

The Department of Mines Minerals and Energy in general concurs with the Department of Planning and Budget's Economic Impact Analysis statement for DMME's Regulations Governing Coal Stockpiles and Bulk Storage and Handling Facilities, 4 VAC 25-125. We have the following comments.

The Estimated Economic Impact section states the new requirements will address no new significant environmental or public health and safety issues. DMME believes that the risk of accidents, injuries, and fatalities to miners is a significant public safety issue.

The EIA states that expected benefits and costs are balanced if the proposed standards are the minimum required given the risk of injury or death faced by miners. DMME believes that these standards are the minimum required to protect mine workers against injury and in turn, will result in a positive economic impact.

The Localities Particularly Affected section states that the proposed regulation will affect all localities in Virginia. The businesses affected by this proposed regulation are all located in seven southwest Virginia coal-producing counties. The regulation should therefore not affect all localities of Virginia.

In the Projected Impact on Employment section, the analysis projects a negative effect on employment. This is inconsistent with discussion in the report that the regulation is expected to provide significant economic benefits by preventing future injuries and fatalities. DMME believes that a balanced assessment of the impact on employment should reflect both the costs and benefits and conclude that there will not be a negative effect on employment.

In the Effects on the Use and Value of Private Property section, the analysis projects a negative impact on the use and value of private property. This statement ignores the analysis in the report that the regulation may have a positive economic impact. Preventing injuries and fatalities avoids costs to injured workers and to mine operators due to medical expenditures, lost productivity, damage to equipment and facilities, and increased insurance costs. These costs have been sufficient to cause mines to close. This has a significant effect on the use and value of those mines. Operating a safe mine through proper control of the risk of accidents and fatalities due to stockpiled materials will help avoid these negative effects, and help protect the use and value of the mine property.