

MS. KAEDING: Hello. My name is Beth Kaeding, and I live in Bozeman, Montana. I traveled here today to speak on behalf of Northern Plains Resource Council's 2,000 member households, and also on behalf of the Western Organization of Resource Councils. Our organizations will be submitting detailed written scoping comments. Northern Plains formed in 1972, over the issue of coal strip mining and its impacts on private surface owners who own the land over Federal and State mineral reserves, as well as on the environmental and social impacts of mining and transporting coal. Many of our members own farms and ranches in areas that are strip mined for coal. As a former Federal NEPA Compliance Specialist, I understand the importance of agencies periodically reviewing ongoing programs. For many years our organizations have been urging the Department of the Interior to re-examine the Federal Coal Leasing Program. We have had many firsthand and troubling experiences with how the program is now managed. So, thank you. Our experience has been that the BLM's Coal Leasing Program is based on what coal corporations want -- not what is based on what is best for the land, water resources, wildlife, rural communities, or our nation's taxpayers. We have repeatedly participated in public processes around various coal leases for tracts in Montana and Wyoming. And we're here to say that there is no transparency. Despite rules directing competitive bidding, this is not happening. Quite often, leases are simply added to adjacent coal mines already in operation at minimal charge. There are numerous loopholes in the program that allow coal companies to underpay royalties to the taxpayers. These natural resources belong to all Americans. The coal companies have been allowed to pay royalties on the price of coal at the mine's mouth, and then they sell that coal into the export market at enormous profit. Surface owners in split-estate situations must be protected in all cases. There are many instances where the BLM has traded Federal coal for private coal, at company request, and the right of surface-owner consent was not included in these trades. And then, there is reclamation -- or the lack thereof. Despite Federal and State laws that mandate reclamation following coal strip mining, this is not happening. There is a woeful lack of evidence of contemporaneous reclamation and/or reclamation success as measured by bond release through the West. Coal strip mines have been operating in Montana for 40

years. Yet only 491 acres of the 41,005 acres that have been mined have achieved final Phase IV bond release. While we recognize that coal will not disappear from the energy stream immediately, market forces do indicate that coal is increasingly going to have a smaller and smaller share of the energy market, domestically as well as internationally. This is reality, and we must plan for it and help the communities and the workers. Thank you for the opportunity to provide comments today.