

DAVID SMALDONE: Hello. My name is David Smaldone, and I am the president of Friends of Coal West, and I've had the privilege of working in the coal industry for 45 years. The Obama administration which recently placed a temporary moratorium on new federal coal leases is trying to eliminate coal in the west. The Obama Administration's ongoing regulatory efforts have sent coal prices into a tailspin, but now Secretary Jewell's push to hike the costs of coal leasing royalties is set to deliver another punch, making it more expensive to operate a coal mine and subsequently raise the price of electricity for all consumers. That is a point that is missed among many people. As president of Friends of Coal West I oppose the ongoing campaign to mislead the American people on coal and the Obama Administration's unceasing efforts to drive up rates with backdoor taxes on electricity as does my association. Rates paid on federal coal are excessive. Coal producers take 40 percent of the selling price of coal in taxes, fees, and royalties, and there's no justification to increase royalty or leasing rates. To increase these rates will leave less revenue for states and communities, fewer jobs, higher energy prices, and will hit all Americans in the checkbook. Education programs, road and public safety will suffer as well. If the federal government is interested in maximizing the return on investment for taxpayers, it would incentivize development of federal coal by reducing royalties and other fees, making permitting processes more efficient and basing bonus bids on the amount of coal that is actually recoverable. The moratorium is shortsighted and dangerous to our nation's economy and national security. It is imperative that the backbone of our electric grid be allowed to continue, and coal is the answer. Finally, I request that the BLM discontinue the current coal leasing moratorium immediately. Thank you.