

LAURA NELSON: Thank you. I want to join others and saying thank you to BLM and in particular to Jenna, David, Linda, and Al for the opportunity to be here today and present. We think that this is a very important dialogue, and by that I mean it is a two-way conversation because I think if we're going to create effective outcomes that in fact does have to be a two-way conversations. So with deference to the court reporter, I will try to speak slowly, but I do have some prepared comments. I'm first of all going to focus on the role that coal plays in Utah and then I'll specifically comment to BLM's proposed moratorium and proposed process on addressing coal leasing. First of all, it really is no secret that Utah has one of the nation's best economies and highest qualities of life. Affordable and reliable energy largely supplied by coal-fired power plays a crucial role in Utah's successful formula. Over 70 percent of power generated in Utah is from coal, and that coal is produced right here in Utah. In 2014, for example, 18 million tons of coal was produced in Utah valued at \$600 million. We got that from the Utah Geologic Survey. Utah's coal economy is especially important to rural Utah, and I want to join also in thanking all of those from our rural communities that are here today. It provides roughly 2000 direct, high-paying jobs, and a significant portion of several rural counties' tax base. Located in the heart of the western energy corridor, Utah has world-class coal resources. Utah's low sulphur, high energy coal provides significant environmental advantages relative to other domestic and global coal sources. In fact, according to the U.S. Energy Administration's forecast, coal power will continue to play an expanded role in our energy economy as demand will increase globally through 2040 to meet the needs of developing economies, and that need is for affordable, reliable power, and it's important that Utah's superior coal is available to meet these needs. Not only does Utah's coal have environmental and safety advantages but Utah's coal-fired power plants are among the most efficient in the country, and because they are located in rural Utah, they don't contribute to air quality challenges along the Wasatch Front. Instead, because coal keeps electricity prices low, coal actually supports electric vehicle use, electric home appliances, and other electrical alternatives that actually make a difference in improving the Wasatch Front's air quality. Utah is also leading the way on advanced coal technology including carbon capture, oxy-firing, gasification, and coal-to-liquids technologies. The University of Utah's Institute for Clean and Secure Energy is one of the nation's top coal research

institutions. For example, the University of Utah is leading a five-year, \$16 million grant to conduct superconductor simulation aimed at developing a prototype, low-cost, low-emissions coal power plant that would provide new opportunities for coal utilization. Utah's support of coal does not ignore climate change concerns but rather recognizes that Utah's cleaner coal and advanced coal technologies can contribute to the U.S. and the world's energy needs as part of a robust, resilient portfolio of energy options. This is especially important recognizing the global demand, as I mentioned before, for coal is not subsiding. For example, India's demand for coal is up nearly 12 percent while its production is only up 6 1/2 percent, creating increased reliance on imported coal for that country. My second major comment deals with BLM's moratorium. Utah disagrees strongly with BLM's unjustified moratorium on coal leasing and is exploring its legal options. Utah and the BLM have worked together for decades enjoying a successful federal leasing program that produces numerous benefits to Utah and to the U.S. 83 percent of Utah coal is produced from federal land. In 2014 Utah coal produced from federal lands had a total sales value of \$570.8 million and generated royalty revenues in excess of \$41.1 million. Without consultation with Utah and other impacted states, BLM has unilaterally announced a review of its coal leasing program and three-year moratorium on coal leasing. The BLM's decision to halt leasing while they review the program is really, we feel, a violation of its fiduciary duties to its beneficiaries. That would be the U.S. and the citizens of the U.S. and Utah. Programs including the BLM's coal leasing program can be reviewed without bringing an unjustified end to new leasing. BLM's actions threaten several major coal mine expansion projects here in Utah including the Sufco and Alton coal mine expansions that have spent years, sometimes more than a decade, in good faith complying with expensive environmental reviews and other permitting requirements only to discover that the BLM is changing the rules. The BLM's coal leasing moratorium is rushed and uninformed and is unnecessary and threatens Utah's coal industry and the many benefits that the industry provides to our state and to our country. We in Utah expect that we will challenge this moratorium, but we want to continue to be a part of the dialogue because we believe that a collaborative approach without a moratorium is the best approach to realizing, as I said at the outset, effective outcomes. We also believe it's important as part of this process to recognize that coal is not antithetical to greenhouse gas and

other environmental goals that we may have as a country and really as a globe. So we encourage you to consider these remarks as you make your determination. Thank you.