

Congress of the United States
Washington, DC 20515

May 19, 2020

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

The Honorable Jovita Carranza
Administrator
U.S. Small Business Administration
409 3rd Street, SW
Washington, D.C. 20416

The Honorable Jerome Powell
Chair
U.S. Federal Reserve System
Constitution Ave NW & 20th Street, NW
Washington, DC 20551

Dear Secretary Mnuchin, Chairman Powell, and Administrator Carranza,

As members of the Congressional Coal Caucus, we thank you for your continued leadership in response to the global spread of Coronavirus Disease 2019 (“COVID-19”), and for acting with the utmost urgency. As this pandemic ensues, it is imperative that the Department of the Treasury, the Federal Reserve, and the Small Business Administration consider all business and industry sectors equally when implementing the Main Street Lending Program and Paycheck Protection Program.

The United States was well on its way to becoming a net energy exporter prior to the pandemic. Unfortunately, COVID-19 significantly altered this trajectory, with global energy demand grinding to a halt. Since the start of the pandemic, both coal-fired generation and consumption have declined by 44 percent in a significant portion of our country, and coal prices are down an additional 5 to 8 percent.

This drop in demand has forced our nation’s coal-fired power plants to limit their operations or shut down altogether. We have seen multiple coal companies and power plants file for bankruptcy in the last few weeks, and many more are in serious financial trouble. Coupled with Wall Street’s refusal to invest in important fossil fuel projects, this has cost countless Americans their jobs and livelihood.

It is important to note that coal-fired power plants are one of the most resilient and fuel-secure sources of electricity, and have become increasingly important to grid operators and national security experts due to extreme weather and cyber and physical threats to infrastructure. It is imperative that we provide ample resources to maintain our aging coal fleet and promote the development of new, cleaner coal technologies.

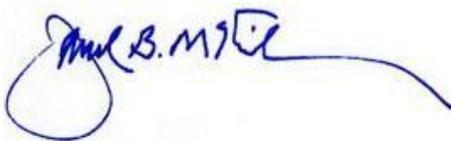
Congress clearly intended that the Main Street Lending Program and Paycheck Protection Program include all small- and medium-sized businesses, regardless of what industry they operate in, including the coal sector. Many outside groups have made it a recent point to shame those companies operating in the coal industry for applying for this aid, even though Congress intended that *all* small- and medium-sized businesses be eligible. Some of our Democratic colleagues have even gone so far as to introduce legislation that would block fossil fuel companies from receiving this relief.

We therefore make the following requests:

1. Expressly clarify that those operating in the coal industry – whether a utility, operator, generator, or other entity engaged in mining-related activities – are eligible for loans under the Main Street Lending Program and Paycheck Protection Program, or otherwise do not discriminate against what industries or companies may access that capital;
2. Provide for a waiver authority for those same entities in bankruptcy reorganization, so that they, too, may access those loans; and
3. Limit financial institutions that refuse to fund domestic energy projects, including coal developments and mining activities, from receiving those financial benefits provided through the CARES Act.

Thank you for your attention to this important issue, and we look forward to working with you to strengthen America's energy independence.

Sincerely,



David B. McKinley, P.E.
Member of Congress



Liz Cheney
Member of Congress



Paul A. Gosar, D.D.S.
Member of Congress



Rob Bishop
Member of Congress

Bill Johnson
Member of Congress

Doug Lamborn
Member of Congress

David P. Roe, M.D.
Member of Congress

Carol Miller
Member of Congress

H. Morgan Griffith
Member of Congress

Alex X. Mooney
Member of Congress

Dan Meuser
Member of Congress

Kelly Armstrong
Member of Congress

Rodney Davis
Member of Congress

Markwayne Mullin
Member of Congress

Vicky Hartzler
Member of Congress

Hal Rogers
Member of Congress

CC:
Majority Leader Mitch McConnell
Republican Leader Kevin McCarthy