



Revenue Interim Committee

67th Montana Legislature

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TO: Members of the Revenue Interim Committee

FROM: Megan Moore, Committee staff

DATE: October 29, 2021

RE: HJ 6 Study Questions from September Meeting

This memorandum responds to committee requests for information for the House Joint Resolution 6 coal severance tax trust fund study.

Property Taxes Paid by Coal Companies

The Montana Coal Council [website](#) provides the following information about property taxes paid by coal mines in 2019.

Company	Property Taxes Paid in 2019
Signal Peak Energy	\$1,303,780
Spring Creek Coal	\$1,296,479
Westmoreland Rosebud	\$780,634
Decker Coal Co.	\$551,598
Westmoreland Absaloka	\$272,650
Westmoreland Savage	\$79,034
Total	\$4,284,175

Wages Paid by Coal Companies

The following table shows coal production, employment, and payroll information for Montana coal mines for 2020. The information is from the Montana Coal Council [website](#). Staff calculated the estimated average wage figure by dividing the estimated payroll by the number of employees.

Company	Coal Production (Million Tons)	Number of Employees	Estimated Payroll	Estimated Average Wage
Signal Peak Energy	6.02	265	\$27,400,000	\$103,396
Westmoreland Rosebud	5.10	317	\$24,227,000	\$76,426
Spring Creek Coal Co.	9.51	239	\$19,000,000	\$79,498
Decker Coal Co.	3.21	112	\$8,608,000	\$76,857
Westmoreland Absaloka	2.08	100	\$6,895,000	\$68,950
Westmoreland Savage	0.27	11	\$910,000	\$82,727
Total	26.22	1,044	\$87,040,000	\$83,372

Export of Montana Coal through British Columbia Port

In September, Sen. Hoven asked whether there is a preference for exporting Canadian coal through the port in British Columbia. According to Steve Read, President of Global Coal Sales Group, the company operating at the port does not show preference for exporting Canadian coal. The company, Westshore, is a public company with a goal of maximizing shareholder returns.

Mr. Read has worked with Westshore to develop export business for Montana coal and wrote, "I have found them to be a great partner in developing new markets for Montana coal in the Pacific Rim."¹

¹ Email from Steve Read, President, Global Coal Sales Group, LLC, to Kristian Richardson, Department of Commerce, Oct. 19, 2021.