

FOR IMMEDIATE RELEASE Friday, November 18, 2011 <u>PERMALINK</u> CONTACT: <u>Spencer Pederson</u>, <u>Crystal Feldman</u>, or <u>Jill Strait</u> 202-226-9019

Subcommittee Hears Testimony from Subcontractors Who Worked on Obama Admin Job Destroying Coal Regulations

WASHINGTON, D.C. – Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held a hearing on <u>H.R. 3409</u>, the Coal Miner Employment and Domestic Energy Infrastructure Protection Act, introduced by Rep. Bill Johnson (OH-06), to prevent the Obama Administration from enacting job-killing coal mining regulations. The bill prohibits the Secretary of the Interior from approving any new rules or regulations that could adversely impact employment in coal mines, cause a reduction in federal, state or tribal revenue from coal mining, or diminish the ability for America to produce coal.

At the hearing, the Subcommittee heard from <u>Steven Gardner</u>, President and CEO of ECSI, LLC and <u>Joe Zaluski</u>, Executive VP of ECSI who testified <u>about communications between the</u> <u>Obama Administration's Office of Surface Mining Reclamation and Enforcement (OSM) and</u> the contractor and subcontractors regarding the economic impact of their proposed coal regulations.

ECSI was subcontracted by Polu Kai Services (the primary contractor), to fill the role as mining experts for OSM's Environmental Impact Statement of the proposed Stream Buffer Zone Rule. According to that economic analysis, included in the draft EIS, the Obama Administration's proposed Stream Buffer Zone Rule will cost 7,000 coal mining jobs and place an additional 29,000 people below the poverty level.

"Today some very troubling information has come to light and makes my legislation all the more imperative. I hope the Obama Administration will answer questions as to how political appointees were overriding the judgment of career OSM employees," **said Rep. Johnson**. "It is necessary for at least Director Pizarchik if not Secretary Salazar to come back to this committee to testify on these new developments. I will not rest until we have all the answers and until my legislation becomes law because thousands of jobs in my district are at risk."

Excerpts of Gardner testimony:

"OSM 'suggested' that the PKS team revisit the production impacts and associated job loss numbers, and with different assumptions that would change the final outcome to show less of an impact"

"The team was also very concerned with the <u>specific instruction from OSM to make the</u> <u>assumption that the 2008 Stream Buffer Zone Rule (SBZ) was in effect and being enforced</u> across the U.S., which was not true."

"...assume[ing] that the 2008 SBZ was in effect...<u>would show less production, and therefore less job loss impact."</u>

"The PKS team <u>unanimously refused to use a 'fabricated' baseline scenario to soften the</u> <u>production loss numbers."</u>

Excerpts of Zaluski testimony:

"Train wreck of an attempt at an EIS was caused by <u>OSM's constant change in direction,</u> instructions, assumptions and restrictions."

"The schedule for accomplishing this task [EIS] was absurdly short..."

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