Guest Commentary: Coal companies must pay their fair share

A train loaded with coal heads east out of the Moffat Tunnel west of Rollinsville. Coal companies are continuing to underpay on their royalties from the federal coal mining program, depriving states and the American taxpayer upward of $1 billion a year, writes Stu Fraser. (Daily Camera file,
Ski towns across the country are feeling the heat. Rising global temperatures and shorter, milder winters have impacted mountain communities on both an environmental and economic level. Decreased snowpack, increasingly severe wildfires and flood risks, intensified by climate change, have the potential to devastate these regions and their economies.

To prepare for the future, Telluride has developed a comprehensive Climate Action Plan (CAP) to mitigate the effects of climate change on our outdoor recreation economy. The plan includes meeting emission goals as well as implementing adaptation strategies that will ensure the future success of our tourism and outdoor recreation industry which is so integral to our nation's economy, supporting 6.1 million American jobs and generating over $600 billion in consumer spending each year. These promising strategies will pay off in the long run, but the immediate costs are steep — and we should not be the only ones shouldering the financial burden.

As the costs of adapting to a changing climate are rising, coal companies are continuing to underpay on their royalties from the federal coal mining program, depriving states and the American taxpayer upward of $1 billion a year, which could be put to use for essential projects like rebuilding our infrastructure and improving our schools. These funds could also be used to provide additional options for renewable energy.

These companies are exploiting a loophole in the U.S. Department of the Interior's rules that allow them to sell coal to their own subsidiary companies at below-market prices, thereby avoiding royalty payments owed to U.S. taxpayers and to Western states.
Luckily, our public officials have finally begun to take steps to put an end to these companies’ questionable dealings. Late last month, Secretary of the Interior Sally Jewell acknowledged it’s time for “an honest and open conversation about modernizing the federal coal program” and that her department is actively looking into permanent fixes. Telluride recently joined with nearly a dozen other mountain towns in publicly supporting reforms which would close loopholes in the federal leasing rules and ensure federally mined coal results in a fair return to taxpayers.

In a letter to Jewell, my peers and I expressed support for reforming the federal coal leasing program so that as the 250,000 permanent residents and 40 million annual visitors to these towns have to pay more to adapt to a changing climate, coal companies can no longer take advantage of loopholes and pay less.

This much needed stream of revenue will help states and communities address challenges and disasters that threaten mountain regions, giving communities the time and resources to adapt to a warmer climate, and help us remain resilient.

Telluride, like many other ski towns, is already doing its part to adapt to climate change and environmental threats, and shouldering the financial burden associated with these increasingly challenging efforts. I believe it is time for all of us to begin working together to clean up our environment and to make sure that there is an even playing field when it comes to paying for our energy needs.

*Stu Fraser has been mayor of Telluride since 2007.*

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