U.S. House of Representatives Committee on Natural Resources Washington, DC 20515

July 12, 2024

The Honorable Tracy Stone-Manning Director Bureau of Land Management U.S. Department of the Interior 1849 C Street, N.W. Washington, D.C. 20240

Dear Director Stone-Manning:

The House Committee on Natural Resources (Committee) is investigating two Proposed Resource Management Plan Amendments (RMPAs) issued by the Bureau of Land Management (BLM) of the Department of the Interior (DOI). Last month, the BLM selected the "no leasing" alternatives regarding future coal leasing for the Buffalo Field Office Proposed RMPA in Wyoming (hereafter "Wyoming Plan") and the Miles City Field Office Proposed RMPA in Montana (hereafter "Montana Plan").¹ The Committee is concerned that removing millions of acres of land from coal leasing will decrease grid reliability, eliminate thousands of good-paying jobs, and eliminate hundreds of millions of dollars in federal, state, and local taxes and revenue.

In response to activist litigation and a court order requiring the BLM to base decisions on a climate change agenda,² the BLM selected the "no leasing" alternatives for the Proposed RMPA for the Buffalo Field Office, Wyoming, and the Miles City Field Office, Montana.³ The Wyoming Plan removes 48 billion short tons of coal from new leasing while the Montana Plan eliminates 1.2 million acres from new coal leasing.⁴ Together, these decisions would halt future production in the Powder River Basin—the U.S.'s largest coal-producing region.⁵

Wyoming alone produces 41 percent of the U.S.'s coal output.⁶ With coal-fired power plants producing over 70 percent of its power, Wyoming is the U.S.'s third-biggest net energy supplier, generating 12 times more energy than it consumes.⁷ Shuttering access to coal in the

¹ BLM, Notice of Availability of the Proposed resource Management Plan Amendment and Final Supplemental Environmental Impact Statement for the Buffalo Field Office, Wyoming, 89 FR 43431 (May 17, 2024); BLM, Notice of Availability of the Proposed resource Management Plan Amendment and Final Supplemental Environmental Impact Statement for the Miles City Field Office, Montana, 89 FR 43432 (May 17, 2024).

² Western Organization of Resource Councils, et al. v. BLM, CV 00076-GF-BMM (Aug. 3, 2022).

³ Id.

⁴ Scott Streater, *BLM proposals would end coal leasing in the Powder River Basin,* E&E News (May 16, 2024). ⁵ *Id.*

⁶ U.S. Energy Information Administration, *Wyoming State Energy Profile* (last visited June 24, 2024).

⁷ Id.

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Powder River Basin would also limit the amount of electricity production that Wyoming sends to other states.⁸ Likewise, Montana contains the U.S.'s largest recoverable coal reserves, and coal generation accounts for the largest share of Montana's electricity production.⁹ Electricity demand is projected to increase up to 300 percent from current levels by 2050 due to power consumption for data centers and increased electrification.¹⁰ Prematurely removing federal coal as a viable fuel source by 2041—as the RMPAs aim to do—will further strain an already-stressed grid and jeopardize access to cheap, reliable electricity.

Further, rural communities in the Powder River Basin depend on continued coal leasing to ensure economic well-being. According to the Wyoming Plan, "jobs and revenue supported by coal production, as well as oil and gas development, have supported relatively high-income levels, have attracted additional amenities and other commercial operations, and funded a large portion of public services" for Wyoming; as such, "reductions in coal employment may have a higher level of economic impacts on the regional economy compared with reductions in other sectors that typically produce less labor income."¹¹ In 2018 alone, coal mining in the Wyoming Powder River Basin contributed to an additional 7,302 jobs and \$437.3 million in labor income for supporting sectors.¹² Similarly, coal production in Montana contributed 6,138 jobs and generated \$828 million to state gross domestic product in 2021.¹³

Removing millions of acres of land from coal leasing will slash Abandoned Mine Land (AML) fee collections, federal and state mineral revenues, and federal, state and local tax revenues generated by the coal industry in Wyoming and Montana. The value of taxable minerals in Wyoming has garnered as much as \$11.9 billion annually in the last five years, and coal mining on federal land in Wyoming generated \$413 million in federal mineral revenue in 2022.¹⁴ Mineral severance taxes and federal royalty revenue comprised 30 percent of Wyoming's general fund revenue in 2021, with \$178 million distributed to the School Foundation Program, \$64 million distributed to the Highway Fund, and \$170 million distributed to the Budget Reserve Account.¹⁵ Montana requires that 50 percent of coal severance taxes are funneled into the Coal Severance Tax Trust Fund to support renewable energy projects, regional water systems, economic development, and state-operated educational facilities; in 2021, Montana collected \$39.6 million in coal severance taxes.¹⁶ Additionally, the federal government received \$15.5 million in federal revenue from coal production from just Big Horn County, Montana.¹⁷ A lack of future federal coal leasing in the Powder River Basin would devastate state, local, and federal revenues and impede states' abilities to fund essential infrastructure and education programs.

¹⁵ *Id*, at 144.

⁸ U.S. Energy Information Administration, Wyoming: State Profile and Energy Estimates (last visited June 24, 2024).

⁹ BLM, Buffalo Field Office Final SEIS and Potential RMPA (May 16, 2024), at 139, 140.

¹⁰ U.S. Energy Information Administration, Press Release, *EIA projections indicate global energy consumption increases through 2050, outpacing efficiency gains and driving continued emissions growth*

¹¹ *Supra*, n. 9.

¹² *Id.*, at 142.

¹³ BLM, Miles City Field Office Supplemental EIS and Potential RMPA (May 16, 2024), at 168.

¹⁴ *Supra*, n. 9.

¹⁶ BLM, Miles City Field Office Supplemental EIS and Potential RMPA (May 16, 2024), at 174, 175.

¹⁷ *Id.*, at 173.

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To assist the Committee with our investigation, please provide the following records, documents, and communications, in electronic format, no later than July 26, 2024:

- 1. All internal documents and communications, from January 20, 2021, to present, regarding the decision to choose the "no leasing" alternatives for both the Wyoming and the Montana Plans;
- 2. All internal documents and communications, from January 20, 2021, to present regarding the economic impacts of the "no leasing" alternatives for both the Wyoming and the Montana Plans or decreased federal coal leasing in general;
- 3. All documents and communications, from January 20, 2021, to present, between third parties and DOI staff regarding reduced coal leasing on federal lands pursuant to the Wyoming and Montana Plans;
- 4. All documents and communications, from January 20, 2021, to present, between DOI staff and the Western Organization of Resource Councils, Montana Environmental Information Center, Powder River Basin Resource Council, Northern Plains Resource Council, Sierra Club, and National Resource Defense Council regarding reduced coal leasing or emissions caused by coal leasing; and
- 5. All documents and communications, from January 20, 2021, to present, between DOI staff and/or the Federal Energy Reliability Commission, regarding the Wyoming and the Montana Plans and grid reliability.

An attachment to this letter provides additional instructions for responding to the requests from the Committee on Natural Resources. Please contact the Majority staff for the Oversight and Investigations Subcommittee at (202) 225-2761 or <u>HNRR.Oversight@mail.house.gov</u> with any questions.

Under House Rule X, the Committee on Natural Resources has "general oversight" of any matter relating to its jurisdiction, including all matters pertaining to the Bureau of Land Management, in particular coal leasing on federal lands.

Sincerely,

Bruce Westerman Chairman House Committee on Natural Resources

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Harriet Hageman Member of Congress

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