

MR. LEMPKE: Good morning. My name is Doug Lempke. I'm here on behalf of Tri-State Generation and Transmission Association. Tri-State is a consumer-owned, not for profit, wholesale electric power supplier, owned by 44 electric cooperatives and public power districts that serve a approximately [indiscernible] million consumers, primarily in rural areas of Colorado, Nebraska, New Mexico, and Wyoming. We own and operate the Colowyo Mine, which holds Federal coal leases resulting in over 32 million in Federal and State royalties alone, since 2012. Much of which is returned to the State of Colorado and it's local communities. Tri-State is also a participant in the Trapper Mine and the Dry Fork Mine, which have -- which also have Federal leases that provide significant royalties to the State and Federal Government. Increasing the cost of Federal coal has a direct adverse impact on our members and the communities they serve, but provide little actual benefit to the environment since it will just shift coal development to other areas. For the not-for-profit cooperatives, like Tri-State, any increase in fuel costs is directly borne by our members. And our member system serves some of the most economically depressed communities in the region, where residents can least afford to pay higher electric bills. As the BLM develops the PEIS, Tri-State strongly encourages you to consider the following. The impact on the cost of electricity, Federal and State -- Federal, State, and local government dependence on royalty payments. The true cost to mine Federal coal, including State and Federal royalty payments, all bonuses, property and production taxes, sales and use taxes, severance taxes, and the AML fees. New ways to simplify the reporting and administrative burdens for all Parties involved. The long-term benefits that coal mining can have for the environment, specifically the reinvigoration of wildlife habitats that may be in decline, or a portfolio to start with. And the provisions of the Mineral Leasing Act that specifically identify and mandate the development of these resources for the benefit of the American public. Tri-State encourages BLM to include alternatives in the PEIS that maximize Federal coal use, while maintaining the current royalty rate, or even better, proposing ways to reduce it. The idea that access to Federal coal should be significantly reduced or eliminated would be disastrous and should not be considered a reasonable alternative in the PEIS.

And purpose and need of the Federal Coal Program is to satisfy in part the requirements of the Mineral Leasing Act. Curtailment or elimination of Federal coal outside the confines of the Mineral Leasing Act is unwarranted and inappropriate. While the current administration has advocated for the reduction of coal generation, the EPA's clean power plan still proposes that approximately 30 percent of the country's electricity generation in 2030 will come from coal. This future coal can come from Federal Reserves where there is more environmental oversight and provides significant revenue to the American taxpayer, States, and local communities. Or it can come from other sources without these benefits. Wow, I think I'm done early. Thank you very much for your time here. And thanks for coming to Colorado.