



Kentucky Industrial Revitalization Act (KIRA) Application Review: Excel Mining Brushy Creek

Pikeville, Kentucky

Hunden Strategic Partners conducted an assessment of the proposed Excel Mine #5 project KIRA application. The applicant, Excel Mining, proposed a new mining facility in Brushy Creek near Pikeville, Kentucky, known as Excel Mine #5.

HSP met with representatives from the KEDFA and the applicant, toured the project site, compiled industry data, and studied the legislation applicable to KIRA applications and requirements. HSP then evaluated Pike County and Kentucky's position as a coal producing state by performing an industrial market analysis. HSP made demand and performance projections for the proposed facility and then used those projections to estimate the "but for" income tax produced by the project, the "but for" indirect and induced economic and employment impacts of the project, and the "but for" fiscal impacts of the project.

The facility would require the development of an underground mining complex with continuous mining units, room-and-pillar mining techniques and construction of an overland belt transfer to access the existing coal preparation plant and rail loading facility located at Excel Mining's Scott's Branch facility, known as Excel Mine #4. Three super mining units would be transferred from Scott's Branch. The Project was expected to extend employment and coal production by at least 12 years beyond the depletion date at Scott's Branch. The Project was projected to produce a total of approximately 15 million tons of clean thermal coal at an annual rate of 1.2 million tons. HSP's analysis revealed that the project did meet the criteria of a coal mining operation and the criteria of the incentive agreement.

Client: Kentucky Cabinet for Economic Development

Time Period: 2018 - 2019