

Representative **Bo Biteman**
Wyoming House of Representatives **House District 51**
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May 3, 2017

RE: Statement Urging Office of Natural Resource Revenue (ONRR) to Rescind 2017 Coal Valuation Rule and Return to Use of Benchmark Pricing

Dear Armand Southall:

I am writing to urge the ONRR to rescind the costly and poorly thought-out Coal Valuation Rule. As a Representative of Wyoming's 51st House District, I know firsthand how this rule has negatively affected my constituents who make their living in the coal industry, and the rest of us who send our children to public schools who are getting less funding as a result of declining coal revenues. This rule does nothing but adds confusion to the royalty valuation process, makes it easier for the federal government to impose arbitrary values on coal even years after sales were made, and ultimately keeps coal in the ground which was President Obama's plan all along.

I do not understand why there was a need to change the valuation method in the first place. The "benchmark" system had led to a proper and consistent valuation of coal for many decades, not to mention it was done in accordance with the Mineral Leasing Act of 1920. My grandpa used to say "If it ain't broke, don't break it!"

Why give oil and gas lessees the option of an index price valuation and not coal? It seems the federal government is once again interfering in the free market and trying to pick winners and losers. The previous administration's hostility towards the coal industry and attempts to use whatever means necessary to destroy it were obvious.

The American people rose up and spoke last November to reject the "*War on Coal*" and it is time to undo the harmful and outright unfair regulations that brought an entire industry to its knees. The social and economic impacts these regulations brought to my state were unspeakable. Our public education system is in a funding crisis because of the sudden collapse of coal lease bonus revenue and federal royalties received. Obama's "*War on Coal*" brought collateral damage to our families, schools, cities and towns, and our state budget as a whole. It should be renamed the "*War on Public School Funding*", because that is what it has amounted to here in Wyoming.

Please understand that these policies affect millions of people's lives and therefore should be carefully thought through before being implemented. This was not the case here and I ask that ONRR go back to what has always worked in the past and bring some much needed clarity and fairness to the royalty valuation process.

Sincerely,

A blue ink signature of Bo Biteman, written in a cursive style.

Representative Bo Biteman
Wyoming House of Representatives—51st District