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MAGAZINE
Editor Christian Goff
cgoff@agenda-global.com
Contributing Editor Francye Hutchins
gewiz@tmra.com
Contributing Editor Amy Landrum
amy.shields.landrum@gmail.com
Contributing Editor Nila Nelson
Nila.Nelson@NACOAL.COM
Advertising Sales Lance Lawhon
lance@solafidei.com
Designer Kiki Pantaze
kpantaze@pvco.net

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On the Cover Heath Martin, Environmental Supervisor, Luminant.
TMRA members are hard at work at the business of providing fuel for energy production and raw materials for the State’s vast construction needs. Did you know that mining in Texas produces more than 32,800 direct jobs and 79,500 indirect jobs? Did you also know that these mining-related jobs pay 12 percent more than the average wages across the state? Mining contributes to the state economy in so many ways. This issue includes an executive summary of a socioeconomic impact study, prepared by Dr. Terry L. Clower’s Center for Economic Development and Research at the University of North Texas, which supports the fact that mining is not just IN Texas but is FOR Texans.

With 2013 comes the convening of the Texas legislature, which is well underway. TMRA members and staff are also hard at work to make sure mining remains a viable part of the Texas Economy. The TMRA Governmental Affairs Committee has begun regularly scheduled meetings to track, discuss and act upon bills that are introduced within the Legislature. The TMRA-sponsored “Lunch and Learn” program for the Legislative Staff was March 5th, and the presentation provided valuable information about the importance of lignite, uranium, and industrial minerals mining in the state.

I said in my first Chairman’s letter that TMRA continues to move forward, and is becoming an influence across Texas and beyond because we have excellent, dedicated, generous members. I need to add the words “resourceful” and “innovative” to the list. What a great idea for Texas Westmoreland to work with the Dallas Cowboys organization to introduce a “Hard Hat” Award for presentation, periodically, to a member of the team who displays the hard work, loyalty, and dedication symbolic of a miner.

“Friends of Coal” is a concept recently introduced back East to gain support for the Appalachian mines and miners. This concept is spreading to the West now, and TMRA investigated and discussed the possibility of a “Friends of Coal Texas” at the Lignite and Executive Committee meetings in March. The Rocky Mountain Coal Mining Institute is already sponsoring a “Friends of Coal West”, and we will be evaluating TMRA’s opportunities for supporting the “Friends of Coal” organization and what this would mean to our members and the mining community.

The mining world is a small world, and I have been very fortunate to spend my career in and around the Texas lignite mines, and have made many friends along the way. East Texas’ Sabine Mining Company, that I am currently affiliated with, just celebrated its 100,000,000th ton delivered, most of which has been burned in the AEP Pirkey Plant to produce electricity. I called on my old friend, Gene Beener, to do a quick bit of research for me. On July 06, 1992, the day I started working with the Sabine Mining Company, it had delivered 20,984,028 tons. By the way, congratulations are in order for Gene, as he is moving over from Sabine to manage North American Coal’s new Caddo Creek Resources Company as it begins operation of the new Marshall Mine for Cabot Corporation. It is very refreshing to see new mines and new reserve areas within existing mines being opened up across the State, whether they be lignite, uranium, or industrial minerals. It is also refreshing to know that the efforts of TMRA and its members and staff play a role in these new development activities.

In closing, I would like to reach out to the individual companies that support and make up the TMRA organization. Yes, we have experienced the first dues re-structuring in many years; however, the value to our members in exchange for the dues re-structuring has only just begun. Texas is growing in many ways, i.e., industry, population, electric demand, etc. TMRA must also grow and become more of a voice to help keep mining viable to produce the fuel needed for energy production and the construction materials for development. TMRA’s strength is in its numbers, and the numbers represent the support of our existing members. Give TMRA a chance to show value to your company. Hope to see each of you at the 2013 Annual Meeting at the beautiful Lost Pines Resort in Bastrop, Texas, if not before.
New Members

Brazos Industrial Supply (BIS) is a diversified chemical manufacturer and distributor. Founded in 1993, BIS has grown to be a major chemical supplier and distributor in the United States. They provide the mining industry with dust suppression products and services. They have the ability to perform a turn-key program, or to deliver the products the customers need for their particular application. In addition to dust suppression products and services, they also supply the mining industry with water treatment polymers used for the settling of solids in retention ponds.

Contact
Bob Palmore
Brazos Industrial Supply
15504 Post Oak Bend
College Station, TX 77845
979-690-1176
bob@brazosindustrial.com
www.BrazosIndustrial.com

Desert Mountain provides dust control, road and soil stabilization, and erosion control for: Any Unpaved Surface, Heavy Haul Roads, Construction Sites, Slopes and Berms, Parking Lots, County Roads, and Stockpile Capping.

The company prides itself on having a variety of products to fit any need, large or small. Their products are environmentally friendly, high performance and equally reliable. They also have at their disposal a fleet of late model transport equipment along with computerized application trucks to better serve their customers.

Contact
Manny Valdez
1352 W. US Hwy 79
Franklin, TX 77856
Cell: 505-215-4940
Office: 979-828-1531
www.desertmtncorp.com
manny@desertmtncorp.com

Capitol Ranch Real Estate helps clients buy and sell large acreage farms, ranches, and recreational properties in Texas. Because reclaimed land is prime for recreation and agricultural production, these properties are a perfect fit to be integrated into Capitol's extensive advertising and networking program. Additional water features and fishing ponds resulting from mining often produce some of the most sought-after land for buyers. Capitol is pleased to join TMRA and offer their services to the mining industry.

Contact
Cody Maxwell
PO Box 1948
Brenham, Texas 77833
254-386-2978
Cody@CapitolRanch.com
www.CapitolRanch.com

Freese and Nichols, Inc. is a full service professional consulting firm and the first engineering/architecture firm to receive the Malcolm Baldrige National Quality Award. With offices in Texas and North Carolina, Freese and Nichols provides engineering, architecture, environmental science, planning, energy and program management services.

Contact
William S. McDonald – Account Director
4055 International Plaza, Suite 200
Ft. Worth, TX 76109
817-735-7208
WSM@freese.com
www.freese.com
This issue of *Texas Mining* finds us midway through the 83rd Texas Legislative Session. The first three months of the 140-day biennial session have been comparatively slow, to the fast-pace weeks that lie ahead. April and May are "crunch time" so to speak. Days of congratulatory resolutions become traded for late night committee hearings and surprise amendments. As I pen this column, legislation intended to directly harm our industries has not surfaced. Your Governmental Affairs Committee will continue our regularly scheduled meetings through the end of session and will be vigilant in scrubbing each bill, amendment, and committee substitute for harmful provisions.

The Session formally ends on May 27, 2013 – the day TMRA hosts our Sine Die Party at the Long Center for Performing Arts, which overlooks the beautiful Austin skyline. The TMRA Sine Die party has fast become the “go-to” end-of-session event for legislators, capitol staff, and lobbyists – the hottest ticket in town, so to speak. The party has proven to be a great way to extend our appreciation for a Legislative Session well-done (or at least DONE) and for tremendous service to our state. The Spazmatics, a hugely popular '80s cover band, is again confirmed to headline the event this year. Heavy hors d’oeuvres and open bar stations will be provided throughout the evening.

In order to ensure another successful Sine Die event, we need your help! Multiple sponsorship opportunities are available. So if you have not committed already, please contact Krissey Lilljedahl at the TMRA office for more information. She can be reached by email at Krissey@TMRA.com or by phone at 512-236-2325.

The TMRA-commissioned report, "Coal Mining and Coal-Fired Power Generation in Texas: Economic and Fiscal Impacts," is complete! Be sure to read the executive summary on page 18. Then, share this fabulous information with others. Coal has over a $6 BILLION impact on our state’s economy. And YOU are likely one of the 23,130 coal-related employees referenced in the report. These numbers are significant, and we should be proud. When others talk about "beyond coal" let’s remind them that there are faces and names associated with these 23,130 Texans. You are one of the reasons the lights stay on and electricity is not only affordable, but available in the first place.

In this issue, we highlight several individuals who represent not only their companies, but also the mining industry in Texas. I wish we could highlight them all. While Texas is blessed with an abundance of mineral resources, it is these individual’s work and dedication that make mining what it is. So for that, thank you – ALL OF YOU!
2 OUT OF 4
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Careers in Texas Mining
Whether they work in lignite, uranium or industrial minerals, and whether born here or drawn here by the allure of interesting and lucrative work, TMRA’s mining professionals love working in and for the great state of Texas. Seven members showcase their job responsibilities, education and skill sets required, the importance of their job to the state’s economy, and offer advice for young people interested in pursuing careers in the field. While these professionals represent a variety of backgrounds, they have some things in common: they love their jobs, they value their role in the greater economy, and they encourage young people to pursue higher education so they can benefit from the best careers our industry has to offer.
I am the Site Superintendent for Uranium Energy Corporation's Hobson Facility. The facility serves as a central hub for UEC's uranium mining projects in South Texas. Uranium-laden resin beads are trucked to the facility via a specially modified dry bulk trailer. The uranium is removed from the resin beads and the resin is sent back to the satellite facility where it will be reloaded with uranium.

My main duty is to make sure that the Hobson Facility runs as smoothly as possible. This covers a lot of ground: I set schedules to ship product, make sure we have the manpower needed here, sign bills and timecards, offer suggestions and make changes in the daily operation when things aren't quite right, and still work with electrical needs and weld if it will help stay ahead of the game. I also help at the satellite and exploration locations when possible, putting in hours to help out getting things done. I would not be able to help out at the other locations if it were not for the excellent crew we have at Hobson – we have an excellent crew!

I started working at the Hobson facility when I was in high school. About my second week here I thought I was going to be fired for refusing to drive a supervisor's truck to town on a parts run. Many questions ensued, and I finally had to admit that I did not yet have a driver's license, but I was working on it! Thirty-four years later, I'm running the facility. With the exception of about four years, I spent all of that time involved in uranium mining.

If high school graduates are interested in the industry and demonstrate a solid work ethic, we will certainly take time to guide a person and teach them the skills needed here. We have a lot of opportunity. This is a process plant and although it is specific to uranium it has similarities to many process plants in Texas be it a different mining product, a refinery, power plant or plastics manufacturing. Being able to run it is more a thinking process than a physical one. We have a control panel that can take a lot of the physical part off of your day, but you still have to know the process and how to tweak it when needed. There is always need of basic skills such as electricians, welders and equipment operators.

“There are some excellent opportunities in fields of higher education. I chose not to go that route, and I really believe that has kept some doors closed for me along the way. Geology is a good field in this industry; we certainly need people pointing the way. Engineering is a must in the design and construction of the plants, wellfields and certainly in the process itself. Chemistry is very important also. We have an outstanding Senior Chemist whose role is invaluable here.”
My primary job responsibilities are mine reclamation and environmental compliance for Luminant’s Big Brown and Turlington mines in Freestone County including management of the environmental staff as well as the reclamation contractor; development and implementation of environmental monitoring programs including revegetation and wildlife management plans; and oversight of various mining activities and operations to ensure compliance with all applicable permits and regulations. Review of environmental reports and section-specific permit information as well as successful bond release planning are also a significant part of my job scope for the mines. This includes interface with a number of local, state and federal agencies as well as the local public. Turlington Mine is a new mine which I have been a part of since original mine development and permitting, beginning construction projects and initial mine start-up – all accomplished with zero enforcement actions. Big Brown Mine has reached the end of its productive lifespan and the four-mile long pit is in the final stages of reclamation—scheduled to be completed in 2015.

My favorite part of my job is the opportunity to work with threatened and endangered species simply because it is something the general public rarely has the opportunity to experience. At the mines, I mainly work with bald eagles, interior least terns and timber rattlesnakes. I also have the unique opportunity to work with the rare ecological community found in pitcher plant bogs.

Luminant Academy in conjunction with Tyler Junior College provides excellent classroom and hands-on experience for both mining and power generation careers. This includes dragline and end-dump simulators as well as a full panel of instruments used at the power plants.

Any degree in engineering is the preferred educational discipline for mine operations which should include heavy emphasis in AutoCAD and/or modeling software. For reclamation and mine planning positions, geology, hydrology, forestry and agronomy degrees are excellent preparation for what will be required to work in the field.

“Jobs in mining are typically focused in and around rural communities where oftentimes there may not be many other opportunities for technical or professional careers. Additionally, mining companies support numerous rural communities that otherwise may not have the financial foundation to support education, community activities and other small-town lifestyles.”
During the past 8 years, my company has served multiple clients in the mining business, with drilling services and consulting. "Mining consultant" most describes my role, and it involves providing resource evaluations and economic assessments for various mining projects. My favorite job responsibility is geologic field work, which is the basis for mining justifications.

Prior to starting my own company, I was Vice President and Manager of Land/Exploration/Transportation for Hanson Aggregates in Dallas, Texas. I worked for Hanson for 27 years, including a tenure with Gifford-Hill & Company, Inc., which was acquired by Hanson in 1990.

I have applied my education to the mining business, with 36 years of experience in geologic assessments and land management for mining and related properties.

Serving our industry through leadership and volunteerism has always been important to me. I served as a board member for many years and served as Chairman of TMRA in 2001 and continue to work with TMRA on its annual Industrial Mineral Teacher Workshop. I currently serve as Chairman of the Association of Environmental and Engineering Geologists in Texas, which keeps me fairly busy.

I believe mining can be rewarding for many individuals, as they can apply their education to the industry in many ways. Science degrees, such as geology, chemistry, biology and engineering are always in demand in the mining industry, along with supporting skills in GIS technology.

"Education is extremely important for the mining industry, as the industry needs young talent to assist in managing the aggregates, clay, uranium and lignite resources that provide the cornerstone for our societal needs. Many students fail to understand the correlation between education and their future, and the more proactive TMRA is in the education process, the better the opportunity for students and employers to be successful."
**Greg Sanders**  
**Title:** Reclamation Manager/Specialist  
**Employer:** Kiewit Mining, Walnut Creek Mining Co.  
**Years with Employer:** 20  
**Years in the mining industry:** 20  
**Education/training:** Bachelor of Science in Crop/Range Science, Minor in Science, Sam Houston State University  
**Texan or transplant:** Born and raised in Franklin, Texas

My job responsibilities include planning and managing reclamation operations and working with mine engineers and reclamation contractors. I collect ground and surface water and soil samples and report data monthly and quarterly to various state agencies for permit renewals and revisions. And, I oversee the budget for our reclamation projects, contractors and supplies.

My favorite part of the job is driving through the mine site, both the active mining area and the non-active mining area (or reclamation area), to see the different stages of progression associated with the mining process. I’m fortunate to have been at this mine from the early stages which has allowed me to see the mined areas go into the reclamation stage.

Mining jobs are vital in our state because most mining operations are in rural areas of the state so they provide industry and employment in these areas which otherwise would not offer opportunities for people to work and live.

Opportunities at Walnut Creek are somewhat limited at the moment for students just out of high school. I recommend high school graduates pursue higher education in fields such as Mining, Civil or Mechanical Engineering, Environmental Science, Range Science or some type of Construction Science or Safety field to have the best opportunities to join a mining operation.

“We are taking great strides and pride in restoring the mined land back to, or in most cases, better than its original appearance and usability for the landowners. I love being able to work with people that are great stewards of the land and enjoy the reclamation process of mining lignite in Texas.”

**Rainer Westermann**  
**Title:** Director, Mining & Exploration  
**Employer:** Lhoist North America  
**Years with employer:** 23 years  
**Years in the mining industry:** 23 years  
**Education/training:** Master of Science, Mine Engineer, Technical University Clausthal, Germany  
**Texan or transplant:** Transplant from Dusseldorf, Germany; transferred with the company in July 2009

My primary job responsibilities include securing the raw material resources for the company, ensuring the sustainable utilization of resources, creating mine plans and providing land management to ensure control over property interests for the business. I oversee a staff experienced in mine planning, engineering, geology, land management, GIS and databases. Together, we manage resources on over 100,000 acres throughout North America, with five active quarries in Texas.

My favorite aspects of the job involve traveling to different parts of the United States, working with people and the combination of office and field operations work.

For students or young people interested in the mining industry, I would recommend they pursue a master’s degree in Mine Engineering, Geology, Process Engineering or Chemical Engineering. Good communication and creativity are important skills to develop, and compliment a high degree of technical education.

“Jobs in mining are vital in our state because every-thing that is not growing needs to be mined.”
I grew up in Las Vegas, Nevada, but visited South Texas almost every summer to make my yearly family visits. It was not until I discovered the great potential Texas provided in the mining industry that I decided to make Texas my home. Although I have only been a permanent resident of Texas for about two years, I have been familiar with its lone star, cowboy boots, mesquite trees, and mouth-watering BBQ since my toddler days.

My primary job responsibilities include monitoring and documenting all wellfield operations and assisting with wellfield development and construction. I also aid in logging and interpreting drilling samples to determine future drilling and wellfield expansion.

I particularly like to get my hands dirty, massaging sand and clay in between my fingers to evaluate drilling samples. I can then evaluate both the drilling samples and geophysical data to delegate where additional holes are to be drilled. Once a drill hole hits ore it is an instant moment of gratification, and is the best part of my job.

There are many employment opportunities for high school students within the mining industry. There is work associated with drilling, construction, maintenance, operating, monitoring, restoration, and secretarial positions. All of which will introduce any high school student into the mining industry with little to no experience. They just need to be tough workers who are prepared to do some hard labor and work outdoors.

Besides actual employment Mesteña Uranium, LLC also offers tours for high school students to come in, observe, and learn about mining. In addition, Mesteña Uranium, LLC is an active participant in the TMRA Teacher Education Program, giving high school teachers information about the mining industry that they can then pass on to their students.

There are many technical schools that provide courses in welding, construction, auto mechanics, drilling, logging, accounting, supervising, technical support, general engineering, and other related subjects. It is very beneficial to have any training or experience within these fields for a mining career. For students looking to obtain a college degree, geology, hydrogeology, geological engineering, mining engineering, environmental engineering, mechanical engineering, civil engineering, chemistry, chemical engineering, and general engineering are all excellent programs to look into. All these fields are needed in the mining industry and are often sought out for. Right now, a masters or PhD is highly valued so young students may want to think about going beyond a four year degree. They say you should find a job that you love so much it never feels like a job. As a geological engineer I can say my job is just that.

“Texas leads production of oil and gas in the United States, and is also a major producer of other minerals and gasses such as petroleum. Therefore, Texas’ economy relies largely on its mining industry. This in return produces a lot of jobs - jobs which are located in both urban and rural areas, bringing in more residents from outside the state and helping keep some neglected counties more populated and prosperous. Without mining jobs Texas would not be thriving as much as it is today.”
Little did I know that growing up playing in the dirt and skipping rocks across a lake in Roswell, New Mexico, would result in a mining career and a lifelong passion for aggregates.

As a youth, my family moved to Midland, Texas, in the 1980s, as the petroleum industry and West Texas growth were both booming. However, as the oil market began to fizzle, I realized that the oil field was not in my future. During the summer of my sophomore year in college, I was employed by a road construction company that had its own crusher and asphalt plant. I was fascinated by the processes that were needed to produce aggregates. From that day on, I knew that I had found my calling.

Although I continued to attend college in the evenings, my education was not limited to books or the classroom. I learned everything I could about the aggregate business starting from the ground up. Since then, I have been fortunate to work in many types of aggregate production facilities and companies. However, I found my home with Trinity Materials and have invested 25 years working with a company that has become a part of me. As the general operations manager, managing eight sand and gravel operations and two limestone crushing facilities are part of my daily routine, but my true satisfaction comes with helping our employees achieve their own personal goals. Whether it’s learning to operate a new piece of equipment, putting their kids through college, or simply learning a better way to perform their jobs, I want to see my employees succeed.

As much as I enjoy looking back at how much our industry has directly and indirectly contributed to the lives of so many people, I can’t help but wait in eager anticipation to see what future generations will be able to accomplish. Mining facilities will certainly continue to offer employment opportunities right out of high school for equipment operators, but with the increasing need for aggregates and advancements in technology, our industry will continue to need highly trained computer programmers, mechanical engineers, and industrial professionals to improve the health and safety of our workforce.

“Success for my employees and company does not just stop at the plant. Mining is such an intricate and vital part of our economy and community. It is one of the fundamental building blocks for transportation, construction, housing, and power generation. There is no facet of life in Texas that is not somehow touched by the industry I have dedicated my life to improving and growing.”
Growing from 10,000 training hours in its first year to 150,000 hours in 2012, Luminant Academy offers a variety of training including technical, electrical and mechanical programs for Luminant’s power generation, mining and construction teams.

The facility, which opened in 2006 at Tyler Junior College’s West Campus, provides classroom and lab instruction, as well as high-fidelity boiler, mobile equipment and dragline simulators that imitate actual power plant and mine operations. Built at a cost of $1.7 million, the 24,000-square-foot facility is staffed with a team of instructors with more than 400 years of combined power plant and mining experience.

“At Luminant, we take pride in building upon our high-performance culture. The academy helps us meet our long-term goals and improve our current employees’ skills and capabilities,” said Steve Horn, Luminant senior vice president of fossil operation. “The academy is a tremendous asset and is helping our company set the standard in operational excellence.”

In addition to employee growth opportunities, the academy offers a best-in-class career development program: Luminant Power Track. Now entering its third year, this innovative program offers high school graduates the chance to earn a full scholarship toward a two-year associate degree in power plant technology at Tyler Junior College or a two-year associate degree in electrical technology, mechanical technology or instrumentation and control at Texas State Technical College in Waco. Students may also choose to study electrical technology at Panola College in Carthage, Texas.

Participating students are also eligible to receive a paid internship at a Luminant power plant or mine and the opportunity to build a relationship with the company that could grow into a full-time job following successful completion of the program.
In 2012, the program received national attention from the Aspen Institute of Washington, D.C. and was recognized as a Model of Success in its Skills for America’s Future initiative.

“Luminant Power Track is helping us seek motivated students with an aptitude for hands-on electrical or mechanical work and train them to become a part of a skills-ready workforce,” said Dirk Hughes, Luminant Academy director. “This flagship program is providing students with skills for a lifetime and an opportunity to become our next generation of power plant and mine leadership.”

The academy’s future is also looking bright for future collaboration opportunities with external clients. In 2012, the academy conducted power plant simulator training with employees from Dominion Virginia Power.

“It’s a tremendous compliment to have outside companies recognize the value of our facility and the top-notch training that we provide,” said Hughes. “Throughout the years, the academy has continued to evolve, and I’m excited to see the positive development growth in our employees, students and surrounding communities.”

Luminant Academy Fast Facts:
- In addition to being the only LEED-certified facility in Tyler, Luminant Academy is equipped with:
  • State-of-the-art training lab
  • 5,000-square-foot workshop
  • Two state-of-the-art mining simulators and seven state-of-the-art power plant simulators
- Daily meal catering to maximize training time

Available training courses include, but are not limited to:
- OSHA/MSHA training
- Mechanical courses – introductory and advanced
- Electrical instruction – introductory and advanced
- Power plant and mine training
- Excel and PowerPoint training
- Simulated mobile equipment training
- Simulated control room training

For more information about the academy, please call 903-595-7326; you can learn more about the Luminant Power Track program at www.luminantpowertrack.com.

Students gain a working knowledge of power plant and mine operations during lab sessions at the academy.
Executive Summary

This report examines the economic and fiscal impacts of coal mining and coal-fired electricity generation and related activities in the state of Texas. Coal mining and coal-fired electricity generation are important economic engines in Texas. Economic activity generated from these industries spark business activity up and down their respective supply chains creating new jobs and income for Texas residents. Moreover, as a reliable local source of fuel for electric power generation, Texas lignite coal is an important component of our power source diversification efforts and makes us more energy independent, which makes Texas a more competitive place to do business. Power generation facilities fueled by Wyoming coal further boost state economic activity and contribute to energy fuel diversification. Our findings include:
Lignite coal mining, the manufacture of activated carbon from lignite coal, and coal-fired electric power generation creates over $6.2 billion in economic activity in Texas annually. This activity supports 23,130 jobs that pay almost $1.7 billion in salaries, wages, and benefits. State and local taxing jurisdictions receive $640 million in annual revenues from coal related activities.

### Economic and Fiscal Impacts of the Lignite Coal Mining Industry, the Manufacture of Activated Carbon, and Coal-fired Electricity in Texas*

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*Lignite coal mining in Texas is a key generator of economic activity for many of the state’s smaller communities. In total, in-state coal mining creates almost $2 billion in statewide economic activity each year, generating $622 million in salaries, wages, and benefits, and providing jobs for 9,450 Texans. Coal mining also supports about $147 million in direct and indirect tax revenues.

### Economic and Fiscal Impacts of Lignite Coal Mining in Texas*

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### Economic and Fiscal Impacts of Coal-fired Electricity Generation in Texas*

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*Based on power plant operators' figures. @ Includes sales, excise, and property taxes, fees for licenses and permits, and other revenue. Sources: Industry Sources, IMPLAN, authors’ estimates.
Cross-State Air Pollution Rule Vacated - Other Rules on the Horizon

By Michael J. Nasi and Jake Arechiga, Jackson Walker L.L.P.

While CSAPR being vacated was a victory for power generators and coal-suppliers, this rule is only one of many being implemented by EPA or on the horizon. EPA has finalized rules regulating the emission of hazardous air pollutants and is close to finalizing rules regulating the emission of greenhouse gases (GHGs) from new power plants and restricting the design of power plant cooling water withdrawal systems. A final rule regulating the handling and disposal of coal combustion residuals (CCRs or coal ash) is also likely imminent.

CSAPR Decision and Rule Background

CSAPR was the EPA’s attempt to promulgate a rule regulating the effect that upwind states were having on downwind states’ compliance with air quality standards. It was actually EPA’s second attempt at a comprehensive transport rule after the D.C. Circuit overruled CAIR in 2008, but allowed the rule to remain in place while EPA promulgated a replacement.

CSAPR was proposed in 2010, and in the proposal, Texas was only included in a limited, seasonal, NOx program. Without notice, EPA finalized CSAPR in August 2011, requiring Texas to comply with the much more significant NOx and SO2 annual programs effective January 1, 2012 - less than five months away. Texas was asked to reduce its SO2 emissions by 47% and account for over
26% of the nationwide SO2 emissions reductions in 2012. It was estimated that this would increase electricity prices by at least $1 billion per year in Texas and would force up to 1,500 MW of retirements during summer peak demand periods, jeopardizing electric reliability in the state.

Over 45 parties, including several Texas electric generating companies and the State of Texas, filed suit in the D.C. Circuit arguing that the rule violated the Clean Air Act and requesting that the rule be vacated. These parties also requested a stay of the rule while the Court reached its decision and, in a rare finding that the rule could cause irreparable harm to impacted states and generators, the Court granted this stay on December 30, 2011 – just two days before the rule was to go into effect.

The three-judge panel agreed with the petitioners and vacated CSAPR, finding that EPA exceeded its Clean Air Act statutory authority in two fundamental ways. First, the Court found that CSAPR reductions imposed on states like Texas were not based on the amount that upwind states were impacting downwind states and, therefore, would have inappropriately required certain states to carry the emissions reductions burdens of other states; these reductions would be so great that they would result in unnecessary over-controlling in downwind states. Second, the Court found that CSAPR did not provide impacted states an opportunity to establish their own standards to make these reductions, in violation of Clean Air Act requirements allowing states the first opportunity to implement these types of rules.

**Looming Federal Regulations**

The Mercury Air Toxics Standards (MATS) rule was finalized on February 16, 2012, and imposes significant mercury and hazardous air pollutant emissions limitations on existing and new power plants. The final rule included a lignite subcategory, which recognized the difficulty of lignite units in complying with mercury standards by providing slightly higher mercury emission limits. EPA is in the process of reconsidering parts of the rule applying to new units (final rule expected April 2013), but the rule as it applies to existing units and other key provisions of the rule are being challenged in the D.C. Circuit by many of the same parties in the CSAPR suit. If the suits are not successful, existing facilities have until April 16, 2015 (with the potential of a state-issued one-year extension) to comply with the new standards.

Also looming are greenhouse gas (GHG) new source performance standards (NSPS) for new units. Proposed April 13, 2012, EPA created an all-encompassing “fossil fuel” electric generating unit (EGU) category including coal, natural gas, etc., and established a 1,000 pounds-of-CO2-per-megawatt-hour emissions limit for new “fossil fuel” generating units greater than 25 megawatts in size. A final rule is expected March 2013, but already, any new fossil-fueled power plants beginning construction after April 13, 2012, are subject to the requirements of the rule.

EPA proposed the coal ash rule in June 2010, and it will likely be finalized in the spring of 2013. The rule could significantly impact how ash is handled and disposed of, with two options currently being proposed: to regulate ash as a hazardous waste (under Subtitle C of the Resource Conservation and Recovery Act (RCRA)) or nonhazardous waste (under Subtitle D of RCRA). The proposal excludes mine placement from EPA regulation, but it is not clear if this exclusion will remain in the final rule. Further, the federal Office of Surface Mining (OSM) is independently proceeding with its own mine-placement rule. OSM announced in early 2012 a rule proposal target of spring 2013.

EPA is also advancing rules promulgated under the Clean Water Act. The Cooling Water Intake Structures rule, otherwise known as the 316(b) rule (referring to the relevant provision of the Clean Water Act), was proposed July 20, 2011, and calls for limitations on certain facilities’ water withdrawal systems. The purpose is to reduce the amount of fish killed by being pinned against intake screens or other parts of the facility (impingement) and reduce the amount of aquatic organisms withdrawn with the water (entrainment). Finalization is expected by June 2013. The EPA has also begun the process of proposing new effluent limitation guidelines for point-source discharges from steam electric EGUs, with a notice of proposed rulemaking expected in April 2013.

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**Miners’ Work Ethic Recognized in “Hard Hat Award”**

The Dallas Cowboys partnered with Texas Westmoreland Coal to introduce a new award last season. The Hard Hat Award recognized players throughout the season who worked the hardest and put the team ahead of themselves. The players who were selected each week received actual hard hats worn by coal miners who donated their hats for the cause.

Texas Westmoreland’s Denny Kingsley, who coordinates sending the hats to the Dallas Cowboys organization, said the company’s miners are pleased to be associated with the award. “We’re honored that the Cowboys chose to recognize our industry and relate playing football with honest, hard work and a ‘get-it-done’ attitude. The award acknowledges that these jobs are hard and some are dangerous. These guys can’t take a break and must stay with it.”

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**SPRING 2013 TEXAS MINING 21**
HOLT CAT Opens New ProTech Technical Training Facility; Invests in Training Programs State-wide

San Antonio, Texas (January 24, 2013)—HOLT CAT® (holtcat.com), the Caterpillar® Equipment and Engine dealer for South, Central, North and North East Texas, will host an open house and tour of its new ProTech Technical Training Center at the company’s San Antonio campus, located at 4748 East Southcross. This $3 million LEED Silver training facility will enhance technical training capabilities in the San Antonio area and across the state.

The ProTech Center features four classrooms, four teaching bays and a 2,100 square foot engine-troubleshooting lab to deliver hands-on learning. In 2012, HOLT ProTech trained more than 2,000 Caterpillar dealer technicians and is expected to train the same amount in 2013. HOLT training attracts technicians from other dealerships located in Texas, North Carolina, California, Ohio, Tennessee, Alabama and at least ten other states for courses that last three to five days. HOLT has also trained customers and Caterpillar dealer employees from fourteen countries outside the U. S.

"HOLT sees a serious, industry-wide need for skilled workers and this state-of-the-art facility demonstrates our commitment to future growth, professional training and development for technicians," said Allyn Archer, President and Chief Operating Officer of HOLT CAT.

Texas Senator Leticia Van de Putte, who attended Thursday’s open house along with State Representative Ruth Jones-McClendon, said that in recent years the education policy pendulum has swung away from ca-
rear and technical education, and funding for such programs has declined. Many lawmakers are interested in reversing that trend in the upcoming legislative session, she said.

“I am gratified to see we are swinging back to a more common sense approach. Not all students are going to go down the same path and they need real-life choices,” Van de Putte said. “Without the strong voices of HOLT CAT and others in our business community, we cannot craft an education system that meets the needs of a future workforce. Employers know what’s coming around the bend.”

Texas Representative Roland Gutierrez also said, “This is yet another affirmation of the outstanding commitment by HOLT CAT to invest in our community and recruit and develop an outstanding workforce.”

Unlike vocational programs of yesteryear, today’s technical workforce is highly skilled and requires some level of postsecondary education or training to cultivate the three Cs – critical thinking, creative problem solving and computing.

“This is a very sophisticated business”, said Guy Clumpner, Senior Vice President of Organizational Development Services at HOLT CAT. “The technical acumen required to be successful in this field requires digital, computer and electronic skills and knowledge, as well as the ability to accurately diagnose and make repairs. Our focus is to hire and develop professional technicians who can build successful careers in one of the most critical areas of our business.”

With about 80 open positions for technicians, HOLT hopes the ProTech Center will help them recruit new skilled workers, as well as provide technical training to current and future HOLT technicians and customers. In addition, HOLT is interested in helping strengthen the workforce pipeline through formal education pathways in high schools and community colleges, and supporting a push in the Texas Legislature to allow more time in the state-mandated high school curriculum for vocational/technical classes.

In addition to the ProTech facility investment, HOLT is investing broadly in vocational/technical training in Texas. HOLT CAT and the Caterpillar Dealer Excellence Fund recently contributed more than $54,000 in support of career development and training of special-
ized technicians to nine schools across Texas. Two recipient schools, St. Philips College and MacArthur High School, received checks for technical training grants that will help support their programs.

ESCO’s New Mining Lip System Wins Award for Innovation

Portland, Oregon (January 25, 2013) — Nemisys™, ESCO Corporation’s state-of-the-art mining lip system, has won Mining Magazine’s 2012 Surface Mining (Soft Rock) Award. The annual award recognizes outstanding new technologies and innovative applications in the mining industry.

The magazine’s readership nominated and, ultimately, voted Nemisys the winner of the category. The Nemisys system made its public debut at the 2012 MINExpo International tradeshow in Las Vegas, Nevada in September. Carly Lovejoy, Mining Magazine editor, said the industry event generated a large number of nominations.

“It is an honor to receive this award from Mining Magazine because its informed and respected readers are our customers and industry peers,” said Jon Owens, Senior Vice President and President, Engineered Products. “The Nemisys system represents a significant breakthrough for ESCO’s product development team of engineers which, for the first time, simultaneously designed a mining lip, shroud and three-piece tooth as a single integrated system.”

ESCO and the other award winners will be featured in the magazine’s January/February issue.

This new approach to engineering resulted in a better fit between teeth, lip and shrouds, which translates to improved performance and longer wear life. The Nemisys system gives customers four sizes to better match with machines.

Testing shows that compared to ESCO’s legacy systems:
• The Nemisys lip system improves digging efficiency by 20 percent;
• Nemisys teeth have up to 19 percent more usable wear metal;
• Nemisys lips weigh, on average, 6 percent less.

The Sabine Mining Company Delivers 100 Million Tons of Coal

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Portland, Oregon (January 29, 2013) — North American Coal’s Sabine Mining Company delivered the 100 millionth ton of coal in 2012. The delivery was
made in the 28th year of coal production.
Sabine produces coal primarily for the H.W. Pirkey electric power plant near Hallsville with incremental deliveries to Norit Americas, an activated carbon plant near Marshall.
In recognition of this milestone achievement employees were rewarded with a gift of appreciation.
2013 marks the anniversary of the North American Coal Corporation having safely produced affordable, quality coal, in an environmentally friendly manner for 100 years.
Hats off to the great employees at Sabine and to working for a legendary coal mining leader who is a true American family success story.

Become a Friend of Coal

The Rocky Mountain Coal Mining Institute is pleased to help start a Friends of Coal West chapter (which includes Texas) for the western coal industry. Friends of Coal West is dedicated to informing and educating citizens in the west about the national and western coal industry and its vital role in our future. We aim to provide a united voice for the coal industry that has been, and remains, a critical economic engine in the west. By working together, we can continue to provide good jobs and benefits for future generations.

You’ll be part of a growing team that’s working across the western states to educate citizens that coal is the nation’s most abundant and affordable energy resource. Friends of Coal will continue to build bridges across the west, ensuring our voice is heard from every citizen to all elected officials, as well as those in the mass media. Watch for our new website www.friendsofoalwest.org. Membership is free.
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