

**Byers & Anderson Court Reporters/Video/Videoconferencing
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1 Wonderful. So that's rules of engagement of how we
2 are going to proceed today. So we are going to get right
3 into it, but before I do, I'm going to turn it over to
4 Ron. We do have a couple of representatives here today.
5 We're going to give them the opportunity to address us.

6 Ron?

7 MR. DUNTON: So we actually have five
8 representatives of elected officials and elected
9 officials. I'm going to go through their names, and this
10 will be the order that they will speak in, and then they
11 can kind of self-introduce also. And I will just use
12 Microphone No. 1.

13 So starting off number one will be Dayna Lurie from
14 Senator Cantwell's office; then Carina Miller, council
15 member of Confederated Tribes of Warm Springs; Dow
16 Constantine, King County Executive; James Byrd, a Wyoming
17 state representative; and Kshama Sawant -- I hope I got
18 that right -- Seattle City Council.

19 So we're starting off with Dayna and then just
20 follow in that order.

21 MS. LURIE: Good morning.

22 I have a letter here from Senator Cantwell that I
23 would like to read on her behalf.

24 Dear Secretary Jewell, we write to commend the steps
25 you are taking to reform the Federal coal leasing program

1 beginning with your call for an honest and open
2 conversation about modernizing the Federal Coal Program
3 last year, you have proceeded thoughtfully and firmly.
4 The changes you have set in motion may be regarded by
5 future generations as one of your most significant
6 actions.

7 One of the benefits of living in a nation with so
8 much public land is that occasionally we have the
9 opportunity to rethink how good to be stewards of entire
10 swaths of a continent. Stewardship cannot take place on
11 auto pilot.

12 Your Secretarial Order 3338 belongs in a
13 consequential line of executive actions dating back to
14 President Theodore Roosevelt's 1906 withdrawal of coal
15 lands from fraudulent settlement. His action led
16 eventually to the Mineral Leasing Act of 1920. The act
17 ended the privatization of federal energy fuels. It
18 changed coal mining on public lands from a right to a
19 privilege.

20 50 years later in the week -- in the wake of
21 widespread specialty leasing, Secretary Rogers Morton
22 issued a moratorium on new coal prospecting permits and
23 most new leases. Secretary Morton comments that the new
24 leasing policy will combine a sound approach to
25 development with environmental ethic along with whatever

1 regulations need to be revised to put teeth into this
2 approach. Congress eventually responded with legislation
3 reform raising the minimum royalty rate and making fair
4 market valuation an explicit requirement of new leases.

5 We are at a point again in history where regulations
6 need to be revised to put teeth into this approach. As
7 the Bureau of Land Management works to implement your
8 order, consider new leasing and royalty models. Gather
9 extensive public input and ensure that taxpayers get a
10 fair return. We believe it will be guided by three
11 comparatives.

12 First, get the science right. We strongly believe
13 that the United States cannot continue to lease coal
14 without taking into account that it is the most
15 significant source of power-sectored greenhouse
16 emissions.

17 The current Programmatic Environment Impact
18 Statement under which federal coal is leased predates the
19 first congressional hearings on climate change and the
20 creation of the Intergovernmental Panel on Climate
21 Change.

22 Every one of our hottest years on record occurred at
23 least 20 years after PEIS was finalized. The BLM must
24 ground the new PEIS in the new reality.

25 Second, reconsider the government's market role.

1 The fact that 90 percent of federal lease sales since
2 1990 have single bidders suggests that the western coal
3 markets are structurally noncompetitive.

4 The federal government readily leases tracts
5 nominated by the mining company that submits the only
6 bid. Confidential appraisals and sealed bids introduce
7 an imperfect proxy for competition and the government has
8 too often been a passive auctioneer rather than a
9 steward.

10 No law requires the BLM to sell coal as requested at
11 nearly at cost, turning the government into a supplier of
12 first resort. Given the diverse sources of electricity
13 generation available today and the high cost of climate
14 change, what may have been a wise policy in the context
15 of fuel shortages and disruptions in the 1970s is now
16 unwise and outdated.

17 Third, reconsider how to balance multiple uses over
18 time. The U.S. has relied on fuels extracted from public
19 lands since its founding. The Federal Land Policy and
20 Management Act requires the BLM to balance extractive
21 uses against other uses of public lands. As part of that
22 responsibility, BLM must take into account the long-term
23 needs of future generations.

24 What has become clear is that coal mining didn't --
25 doesn't nearly compete as one among other users. Coal

1 combustion without carbon sequestration ultimately
2 destabilizes and degrades the conditions that makes other
3 uses possible.

4 Given the long atmospheric lifetime of carbon
5 dioxide, the effects of mining a ton of public coal today
6 may rebound on public lands for centuries, damaging
7 opportunities for recreation, water supply, fire
8 resilience, and even other extractive uses like grazing
9 and timber.

10 A huge disparity exists between the high long-term
11 costs of burning the public's coal and the low
12 short-term -- short-term return from selling it. The BLM
13 needs to address the disparity -- disparity.

14 By following the bipartisan precedence established
15 by your predecessors, you have ensured the pause on new
16 leasing will not disrupt the power sector. The
17 preparation of a new PEIS will not affect the 20-year
18 supply of federal coal already under lease or the
19 opportunity to renew leases, obtain emergency leases, and
20 make minor lease modifications.

21 There is time to get this right and we look forward
22 to reviewing the BLM and the Department's more detailed
23 proposals in light of the imperatives above.

24 Finally, we note our continued commitment to fixing
25 other aspects of federal coal programs. These include

1 deficit financial assurance rules such as self-bonding,
2 accelerated mine reclamation, miner's pensions and health
3 care funds and assistance from the coal country to a
4 diversified transition and rebuild.

5 Thank you again for your leadership and your
6 consideration.

7 MS. MILLER: [Speaking in Native
8 Language.] I am Carina Miller. I'm a recently elected
9 tribal council member from the Confederated Tribes of
10 Warm Springs and I just wanted to come today to make a
11 statement from the Confederated Tribes of Warm Springs
12 that we do not support any fossil fuels going over any
13 indigenous lands which do include the Columbia River and
14 the surrounding areas.

15 The tragic derailment of the Union Pacific oil train
16 in Columbia Gorge is no shock or surprise. This sort of
17 catastrophe is inevitable when hubris and greed blind
18 men. Oil trains in our lands will stain them deeply over
19 time if we do not stop them now. The oil that is spilt
20 soaked in the soils, fowled our air and leaked into our
21 precious waters makes the Warm Springs people angry.

22 This crash took place on our ancestral lands and --
23 in what are the lands we used and cared for before we
24 were moved to the reservation inland. These trains and
25 this wreck is a serious affront to the Confederated