VIVIAN MOEGLEIN STAFF DIRECTOR

## **U.S.** House of Representatives

## Committee on Natural Resources Washington, **BC** 20515

LORA SNYDER DEMOCRAT STAFF DIRECTOR

June 28, 2023

The Honorable Debra Haaland Secretary U.S. Department of the Interior 1849 C Street, N.W. Washington, D.C. 20240

Dear Secretary Haaland,

Coal is essential for American energy security, providing reliable, inexpensive baseload power and gainful employment for thousands of Americans. The U.S. has vast domestic coal reserves, with the U.S. Energy Information Administration estimating that there are about 251 billion short tons of recoverable coal reserves in the U.S. Notably, the Department of the Interior (DOI) plays an important role in domestic coal production as the Federal Coal Leasing Program continues to be a major source of federal and state revenues. In addition, coal mining and associated mine reclamation is regulated by the Surface Mining Control and Reclamation Act (SMCRA) of 1977 (30 U.S.C. 1251 et seq.) and overseen by the Office of Surface Mining Reclamation and Enforcement (OSMRE) and the Bureau of Land Management (BLM) is responsible for coal leasing on over 570 million acres of federally owned land.<sup>2</sup>

From the time of the Obama Administration, in which President Biden served, DOI has taken multiple actions to block coal production on federal lands. On January 15, 2016, then-Secretary Jewell initiated a new Programmatic Environmental Impact Statement (PEIS) to study, among other things, the purported environmental effects of federal coal production.<sup>3</sup> The Secretary placed a moratorium on new federal coal leases until the completion of the PEIS.<sup>4</sup> This moratorium was subsequently lifted in 2017 by then-Secretary Zinke, who called the proposed PEIS "costly and unnecessary."<sup>5</sup>

Political interference hit coal production once again with the issuance of Secretarial Order 3398 on April 16, 2021, which reversed Secretary Zinke's 2017 decision and directed a new review of the federal coal program.<sup>6</sup> Unfortunately, on August 12, 2022, a federal judge

<sup>&</sup>lt;sup>1</sup> U.S. Energy Information Administration, "How much coal is in the United States," https://www.eia.gov/energyexplained/coal/how-much-coal-is-left.php.

U.S. Bureau of Land Management, National Coal Statistics Table, https://www.blm.gov/programs/energy-and-minerals/coal/coal-data.
U.S. Department of the Interior, press release, "Secretary Jewell Launches Comprehensive Review of Federal Coal Program," January 15, 2016, https://www.doi.gov/pressreleases/secretary-jewell-launches-comprehensive-review-federal-coal-program.

<sup>&</sup>lt;sup>4</sup> U.S. Department of the Interior, press release, "Secretary Jewell Launches Comprehensive Review of Federal Coal Program," January 15, 2016, https://www.doi.gov/pressreleases/secretary-jewell-launches-comprehensive-review-federal-coal-program.

<sup>&</sup>lt;sup>5</sup> Dylan Brown, "Zinke ends coal ban, creates panel to review royalties," E&E News, March 29, 2017, https://subscriber.politicopro.com/article/eenews/1060052294.

<sup>&</sup>lt;sup>6</sup> U.S. Department of the Interior, ORDER NO. 3398, April 16, 2021, https://www.doi.gov/sites/doi.gov/files/elips/documents/so-3398-508 0.pdf.

ordered the BLM to fully reimpose the Obama-era moratorium on new leasing. On May 1, 2023, DOI announced the intent to initiate yet another environmental impact statement (EIS) to evaluate the impacts of maintaining or revoking the coal moratorium.<sup>7</sup>

Even beyond the reimposed moratorium, the Biden Administration continues to delay and otherwise impede federal coal production, even where the moratorium does not apply. For instance, Warrior Met Coal, located in Brookwood, Alabama, hopes to develop new coal resources that are excluded from the reimposed moratorium. However, despite the fact that scoping for Warrior Met's lease-by-application began on August 10, 2014, this lease has continued to await final approval. BLM currently lists this project as "paused."9

Continued delays on this project, other lease-by-applications, and federal coal permitting overall have major economic impacts at multiple levels of government. Coal royalties provide significant revenues to the Treasury and state budgets, and also contribute to major economic growth and employment opportunities in local communities. Blocking or substantially delaying coal production deprives taxpayers, states, and local communities millions of dollars in revenues and potentially thousands of good-paying jobs.

Furthermore, coal demand continues to be high both domestically and abroad. The global energy shortage in late 2020 and early 2021 was greatly exacerbated by the war in Ukraine. culminating in a huge spike in energy demand in Europe and elsewhere. As U.S. operators attempted to ramp up oil and gas production after a year of stoppages imposed by the Biden Administration, our allies in Europe turned to coal to heat their homes and run their businesses. Over one-third of Germany's power now comes from coal, a 13 percent increase over last year. 10 Coal is also the largest source of power in Asia, 11 driving about 37 percent of the world's total power generation. 12 The United States is ready to meet that demand – by the end of the third quarter of 2022, the U.S. had exported 63,926,000 short tons of coal. 13

Domestic operators should be allowed to produce and export their product as required by the market, and not be hamstrung by overly burdensome regulations, egregious permitting delays, or arbitrary moratoria on production at home. As such, we ask that you respond to the following inquiries by July 19, 2023:

- 1. How many lease-by-applications for coal operations on federal lands are currently pending at the Department of the Interior?
- 2. How many days has each such lease-by-application been pending?

<sup>7 88</sup> FR 26588.

<sup>8</sup> https://www.blm.gov/sites/default/files/docs/2022-02/ALES-55797%20BLM%20ES%202022 0.pdf

<sup>9</sup> https://eplanning.blm.gov/eplanning-ui/project/53496/510

<sup>&</sup>lt;sup>10</sup> Fokuhl, Josefine and Gillespie, Todd, "Germany Revives Coal as Energy Security Trumps Climate Goals," Bloomberg, December 21, 2022, https://www.bloomberg.com/news/articles/2022-12-22/germany-returns-to-coal-as-energy-security-trumps-climate-goals.

<sup>11</sup> International Energy Agency, coal factsheet, updated Oct 12, 2021, https://www.iea.org/fuels-and-technologies/coal. 12 International Energy Agency, coal factsheet, updated Oct 12, 2021, https://www.iea.org/fuels-and-technologies/coal.

<sup>&</sup>lt;sup>13</sup> U.S. Energy Information Administration, U.S. coal summary statistics, 2016 - 2022, https://www.eia.gov/coal/production/quarterly/pdf/tes1p01p1.pdf.

- 3. How many permits or other authorizations for current coal operations on federal lands are currently pending at the Bureau of Land Management?
- 4. How many days has each such permit or other authorization been pending?
- 5. DOI recently began soliciting comments for an EIS to maintain or revoke Secretarial Order 3338, issued by former DOI Secretary Sally Jewell, which imposed a moratorium on thermal coal leasing. Since no EIS was required on the decision to impose the moratorium under Secretarial Order 3338 in the first place, explain the need for an EIS now being considered in the decision to maintain or revoke the moratorium.

Please contact the Energy and Mineral Resources Subcommittee Majority staff at (202) 225-9297 or Ashley. Nichols@mail.house.gov with any questions about this request and to coordinate the delivery of your response to room 1324 of the Longworth House Office Building.

This issue is critical to coal-producing states across the country, and to American energy reliability overall. We appreciate your attention to this important issue.

Sincerely,

Pete Stauber (MN-08)

Subcommittee on Energy and Mineral Resources

Chairman