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Contact:

Bob LeResche, (907) 723-2506

Mark Fix, (406) 421-5460

Dan Cohn, WORC Regional Organizer, report author, dcohn@worc.org, (406) 252-9672

Angel Amaya, WORC Communications Director, aamaya@worc.org, (361) 779-2572

PRESS RELEASE

States face massive coal mine cleanup as closures loom, says new report

More than 234 square miles remain unreclaimed in the West after five decades of mining

(Billings, MT) -- More than a third of all land mined for coal in the Western United States awaits cleanup after a half-century of intensive strip-mining, but a weakening coal industry may be incapable of cleaning it up says a report released today by the Western Organization of Resource Councils. The report, "[*Planning for Coal's Decline*](#)," provides updated data on coal mine reclamation in the Western U.S. and recommends policies to help ensure coal mine cleanup before and after mine closure.

The picture that emerges is a future where coal regulators rely on funds from reclamation bonds to pay for and manage mine cleanup of a vast area, the report states. This risk is highest in Wyoming, North Dakota, and Montana because these states account for the vast majority of unreclaimed Western coal mine land after decades of strip-mining. Additionally, Wyoming and North Dakota continue to accept some self-bonds, an insecure and unreliable form of financial guarantee that provide no funds to pay for successful reclamation. More than \$600 million of reclamation liabilities were covered only by self-bonds as of June 2019.

"Western coal-producing states face a looming dilemma, and the costs could be huge," said **Bob LeResche**, an editor of the report and Board Member of Powder River Basin Resource Council and the Western Organization of Resource Councils. "Today's coal industry is undercapitalized and at great financial risk from declining coal demand, and it is dangerously undiversified. But coal companies are responsible for cleanup of over 230 square miles of Western land and counting. Regulators in state and federal agencies must ensure the public is not stuck with paying for cleanup by forcing today's coal companies to reclaim every acre possible as soon as possible and provide reclamation bonds that are guaranteed to be available when they are needed most."

Federal law requires coal companies to "contemporaneously" reclaim land mined for coal as mining progresses. As a precaution, the law also requires that mining companies provide funds

or guarantees to pay for cleanup, usually through reclamation bonds. WORC's report describes significant and growing acreages of unreclaimed land at coal mines and weaknesses in state and federal policies that have allowed reclamation to be delayed. It also discusses the inadequacies of some forms of reclamation bonding, including self-bonds.

"Timely coal mine reclamation is a win-win for Western communities: it re-opens land for livestock and recreation, it creates good job opportunities, and it minimizes the huge risks to the public if a coal company goes broke," said **Mark Fix**, rancher near Miles City, Mont., and irrigator from the Tongue River downstream of Montana's largest coal mine.

Coming mine closures are foreshadowed by several years of high profile coal company bankruptcies, including the July 2019 closure of the Eagle Butte and Belle Ayr mines in Wyoming when Blackjewel LLC filed bankruptcy. These closures -- the first since large-scale mining in the Powder River Basin began in the early 1970s -- are a sign of what's in store for Western coal country, according to the report. Other [reports](#) show that more than 50 U.S. coal companies have filed bankruptcy in the last decade, and a vast proportion of domestic coal comes from mines that have gone through bankruptcy in the past five years.

The report recommends several actions to minimize the risks of underfunded and state-run mine cleanup:

- State and federal policymakers should require detailed closure plans for mines and transparent disclosure of timing of mine closures and the financial resources available to pay for post-closure reclamation.
- Federal and state regulators should press mining companies to reduce active mining areas and long-term facilities as much as possible and as early as possible prior to mine closure.
- Regulators should eliminate self-bonding at both state and federal levels.

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Planning for Coal's Decline is available on WORC's website at <http://bit.ly/planning-for-coals-decline>

Bob LeResche is a former Commissioner of Natural Resources for Alaska and Executive Director of the Alaska Energy Authority. He is a Board Member of the Powder River Basin Resource Council and the Western Organization of Resource Councils. With his wife Carol, he operates a ranch and organic heirloom vegetable farm near Clearmont, Wyoming.

Mark Fix is a rancher near Miles City, Mont. He irrigates land from the Tongue River downstream of Montana's largest coal mine. He is Past Chair of Northern Plains Resource Council and a member of Powder River Basin Resource Council.

The Western Organization of Resource Councils (WORC) is a network of grassroots organizations, including Powder River Basin Resource Council and Northern Plains Resource Council, that span seven

of the Western states with more than 18,132 members. Headquartered in Billings, Montana, WORC also has offices in Colorado and Washington, D.C.

The Powder River Basin Resource Council, founded in 1973, is a family agriculture and conservation organization in Wyoming. Resource Council members are family farmers and ranchers and concerned citizens who are committed to conservation of our unique land, mineral, water, and clean air resources.

Northern Plains is a grassroots conservation and family agriculture group that organizes Montanans to protect our water quality, family farms and ranches, and unique quality of life.