



WYOMING MINING ASSOCIATION

P.O. Box 866
Cheyenne, Wyoming 82003

Wyoming Mining Association
Statement to
United States House of Representatives
Committee on Natural Resources

Re:

Surface Mining Control Reclamation Act
A 30th Anniversary Review

July 25, 2007

By

Marion Loomis
Wyoming Mining Association

Mr. Chairman, my name is Marion Loomis. I am the Executive Director of the Wyoming Mining Association. The Wyoming Mining Association (WMA) represents bentonite, coal, trona and uranium producers in Wyoming. You know that Wyoming leads the nation in production of coal, but you may be interested to know that Wyoming also leads the nation in the production of bentonite, trona (which is converted into soda ash for use in glass and chemical manufacturing) and uranium.

Wyoming coal mines now produce almost 450 million tons of coal annually which is 38% of this nation's coal production. Wyoming coal is shipped to 36 states from New York to Washington and from Texas to Minnesota.

Mr. Chairman, some feel that Wyoming just started producing coal after the Clean Air Act passed in 1970 and indeed that act was one of the reasons for the tremendous growth in coal production in Wyoming, but Wyoming started producing coal in 1869 with completion of the transcontinental railroad. At our peak prior to 1970 Wyoming produced 9.8 million tons in 1945, but our peak employment was in 1922 with 9,192 miners, so Wyoming has had a long history of providing coal to fuel this country's energy needs. After the railroads switched from coal to diesel, Wyoming reached a low in production in 1958 with 1.6 million tons and a low in employment in 1967 with only 332 miners. However, the industry turned around in the 1960's with the construction of several coal fired power plants. By the time the Surface Mining Control and Reclamation Act (SMCRA) passed, Wyoming mines were producing 44 million tons per year with employment of 3,300 miners.

In the late 1960's the mining industry in Wyoming recognized that mined lands needed to be returned to a productive use after mining. The industry and the Wyoming Mining Association worked with legislators to pass a reclamation act in 1969 called the Open Cut Land Reclamation Act and it applied to all mined minerals, not just coal. Granted that first act was rather weak by today's standards, but it shows that the industry recognized the need for a reclamation law that applied to everyone so no one company had an advantage over another. The 1969 act was replaced with a much more comprehensive act in 1973 which addressed not only land reclamation, but air quality, water, and solid waste issues.

The industry struggled to make the provisions of SMCRA work in the arid west where the lack of water and topsoil make reclamation much different than in the east where there is abundant rainfall and plenty of topsoil. It is difficult to make the one size fits all mandates of the federal law work in all areas. SMCRA and the federal regulations do recognize a difference between those areas that receive less than 26 inches of precipitation and those that receive more. Currently this is reflected in an extended bond liability period but we feel this is an area that should be explored to expand and enhance reclamation options.

Congress also recognized differences in mining areas of the country when Representative Roncalio from Wyoming was successful in including a provision that recognized the unique features of special bituminous mines. If that provision had not been inserted, one of the truly remarkable mines in Wyoming would not have been able to operate. The Kemmerer mine located in Southwest Wyoming has multiple coal seams with the bottom seam over 100 feet thick. The Act recognized that the back fill

provisions of the Act would not work for the Kemmerer mine and a special provision was written into the Act to allow for a different reclamation procedure to be used. That mine opened in 1897 and is still operating. To date the Kemmerer mine has produced over 148 million tons of coal.

We have seen a growing understanding of the differences in the mining areas by those administering the federal act. One of the concerns of our companies was the ability to restore wildlife habitat. In many cases the premining wildlife habitat is eroded gulleys and arroyos which cannot be part of a successful reclamation effort. Our reclamation must be erosionally stable. But, we can take part of the reclaimed highwall and create an erosionally stable wildlife feature that will provide protection, diverse vegetation and the ability to store water. We are pleased that OSM is now working with the industry to allow us to create these features in the post mine topography as replacement for natural habitat removed by mining. We encourage the Committee to support OSM's efforts to design and implement policy which will facilitate mining companies creating wildlife habitat.

You are very aware of the Abandoned Mine Land Reclamation fund. We are very pleased that Congress will fund the balance of the AML fees owed to the states and thank you, Mr. Chairman and Representative Cubin for your efforts in this regard. Wyoming producers have paid well over \$2.3 billion in AML fees over the last 30 years and we are very appreciative that the portion owed to Wyoming will now come back for the many uses the state has to address mineral impact issues. We are, however, somewhat concerned that OSM seems to believe that the money will only be released when projects are identified. Our understanding of the act that you passed last year requires that the back balance be paid in equal installments. The Wyoming legislature passed legislation this year to hold the back payments until the Legislature decides how to allocate those monies. It is our hope that the back payments would come to the state without any strings attached.

In summary, we feel the industry, OSM and the states have come a long way in the past 30 years. We are producing more coal, reclaiming more land, and providing a reliable, affordable energy resource for this nation. As we go forward, it is our hope that we will continue to work together to address the many issues that will face us to allow the industry to continue to provide a secure source of energy for our nation and still restore the land to a beneficial use after mining is completed.

Thank you for allowing me to provide these comments.