information Administration, [Rising Asian demand drives global coal consumption growth](#)

² Institute for Energy Research, [Coal Overview](#)

³ Clyde Bergemann Inc. [PRB Coal Properties](#)

⁴ China Daily, [Beijing pollution fight 'greater than for Olympics'](#)

⁵ [Association of Canadian Port Authorities – "Annual Review + Outlook 2012"](#)

⁶ [Association of Canadian Port Authorities – "Industry Information"](#)

⁷ Platts ["British Columbia export terminal can more than double capacity"](#) September 19, 2011

⁸ Building Industry Association of Whatcom County ["Gateway Pacific Terminal Considerations"](#) October 27, 2011

⁹ Exporting coal to China is the greenest option, The Register-Guard, March 12, 2013