

and Western Fuels-Utah. Members' overrides have been held constant since they were reduced in 1989. We are proud of this because it means Western Fuels is able to operate efficiently in what continues to be a very competitive business environment.

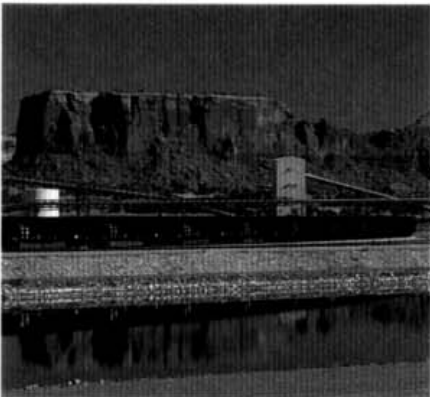
Our efficiency also provides financial resources to fight the madness surrounding policy prescriptions emanating from the global warming debate that would have the effect of limiting coal use.

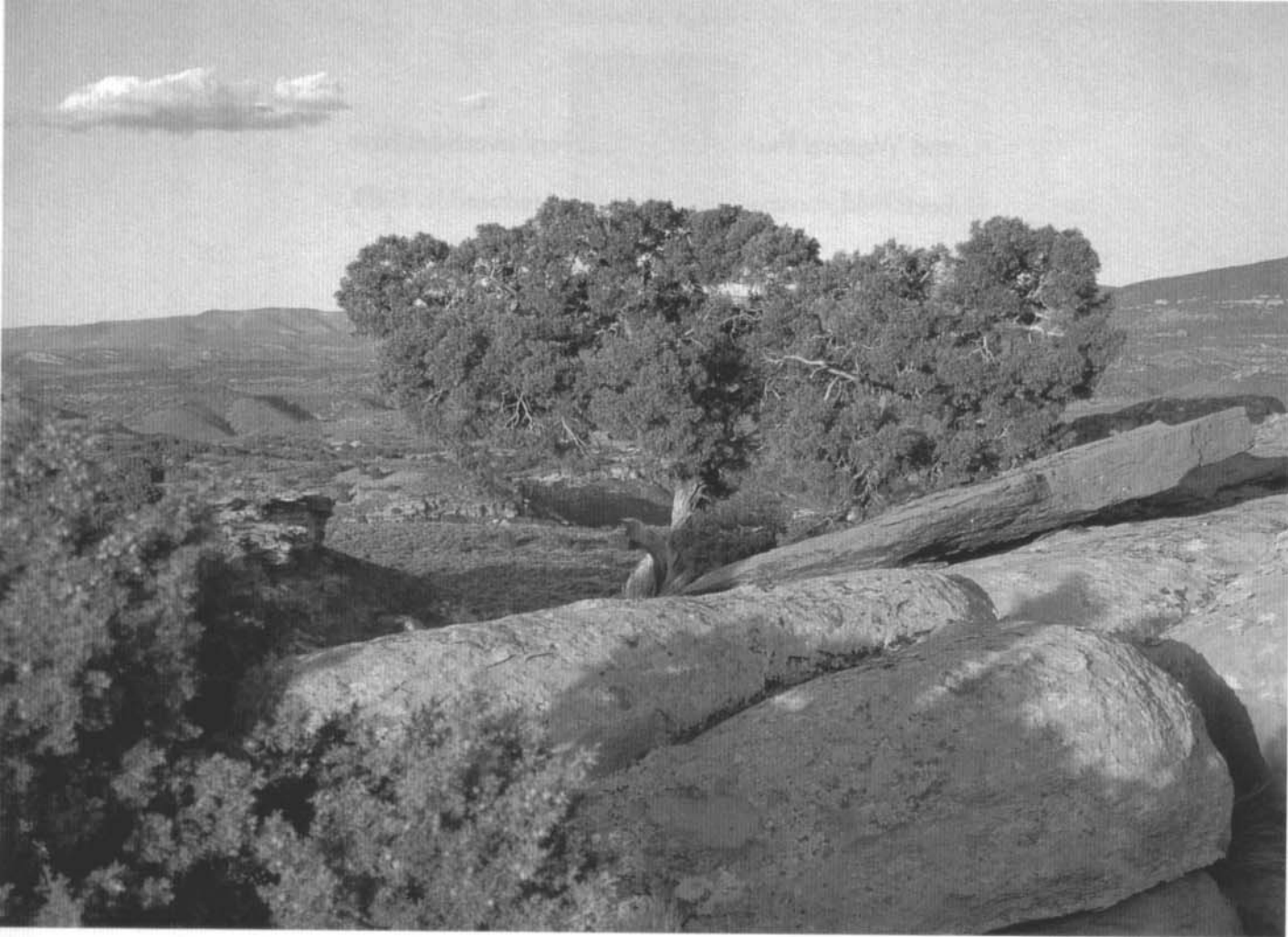
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e experienced a loss of \$23,820 in 1993 compared to a loss of \$380,012 the year before. But for the climate change debate and the Midwestern flooding that disrupted coal deliveries, we would have operated in the black. At year end, our net worth stood at \$4,178,579. This is comfortably above the \$4-million threshold established by the Board of Directors.

Has our approach to the climate change debate been worthwhile given the large amounts of treasure we have invested in it? With the exception of the National Coal Association, there has been a close to universal impulse in the trade association community here in Washington to concede the scientific premise of global warming (or as the lawyers put it —to concede liability) while arguing

THERE ARE TWO PARTS
TO OUR BUSINESS:
DELIVERING COAL AT THE
LOWEST POSSIBLE COST TO
OUR MEMBERS AND
OUR INVOLVEMENT IN THE
POLICY DEBATE SWIRLING
AROUND COAL AND ENERGY.





over policy prescriptions that would be the least disruptive to our economy (or as the lawyers put it — arguing damages). We have disagreed, and do disagree, with this strategy, but is our approach to the climate change debate the correct one?

The defeat of the Btu tax and Western Fuels' exposure on *McNeil-Lehrer NewsHour* and ABC's *Nightline* suggest that the answer to both questions is yes. The Association's investment has been worth it and our approach in challenging the scientific premise of apocalyptic global warming is correct.