

US Department of Interior Coal Leasing Moratorium Salt Lake Public Scoping Meeting

Comments

A three-year moratorium on the leasing of coal reserves on federal lands imposed by the Department of Interior is absolutely unnecessary and is in my opinion another attempt by the Obama Administration to impact coal mining and coal fired generation of electricity in the United States.

The coal leasing program does not need a major reform and certainly not a full stop. The current program fairly values coal as a vital public resource which creates substantial revenue in Utah and the Nation. A move to replace it with new costly fees serves no legitimate environmental, financial or public purpose.

The mineral lease process is already too lengthy, and creating further delays under the guise of taking another look at the federal coal program just shows that the Obama administration is more concerned with satisfying their political benefactors than doing what's best for the American people.

Nationwide, coal mined on federal reserves accounts for 42 percent of total U.S. production; this moratorium could eliminate a major portion of domestic coal supplies, creating less fuel diversity with serious consequences for power generation, both in terms of affordability and reliability.

Coal provides roughly 70 percent of the electricity in our state and 1/3 of all electricity in United States. States like Utah with high levels of coal-generated power enjoy the lowest electricity costs in the country.

Affordable power faces yet another obstacle from the federal government. Low cost electricity is good for families and businesses. Energy costs are rising, in part due to short-sighted regulations that make coal-fired electricity generation costly. Families are paying a higher and higher percentage of their monthly income towards energy, forcing them to forego other expenses and in some cases making it difficult just to pay rent. Simply put, affordable power reduces cost and allows a sustainable economy.

Higher royalties will only dampen production, keeping affordable energy off the market and revenue away from taxpayers. So much for taxpayers getting a "fair return."

Last year the Sufco mine produced 6,024 million tons of Coal from an underground mining operation with a permitted surface disturbance area of only 17.5 acres while providing nearly 50% of Utah's electrical requirements. The disturbed area is fully bonded with the State of Utah and will, when mining is completed, be fully reclaimed.

To the benefit of the central and rural region of Utah, Sufco employs 383 people and provides 300 local contract trucking jobs.

Sufco mine delivers to Utah's counties and families:

\$43 million local payroll

\$81 million in supplies and services

\$4.4 million in Utilities costs,

\$2 million is local property taxes

\$7.2 million in production taxes

\$24.2 million in royalties.

\$36 million to local contract trucking companies.

\$188 million in total direct and indirect benefit.

Outside the considerable revenue it generates, the greatest value of federal coal may be its central role in anchoring a stable, reliable local and national economy.

We have a moral and ethical responsibility to produce the products needed to power and drive our society. Ensuring that sufficient domestic coal is produced, transported and converted into the energy products demanded by a growing and increasingly energy dependent economy is a national imperative

Given the realities of the world's energy demands, real governmental leadership would be a commitment to advancing development of carbon abatement technologies for all fossil fuels. Simply creating higher energy cost does not demonstrate leadership but creates regressive costs to individual and an unnecessary burden on local, state and national economies.