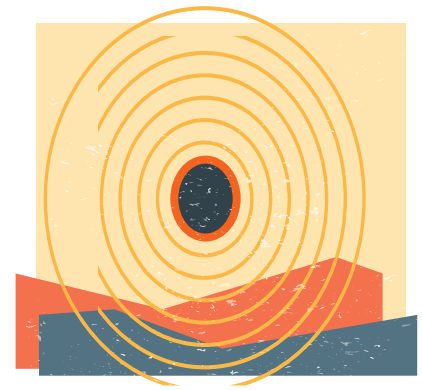


Texas' abundant fossil fuels and renewable resources make it a leader in the energy industry. Texas generates 12 percent of the nation's electricity, making energy production a substantial contributor to the state's economy. In the U.S., coal was the second-largest energy source for electricity generation (behind natural gas) in 2021 at 22 percent and is an important source of energy in Texas.

There are four types of coal: anthracite, bituminous, subbituminous and lignite. In Texas, coal mines produce only lignite, the lowest grade and least carbon-concentrated type of coal.

Energy Produced Using Coal in Texas

- COAL PROVIDES 10.8 PERCENT OF THE STATE'S ELECTRIC-GENERATING CAPACITY IN 2023.
- THE 15 COAL-FIRED POWER PLANTS IN TEXAS HAVE A COMBINED, INSTALLED CAPACITY OF MORE THAN 20,000 MEGAWATTS (MW) OF ELECTRICITY.
- TEXAS IS THE SECOND-LARGEST PRODUCER OF LIGNITE IN THE U.S., WITH EIGHT ACTIVE MINES IN THE STATE.



COAL ENERGY ECONOMICS IN TEXAS

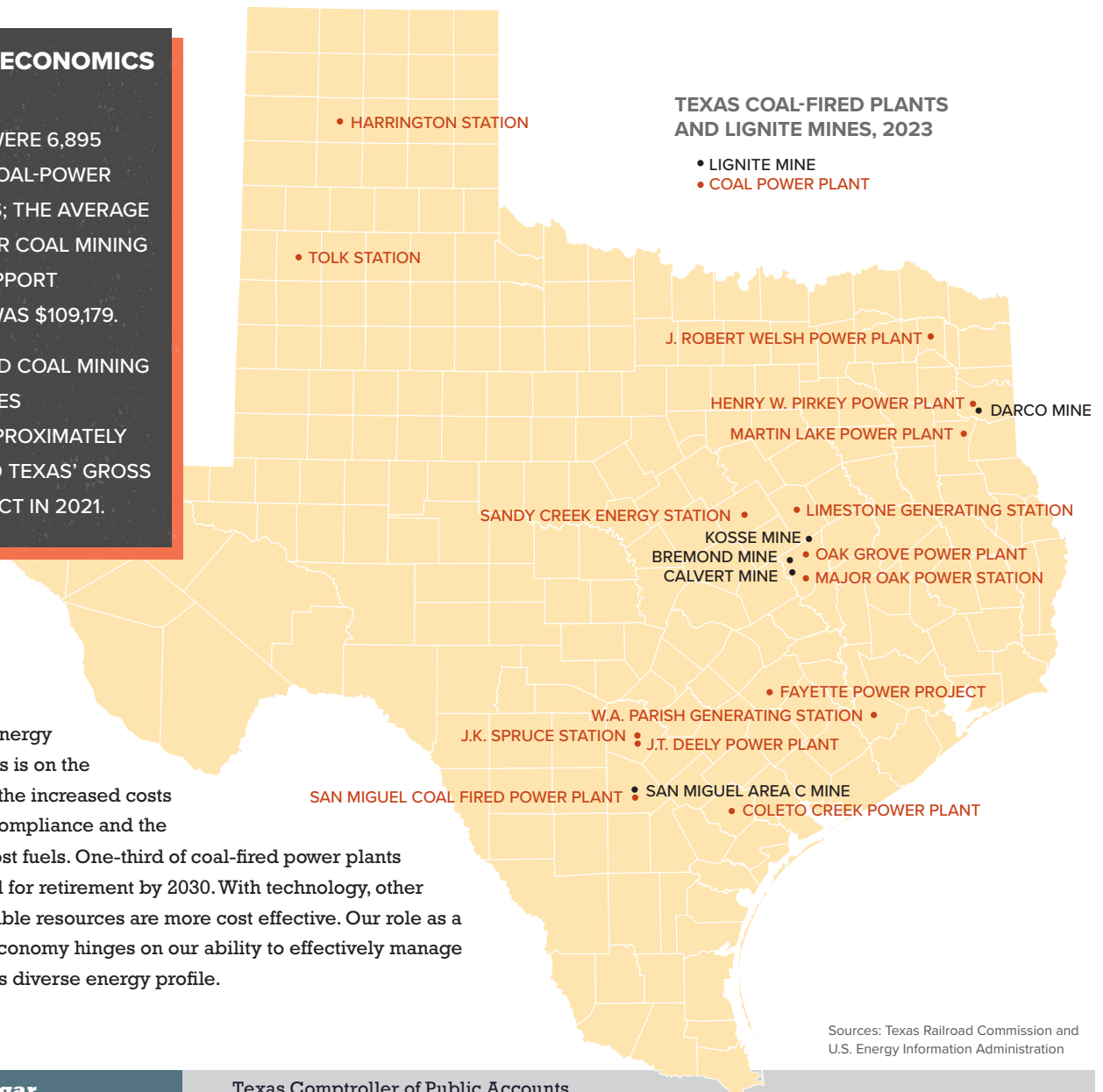
- IN 2022, THERE WERE 6,895 COAL-FUEL AND COAL-POWER GENERATION JOBS; THE AVERAGE ANNUAL WAGE FOR COAL MINING AND RELATED SUPPORT ACTIVITIES JOBS WAS \$109,179.
- COAL MINING AND COAL MINING SUPPORT ACTIVITIES CONTRIBUTED APPROXIMATELY \$659.5 MILLION TO TEXAS' GROSS DOMESTIC PRODUCT IN 2021.

Outlook

The use of coal as an energy source for power plants is on the decline in Texas amid the increased costs related to regulatory compliance and the availability of lower-cost fuels. One-third of coal-fired power plants in Texas are scheduled for retirement by 2030. With technology, other fossil fuels and renewable resources are more cost effective. Our role as a leader in the energy economy hinges on our ability to effectively manage and maintain the state's diverse energy profile.

TEXAS COAL-FIRED PLANTS AND LIGNITE MINES, 2023

- LIGNITE MINE
- COAL POWER PLANT



Sources: Texas Railroad Commission and U.S. Energy Information Administration