

Good afternoon. Thank you for the opportunity to share with you some thoughts on coal. My name is Alan Johnson. I live in Gillette, and I work as a maintenance supervisor for Cloud Peak Energy, leading producer of low-cost thermal coal. I also have the distinct privilege of serving Governor Matt Mead and the people of the State of Wyoming as a member of the Wyoming State Mining Council. Some time ago I start doing research on the amount of taxes coal mining pays and taxes renewable energy sources pay. My concern came from a conversation my wife and I were having at the dinner table. With coal companies scaling back their lease purchases, there will be less educational opportunities for our children and grandchildren. The infrastructure that we use each day -- the roads, the water system upgrades, parks and so many other resources -- will not be able to be funded as they are now. So I looked to the renewable energy sources and what their tax structure is. I found that the renewable energy sources receive tax credits and subsidies to operate. In fact, as Robert Bryce senior fellow of the Manhattan Institute for Policy Research stated in his February 2012 paper, "The High Cost of Renewable-Electricity Mandates," he states: "The renewable industry has received over twice in tax credits than other energy producers are paying in taxes. In fact, where the cost for coal averages \$38 per million BTUs, the same million BTUs from onshore wind power could cost between 75 and \$138. And for solar-generated electricity, the cost rises to 242 to \$455 for the same million BTUs. The only way renewable energy appears to be competitive is to receive subsidies and credits." The problem, as my wife and I talked about, is the tax credits do not build an education program for future generations. However, taxes paid by coal companies do. Tax credits for the renewable energy industry do not build infrastructure, provide parks, recreation opportunities, or many of other things that communities enjoy. Coal mining does. With the proposed tax increase on coal, the coal may no longer be competitive. I ask you to make the tax rate on various energy sources, make it a level field to play on. Coal paying a billion dollars taxes versus renewable energy sources receiving \$12 billion in subsidies and tax credits doesn't make a level field to work with. Coal is paying its fair share as evidenced by simply looking around at the wonderful

facility we're in today. Thank you for listening to and considering my comments. Good day.