

Good morning. I'm Micky Shober, Campbell County Commissioner. Campbell County is the heart of the Powder River Basin. We are responsible for about 40 percent of the coal production in the United States. I'm going to quote from Sally Jewell, who recently said: "It's going to take a very long time before we can wean ourselves from fossil fuels. So I think that to keep it in the ground is naive. To say we could shift to 100 percent renewables is naive." So I want to talk to you a little bit about, as a county commissioner, we're responsible for the budget of Campbell County, spent the last 30 days trying to figure out how to get a 20 percent reduction out of our budget. We know from the way taxes are collected that we're two years behind. We know we're going to see another 20 percent next year, and we're going to see another 20 percent the year after that. We're seeing an increase of 200 percent in unemployment in the county. It doesn't really take into consideration what the railroad has done, and now we're seeing those kinds of things. There are a hundred-plus locomotives stacked in the rail yard in Gillette that don't have anything to do. Those locomotives came from across the United States, but they predominantly were used for coal transportation on the trains. Also in 2014 coal paid 1.1 billion in revenue to state and local governments. We've -- and as part of that, we're also seeing a 30 percent drop in sales tax revenue. The folks have -- we see a drop in new vehicle licensing. People are not spending their money. They're hanging on to it. So if we took coal that's \$11 a ton, the taxes at 12-and-a-half percent royalty would be a buck 30. The average bonus on that coal is a dollar per ton. The AML money that is assessed on a ton of the coal is \$0.28, black lung is \$0.55, state severance is 5.3 percent, county tax is 4.5 percent -- which adds another \$1.08 to that value. So in total on an \$11 ton of coal, there's \$4.28 in taxes, which is probably one of the highest tax rates of the minerals industry in the United States. And so there's one other thing that's coming with this moratorium on coal. There is an EIS out now for some oil locations, and they are 20-plus wells per location. A location will take up the 40 acres, and these are just outside what is currently leased. They're just inside the new coal lease boundaries. One of these 40-acre pads has the potential to isolate 220 million tons of coal for each one of those that would be in front of the mine.