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The Honorable Marc Korman
Chair, Education, Energy, and the Environment Committee
250 Taylor House Office Building
Annapolis, MD 21401

Re: Letter of Opposition – House Bill 1088 - Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Korman and Committee Members:

I am writing this letter to communicate my opposition to House Bill 1088, as it would put the Port of Baltimore at a competitive disadvantage and thus detrimentally impact the hardworking men and women from Maryland who make their living in the coal mining industry and in all of the industries which are part of the coal export supply chain to include those working on the railroads which service the port of Baltimore and in the port itself.

House Bill 1088 sends a troubling message to the coal industry supply chain by imposing a fee on the transportation of coal through the State of Maryland exported internationally through the Port of Baltimore. In 2024, the Port of Baltimore exported nearly 25.7 million tons of coal. House Bill 1088 would require port exporters to pay approximately \$334 million in additional transportation fees on coal exports annually which is \$13 per ton. Such a fee cannot be borne by any of the entities along the coal supply chain nor can it be passed along to the customer and still allow coal exported from Baltimore to be competitive with coal exported from other areas of our country, not to mention coal exported from other countries.

For the Port to remain the successful economic engine it has proven to be, Maryland cannot afford to be at a competitive disadvantage with our neighboring ports. Should this fee be levied, coal exported from Baltimore will disappear as will all of the good Maryland jobs which support this business which has been going on for over a century. Thus, I am strongly urging the Committee to remove this coal supply chain job killing fee from grant House Bill 1088.

Sincerely,

William J. McFadden
President
Deep Creek Resources, LLC