OFFICE OF THE GOVERNOR STATE OF MONTANA

GREG GIANFORTE GOVERNOR



KRISTEN JURAS LT. GOVERNOR

August 7, 2025

Sonya Germann State Director Bureau of Land Management – Montana State Office 5001 Southgate Drive Billings, MT 59101

Dear Ms. Germann,

I write today to urge the Bureau of Land Management to maximize the availability of federal coal in the Miles City Field Office (MCFO) region. I urge you to give the attached comments from the Montana Department of Environmental Quality (DEQ) and the Montana Department of Natural Resources and Conservation (DNRC) full consideration as I fully support and endorse the comments from both agencies.

Montana possesses vast coal reserves that are critical, not only to our state's economic prosperity, but also to the nation's energy security. Coal remains an important source of reliable and dispatchable energy, essential for maintaining grid stability and meeting the demands of our growing industrial base as well as new and emerging technologies, such as artificial intelligence (AI). If the United States is going to win the global race for AI dominance, we will need the reliable, baseload energy provided by Montana coal.

Beyond energy reliability, federal coal development in the MCFO region directly impacts funding for Montana's schools and other public institutions. Federal and state coal are often located adjacent to one another, such that they cannot be developed unless the adjacent parcels are also developed. Thus, when federal coal is taken off the table, nearby state coal resources are left stranded and inaccessible for development. Under the Biden Administration, BLM's proposal would have rendered Montana's coal resources useless, depriving Montana schools and other institutions of a critical funding source. Montana's schools and public institutions need a good partner in BLM, and it is imperative that the agency embrace the opportunity to maximize the development opportunities for coal resources in Montana.

President Donald J. Trump and his Administration have taken great steps to supercharge America's coal industry after years of attacks. In April of this year, I joined President Trump in the White House when he signed an executive order titled, "Reinvigorating America's Beautiful Clean Coal Industry and Amending Executive Order 14241." The executive order recognized the critical importance of coal resources to the nation's economic vitality and directed federal

Ms. Germann August 6, 2025 Page 2

agencies to lift barriers to coal development and prioritize leasing on federal lands. BLM should help fulfill this presidential directive by maximizing the availability of federal coal throughout the MCFO region.

I urge BLM to work closely with DEQ and DNRC to ensure that any proposed Resource Management Plan Amendment is fully compliant with state and federal law, and I look forward to this new partnership with the BLM in fully utilizing Montana's vital coal resources.

Thank you for the opportunity to offer these comments. Serving as Montana's governor is the honor of my life. Should you need anything additional from my office, please do not hesitate to reach out. My door is always open.

Sincerely,

Greg Gianforte

Governor

cc: Bill Groffy, Acting Director and Principal Deputy Director, Bureau of Land Management

THE MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

GOVERNOR GREG GIANFORTE



DNRC DIRECTOR AMANDA KASTER

August 7, 2025

Miles City Field Office c/o Irma Nansel 111 Garryowen Road Miles City, MT 59301

RE: <u>DNRC Minerals Management Bureau Comments on BLM's Intent to Amend the RMP for the Miles City Field Office and Prepare an Associated EA.</u>

Dear Miles City Field Office:

Thank you for the opportunity to comment on the Bureau of Land Management's (BLM) Intent to Amend the Resource Management Plan for the Miles City Field Office, Montana, and Prepare an Associated Environmental Assessment. The Montana Department of Natural Resources and Conservation (DNRC) staff have reviewed the notice and offer the following comment. DNRC finds both Option 1 and Option 2 as identified in the "preliminary alternatives" to be problematic.

To begin, the State of Montana has a constitutional mandate to maximize the value from State trust lands for the benefit of Montana schools and other public institutions. DNRC is responsible for ensuring that the State fulfills this constitutional mandate through the management of State trust lands. The State coal tracts within the Miles City Field Office (MCFO) area account for an estimated 95 percent of the State's mineable coal reserves. Therefore, any limitation to coal leasing in the MCFO will have a direct impact to the funding of public education and other public institutions in Montana, that will be felt by students, parents, and teachers. Impacts to State trust lands must be taken into account as BLM considers amendments to the RMP out of respect to our state constitution.

Option 1 would keep in place the existing 2024 Approved Resource Management Plan (RMP)/Record of Decision. Of the total 11.9 million acres of subsurface federal coal mineral estate existing in the Miles City Field Office, the 2024 RMP/Supplemental Environmental Impact Statement (SEIS) greatly restricts coal development through all of the alternatives listed. Further, Option 1 would remove more than 338 million tons of federal coal in Montana from leasing consideration and would isolate 100 percent of Montana's State trust land coal reserves, equating



to 1.54 billion tons. That amounts to a loss of \$4.32 billion in future revenue to State trust land beneficiaries, which include K-12 public education in Montana.

- Alternative A restricts the acres of acceptable coal for further consideration down from 11.9 million total coal estate acres to just 1.21 million acres – thus only allowing 10.2 percent of the total available coal estate for potential leasing;
- Alternative B restricts the acres of acceptable coal for further consideration down from 11.9 million total coal estate acres to 69,310 acres – which is only 0.58 percent of the total available coal estate for potential leasing;
- Alternative C restricts the acres of acceptable coal for further consideration down from 11.9 million total coal estate acres to 810 acres – which is only 0.007 percent of the total available coal estate for potential leasing; and
- Alternative D restricts the acres of acceptable coal for further consideration down from 11.9 million total coal estate acres to 0 acres, shutting down coal leasing and development completely.

Through the various coal screens identified, BLM has removed the ability of coal companies to utilize their discretion and expertise to best decide which areas are best suitable for coal exploration and leasing. Further, the sterilization of 90 to 100 percent of federal coal estate also effectively sterilizes the surrounding state and private coal within the MCFO.

DNRC suggests eliminating many of the coal screens, which prohibit leasing on 90 to 100 percent of the federal coal estate and effectively prohibit mining on the surrounding state and private coal estate throughout the MCFO. The removal of these screens would allow coal companies with the knowledge and expertise to evaluate and explore all of the mineable coal reserves throughout the MCFO to decide for themselves which coal is economically viable to mine, while mitigating potentially impacted resources.

DNRC suggests BLM consider eliminating the following coal screens from their coal leasing criteria. These coal screens were included in the 2024 RMP/SEIS.

- Screen 1 Coal Development Potential: <u>Removes 10,154,960 acres</u> from coal leasing consideration, much of which has mineable coal reserves;
- Screen 2, Criterion 9 Federally Designated Critical Habitat for Threatened and Endangered Species: <u>Removes 124,480 acres</u> from leasing consideration, much of which may be mitigated;
- Screen 2, Criterion 14 Migratory Birds of High Federal Interest: Removes 118,500 acres from leasing consideration, much of which may be mitigated;



- Screen 2, Criterion 15 Habitat for Species of High Interest to the State (grouse, plants, big game winter range): <u>Removes 1,169,960 acres</u> from leasing consideration, most of which may be mitigated;
- Screen 2, Criterion 19 Alluvial Valley Floor: Removes 175,050 acres from lease consideration, which may be mitigable;
- Screen 3, Cultural Viewshed: Removes 99,050 acres from lease consideration;
- Screen 3, Air Resources Alternative B: <u>Removes 1,663,530 acres</u> from leasing consideration:
- Screen 3, Air Resources Alternative C: <u>Removes 1,744,240 acres</u> from leasing consideration; and
- Screen 3, Air Resource Alternative D: Removes 1,745,040 acres from leasing consideration.

Other coal screens not mentioned above may also be eliminated if underground coal mining or additional mitigations were to be considered. Elimination of the coal screens does not eliminate the regulatory requirements that must be adhered to during the permitting process.

Option 2 would return to the 2021 approved RMP/Record of Decision. This option is also problematic for DNRC as it restricts coal development from 11.9-million-acres total down to 1.2 million acres, which represents a substantial limitation on coal production in the region.

The efforts BLM is undertaking is of significant importance to the State of Montana. It is critical that BLM directly work with the State to ensure any option chosen does not adversely impact the state's subsurface rights. Thank you again for the opportunity to provide comments to the Miles City Field Office. If you have any questions, please do not hesitate to reach out.

Sincerely,

Erin Weisgerber, Deputy Director

Montana Department of Natural Resources and Conservation





August 7, 2025

Miles City Field Office c/o Irma Nansel 111 Garryowen Road Miles City, MT 59301

Uploaded via: https://eplanning.blm.gov/eplanning-ui/project/2039051/510

Re: Comments on "Intent to Amend the Resource Management Plan for the Miles City Field Office, Montana, and Prepare an Associated Environmental Assessment"

Dear Miles City Field Office:

Thank you for the opportunity to comment on the Intent to Amend the Resource Management Plan for the Miles City Field Office, Montana, and Prepare an Associated Environmental Assessment. Montana Department of Environmental Quality (DEQ) staff have reviewed the corresponding notice and offer the following comment. DEQ urges the Bureau of Land Management (BLM) to work with Montana directly on an alternative that ensures the future operation of coal mines and provides for an affordable and reliable supply of energy to meet Montana's needs.

DEQ houses the State's Energy Office in its Air, Energy and Mining Division (AEMD). Montana energy providers rely on a diverse portfolio of energy sources to maintain a supply of affordable, reliable energy for Montana consumers, including hydropower, wind, natural gas, and coal-fired generation. Please see "Understanding Energy in Montana—2023". If the federal government prohibits new coal leases, the potential impacts to the future operation of coal mines will be significant. Coal-fired generation remains an important component of Montana's electricity supply mix. As such, DEQ believes a preferred alternative must recognize the need for a reliable supply of coal to meet Montana's energy needs. That means the continued operation of coal mines.

DEQ, through its Mining Bureau of the AEMD, is also responsible for implementing the Montana Strip and Underground Mine Reclamation Act (MSUMRA). This act was adopted to provide adequate remedies for the protection of the environmental life support system from degradation and to prevent the unreasonable depletion and degradation of natural resources. DEQ faithfully implements its coal mining program to meet the intent of this act. Additionally, DEQ is the lead agency to implement the Clean Air Act in Montana. Through our Air Quality Bureau of AEMD, our agency implements Montana's Air Quality Program through the federally

https://archive.legmt.gov/content/Publications/fiscal/2025-Biennium/Special-Topics/Energy/Understanding-Energy-in-Montana-2023.pdf

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approved State Implementation Plan (SIP). With this program, DEQ ensures that the emissions from mining, as well as those emissions from sources downstream, are appropriately regulated. As such, DEQ is well positioned to implement an option that allows for the development of mineable coal reserves in Montana, while providing environmental oversight and protection.

Thank you again for the opportunity to provide comments to the Miles City Field Office. DEQ appreciates your thoughtful consideration of its comments and recommendations. DEQ also appreciates your consideration of the impacts of rulemaking decisions on Montana and its regulatory programs. If you have any questions, please contact me.

Sincerely,

Sonja Nowakowski

Sonja Nowakowski

Director

Montana DEQ