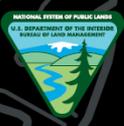


U.S. Department of the Interior  
Bureau of Land Management

# Bureau of Land Management Federal Coal Leasing Program Programmatic Environmental Impact Statement Scoping Meeting





# Federal Coal Regulating Agencies

- **Bureau of Land Management (BLM)**
  - Leasing
  - Production verification
- **Office of Surface Mining, Reclamation & Enforcement**
  - Mine permitting & reclamation (including bonding for reclamation)
- **Office of Natural Resources Revenue**
  - Manages royalty collection and disbursement
- **Mine Safety & Health Administration**
  - Develops and enforces safety and health rules for U.S. mines





# BLM Coal Program Quick Statistics

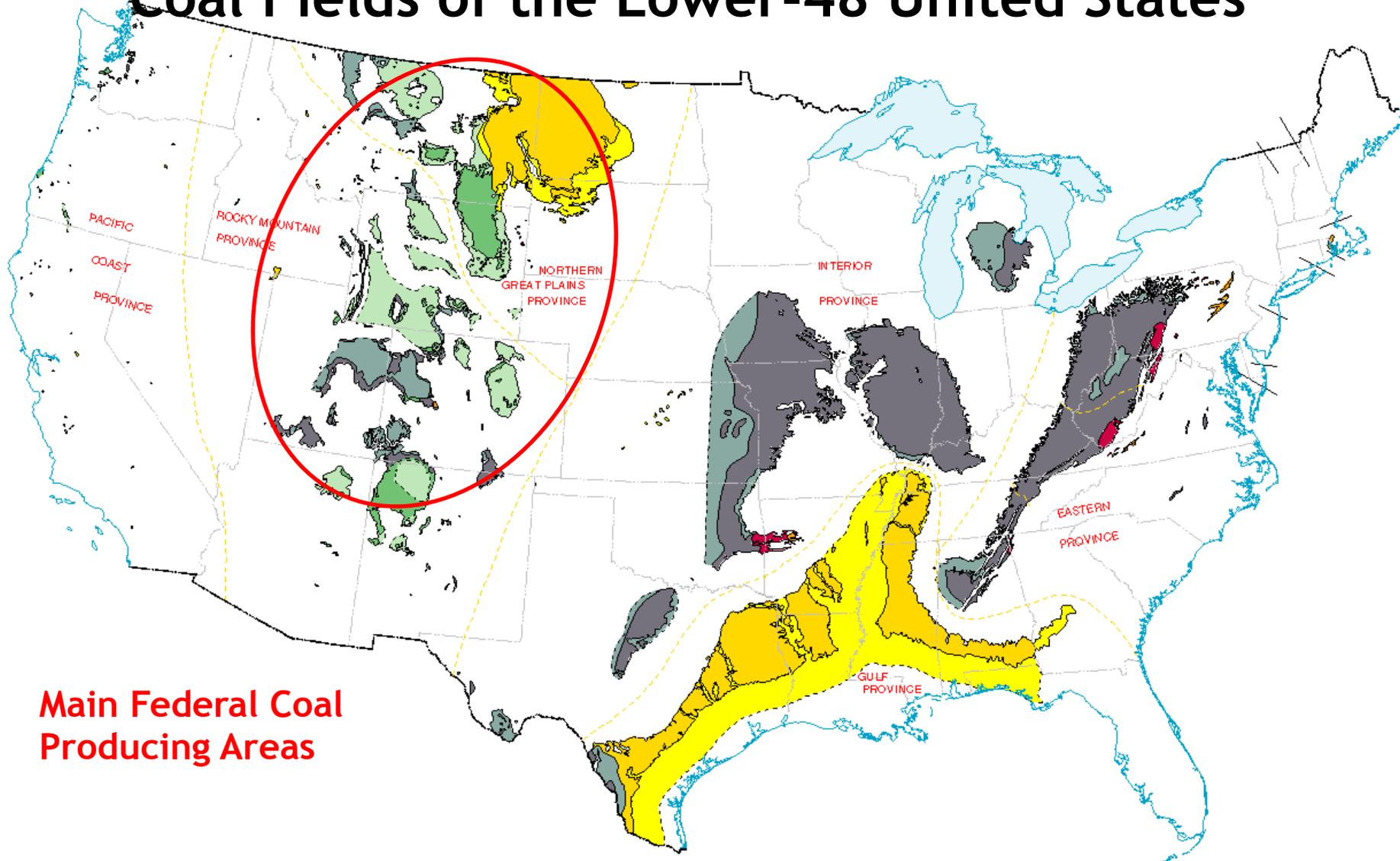
- BLM currently administers **306** coal leases
- **In the last 10 years (2006-2015):**
  - BLM-managed lands produced approximately 4.3 billion tons, worth over \$63.4 billion<sup>1</sup>
  - This production generated \$6.8 billion in royalties and \$3.8 billion in rents, bonuses, and other payments<sup>1</sup>
  - BLM held 32 coal lease sales
- **In 2015:**
  - 33.2% of Nation's electricity produced from coal<sup>2</sup>
  - 43.5% of the coal produced was federal coal; 88% of that was from the Powder River Basin in Wyoming and Montana<sup>1</sup>

<sup>1</sup> Data from Office of Natural Resources Revenue

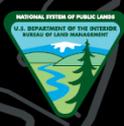
<sup>2</sup> Data from Energy Information Administration



# Coal Fields of the Lower-48 United States



**Main Federal Coal Producing Areas**



## Coal Leasing Pause

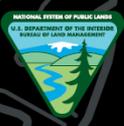
- The pause does not apply to existing leases and coal production.
  - There are about 20 years of reserves at current productions levels already under lease.
- Pending lease applications with signed decisions can proceed to sale if requested by the operator.
- Pending applications without a decision may proceed with NEPA and Fair Market Value analysis .
- Mines that need reserves to continue operations may apply for emergency leasing consideration.
- New applications received during the pause that do not meet emergency criteria or the other exceptions will be deferred for processing



# The Programmatic Environmental Impact Statement (PEIS) initiated by Secretarial Order 3338 will consider:

- How, when and where to lease
- Fair return
- Climate impacts
- Other impacts
- Socio-economic considerations
- Exports
- Energy needs
- Other potential modifications



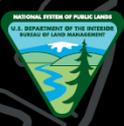


The full set of issues in the PEIS will be decided through scoping; however, some that will be considered are listed in the Notice of Intent, including:

## How, when and where to lease

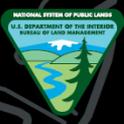
- Should scheduled sales be used (e.g., like onshore oil & gas)?
- Should market conditions affect the timing of lease sales, such that sales would occur when coal values are higher rather than during downturns?
- Where and where not should the BLM lease consistent with taking a landscape level view?
- Do the BLM's unsuitability screening criteria adequately address the questions of where and/or where not to lease?





# Fair Return

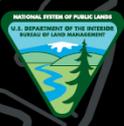
- Are the bonus bids, rents, and royalties received under the Federal coal program successfully securing a fair return to the American public?
- How should each of these components of fair return be calculated?
- Should externalities be considered as part of the fair return calculation? If so, what specifically and how?



# Climate Impacts

- How can we best measure and assess the climate impacts of continued Federal coal production, transportation, and combustion?
- What are the potential substitution effects from any changes in Federal coal production?
- How may BLM best ensure no unnecessary and undue degradation of public lands from climate change impacts?
- How do we mitigate, account for, or otherwise address those impacts?
- How does the Federal coal program relate to the Nation's climate objectives, as well as its energy and security needs?

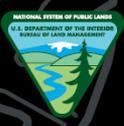




## Other Impacts

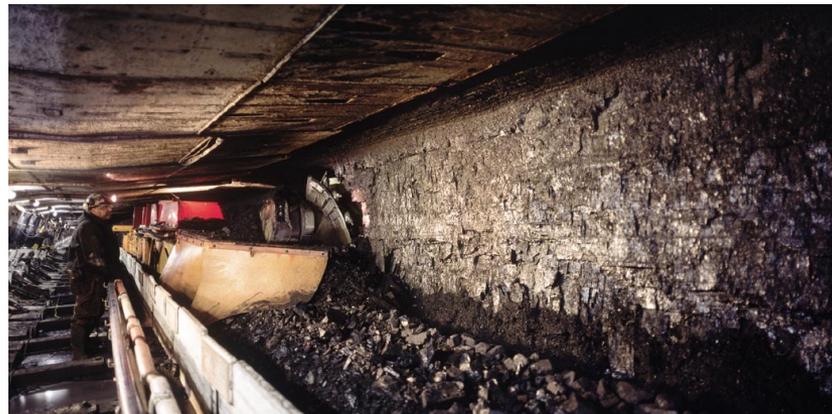
- What are the effects of Federal coal production on water resources, air quality, wildlife, and other land uses such as grazing and recreation?
- Are impacts from mining and combusting Federal coal adequately mitigated?
- Should standard mitigation at the programmatic level be required, in addition to on a project-by-project basis?

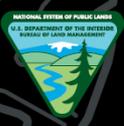




## Socio-economic Considerations

- Does the current program adequately account for externalities related to Federal coal production, including environmental and social impacts?
- How does the administration, availability, and pricing of Federal coal affect State, regional, and national economies (including job impacts), and energy markets in general?
- What is the impact of possible program alternatives on the projected fuel mix and cost of electricity?

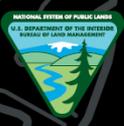




# Exports

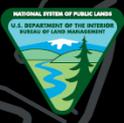
- Whether and, if so, how should, leasing decisions consider actual and/or projected exports of domestic coal from any given tract?
- What potential mechanisms could be used to appropriately evaluate export potential?





# Energy Needs

- How does Federal coal support fulfilling the energy needs of the United States?
- How does the administration, availability, and pricing of Federal coal impact electricity generation in the United States, particularly in light of other regulatory influences?
- What other sources of energy supply (including efficiency) are projected to be available?



**We look forward to your comments on these and other important issues related to the Federal coal program**