## U.S. HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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## Obama Admin Skips Hearing to Explain Unprecedented Action Against Coal Mining that Costs Jobs, American Energy Production

Witnesses in Attendance Explain Devastating \$220 Billion Economic Consequence of Obama EPA's Actions to Retroactively Revoke Coal Permit

**WASHINGTON D.C.** – The Subcommittee on Energy and Mineral Resources today held an oversight hearing on the "Obama Administration's Actions Against the Spruce Coal Mine: Canceled Permits, Lawsuits and Lost Jobs." The hearing focused on the Obama Administration's Environmental Protection Agency's unprecedented move to revoke a previously issued coal permit that would create hundreds of jobs in Appalachia. A Federal Court recently ruled that the EPA "exceeded its authority" under the Clean Water Act to revoke the already issued Spruce Mine No. 1 coal permit and that such an action required "magical thinking." The permit was declared "valid and in full force" but the Obama Administration is challenging the ruling, again trying to destroy coal mining jobs. While officials from the Obama Administration were invited to testify, none of them chose to accept the invitation and explain their actions to exceed their authority and destroy American jobs.

"There is no question that over the course of President Obama's term in office, he and his Administration have taken aim at shutting down coal production and coal fired electricity plants across the country. These direct attacks on America's hardworking coal families have threatened tens of thousands of jobs and promise to increase the cost of energy for millions of Americans at a time when they can least afford it," said Natural Resources Committee Chairman Doc Hastings. "The Spruce Coal Mine in Logan County West Virginia is a great opportunity for coal mining families who are desperate for job creation. It's also an opportunity for more American energy production that will help support other American industries, small businesses, family farms and jobs creators through affordable energy. Unfortunately, the Obama Administration has tried at every turn to take this opportunity away from these hardworking American families."

"This is the story of how one agency - the Obama Administration's Environmental Protection Agency - can attempt to singlehandedly decide to retroactively pull permits, destroy jobs, and cripple our economy without consequence. At the heart of this issue is the lack of confidence in permitting by the federal government. If without cause an agency can retroactively veto issued permits, then how can any company, contractor or concessionaire have confidence to invest in America when their permit is not worth the paper it is written on," <a href="mailto:said Energy and Minerals Subcommittee Chairman Doug Lamborn.">said Energy and Minerals Subcommittee Chairman Doug Lamborn.</a> "Fortunately, U.S. District Judge Amy Jackson found that the EPAs actions in this matter were essentially a stunning power grab not justified by the statute. And yet, even with such a staunch rejection by the courts, the Obama Administration is committed to their "war on coal" by appealing this clear decision.

Americans should be deeply concerned with this trend and the Administration's ongoing effort to retroactively pull permits, destroy jobs and our economy."

Witnesses testified to the Committee about the need for certainty in federal permitting and the importance of American coal production to job creation and economic growth.

West Virginia State Senator Art Kirkendoll (D-Logan), who represents the area where the EPA revoked the Spruce Mine permit testified about the EPA's abuse of executive power, "Not only has the EPA's actions shattered that essential relationship between the people and their government, but in their politically motivated zeal to invalidate an existing, legal permit, the agency trampled on the relationship of the states to their federal government..." Senator Kirkendoll continued, "By disregarding 13 years of environmental analysis that went into the Spruce mine permit with the stroke of its veto pen, EPA has essentially chilled the permitting process not only for mining operations but and development..." Finally, Senator Kirkendoll appealed to the Committee, "Please don't turn your backs on the proud, hard-working, devoted West Virginia coal miner and outsource their jobs as we have so many others... I never thought that in 2012, as State Senator, I would spend 80 percent of my time focusing on the uncertainty of whether people know on Monday if they have a job next week. That's not America."

Karen Harbert, President and CEO of the Institute for 21st Century Energy (Institute), an affiliate of the U.S. Chamber of Commerce, spoke about the long-term economic impact of the EPA being allowed to revoke lawfully issued permits, "I cannot over estimate the potential impact if EPA's unlawful action remains...the Corps estimates that approximately \$220 billion in annual investment is contingent on section 404 permits. The Brattle Group in their economic analysis estimates that every billion dollars of construction spending generates 16,000 to 18,000 jobs." Ms. Harbert expressed concern over the EPA's decision to appeal the Court's conclusion, "It is troubling that the EPA intends to devote even more resources further defending an indefensible policy that is so transparently bad for the economy and so inconsistent with the principles of rule of law and regulatory consistency." Ms. Harbert concluded, "America's private sector needs the type of clarity to make investment decisions that EPA's retroactive veto of the Spruce Mine just undercut. Effective and consistent environmentally regulatory management is good for business and good for the environment."

Ross Eisenberg, Vice President of Energy and Resources Policy at the National Association of Manufactures (NAM), spoke about the importance of American coal production to the national economy, "Coal is one of the nation's most abundant energy resources and a vital part of our efforts to meet our energy and transportation needs. Coal generates a significant percentage of our nation's electricity, and maintaining coal in a diverse national energy portfolio is in the national economic interest." Mr. Eisenberg told the Committee that EPA's actions threaten those economic benefits, "In order to drive our nation's economic recovery, manufacturers need predictability from the regulatory process. Lack of predictability is precisely the problem with the Spruce Mine case and is the main reason the NAM and so many other organizations found it necessary to enter the litigation against the EPA."

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