

Good afternoon. I'm Bill Schilling. I'm president of the Wyoming Business Alliance. I'm pleased to have you have this session here in a state that is a natural-producing state in terms of commodities. I'd like to talk about scale in terms of the coal industry in the State of Wyoming. In the "Federal Register" that talked about this program today, the EIA talked about a five-year cycle 2008 to 2013, where coal production was down by 16 percent nationwide. That's correct. But what that register fails to do and what the BLM and, I'm assuming, EPA and others combining forces in terms of research failed to mention is the cyclical nature of commodity production, and that needs be to accounted for in your research because minerals have a cyclical effect because of supply and demand, generally five- to ten-year cycles. That's something you have to consider because you're trying to make decisions from this point going forward but not taking into account that cyclical nature. Campbell County, 35 years ago was a small rural community with limited services. Coal began production in the early '80s. When oil went in the tubes, were it not for coal in the late '80s and throughout the '90s, Wyoming would have been in the same position it had been when the late Governor Stan Hathaway was elected back in the '60s -- broke. But because of coal, our economy was sustained and stabilized. It had a remarkable factor. In those days coal production was only about a hundred to 200 million tons per year. Campbell County's employment is primarily dominated by goods-producing sectors, jobs that add value to the economy. That 40 percent figure is about twice that of the State's overall average and more than twice of the national average. So that 40 percent accounts for all the rest, quite frankly. That also is not mentioned in your research and it has to be. You have to distinguish between goods-producing and service-providing. And the folks you have heard today, these miners, they are the goods-producing people that make our lives that much better. The number of jobs, 2000 jobs direct and indirect that have basically been lost in the coal industry in recent months, I imagine if that percentage were to apply to a larger metropolitan area, take Campbell County's population and multiply that out. Let's take Chicago. Instead of being 2,000 jobs, it would be more like 100,000 jobs. The 2,000 jobs in Wyoming are hardly a blip on the national media, but a hundred-thousand-plus jobs in Chicago would be national news.

The point I'm making is it's a scale issue. The Wyoming Business Alliance fully opposes the movement here to raise the royalty payments for the coal industry and fully supports the good work that is done over the years. Thank you very much.