

Scrubgrass Generating Company L.P.

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March 21, 2019

The Hon. Raul M. Grijalva, Chairman
The Hon. Rob Bishop, Ranking Member
The Hon. Alan Lowenthal, Subcommittee on Energy and Natural Resources, Chairman
U.S. House Committee on Natural Resources
1324 Longworth House Office Building
Washington, DC 20515

RE: Reauthorization of the Collection Fees Supporting the Abandoned Mine Land Fund

Dear Representatives,

I am writing to highlight the need for reauthorization of the collection fees associated with the Surface Mine Control and Reclamation Act (SMCRA) of 1977. Over a century of environmentally unregulated mining practices took a huge toll on the land and water where mining occurred. But SMCRA changed the face of the coal mining industry into one that is vastly safer with a significantly smaller environmental impact and allowed for reclamation of pre-regulation hazards and scars.

I am the General Manager at Scrubgrass Generating Plant located in Kennerdell, PA (Venango County). Scrubgrass started commercial operations in 1992. I have worked at the Scrubgrass project for 17 years, and I am very proud of the reclamation work the project has accomplished. Scrubgrass was constructed and designed to burn and eliminate waste coal refuse through Circulating Fluidized Bed boiler technology. Scrubgrass has successfully reclaimed over 1000 acres in the Commonwealth that were previously polluting waste coal abandoned mine sites. Through working with the state and other local conservation groups these reclamation efforts have turned non life supporting waterways and lands into useful land that can be developed and creeks and streams that not only support aquatic life but also have brought back sportfishing and water sports to streams that were polluted. There are many waste coal refuse sites that small treatment systems can adequately treat the discharge from these refuse piles. When you get into the larger sites that have high sulfur which equals higher pollutant loading, the best solution is to eliminate the source of the pollution, and that is where the CFB's such as Scrubgrass have the unique ability to convert this material into electricity, and still remain compliant with current Utility MATS emissions standards. Scrubgrass removes 98% of sulfur dioxide emissions. The material that was left decades ago at the minesite has been removed, the waste coal has been burned with little SO2 emissions, and electricity is generated for the consumers. Scrubgrass Generating inputs \$24 million annually into the local economy. Scrubgrass Generating directly employs 50 full time positions. There are also 100 full time trucking/ transportation jobs that transport waste coal, limestone and ash for Scrubgrass. Scrubgrass estimates that we provide an additional 150

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support jobs in the local area including contractors, limestone quarry operations, and consultants.

Scrubgrass has worked with different divisions of the PADEP, including BAMR on several reclamation projects. Currently, Scrubgrass Generating is working with BAMR and the South Sandy Creek Watershed association on the Venango #1 reclamation site located in Irwin Township, Venango County, PA. This project is being done in conjunction with the OSM pilot grant funding. This project is administered and permitted through BAMR, and without funding, could not happen due to the extremely high sulfur content in the refuse. The sulfur content of this fuel is as high as 20% sulfur. Scrubgrass is looking at other sites similar to the Venango #1 site that are high in sulfur, however without some type of a grant and the work that PADEP BAMR does, these waste coal refuse piles will sit and pollute forever.

Funding for reclamation activities is derived from a fee on every ton of coal mined in the U.S. since 1977. Those fees are placed into an account known as the Abandoned Mine Reclamation Fund. The collection of these fees is set to expire in September of 2021. However, our work is not done. If this funding goes away, with the current low price of electric, Scrubgrass will not be able to continue to remove the higher sulfur waste coal refuse piles, and they will be end up being pollution sources forever. The people employed both directly and indirectly at Scrubgrass take a great deal of pride in the reclamation work that the project provides to the Commonwealth of PA and it's citizens'. Please do your part to assure that this funding remains available to continue to reclaim PA.

Regards,
R.J. Shaffer
General Manager
Scrubgrass Generating Company L.P.

