

Statement for the Record
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United States House of Representatives
Committee on Natural Resources
“Unleashing America’s Energy and Mineral Potential”

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Warrior Met Coal is a U.S.-based environmentally and socially minded supplier to the global steel industry. We are dedicated entirely to mining non-thermal metallurgical coal used as a critical component of steel production by metal manufacturers.

We commend the chairman for holding this hearing on “Unleashing America’s Energy and Mineral Potential” and for adopting the robust oversight agenda that includes coal and the Mineral Leasing Act.

All across America mining companies are working hard to extract the materials needed for all kinds of essential manufacturing including steel needed for green technologies like electric vehicles and renewable energy. However, this hard work will go to waste if the Biden Administration is not willing to approve routine development of our federal natural resources.

As you know, thermal coal is critical for energy production in the United States. Equally critical in manufacturing is metallurgical (met) coal used for steel production. We recognize that the Committee is concerned about the Biden Administration’s current war on coal - both thermal and met - and we share that concern.

Today we want to focus on met coal and on the continued inaction by Department of Interior (DOI) on a critical met coal lease by application in Alabama. The coal lease is very important to the State of Alabama as the royalties from the underground mine would provide much needed revenue to the State of Alabama and impacted counties throughout the state, as well as the Port of Mobile, one of the nation’s largest coal terminals.

Of particular concern is that the Department of Interior completed the Fair Market Value (FMV) and the Social Cost of Carbon analysis in May 2022. In late June, senior officials at Department of Interior told senior Senate staff that all coal leases (thermal and met) were frozen. This particular lease by application, which is 95% complete, has been sitting in the Solicitor’s office with no movement, correspondence, or follow-up to provide a speedy resolution. This is an unacceptable delay that goes against the Mineral Leasing Act - which requires that the federal government to “maximize economic recovery of coal within a proposed leasing area.” Further, it represents a new front on the war on coal including met, which is not subject to any federal moratorium. This brazen overreach sets a dangerous precedent for every bit of coal used for energy production and every bit of coal or mineral used for manufacturing of steel, electric vehicles, and renewable energy.

Continued delays on the part of DOI will certainly violate the Mineral Leasing Act as much of the coal will go un-mined due to the delay and will potentially cost the state of Alabama \$300 million.

Not just state of Alabama that stands to lose needed revenue - the federal government will also potentially lose over \$300 million in royalties at current pricing. This revenue from coal royalties provide critical funding for DOI programs. This is even more critical as the House and Senate Republicans are looking to make cuts to the Department of Interior budget.

It simply does NOT make sense to willfully and intentionally delay a project that is 95% completed. The time has come for Department of Interior to complete its work on this important lease and show they are willing to roll up their sleeves for the American people.