



Alpha Natural Resources

**Coalfields Expressway
A Coal Synergy PPTA Project**

December 7, 2011

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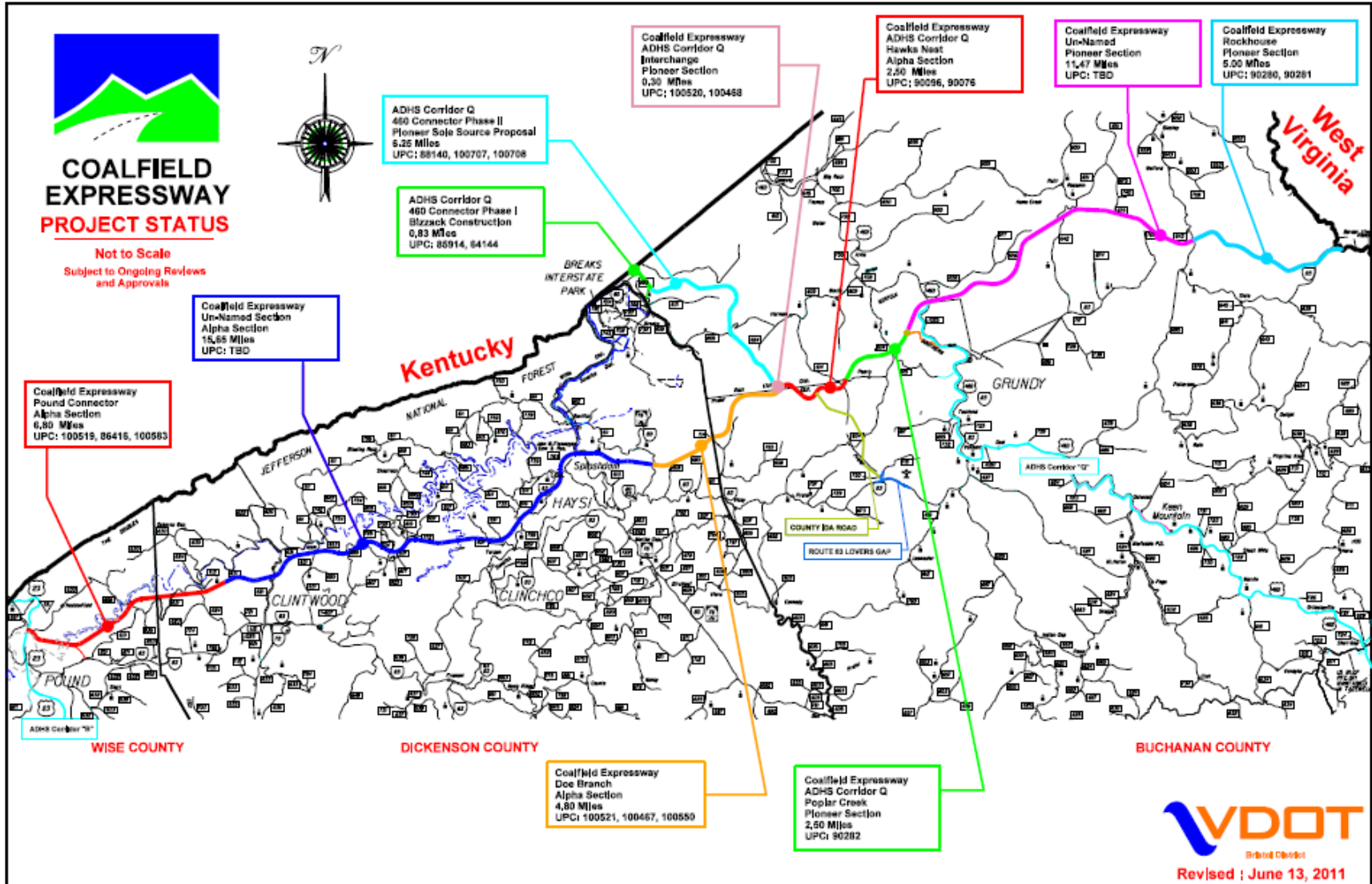
Coalfields Expressway Coal Synergy PPTA Project

Project Overview

- 50 mile four-lane highway
- From US 23 near Pound to Paynesville, WV
- Traverses Wise, Dickenson, and Buchanan counties in southwestern Virginia
- Made possible by “Coal Synergy”
- Alpha Natural Resources LLC and the Pioneer Group to develop 30 miles and 20 miles respectively under a PPTA agreement
- Compatible with Corridor Q of the AHDS



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Accelerated Project Delivery

- **March 2008 – FHWA concurs with VDOT request for use of (SEP-14) procurement**
- **May 2008 – Hawks Nest Public Hearing**
- **June 2008 – CTB approval of the Hawks Nest Location**
- **September 2008 – Agreement for Hawks Nest executed**
- **Summer 2011 – Hawks Nest Section is at rough grade**
- **Currently negotiating Doe Branch and Pound Connector Sections of the CFX.**



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CFX Coal Synergy Benefits

- Leverages value of incidental coal reserves
- Use of large-scale earth moving equipment
- Significant reduction in cost of rough-grade roadbed



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Alpha Natural Resources Benefits

- Reduction of operation costs (but for's)
- Operating Diversification
- Ability to recover reserve pockets
- Creates potential for several satellite operations
- Permitting/GFE Requirements



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Hawks Nest Section of the CFX

- Two mile section in Buchanan County (to rough grade)
- Near South Gap Industrial Park
- Part of Corridor Q of the AHDS
- Cost to VDOT \$10M
- DBB cost estimate \$100M
- Developed as a Post Mined Land Use option



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Hawks Nest Section of the CFX



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