

WORC

Western Organization of Resource Councils

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April 21, 2017

The Honorable Ryan Zinke

Secretary

Department of the Interior

1849 C Street NW

Washington, D.C. 20240

RE: Repeal of Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform (ONRR-2017-0001 (1012-AA20))

Dear Secretary Zinke:

I am writing on behalf of the Western Organization of Resource Councils to request a 60-day extension of the public comment period for *Repeal of Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform* (hereafter “Rule”).

WORC is a regional network of grassroots community organizations that include 12,200 members across the Western United States including Colorado, Montana, North Dakota, and Wyoming. Our members live and work near coal-mining operations and benefit from public services paid for by federal coal royalties in these federal coal-producing states.

From WORC’s perspective, the Office of Natural Resources Revenue’s (ONRR) decision-making regarding the Valuation Rule has been rushed since the rule went into effect on January 1, 2017. On February 22, in response to a December 2016 lawsuit and a February 2017 letter sent to ONRR Director Gregory Gould from plaintiffs of that lawsuit, the agency made an impromptu decision to stay the Rule without any public notice or comment more than six weeks after the Rule went into effect. Subsequently, ONRR -- again without notice -- announced its intent to repeal the Rule on April 4, 2017 and immediately opened a short 30-day public comment period.

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In contrast, the Rule was crafted over years of consideration, public input, and outreach to industry, community organizations, and state and local governments. The advance notice of proposed rulemaking was first noticed in the federal register in May of 2011, followed by three public workshops and a public comment period. The draft rule was published in January 2015 with a 60-day comment period. One month later, that comment period was extended to 120 days at the request of coal and oil and gas companies and their trade associations.

WORC and its members have been engaged in federal coal leasing and royalty policy discussions, legislation and rulemakings for over three decades. We fully participated in the rulemaking process for the Rule between 2011 and 2016. We now seek to weigh in substantively on ONRR's proposal to repeal the Rule and return to the status quo. The Rule was intended to ensure that American taxpayers are receiving the revenue they deserve from federal mineral development. We are concerned that repealing the Rule and returning to the status quo will fail to accomplish the Rule's original goals. Given the complexity of the issues at hand, ONRR's unconventional procedural decision to "postpone implementation" of the Rule after its effective date, and the lack of advance notice of ONRR's intent to fully repeal the Rule, we feel that a 30-day comment period is insufficient.

For these reasons and others, we ask that ONRR extend the deadline for comments on the Repeal of the Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Rule by 60 days.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "R. LeResche", followed by a long horizontal line extending to the right.

Robert LeResche
Western Organization of Resource Councils