

Cloud Peak Energy Input on Regulatory Reforms for Coal Industry

IMPACT	Law/Rule	Impact	Status	Comment
Indirect				
	Clean Power Plan NSPS – CO2	Power plants shut down/new plants not constructed	CO2 Final rules have been published, these set CO2 emission standards for new and existing power plants. For existing plants - Supreme Court has granted emergency stay which will remain in effect until the case reaches the Supreme Court. For new power plants – this standard is set to be heard in <i>State of North Dakota v. Environmental Protection Agency</i> , No. 15-1381 (D.C. Cir.). Oppose CPP (litigant). Seek NSR Reform	The D.C. Circuit on Aug. 30, 2016 issued an order setting an amended briefing schedule. Oral argument scheduled for April 7, 2017.
	Federal Reserve Environmental Risk Rule	Decreased liquidity in commodities markets	Proposed rule: “Regulations Q and Y; Risk-Based Capital and Other Regulatory Requirements for Activities of Financial Holding Companies Related to Physical Commodities and Risk-Based Capital Requirements for Merchant Banking Investments” Oppose Rule: NMA Comments Attached	Requires banks to put up billions of dollars in extra capital for investments such as coal to protect against purported legal, reputational and financial risks posed by an environmental accident
	Regional Haze Rule and FIPs for States	Used to pursue early closure of coal power plants	The expansion of the Regional Haze Rules under the Obama administration has gone far beyond protection of visibility and air quality, as do FIPs imposed on states. These rules need review.	EPA FIPs need to be curtailed and findings imposing FIPs rescinded.
Direct				
	Ozone Standards	Significant increase in non-attainment areas	EPA published a final rule on Oct. 26, 2015 that reduced the ozone NAAQS from 75 to 70 ppb. challenge to the final rule in the D.C. Circuit. <i>Murray Energy v. Environmental Protection Agency</i> , No. 15-1385 (D.C. Cir.). Oppose Rule – want rescinded	Other industry and state petitioners have filed challenges as have several environmental groups
	MSHA Overreach	Bloated bureaucracy with shrinking industry leads to over-zealous agency	MSHA requires a substantial right-sizing to match budget and staffing to a smaller industry. Support Budget and Staffing Reform	In looking for agency/budget cuts for defense and infrastructure spending, MSHA should be in the cross-hairs.
	OSMRE NOx Blasting Regs	Huge cost increases and	While OSMRE announced it would explore rule-making 80 Fed. Reg. 9,256 (Feb. 20, 2015), it does	

Cloud Peak Energy Input on Regulatory Reforms for Coal Industry

		diminished efficiency	not appear to have completed new regs. Oppose new regs on blasting.	
	OSM NEPA Reviews	+ 2 yr delay in permit approvals, additional NGO exposure	Supplementary NEPA reviews have become standard practice to obtain mine plan approvals. Pursue OSM Reform on NEPA	Not a result of rule-making, de facto result of WEG litigation. OSM must fully engage in the BLM federal coal leasing NEPA process at the front end of mine development as opposed to adding an additional NEPA process at the end that unnecessarily adds time and uncertainty to the process.