November 2, 2015

The Honorable Sally Jewell
Secretary
Department of the Interior
1849 C Street, NW
Washington, DC 20240

Dear Secretary Jewell:

We write to urge you to take further steps in the "honest and open conversation about modernizing the federal coal program" that you initiated earlier this year. As the negative impacts of climate change grow year by year, the world is on track to surpass our own government's commitment to keep the average temperature rise under 2 degrees Celsius. While the Administration is demonstrating essential leadership on the global stage to encourage other countries to reduce greenhouse gas emissions, there is still more to be done at home.

We commend you for holding a nationwide series of public listening sessions this past summer to gather feedback to inform the advanced notice of proposed rulemaking you issued in May. As the Department of the Interior (the Department) reviews the comments received during those listening sessions, we also look forward to the final Office of Natural Resources Revenue (ONRR) rule to reform royalty valuations for coal, oil, and natural gas. Eliminating loopholes and the perception of loopholes in the use of non-arm's-length sales of coal in particular should be a critical goal. Yet the final ONRR rule should only be one step among several to eliminate the taxpayer subsidies that coal companies currently enjoy.

In that spirit, we request an update on the status of implementation of the recommendations of the Department's Office of Inspector General in its June 2013 report on the Department's coal program and the recommendations of the Government Accountability Office in its December 2013 report on coal leasing. The Bureau of Land Management has made some important changes, in particular the revision last year of the Coal Evaluation Manual and Handbook, to ensure that taxpayers are receiving a fair return on the full market value of federal coal.

With federal lands consistently providing 40 percent of U.S. coal production, the federal government plays the most important role of any single landowner in determining the shape of U.S. coal markets. We are concerned that the Administration does not yet have a plan to address its obligation to ensure not just a fair return based on current market prices but also its obligation to mitigate the negative impacts of federal coal. Until the market price for coal reflects its true cost to society, taxpayers will continue to bear the costs of more extreme weather, collapsed ecosystems, stranded infrastructure, increased incidences of heart and lung disease, and other effects of climate change.

One recent estimate concluded that federal coal is responsible for 14 percent of all energy-related U.S. carbon pollution. According to the Administration's best guess, every time a ton of coal leaves federal ground, the final social costs boomerang back orders of magnitude higher than the revenue received. The Clean Power Plan, within the limits of the Clean Air Act, will indirectly chip away at this disparity, but there remains significant progress to make.

We plan to continue to work legislatively to strengthen your existing authority and require carbon reductions. But in the meantime, we encourage you to exercise the discretion Congress has already granted you in the Mineral Leasing Act (MLA) and the Federal Land Policy and Management Act (FLPMA) to address the impact of federal coal on climate change. Congress gave you the authority in the MLA to consider environmental impacts, determine the public interest, and set appropriate lease terms and conditions. Likewise, FLPMA grants you authority to manage federal land in order to protect the environment, fish and wildlife habitat, and opportunities for outdoor recreation and to avoid permanently impairing the productivity of the land or quality of the environment. FLPMA's multiple use focus explicitly requires taking into account the long-term needs of future generations and denies the necessity of managing for the greatest economic return.

Finally, as the United States prepares for the upcoming Paris session of the Conference of the Parties to the 1992 United Nations Framework Convention on Climate Change, the Department has a timely opportunity to take further steps to reform its coal program. The United States should seize the opportunity to strengthen its ability to meet its Intended Nationally Determined Contribution by committing to reduce carbon emissions from publicly owned coal managed by the Department.

Thank you for your consideration.

Sincerely,

Edward J. Markey

[illegible]

Elizabeth Warren

Patty Murray

Jeffrey A. Merkley

Al Franken