



Coal Market Report

Risks to US coal mining and export proposals

July 2015

This Coal Market Update summarizes general developments in the last financial quarter that raise the risk of investing in the US coal industry. All prices are in USD unless otherwise noted. The information in the report is not financial advice, investment advice, trading advice or any other advice.

Greenpeace, Sierra Club, Climate Solutions, Earthjustice, and Dogwood Initiative contributed to this report.

Summary:

The US coal industry is facing structural decline and companies pursuing coal export proposals in the Pacific Northwest (PNW) are particularly at risk. This update highlights execution risks for PNW export projects, global coal market conditions, and additional policy changes that may impact future coal infrastructure projects.

Companies mentioned include:

Arch Coal, Inc.

Alpha Natural Resources, Inc.

Bowie Resource Partners LP

Cloud Peak Energy, Inc.

Consol Energy

Lighthouse Resources, Inc. (formerly Ambre Energy North America)

Peabody Energy Corporation

I. EXECUTION RISKS

Regulatory Risks

Fraser Surrey Docks Coal Export Proposal, British Columbia

The coal transfer scheme for Fraser Surrey Docks (FSD) and Texada Island in British Columbia must clear several regulatory hurdles before beginning construction, with permitting processes slated to continue into at least 2016. The project has received just two of five permits needed to move forward: one from the provincial government for the Texada facility and one from the federal port authority for the Surrey facility, which faces two legal challenges. The rest of the permits have not been secured:

- *Liquid waste permit from the regional government, Metro Vancouver:* Given the project's high profile, for the first time Metro Vancouver requested public comments on this type of permit; opposition letters subsequently inundated the government. A final permit decision is expected sometime in 2015. If approved, citizen groups will almost certainly appeal the decision.
- *Air quality permit from Metro Vancouver:* FSD has not applied for this permit, choosing instead to challenge Metro Vancouver's air quality jurisdiction in court. In May 2015 the company asked the court to adjourn its case until 2016, delaying a final permit decision by at least another year.
- *Approval from the provincial government to conduct work in and around a stream:* FSD has not yet applied for approval. The multi-month process would include consultations with government agencies and First Nations once FSD makes its application.

Tongue River Railroad, Montana

The Tongue River Railroad is a proposal by Arch Coal, Inc. and partners to serve a still-unpermitted surface coal mine in southeastern Montana. Proponents must obtain a permit from the Surface Transportation Board (STB) to "Construct and Operate" the proposed railroad, requiring an STB issuance of a "Certificate of Public Convenience and Necessity" and an environmental review under the National Environmental Policy Act of 1970.

First proposed in 1979, the railroad has been permitted twice before but never built. Prior permitted iterations did not attract funding (i.e., 1986 permit) or were halted by litigation (i.e., 1997 permit). The current permit application would serve Arch's proposed Otter Creek mine. The mine has yet to receive any required permits for its operation and, like the proposed railroad, is strongly opposed by local residents.

This spring, the Surface Transportation Board released its Draft Environmental Impact Statement for the railroad. During May public hearings, 92 of the 96 ranchers, farmers, sportsmen, local residents, and Tribal Nations members who testified voiced their opposition to the project and asked the STB to recommend the no-action alternative, a determination that would hamper the permit's issuance. To date, the draft EIS has generated more than 36,000 public comments, and the comment period does not close until August 24.

The STB must incorporate a response to every substantive comment generated during the public comment period, including those gathered at hearings, into a Final Environmental Impact Statement. The agency is under no deadline to produce the final document.

Port of Morrow, Oregon

In 2014, the Oregon Transportation Commission (OTC) denied a \$2 million grant of public funds from the ConnectOregon program designated for a dock that would benefit only Lighthouse Resources' (formerly Ambre Energy North America) proposed coal export terminal. In response, coal interests pressured the governor to remove the OTC chair and secured a second hearing on their funding proposal. Despite this, after reconsidering the request, the OTC voted 3–1 against the grant in March 2015, closing the door to this funding opportunity for Lighthouse Resources.

Millennium Bulk Terminals, Longview, Washington

This summer, the state of Washington passed a \$16 billion transportation package that included \$85 million in funding for the SR 432 project, a rail/highway improvement project directly benefitting the proposed Millennium Bulk Terminals coal export facility in Longview. After heavy community opposition, funding for this project will not be available until 2021.

Legal Risks

Fraser Surrey Docks Coal Export Proposal, British Columbia

The Fraser Surrey Docks export proposal faces two significant legal challenges:

- Ecojustice, two local residents and citizen groups Voters Taking Action on Climate Change and Communities and Coal are united in a case seeking to overturn the permit that Port Metro Vancouver issued in 2014. The court recently granted two municipal governments, the Cities of Surrey and New Westminster, intervener status. The case is likely to go to trial this fall.
- The Musqueam First Nation also filed a challenge against Port Metro Vancouver, citing violations of Aboriginal cultural rights and the duty to consult.

Gateway Pacific Terminal, Cherry Point, WA

In the Pacific Northwest, tribal nations have invoked an unusual source of legal authority, treaties, to block massive fossil fuel developments, including coal export projects. While citizens and regulators have battled for years over environmental reviews and compliance with laws such as the Clean Water Act and the Endangered Species Act, the Lummi Indian Nation has invoked a 160-year-old treaty to block the massive Cherry Point coal terminal.

In 1855, Washington Territory Governor Isaac Stevens and a number of Salish Sea tribal leaders signed the Treaty of Point Elliot.¹ In it, the tribes ceded title to a portion of their ancestral lands in exchange for reservations, payments and a commitment that, in perpetuity, they would be able to fish, hunt, and gather at all “usual and accustomed” places.

In January 2015, the Lummi, a signatory tribe to the treaty, formally asked the United States Army Corps of Engineers to deny permits for Gateway Pacific Terminal. Adjacent to the Lummi’s reservation, the coal export terminal would bring hundreds of massive vessels through traditional tribal fishing areas. The only way for the government to honor the treaty is to deny the coal port permit. Federal court precedent declares that where a tribe opposes a project based on its impacts to treaty-reserved fishing, a federal agency cannot authorize anything more than a “*de minimis*” impact, and Gateway Pacific would not be able to meet that standard. The Army Corps has said that they will respond to the Lummi Nation’s request after conducting a thorough review.

Port of Stockton, CA

The Port of Stockton has plans for a rail expansion that would double the amount of rail traffic at the Port and would likely increase the amount of coal being exported. In response, Sierra Club, represented by Earthjustice, filed a California Environmental Quality Act (CEQA) case against the Port of Stockton in June 2015. The legal action argues that the Port justified its expansion using improper CEQA exemptions to evade full environmental review.² The case is expected to greatly delay construction. Bowie Resource Partners exports from the Port of Stockton, and tops off loads at the Levin-Richmond terminal as further described below. This rail expansion lawsuit calls into question Bowie’s ability to expand export capacity at this terminal.

Political Risks

Fraser Surrey Docks Coal Export Proposal, British Columbia

The Fraser Surrey Docks export proposal faces increasing political opposition. A board of local mayors and city councilors govern Metro Vancouver, the regional permitting authority for air quality and wastewater. This board has passed two resolutions in as many years opposing the expansion of coal exports on the Fraser River. Additionally, 13 municipal and regional governments have passed resolutions expressing concern or outright opposition, and the Union of British Columbia Municipalities, which represents all municipal and regional governments in the province, passed a resolution last year calling for a more meaningful, fulsome assessment of the proposal.

As noted above, two city governments have intervened in a court case to challenge Port Metro Vancouver’s permit approval. Federal authority Port Metro Vancouver is the senior permitting agency for the FSD proposal and is accountable only to Canada’s Minister of Transport, who appoints the port’s board of directors based on industry nominations. The port authority has operated under a Conservative federal government that has prioritized fossil fuel exports and gutted environmental laws and regulatory agencies. However, this fall’s elections to determine Canada’s government leadership for the next four years promises to be contentious. A few swing ridings (electoral districts) in two or three provinces, including British Columbia, likely will decide the outcome. If the Conservative Party loses its majority, the composition of Port Metro Vancouver and national climate and energy priorities will change significantly.

Pacific Northwest Tribal Resistance to Fossil Fuel Projects, Cherry Point, WA

The Lummi's aforementioned action against coal exports is not isolated. Throughout the Pacific Northwest, First Nations and Native American tribal nations have become increasingly active against coal and oil projects. The state of Oregon noted that tribal opposition and potential impacts to traditional fisheries played a significant role in the denial of a permit for Lighthouse Resources' (formerly Ambre Energy North America) proposed coal export terminal at the Port of Morrow.³ Earthjustice currently represents four U.S. tribes in an effort to block a massive tar sands pipeline in Canada that would put treaty fishing areas at risk of catastrophic oil spills.⁴ And a small First Nation in British Columbia stunned the world with a unanimous vote to reject more than a billion dollars to allow a liquefied natural gas terminal to be built on their traditional lands.⁵

Oakland Army Base Redevelopment, Oakland, CA

Quiet plans by a developer for a coal terminal at the Oakland Army Base Redevelopment project face significant legal and political hurdles. Hundreds of citizens turned out to protest the coal terminal at the July 21, 2015, Oakland City Council meeting.⁶ At the urging of many community groups and thousands of citizens, the Oakland City Council Rules Committee called for a hearing on the public health and safety issues associated with coal export to be held on September 21, 2015.⁷ The hearing would provide the means for the City Council to regulate under its existing agreement with the developer to ban coal or other fossil fuel commodities from a proposed bulk terminal facility (also known as Oakland Bulk Oversize Terminal or the Oakland Global Trade and Logistics Center) at the Army Base Redevelopment. The proposed coal export facility at the former army base is considered to be on city land but the project is being developed by California Capital Investment Group (CCIG) and its subleasee Terminal Logistics Solutions. Apart from the impending City Council action to potentially ban coal from the project, major project funding is also at risk if the coal export component remains. The Alameda County Transportation Commission will also be considering action in the coming months to ban its public funds from being used for a coal export facility. The Commission is expecting an application for funding for the Oakland Army Base project.⁸ In addition to the significant risks posed by City Council and Alameda County Transportation Commission action, the proposed bulk terminal also lacks an air quality permit at this juncture, another key permit for its development.

Levin-Richmond Terminal, Richmond, CA

Richmond, CA is home to the private Levin-Richmond terminal that ships some coal pursuant to agreements with Bowie Resource Partners LP, who also ships coal from the Port of Stockton. Because the Port of Stockton has constrained ship channel depth, ships must "top off" their loads at the Levin-Richmond terminal.⁹ In its recent S-1 filing, Bowie acknowledged that its contract with the Levin-Richmond terminal expires at the end of this year on December 31, 2015.¹⁰ On May 19, 2015, the Richmond City Council passed two anti-coal export/transport resolutions, including Resolution No. 48-15 that opposes the transport and export of coal through Richmond.¹¹ A local media outlet reported that the port operator, Levin-Richmond Terminal Corp., expressed concern that the resolution would impair its ability to stay in business.¹²

II. MARKET RISKS

Global Markets

According to a new report by Morgan Stanley, 80% of U.S. thermal coal exports are uneconomic in current global spot coal prices. Additionally, Morgan Stanley reports that global demand for seaborne coal is expected to decline through 2015, forcing coal producers to scramble to reduce costs, downscale and/or shut down operations, or continue to operate in unprofitable conditions.¹³

The oversupply of the seaborne coal market persists. China’s demand for coal continues to decline, with the June 2015 coal import data showing the six months to June were down 37.5% year-on-year.¹⁴ Coal demand in China has been reported to be down 8% year-to-May 2015,¹⁵ signaling that China’s coal consumption may have peaked in 2013. Volatility in China’s equity markets have also unnerved Chinese buyers and made them less willing to commit to seaborne cargoes.¹⁶

While Chinese demand has been reduced, Indian buying interests have also been thin. Stocks at Indian power plants have been at record highs in May 2015, which suggest coal imports will remain capped for some time.¹⁷

Financial Risks

Rout in Coal Stocks

Coal companies have been involved in a spectacular collapse since a brief market peak in early 2011 (which coincided with the period when Northwest coal export terminals were first proposed publicly). As summarized by one analyst:

*The rapid decline of the coal industry is becoming an increasingly unpleasant reality for coal investors. Most of the major U.S. coal companies, such as Arch Coal, Alpha Natural Resources, and Peabody Energy have been experiencing an absolute freefall over the past few years. To get an idea of just how serious this decline is, most of the stocks just mentioned have declined hundreds-fold. For instance, Alpha Natural Resources declines by approximately 400-fold from 2008 to the present. One would be hard-pressed to find comparable valuation declines in any other industry.*¹⁸

Another analyst put it, “we are sort of in the throes of a death spiral here.”¹⁹ All this during a record bull market, where broader indexes continue to set new records.

As reported in the Wall Street Journal, “The nation’s three largest publicly listed coal companies—Peabody Energy Corp., Alpha Natural Resources Inc. and Arch Coal Inc.—have seen their cumulative value collapse to below \$1 billion from more than \$25 billion four years ago.”²⁰ Just in the past 6 months, the decline in the market capitalization of the four largest US coal companies has been nothing short of remarkable.

	Market Cap Feb 2015	Market Cap July 20 2015
Arch Coal, Inc.	\$310 m	\$47 m
Alpha Natural Resources	\$300 m	\$33 m (trading suspended on NYSE)
Cloud Peak Energy	\$520 m	\$208 m
Peabody Energy	\$2.2 b	\$314 m

In mid-July, Walter Energy declared bankruptcy and the Wall Street Journal reported that Alpha Energy was likely to begin proceedings for bankruptcy the following month.²¹ These companies join Patriot Coal (for the second time), James River, and more two dozen coal companies that have gone into bankruptcy in the last three years.²² One analyst has predicted that bankruptcy is likely the best option for most US coal companies in the near future:

*"It's actually pretty simple," said Brandon Blossman, managing director for research at Tudor, Pickering, Holt & Company, the energy investment and banking firm. "These guys go through bankruptcy, they clean up their balance sheets and they continue to produce coal."*²³

While US companies may continue operations under Chapter 11, they will be under the intense scrutiny of creditors and bondholders making any capital expenditure difficult.

Skyrocketing Borrowing Costs

While the stock collapse has gotten most of the attention, coal companies face huge challenges servicing their debt and getting new investment capital. During a time of historically low interest rates and when blue chip companies such as Apple have been able to borrow money at as little as 0.3%, coal companies face crippling debt costs. These costs reflect investor concerns about the likelihood of further bankruptcies as well as the huge existing debts resulting from acquisition and capital spending sprees that all of the major companies engaged in during the boom years. In addition to reflecting the extreme risks that the market is pricing into the companies, the soaring costs of borrowing directly affects the likelihood that the port proponents will be able to access capital markets for the approximately billion dollars in cap-ex that they will need if these projects are ever permitted.

Most observers recognize that the industry is overcapitalized, with far more supply than demand.²⁴ This imbalance has led to continued low prices and, combined with the weak balance sheets of the major coal companies, will make project financing very challenging.

Bond investors generally look for stable returns; it raises a major red flag when bond prices drop dramatically. In Q2 of 2015, corporate bonds for the coal sector dropped by 17%, by far the largest decline for any sector. Three of the US' biggest coal companies registered even more spectacular declines for that quarter, with the worst performing bonds on the market:²⁵

- Alpha Natural Resources: -70 percent
- Peabody Energy: -40 percent
- Arch Coal, Inc.: -30 percent

To take one example, Arch Coal has more than \$5.1 billion in long-term debt, compared to a market cap of \$47 million (as of July 20, 2015). Arch Coal's current debt incurred at rates ranging from 7–9.9%.²⁶ Arch Coal recently announced the extension of a tender offer to swap some of its debt at rates ranging from 6.25%, 8%, and 12%.²⁷ By contrast, current average rates for all corporate bonds is 3.39%, for corporate AA bonds 2.5%, and for corporate high yield ("junk") bonds 6.7%. These high rates will make financing of any new project more challenging and more expensive.

Arch's unsecured bonds are currently trading at huge discounts. Their 6/15/2021 bonds, for example, can be purchased at 12.9 cents on the dollar, yielding an effective rate of nearly 70% for the risk tolerant investor. Fitch ratings downgraded Arch earlier this month further into "junk territory."²⁸ Furthermore, the recent spate of bankruptcies is likely to make it even harder for coal companies to access capital markets for major new infrastructure.

Specific Financial Challenges for Owners of Millennium Bulk Terminal, Longview

The dire plight of the major coal companies raises the question of how they expect to finance the hundreds of millions of dollars in capital costs that would be required for the construction of the two remaining large proposals in Washington State. A 2011 study prepared for Gateway Pacific estimated that construction of the terminal would cost \$665 million.²⁹ Millennium Bulk Terminals has used a 2011 estimate of direct construction costs totaling \$643 million, assuming a 2013 start date and the terminal becoming operational in 2015.³⁰ Neither of these estimates account for taxes, inflation, or the potential for hundreds of millions of dollars in additional mitigation costs that may be required based on the results of environmental review and permitting, if these projects are ultimately approved. To take one specific example, Millennium has publicly committed that they, the railroads and other industrial customers would pay for the estimated \$200 million cost of rail improvements to address congestion issues in Longview.³¹ To take another example, the Safe Energy Leadership Alliance, a coalition of elected officials in the Northwest concerned about coal and oil transport, has estimated that as many as 34 crossings in the Puget Sound region may require grade separation due to the cumulative impacts of coal and oil transport, at an estimated cost of \$50–200 million **per crossing**.³² Clearly, it is likely that the published cost estimates for these projects will increase.

This challenge is well illustrated by the Millennium project, which is co-owned by Lighthouse Resources (formerly Ambre Energy North America) and Arch Coal. Arch Coal's co-owner, Lighthouse Resources told its investors as recently as the fall of 2013 that its North American operations were worth \$200–400 m. The combined market cap for these two companies is now optimistically \$65 million. Arch Coal's stock collapsed another 16% on July 20 to 22 cents, with a market cap of \$47 million, after announcing a one-for-ten reverse stock split.³³ The reverse split was mandated by the New York Stock Exchange requirements that all listed companies maintain a value over \$1 per share. Lighthouse Resources is privately owned by a hedge fund, Resource Capital Funds (RCF), restricting access to current information on its financial status. At the time of its sale, Lighthouse was optimistically valued at \$18 million, since it was sold to its largest creditor for that sum, which represented the cost of its other outstanding debts.³⁴ There have been no developments since its sale to RCF that suggest that Lighthouse Resources is appreciating in value and no indications to believe it is faring any better than the rest of the declining industry. This combined net worth is approximately a tenth of the cap-ex that will be needed for the terminal, even without accounting for the needed environmental, traffic, and safety mitigation that would almost certainly be required.

In summary, it is very hard to imagine any circumstances in which the Millennium Bulk Terminal gets financing from private sources, without a dramatic reversal in market conditions.

Company Profile: Consol Energy

Consol- Poor showing on CNXC IPO

After two downgrades to its offering and several days of delay, Consol launched its coal IPO on July 1, and ultimately failed to raise even half of what it hoped for. Originally aiming for 10 million units at \$19–21 each, Consol readjusted and announced it would offer 8 million units at \$15 each, and then readjusted again to offer 5 million units at \$15. In an updated version of its prospectus,³⁵ Consol reported a total public offering price of \$75 million, down from the original target of \$250 million³⁶ and more recent expectations of around \$180–200 million.

In addition, Consol filed a new S-1/A risk disclosure form with the Securities and Exchange Commission (SEC) on June 30,³⁷ which included several significant changes that appear to respond directly to some of the problems Greenpeace identified with Consol's original filing in a letter to the SEC along with a memo from the Institute for Energy Economics and Financial Analysis.³⁸ Specific updates to their filing include using updated data from Wood Mackenzie, new sections titled "Current Weakness in Seaborne Market" and "Modest decline in demand for coal produced in the Northern Appalachian Basin," and other changes such as noting that Northern Appalachian coal production is "expected to gradually decline" instead of its earlier claims that it "is expected to remain stable." SNL reported on the changes to Consol's risk disclosure:³⁹

The registration statement was also updated to revise the outlook on seaborne coal markets. On one page, CNX Coal added that China, a key player in global coal markets, has experienced a decrease in demand for imports. "Demand from China is expected to decrease from 207 million metric tons in 2014 to 176 million metric tons in 2015," the June 30 registration statement adds. "Additionally, there was an increase in availability of supply primarily from Australia."

In a section about U.S. coal production, CNX Coal now uses updated Wood Mackenzie forecasts that drastically cut the predicted room for growth in the coal market. In the earlier filing—before Greenpeace's letter—CNX forecasted thermal coal production growth in the U.S. of 19% from 2013 to 2035, but the updated registration statement slashes that to an increase of just 5%.

III. FEDERAL AND STATE POLICY RISKS

State of Wyoming restricts Alpha Natural Resources self-bonding

On April 26, 2015, Wyoming Department of Environmental Quality (DEQ) notified Alpha Natural Resources, Inc. (ANR) that it no longer qualified for \$411 million in mine site reclamation self-insurance under the state's "self-bonding" program.

In a letter dated May 26, 2015, Wyoming DEQ required the company to provide replacement reclamation bonds within 90 days from the notice.⁴⁰ Permitted types of replacement bonds include "corporate sureties licensed to do business in the State of Wyoming, cash, governmental securities, federally insured certificates of deposit, or irrevocable letters of credit."

In a May 29, 2015 news release, Alpha vowed to "review all options to reverse or rectify" Wyoming DEQ's decision.⁴¹ Alpha filed a formal appeal of the agency's determination on June 26, 2015 in state circuit court.⁴²

In the aftermath of the announcement concerning Alpha's self-bonding status, Cloud Peak Energy and Peabody Energy Corporation each filed disclosures notifying investors of Wyoming DEQ's approval of the company's self-bonding eligibility. The agency's annual review process is laid out in its self-bonding regulations,⁴³ and is distinct from a separate investigation of the national self-bonding program being undertaken by the federal agency responsible for coal mining, the Office of Surface Mining Reclamation and Enforcement.⁴⁴

According to Alpha's 2014 annual report, output from the company's Wyoming mines comprised 44% of the year's saleable production, while such sales generated only 11.0% of consolidated unadjusted EBITDA (\$16.05 million).⁴⁵

House Subcommittee members urge Congressional investigation into self-bonding program

Following a meeting of the House Natural Resources Subcommittee on Oversight and Investigations on June 24, 2015, subcommittee Ranking Member Rep. Debbie Dingell (D-MI) sent a letter⁴⁶ to Subcommittee Chairman Gohmert (R-TX) urging a "bipartisan investigation into the practice of self-bonding by coal companies, focusing on the use of subsidiaries to meet self-bonding requirements."⁴⁷

Dingell's letter refers to a situation where a mining company may choose to qualify for self-bonding on the financial position of a subsidiary if its ultimate parent entity does not meet the requisite financial fitness tests. In unearthing this practice, Reuters identified Peabody Energy Corporation and Arch Coal, Inc. as beneficiaries.⁴⁸ A review of documents from Wyoming DEQ indicates that Cloud Peak Energy, Inc. and Alpha Natural Resources, Inc. have qualified for self-bonding based on the financials of the respective ultimate parent entities rather than subsidiaries.⁴⁹

Dingell's letter explained: "Because Arch and Peabody are unlikely to be able to qualify on their own for self-bonding, they are exploiting vague regulatory language to use subsidiaries to meet the financial fitness thresholds."

In a statement to Reuters, Chairman Gohmert assented that "[t]axpayers should not be on the hook to cover any energy company's reclamation and cleanup costs, whether that energy be wind or coal, solar or gas."

BLM to Seek Public Guidance on Federal Coal Leasing Program

Secretary Jewell announced in early July a series of public listening sessions to gather input on federal coal leasing reforms, in a hope to “ensure fair return to American taxpayers and improved stewardship of coal resources.”⁵⁰ The listening sessions will be hosted by the Bureau of Land Management in Washington, D.C., Colorado, New Mexico, Montana, and Wyoming. Among other outstanding issues with the coal leasing program, BLM will look for specific guidance on potentially raising the royalty rate for federally-owned coal. Approximately 40 percent of coal mined in the U.S. comes from publicly-owned, federal coal reserves.

Senator Cantwell, ranking member of the Senate Energy and Natural Resources Committee, released a statement following the Interior Department announcement of the listening sessions, urging that citizens “Demand a full return on the federal resources that belong to them” and that “taxpayers should not be subsidizing coal companies.”⁵¹

Federal coal leasing gained national attention following the release of the Buffalo Resource Management Plan (RMP)⁵² in late May, which authorizes the development of a potential 10.2 billion tons of coal from public lands. In response, Powder River Basin Resource Council, Western Environmental Law Center, Sierra Club, and Natural Resource Defense Council filed formal protests. In addition, more than a dozen environmental and conservation groups sent a letter to Neil Kornze, Director of the Bureau of Land Management, formally asking him to withhold approval of the coal leasing portions of the RMP until concerns about the federal coal leasing program and associated environmental impacts have been resolved.⁵³

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