Coal 'Loopholes' Cost Western Taxpayers $30 Billion, Mountain Towns Say

BY COLORADO PUBLIC RADIO STAFF  MAY 10, 2015

The Craig Station is a coal power plant run by Tri-State Generation and Transmission. (Courtesy Flickr user Jimmy Thomas/Creative Commons)

Nine Colorado mountain towns, including Telluride, Aspen and Crested Butte, have signed a letter in support of new rules proposed by the Department of Interior to change how much money the government gets from the extraction of coal on federal lands.

The Mountain Pact letter, addressed to Interior Secretary Sally Jewell, says that over the last 30 years, the government has undervalued coal across the country, costing taxpayers as much as $30 billion.

"By eliminating subsidies and requiring coal companies to pay royalties on the true market price of coal, rather than on the hidden price at which it is sold to a middleman or a subsidiary, the government will collect a fair return," the letter asserts.

The Colorado towns, along with Park City, Utah, and Taos, New Mexico, say they "represent approximately 250,000 permanent residents and forty million annual visitors each year."

The government issued preliminary rules in February seeking to re-frame how federal land managers determine the value of coal lease bids and other practices. Industry groups say they're facing a changing regulatory landscape that's already adding on to operational costs.

Coal  Aspen  telluride  Crested Butte

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