



NEWS RELEASE
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**Christmann Tells Bureau of Land Management that Difficult Process for Obtaining
Federal Coal Leases is Costing American Taxpayers**

BISMARCK, ND – Public Service Commissioner Randy Christmann testified before the Bureau of Land Management (BLM) on Tuesday about the negative impacts caused by the difficult and lengthy process for acquiring federal coal leases.

“There is at least one example in North Dakota of a company mining around a BLM coal tract because they have not been able to get the federal lease in a timely manner,” said Commissioner Randy Christmann. “In this case, the surface will be disturbed when the surrounding coal is mined, but the BLM coal will be left behind and will never be feasible for mining again. It is an opportunity that is lost forever and the local, state and federal governments all lose that revenue.”

He delivered his testimony during a public listening session in Billings, Mont., being held by the Department of Interior’s Bureau of Land Management Federal Coal Program. The discussions are being held to seek input from the public about how the BLM can best carry out its responsibility to ensure that taxpayers receive a fair return on the coal resources managed by the federal government on their behalf.

Christmann went on to add that other BLM coal tracts in North Dakota are also under consideration for bypassing because of the same difficulties with acquiring the lease. “The rate of return, if the coal is not mined, is zero and that is not fair to American taxpayers and it is becoming a serious problem in North Dakota,” said Christmann.

The BLM currently manages 310 active coal leases covering about 475,000 acres in 10 states. Roughly 40 percent of the coal produced in the United States comes from federal coal resources. In North Dakota, of the 134,350 acres currently permitted for coal mining, about 17,750 acres contain federal coal where the surface interests are privately owned. However, approximately 25 percent of this federal coal is not leased for mining at this time.

The information gathered at the listening sessions will be used during discussions about reforms to the federal coal program, including potentially raising the royalty rate applied. The BLM has already held one session in Washington, D.C., in late July. There will be three additional sessions held in Gillette, Wyoming; Denver, Colorado; and Farmington, New Mexico. They are also accepting written comments until Sept. 17.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, grain elevators, auctioneers, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or www.psc.nd.gov.

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