

November ~ December 2018 Volume 46, Number 6

ENCOURAGING RESPONSIBLE DEVELOPMENT TODAY ~ FOR TOMORROW



## 46<sup>th</sup> Annual Meeting ~ Great Plains Conservation *Our Water, Our Land, Our Legacy*

On November 3<sup>rd</sup>, over 100 Powder River members gathered in Sheridan to celebrate our 46<sup>th</sup> Annual Meeting with an evening of socializing and shopping at the silent and live auctions. During dinner, members eagerly listened to "Cranes, Plains & Watersheds," a presentation by conservationist, photographer, and author Michael Forsberg.

Forsberg's 25-year career started out in photography during which he spent years photographing wildlife, especially sandhill cranes, but his work eventually spilled over into conservation. Forsberg calls cranes "the ambassadors for the plains" because if people care about cranes, they will care about grasslands and wetlands, which are his passion.

The plains are often overlooked as vast, empty spaces when it comes to conservation efforts, but it's not fly-over country to Forsberg.



Michael Forsberg presents  
"Cranes, Plains & Watersheds" at Powder River's  
Annual Meeting

His intimate photographs showcasing grasslands wildlife reveal a side of the plains most people never see. Yet the plains occupy a significant chunk of the continent.

If the Great Plains were a country, it would be the 10<sup>th</sup> largest in the world but with a population of only 23 million people. For comparison's sake, that's the number of people that live in the Los Angeles area alone. But this land of small towns and big horizons houses the most endangered ecosystem in the world, and Forsberg emphasized the importance of saving even small areas of prairie. "Every little bit is important," he said.

Water is the leading issue of Great Plains conservation. "We all live in a watershed," said Forsberg. And it is through watching the waterways that one can "see the land breathe." His current project, the Platte Basin Timelapse, collects data using 50 cameras spread out along

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## Powder River Objects to Coal Mine Permit Transfer

On November 29<sup>th</sup>, Powder River filed an objection with the Wyoming Environmental Quality Council (EQC) over Contura's proposal to transfer their coal mine permits for the Belle Ayr and Eagle Butte mines to Blackjewel, LLC. Powder River's objection maintains that the permit transfers fail to meet the Wyoming Environmental Quality Act (WEQA) criteria on reclamation bonding standards and that Blackjewel fails to meet state and federal criteria as a qualified operator.

"We need to take our time with this permit and make sure the federal and state laws are being followed. We must be especially vigilant about ensuring adequate bonds are in place and that any company who wants to do business in Wyoming is going to be a responsible operator," said Powder River Chair Joyce Evans. "We need an open, transparent process around this permit transfer to ensure the public has every opportunity to participate."

In October, Powder River filed an objection over the Wyoming Department of Environmental Quality's (DEQ) proposed renewal of Contura's Belle Ayr permit due to



Eagle Butte Coal Mine

their use of ranchland as collateral in guaranteeing a portion of the mine's reclamation bond. Contura claims the value of these Campbell County land parcels is \$27 million; however, DEQ is withholding the appraisal from the public at the company's request. The process's lack of transparency led Powder River to object and request an informal conference on the matter, which DEQ denied.

"We have asked the EQC to hold a hearing on this matter because withholding the appraisal and then shutting the door on public participation is not the way to proceed.

Wyoming taxpayers deserve to know whether or not they're getting a good deal when it comes to millions of dollars in mine reclamation," said Evans. Since Contura is the first coal company to use a real estate bond for reclamation, this could set precedent for other companies to follow.

Additionally, Blackjewel's owner, Jeff Hoops, owns Revelation Energy, an Appalachian coal mine company with a pattern of operational and safety violations, many of which have been severe enough to force the company to shut down part of its operations until it could remedy the situation. Since state law prevents coal mine permits from being issued to operators with a pattern of violations, Powder River has asked the EQC to deny transferring the permits to Blackjewel.

For more information on the objection, contact Powder River at 307-672-5809 or email [info@powderriverbasin.org](mailto:info@powderriverbasin.org).

**Powder River Staff**

**Powder River Basin Resource Council (Powder River)** is a grass-roots organization of individuals and affiliate groups dedicated to good stewardship of Wyoming's natural resources. Powder River was formed in 1973 and stands for the preservation and enrichment of our agricultural heritage and rural lifestyle; the conservation of Wyoming's unique land, minerals, water and clean air consistent with responsible use of these resources to sustain the livelihood of present and future generations; and the education and empowerment of Wyoming's citizens to raise a coherent voice in the decisions that will impact Wyoming residents' environment and lifestyle.

**Powder River** is a member of the Western Organization of Resource Councils (WORC). WORC member groups are Dakota Resource Council, Dakota Rural Action, Idaho Organization of Resource Councils, Northern Plains Resource Council, Oregon Rural Action, Western Colorado Congress, Western Native Voice and Powder River Basin Resource Council.

The services provided by Powder River include public education, community organizing and lobbying as permitted on behalf of its membership. Powder River is a non-profit, 501 (c)(3) tax-exempt organization.

**Membership dues:** \$30 for individuals, \$50 for families and \$20 for students and senior citizens. Powder River is dependent on contributions for its work; contributions, large and small, are welcomed.

#### Active Affiliate Organizations

- Cheyenne Area Landowners Coalition(CALC)
- Pavillion Area Concerned Citizens (PACC)
- Ranchers & Neighbors Protecting Our Water (RNPOW)
- Sheridan Area Resource Council (SARC)

#### Board of Directors

Chair.....Joyce Evans  
Vice Chair.....Bob LeResche  
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**Powder River Breaks**  
Editor: Robin EH. Bagley  
Layout: Stephanie Avey  
Photos by Powder River staff and members.



# Message from the Chair

Over these autumn and winter holidays, the economic news just seems to be worse and worse. Automobile manufacturers are closing plants; stocks go down and down, and, in our county, sugar beet plants close resulting in nearly a hundred people being suddenly out of work. Our federal government strives to maneuver money into the bank accounts of the already super-rich. Meanwhile, pipelines tear up the prairie and their transient workers alternately freeze and thaw, missing the homes they left to make the big dollars. Welding trucks and semis with drilling equipment race up and down our highways and country roads, churning up the sage brush hills.

We Americans seem to live on perpetual roller coaster. The ups are high, and the downs are low. The politicians shout threats that it will be worse if they don't keep their jobs and then do everything imaginable to make sure people who could potentially disagree with their policies can't even vote. All the while, they are thinking of ways to line the pockets

of those who support them, and personally they are sure to come out okay, too. It's enough to make a working, voting person shake his/her head in wonder.

Stop! This is a season for reflection and for planning. This is the time to introspect and sort out what we stand for, what we care about, and what we will do in the future. We still have space for roaming and places we can roam. We still have relatively clean water and relatively clear skies. There are things we can do to protect and improve those things. We have an independent streak that makes us difficult to push around, yet keeps us compassionate at the same time. We take care of those who need help, we push back when our way of life is threatened. Things aren't so bad, after all.

Here at PRBRC, we have a most dedicated group of people who have amazing insight and strategic skills. We have people who know how to embrace causes that grow our region economically and to tackle those lame-brained ideas that will make things worse for us and for our fellow critters which inhabit the state. We are a big part of the answer, not the problem. We need to be proud of our staff, our board, and most of all, our members. Together, we create a force that can make a difference well into the future.

If you have money, donate money; if you have time, donate time. If you have neither, be kind to your neighbors and offer emotional support. Take care of yourself. Make this place a place where you truly want to be. Trust yourselves to put your energies into the right causes, trust your ability to grab the horns and twist the necks of those who want to bring our culture and our natural resources down to the level of a city landfill. We have prevailed, and we will prevail into the future. Thanks go to our amazing staff, the strong networks they have helped us build, and the members who pull together when the going gets tough! Happy Holidays to you, no matter when, how, or why you celebrate them.

A handwritten signature in cursive ink that reads "Joyce E. Evans".

## End-of-Year Giving Reminder

We have good news! Thanks to a group of generous donors, we have raised \$50,000 and now we are asking you, our membership, to help us match it.

**Will you donate to help us reach our goal of matching the \$50,000?**

We are working to reach our goal by the end of the year. **Thank you to everyone who has**

**already donated!** It's really easy to donate on our website: [www.powderriverbasin.org](http://www.powderriverbasin.org) and click the Donate button. If you prefer to write a check, it can be mailed to the office at 934 North Main Street, Sheridan, WY 82801.

Thank you!  
**Powder River Staff**

# Minerals Tax

## Collection Needs Reforming

When the CBM industry went belly up in Wyoming, that bust was hard not only on gas field hands and construction workers, but also on Wyoming's counties and Wyomingites who rely on their county government for basic civil services like education, transportation, public health, public safety and others. Counties in our energy colony depend greatly on tax revenues from production of oil, gas, coal, uranium and other minerals. These *ad valorem* tax revenues – based on the value of produced minerals – are collected twice a year, but one to two years arrears – long after the minerals have been produced and sold, and the producers have pocketed the money. When a mineral producer goes out of business, millions of dollars in taxes are left unpaid, and counties are in a real bind to provide needed services.

During Powder River's work on the bankruptcies of Peabody, Arch and Alpha – the three largest coal mining companies operating in Wyoming – we intervened with the Western Organization of Resource Councils in bankruptcy proceedings to ensure that money and bonds set aside for reclamation would not be looted or spent on other things. And it came to our attention that tens of millions of dollars of *ad valorem* mineral taxes have gone unpaid over the years by coal, oil & gas, and uranium companies.

State law grants an average 18-month “float” on mineral company debt to counties. And in the event of bankruptcies, the counties stand at the rear of the line to collect, behind bankers and all secured creditors.

In collaboration with county treasurers, we produced two reports, which have been distributed to legislators and reported upon widely. The reports show that more than \$54.9 million of *ad valorem* mineral taxes were owed to 13 Wyoming counties in July of this year. (Since then, Westmoreland Coal's bankruptcy filing involving the Kemmerer mine has left Lincoln County, Wyoming, unsure of whether they will ever see money owed them for mineral production during the past 18 months.)

Long float and lack of secured standing in bankruptcy court make collection of these taxes very difficult, and often impossible. Worse, in many cases, uncollected *ad valorem* taxes represent a large portion of revenues our counties need every year for critical county services. And these are services already received by the companies that owe the taxes and already paid for by the counties 18 months before.

We are urging the legislature to pursue four solutions to fix this problem:

First, the legislature should shorten the float period. They should convert the 18-month arrears schedule to match that of severance taxes paid the state on the same mineral production. State taxes are paid monthly, 55 days arrears, in contrast to *ad valorem*



Bob LeResche presents Powder River's proposed solutions for *ad valorem* tax collection to Sheridan area legislators during the Chamber's Legislative Forum on December 4<sup>th</sup>.

taxes, which are due and payable to counties only semi-annually, an average of 18 months arrears. If county taxes were paid more currently, counties would not be out so many millions of dollars when bankruptcies occur.

Second, the legislature should establish a tax lien on mineral production, similar to the tax liens counties hold on real property such as homes. Many states do this. A lien would put Wyoming counties near the head of the line to receive payment in case of bankruptcies – at least equivalent to the status of secured creditors.

Third, the legislature should consider a fund Wyoming counties could draw on to finance legal assistance in bankruptcy court. These proceedings are arcane and expensive, and many counties cannot afford the outside counsel that is

required to have any chance of eventually collecting what they are due.

Finally, the legislature should direct and empower the Oil and Gas Commission and the Department of Environmental Quality to withhold permission to transfer leases or operating permits until taxes have been paid on all previous production.

The lien provision – a back-end fix – was passed 54-6 in 2016 by the Wyoming House, but was never presented for a Senate vote, presumably because of opposition from the banking industry.

The monthly payment plan – the best front-end fix – was drafted as a bill this summer and considered by the Joint Revenue Committee in late November. The draft delays conversion to the new schedule until 2022 and provides a 10% discount when taxes are brought current, both to lighten the temporary burden of coming current on a monthly payment schedule. Sadly, the committee rejected the draft bill 9-4 after hearing objections from mineral companies who implied their 18-month “float” is necessary to keep them economically “afloat.” According to press reports, however, both committee members and industry representatives endorsed the back-end (lien) fix.

Powder River will continue to urge legislators to fix this problem during the coming session. Given the trajectory of coal markets, things will likely only get worse. Individual taxpayers, whose taxes carry county liens, and most of us who pay our property taxes monthly into escrow accounts required by lenders, deserve at least parity with industry. It's only fair. Mineral companies may be the foundation of our economy for now, but an excessive “float” on their public tax obligations at our expense certainly can't really be the key to their survival in the market. It is no more than another hidden and unnecessary subsidy to the minerals industry.

**Bob LeResche**  
**Powder River Vice-Chair**

# Landowners Speak Out Against EPA Methane Rollback

On November 14<sup>th</sup>, landowners from all over the West traveled to Denver, CO to tell the Environmental Protection Agency (EPA) not to roll back the 2015 methane rules.

The EPA intends to relax a rule requiring more energy companies to perform leak detection and repair of oil and gas wells and eliminate methane emissions. In particular, the rollback would decrease inspections from twice-yearly to annually for regular oil and gas wells and to just every two years for low-producing wells. The EPA has also proposed new loopholes to let producers in many oil-and-gas-producing states entirely opt out of the federal methane rules if they have their own state-level methane standards.

Powder River and Cheyenne Area Landowners Coalition (CALC) member Marilyn Ham attended the EPA hearing to explain the impacts that methane and poor air quality have on her life. She told the agency, “Laramie County has been inundated with deep-well drilling, and as a landowner, I’ve had a drilling operation move a fourth of a mile from my home where they plan to drill eight wells from one well pad. My husband has asthma, and I have a number of pets, and the methane released into the air will impact our health.”

According to the *New York Times*, the administration believes that changing this policy will save energy companies \$75 million dollars a year. This savings could come at the expense of releasing more methane into the atmosphere in addition to volatile organic compounds such as benzene, toluene, ethylbenzene, xylenes, and alkanes that cause negative impacts on public health.

Ham also explained how landowners are continually impacted by nearby drilling operations. “They drill by our homes to use our roads, our utilities, and our other facilities that we paid for with our tax dollars. They’re making their money off our dime.”

Members from other states around the WORC region also attended, including North Dakota, Colorado, Idaho, and Montana, to tell the agency how the oil and gas industry has negatively impacted their health, quality of life, and property values. The EPA must analyze the comments at the end of the comment period before finalizing the proposal; however, it is expected that this proposal will move forward.

**Monika Leininger**  
Powder River Staff

## Members Visit DEQ Mobile Air Quality Monitoring Unit

Following ongoing citizen concerns about air quality impacts from booming oil and gas drilling operations east of Cheyenne, the Wyoming Department of Environmental Quality (DEQ) installed a mobile air quality monitoring unit in Laramie County.

Cheyenne Area Landowners Coalition (CALC) members were invited to an open house to visit the unit and learn more about DEQ’s monitoring process. Upon visiting the site, CALC members were disappointed by the distance from the monitoring unit to oil and gas drilling in the county. DEQ claims that the objective of the monitoring unit is “to characterize ambient air in an area of oil and gas development intermingled with rural residential populations.” However, DEQ’s technician told Powder River and CALC that the nearest oil and gas rig was four miles away.

“The objective of the mobile air quality monitoring unit is to evaluate the impacts of the drilling operations on the people who live nearby. What is the point if there are no neighbors or drilling close to the unit?” said CALC member Wayne Lax.

Results from the monitoring unit are available on Wyvistnet.com where members of the public are able to view live updates on the area’s air quality. The website has a feature to plot data points throughout certain date ranges assessing ozone levels, hydrocarbons, nitrogen dioxide, nitrogen oxide, methane, and other emissions.

“Though CALC commends DEQ on monitoring air quality in Laramie County where oil and gas drilling is at an all-time high, we believe that the air quality monitoring unit is not located close to where people have ongoing concerns about quality of the air and as well as their health and livelihoods. The current monitoring unit will not be representative of those who live within a mile or two of an oil and gas well or have their property surrounded by drilling operations,” said Alex Bowler, CALC Board President.

CALC and Powder River plan to give the Administrator for the

Air Quality Division of DEQ, Nancy Vehr, feedback on the location of the monitoring station and push the agency to monitor areas that are experiencing poorer air quality conditions in closer proximity to ongoing drilling operations. The technician at the open house suggested that DEQ will monitor the current location for a year, and then move the monitoring unit to another location. Powder River and CALC will continue putting pressure on regulators to do everything in their power to ensure fresh air and high quality of life for Wyoming residents impacted by oil and gas development.

**Monika Leininger**  
Powder River Staff



DEQ Mobile Air Quality Monitoring Unit



CALC tours inside the DEQ Mobile Air Quality Monitoring Unit

# 2018: A Great Year for Wyoming Solar

During the past year, Powder River has worked to increase the visibility of renewable energy within Wyoming communities through the RENEWYoming Campaign. Through video and print materials, along with several solar-themed events, we have been able to reach citizens across the state interested in generating electricity for their residences or businesses.

The response to our campaign has been enthusiastic! We have gained new members as well as positive press around Wyoming. Installers report that installations are up this year, with our solar videos being mentioned to them on many occasions. Even as November moves into December, installers report continued high levels of installation.

As one small endeavor, we created and distributed Wyoming's first solar installer directory. This resource allows people interested in installing solar energy to easily compare bids from multiple installers without having to do the legwork of finding those installers. The University of Wyoming will include this information when they update their renewable energy page toward the end of the year.

During the past year, we held six solar events across the state, all of which were well-attended. A community discussion held in Laramie on the future of Wyoming solar, co-hosted with the Wyoming Outdoor Council, had over 100 people in attendance and included



legislators from both sides of the aisle.

We have reached out to banks around the state to compile solar funding options. We hope to have a comprehensive list of lending options offered by Wyoming credit unions by the end of the year and the list of funding options from larger Wyoming lending institutions ready by spring.

We are pushing out information on the federal Residential Renewable Energy Tax Credit, as 2019 is the last year for solar users to claim the full 30% credit. The credit will be reduced to 26% in 2020 and 21% in 2021, after which it will expire completely. Since no

state-level incentives exist, this credit has been extremely helpful in decreasing costs to residential solar users in Wyoming. Let's use it while we have it!

On a personal note, it has been a terrific experience working with solar owners, enthusiasts, and installers during the past year. I have had the opportunity to meet some very wonderful people around the state. We have barely begun to scratch the surface of what is possible for Wyoming solar energy production, and I am looking forward to seeing what we can do together in 2019.

Happy Holidays!

**Hesid Brandow**  
Powder River Staff

## RENEWyoming Solar Videos

Stories from homeowners & businesses across the state

Check out all of our solar videos on our website,  
[www.powderriverbasin.org](http://www.powderriverbasin.org), and click on  
What We Do, then Renewable Energy.

## Powder River Solar Energy Production

Energy Produced: 327 kWh  
Carbon Offset: 500 lbs

We have offset the equivalent of 6 trees in Oct/Nov 2018!



# DEQ Denies Gillette Water Discharge that Troubled Landowners

The Department of Environmental Quality (DEQ) sided with landowners over the City of Gillette in denying a controversial permit application that would have authorized the discharge of almost one million gallons of water down ephemeral streams near Carlile in Crook County. Gillette needs to discharge the water because of treatment and testing of new wells for the Madison Pipeline – a multimillion dollar project bringing water from its neighboring county to Gillette in response to the dewatering of the Fort Union Formation by oil, gas, and coal development.

As we reported in the September-October edition of the *Breaks*, dozens of landowners showed up to a public meeting hosted by the DEQ in Moorcroft in mid-September to voice concerns and ask questions about Gillette's discharge plans. Of particular concern was that the proposed discharge would run through a rural subdivision, near homes and water wells. Flooding, erosion, and long-term damage to the land and vegetation would have been likely outcomes of the city's

proposal. Potential impacts to water quality are also on everyone's mind as landowners in the area still grapple from a recent situation of water wells going bad or dry. While the DEQ has ruled out the Madison Pipeline wells as a direct cause of the water contamination, it has identified previous discharges of produced water and its interaction with local geological conditions as a possible contributing factor to the water problems.

In response to these concerns, DEQ worked with Gillette on an alternative proposal to pipe the water directly to Keyhole Reservoir. This alternative would address the landowners' concerns and would prevent the impacts. DEQ approved the alternative proposal when it denied the proposal to discharge through the subdivision.

**Shannon Anderson**  
Powder River Staff

# Powder River Basin 2018 Res

## Concerning Blockchain & Cryptocurrency

**WHEREAS**, a global network of computers uses blockchain technology to jointly manage the database that records Bitcoin and other cryptocurrency transactions;

**WHEREAS**, blockchain technologies are appearing in a variety of other commercial applications today, including blockchain tags for cattle;

**WHEREAS**, Wyoming legislators and policymakers are developing laws and policies to attract and regulate blockchain businesses and cryptocurrency transactions;

**WHEREAS**, blockchain businesses can use large amounts of electricity of 10 megawatts or more;

**WHEREAS**, unlike tech companies and some other businesses that use large amounts of electricity, blockchain businesses do not have commitments to use renewable energy;

**WHEREAS**, Wyoming utilities are starting to plan for the disruption blockchain businesses will cause to electric load because of the large consumption of energy for only a limited amount of time; and

**WHEREAS**, the Wyoming Public Service Commission will face challenges ensuring current electric customers continue to receive safe, reliable and affordable service as blockchain businesses move in to the state;

**NOW THEREFORE BE IT RESOLVED** that the Powder River Basin Resource Council will advocate for increased renewable energy use by blockchain businesses; and

**BE IT FURTHER RESOLVED** that the Powder River Basin Resource Council will work to prevent impacts to our members and other current residential and commercial ratepayers through responsible policy initiatives before the Wyoming Legislature, the Wyoming Public Service Commission, and other forums.

## Transparency of Political Donations

**WHEREAS**, pursuant to the controversial decision by the U.S. Supreme Court in *Citizens United v. Federal Election Commission*, large political action committees that operate independently from candidates (often-called Super PACs), corporations, labor unions, and even some nonprofit organizations can spend unlimited money on campaigns, political advertising, and voter engagement;

**WHEREAS**, *Citizens United* and progeny cases such as *SpeechNow.org v. Federal Election Commission* overturned a century of campaign finance reform and invalidated both state and federal statutes that set limits on campaign spending;

**WHEREAS**, these cases did not, however, invalidate disclosure requirements requiring transparent reporting of campaign contributions and expenditures;

**WHEREAS**, the 2018 Wyoming Governor's race was the most expensive in the history of the state, with over \$8 million spent by candidates;

**WHEREAS**, Wyoming's campaign finance statutes are consistently ranked among the worst in the country, and loopholes can make it impossible to determine who is contributing to third-party groups, like political action committees and 501(c)(4) nonprofits that operate independently from a candidate;

**WHEREAS**, this "dark money" has a disrupting influence on elections in Wyoming by diluting the power of individual donors and smaller contributors to campaigns; and

**WHEREAS**, in response to this dark money influence in our elections, the Wyoming legislature is considering reforms to our laws that will increase transparency of political donations;

**NOW, THEREFORE BE IT RESOLVED** that Powder River Basin Resource Council supports legislative efforts to revise Wyoming's

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## Ramaco's New Permit Application Under Review

In mid-October, Ramaco Carbon submitted a revised permit application for its proposed Brook Mine in the Tongue River Valley, seven miles north of Sheridan. The revision was in response to the successful challenge brought by Powder River, neighboring landowners, and Big Horn Coal to Ramaco's first coal mine permit application.

The revision dramatically changes the company's proposal by lowering the amount of coal to be mined, avoiding a controversial and environmentally sensitive area challenged in the first version of the permit, and proposing to switch to surface mining for the first five years of the mine.

The revision is now under review by the Department of Environmental Quality (DEQ). The agency has until January 17<sup>th</sup> to finish its review, or alternatively, to identify technical questions the company will have to answer before moving forward. Separately, Powder River has started working with our two experts to review the subsidence/geotechnical and hydrology parts of Ramaco's application.

Shannon Anderson  
Powder River Staff

# Resource Council olutions

campaign finance laws to increase transparency and disclosure of political advertising, electioneering communications, and other electoral campaign spending.

## Re-affirming Powder River Basin Resource Council Support for Landowners

**WHEREAS**, Powder River Basin Resource Council was founded by landowners and other citizens concerned about the impacts of industrial-scale fossil fuel development on rural people and their quality of life;

**WHEREAS**, many of the issues we work on force landowners and citizens to face powerful corporations and the government;

**WHEREAS**, landowners in Sheridan County over the past four years have faced bullying, intimidation, and harassment from Ramaco Carbon, a company attempting to open a coal mine and industrial facility in the Tongue River Valley;

**WHEREAS**, split estate landowners in the Powder River Basin, Laramie County, Pavillion, and other areas in Wyoming suffer from ongoing pressure and intimidation from the oil and gas industry; and

**WHEREAS**, landowners in the Carlile area of Crook County have recently dealt with impacts of water contamination and drawdown in water wells related to development of the Madison Pipeline Project, and they have been subjected to subsequent bullying and intimidation from the City of Gillette for trying to get those impacts addressed;

**NOW, THEREFORE BE IT RESOLVED** that the Powder River Basin Resource Council affirms its long-standing and tireless support of landowners in Wyoming and will continue to work with them to protect their quality of life, their livelihoods, their homes, and their lands; and

**BE IT FURTHER RESOLVED** that as an organization we will always work to educate and empower citizens to raise a coherent voice in the decisions that will impact their environment and lifestyle.

## Utility-Scale and Distributed Solar Generation

**WHEREAS**, PRBRC supports responsible energy development; and

**WHEREAS**, the cost of installing solar energy is now in many instances cheaper than the cost of maintaining existing coal plants; and

**WHEREAS**, the cost of energy generated by solar facilities is in many instances less than that of energy generated by fossil fuel facilities; and

**WHEREAS**, solar generating facilities produce fewer harmful toxic and climate change affecting emissions than fossil fuel facilities; and

**WHEREAS**, Wyoming coal has become less competitive in recent years, and that trend is likely to continue; and

**WHEREAS**, the benefits of diversification of Wyoming's economy are widely accepted; and

**WHEREAS**, PRBRC has been promoting distributed solar generation as a tool for economic diversification through our RENEWYoming campaign; and

**WHEREAS**, Wyoming has the eighth best solar resource in the nation; and

**WHEREAS**, to date, Wyoming has not significantly developed our solar resources;

**NOW, THEREFORE, BE IT RESOLVED** that PRBRC favors the development of both distributed and utility-scale solar electricity generating facilities over the development of new utility-scale fossil fuel generating facilities.

**BE IT FURTHER RESOLVED** that PRBRC advocates for siting consideration for specific utility-scale solar facilities to mitigate impacts to wildlife migrations, neighboring residents, ranching, and sensitive habitat.

## BLM Starts Coal Leasing Review

The Bureau of Land Management (BLM) announced the start of a historic review of the federal coal program and the government's sale of coal in the Powder River Basin. In response to a victory in a lawsuit brought by Powder River, Western Organization of Resource Councils, and our allies, the BLM was ordered to take a second look at how it determines what coal to put up for sale. In doing so, BLM has to consider whether a lesser amount of coal should be sold to reduce climate change impacts.

On November 28<sup>th</sup>, BLM opened up "scoping" – a process under the National Environmental Act to obtain comments on the scope of the review BLM will conduct. As part of the scoping process, BLM

will hold a public comment hearing in Gillette on December 19<sup>th</sup> from 3-7 p.m. We encourage members to attend the public meeting, or to submit written comments asking the BLM to consider climate science in determining how much coal to lease. Comments are due by the December 28<sup>th</sup> deadline. Comments can be submitted via email to blm\_wy\_bfo\_coal\_seis@blm.gov or via mail to Buffalo RMP Supplemental Draft EIS, Attn: Tom Bills, RMP Interdisciplinary Team Leader, Buffalo Field Office, 1425 Fort Street, Buffalo, WY 82834.

**Shannon Anderson**  
**Powder River Staff**



# Ag Update

## Farm Bill Still in Limbo

While the Farm Bill Conference Committee has been working to iron out differences in the Senate and House versions, they still have not released final bill language. At the end of November, the committee released a statement that they had reached an agreement “in principle,” yet still held off releasing the bill text.

While the Supplemental Nutrition Assistance Program (SNAP) was the sticking point prior to the mid-term elections, thorny forestry issues held up the process later in November. Yet the DC rumor mill continues to churn out stories that we can expect a bill at any time; however, the House suspended all votes the first week of December. At the time of this writing, we’re not sure where the Farm Bill will fall with the spending bills needed to fund the government beyond December 21<sup>st</sup>, but it is possible that the Farm Bill could be attached to one.

## NAFTA 2 Signed

The updated version of NAFTA was signed by the US, Mexico, and Canada on November 30<sup>th</sup> at the G20 Summit in Argentina. While the administration is trying to rebrand the agreement as the United

States-Canada-Mexico-Agreement, it’s still NAFTA in a new suit. No country-of-origin-labeling, poor environmental protections, and a lack of food safety language are among the worst problems. Just like its older sibling, the new NAFTA is heavily pro-business and will be harmful for farmers and ranchers, small businesses, the environment, workers, and consumers in all three countries.

It’s important to remember that signing doesn’t equal passage, so there is a possibility NAFTA 2 can be stopped. The agreement still needs to pass the legislatures in all three nations, and it won’t be introduced in the US Congress until after the first of the year. Grassroots groups from around the country are gearing up to force the agreement to be renegotiated before introduction. Once the agreement is introduced into Congress, it has to be voted up or down under Fast Track rules, but it can be renegotiated with side agreements prior to that happening. Stay tuned for updates in the new year.

**Robin EH. Bagley**  
**Powder River Staff**

## Sheridan Food Forest Featured on Wyoming PBS

The Sheridan Food Forest was featured in a recent episode of Wyoming PBS’s *Farm to Fork* program. You can still stream it online at <https://www.pbs.org/show/farm-fork-wyoming/> and learn about the philosophy behind the food forest as well as the forest’s progress with native pollinators. The segment features interviews with Carol and Bob LeResche and Harold Golden who all talk about different aspects of the food forest.

*Photos courtesy of Wyoming PBS*



Carol LeResche and Harold Golden



Bob LeResche shows pollinator data



Carol LeResche with a Food Forest apple

# American Coal's Asian Savior Is a Fantasy: *From Wyoming to China is too far, shipping is too expensive, and the product is too low-quality*

Fear not, coal miners of America! The U.S. military is coming to your aid.

The Trump administration is looking at using naval facilities or other federal properties to open up exports of thermal coal from the Great Plains of Wyoming and Montana to the energy-hungry populations of East Asia, Secretary of the Interior Ryan Zinke told the Associated Press in an interview this week.

In theory, that would solve a long-standing gripe of the U.S. coal industry: That state governments in Washington, Oregon and California are blocking their route to the ocean by refusing to approve coal terminals.

It's certainly true that America has an extraordinarily rich endowment of the black stuff, which is at risk of becoming stranded as domestic generators, its main customers, switch to gas and renewables. The North Antelope-Rochelle and Black Thunder pits run by Peabody Energy Corp. and Arch Coal Inc. are among the world's biggest mines of any sort, with the former turning out close to 100 million metric tons a year.

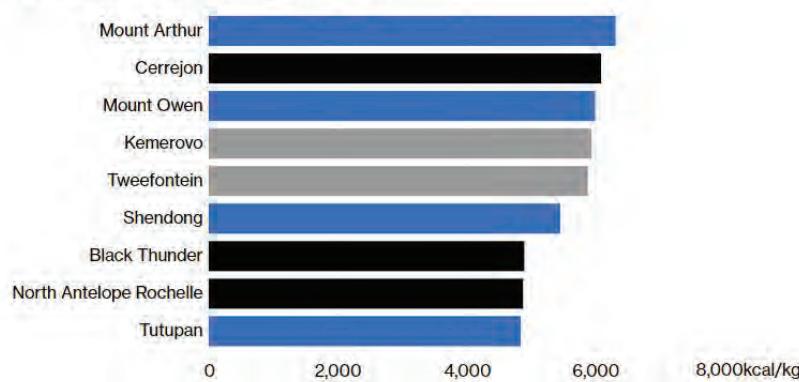
The trouble is, it's a lot more than coastal liberals that are stopping Asian consumers from buying American coal.

## Quality Street

### Quality Street

The Powder River Basin's Black Thunder and North Antelope Rochelle mines have relatively low-grade product

■ Asia-Pacific ■ Americas ■ Africa, Russia



Source: Company reports

For one thing, the stuff mined in Wyoming's Powder River Basin tends to be pretty low-quality, with heating values that are typically below 5,000 kilocalories per kilogram. That barely cuts it in Asia: The Australian product that's preferred by generators in Japan, South Korea and Taiwan is typically of 6,000 kcal/kg or more, and even the lower-energy Indonesian coals imported to India and China mostly range between 5,000 kcal/kg and 5,500 kcal/kg.

Then there's the distance. Just getting Powder River coal to the U.S. West Coast involves a rail journey of about 1,200 miles (1,900 kilometers). The U.S. Energy Information Administration doesn't publish exact figures for rates on that route because there are so few players. (If it did, it would end up disclosing company data.) But you can get an idea of the cost by looking at the \$25 a short ton to \$30 a short ton price of shifting it to Louisiana or Michigan, a roughly

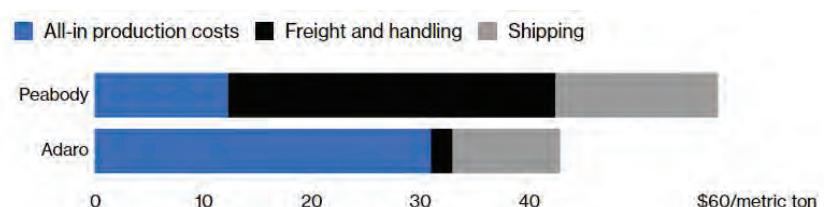
similar distance.

Then there's ocean freight. Again, there's so little coal trade between the West Coast of North America and Asia that it's hard to find a precise figure, but the best guess is that the 5,300-nautical-mile trip will cost about 50 percent more than the 3,540-nautical-mile journey from Hampton Roads at the mouth of the Chesapeake to Rotterdam. That suggests a price in the region of \$15 a metric ton on a Capesize coal ship.

On top of that there's the cost of production at the mine itself. Peabody, which has some of the biggest pits and went through the efficiency boot camp of Chapter 11 bankruptcy not so long ago, would be a decent proxy for that, and its operating costs are around \$10 a short ton in the Powder River – phenomenally low by global standards.

## River Deep, Mountain High

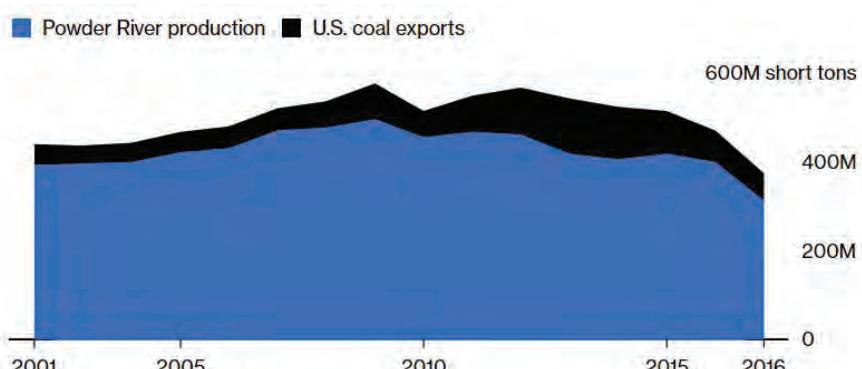
Thanks to rail and shipping, the landed cost of Peabody's coal in North Asia would be far higher than comparable Indonesian product.



Source: Peabody, IndoPremier Securities, Bloomberg Intelligence, Bloomberg Opinion estimates

Put those three numbers together and add a few dollars for port and loading charges, depreciation, selling costs, interest, and asset-retirement expenses, and you get a figure of around \$57 a metric ton for deliveries to Qinhuangdao, China's main coal port.

That doesn't look so great. Adaro Energy Tbk, an Indonesian miner whose coal would be considered at least as good as the Powder River Basin's, has equivalent costs that have been in the low \$40s a



Source: Energy Information Administration, U.S. Department of Energy

ton for years. Moreover, as we've written, if Asia continues consuming thermal coal in the medium term at all, it's likely that China and India will gradually look to use higher-quality product to stop their cities

.....continued on page 10

## 46<sup>th</sup> Annual Meeting...Continued from page 1

the entire river basin. The cameras take photos on the hour, every hour, 365 days a year. So far the project has collected two million images, but these aren't just pretty pictures; they provide visual data useful to scientists and ranchers. How the water ebbs and flows over time is vital information for both wildlife and agriculture.

As part of the project, Forsberg traced the entire length of the Platte River, starting in Wyoming's Wind River Range, traveling downstream all the way to the confluence with the Missouri River, covering 1,300 miles in 55 days. The project was the basis for a documentary film titled *Follow the Water*, which was released on PBS last August.

In closing, Forsberg called water conservation the most pressing issue of our time. To protect it, "there are times when you have to fight."

**Robin EH. Bagley**  
Powder River Staff



## America's Coal...Continued from page 9

from choking on smog, posing problems for both Indonesian and Powder River sellers.

### Plugging the Hole

Exports are never going to plug the gap left by declining Powder River coal production.

The brutal truth is that even in a best-case scenario Asian coal demand would never be able to replace the production that's going

from the Powder River, which lost about 100 million short tons of output between 2014 and 2016 alone – greater than the total volume of U.S. coal exports.

As renewables and gas undermine the economics of coal generators and governments work to avert the worst consequences of climate change, the world's coal miners are

increasingly fighting over a dwindling pool of demand. Only the fittest will make it. The Powder River, long protected in the redoubt of the domestic U.S. market, will never survive on the open ocean.

**David Fickling, Bloomberg Opinion**  
Reprinted from Bloomberg.com/opinion, published October 18, 2018

# Wishing you a Happy Holiday!



**Please remember Powder River  
in your Year End Giving!**

# In Memoriam

## Claiborne K. ‘Clay’ Rowley

### June 18, 1936- November 21, 2018



Claiborne K. “Clay” Rowley passed away Wednesday, Nov. 21, 2018, at Close to Home Hospice House in Gillette.

He was born June 28, 1936, to Meril Rowley and Esther Sorenson Rowley in Sheridan. Clay was raised and worked on the family ranch located near Arvada where Clear Creek flows into the Powder River. The ranch was homesteaded by his grandfather, Niels Christian Sorenson in 1894.

He attended a one-room school house on the ranch where his mother was the teacher at times. Clay learned how to drive at age 8 and was driving confidently around Billings, Montana, by the time he was 11.

He graduated from Sheridan High School in 1954, serving as treasurer of his senior class. He graduated from the University of Wyoming in 1958, earning a degree in geology, professional curriculum.

Immediately after graduation, he took a job with Continental Uranium in Denver, moving from there to California, and then to Jeffrey City, Wyoming. In 1968, he moved to Casper to work in uranium exploration for the Cleveland Cliffs Iron Company, mainly near Pumpkin Buttes.

In 1981 he transferred with Cleveland Cliffs to Rifle, Colorado, commuting from his home in Glenwood Springs. When Cleveland Cliffs closed their Rifle office, Clay took a job with TriHydro Corp in Laramie. Later he worked for the Wyoming Department of Environmental Quality, commuting to Cheyenne from his home in Laramie.

He retired in 2001 and moved to Sheridan in 2002, where he and his wife built their retirement home. He remained actively involved in managing the family ranch, which is rented by Kelby and Lacey Kretschman.

Clay enjoyed hunting with friends for many years. He was also a true UW Cowboy football fan, holding season tickets since 1960, often traveling long distances to attend the games, staying to the end even in snowstorms.

He was very interested in Western history, reading books and newsletters and traveling extensively to historic sites in Wyoming and Montana. He was also interested in his family history.

A rodeo fan, Clay and his wife held season tickets to the Cheyenne Frontier Days finals and twice traveled to attend the Calgary Stampede. Clay and Gayla enjoyed many travels but their favorite was a trip on the Alaska Railroad.

Clay kept in touch with friends from all stages of his life and was well known for the more than 50 personal Christmas letters he sent each year.

He enjoyed sharing stories of his life growing up on the ranch. Probably his most often-told story was a description of how his Dad used an inverted tank on top of the ranch house water well to capture methane gas and used it to power household appliances. This was always accompanied by a carefully drawn illustration.

He was a lifetime member of the NRA. After moving to Sheridan, he was active in the Powder River Basin Resource Council and the Big Horn City Historical Society.

Clay was married to Joyce Enfield in 1959. They had one daughter, Leslee, and divorced in 1964. He was married in 1969 to Gayla Soloman. They have one son, Steve.

He was preceded in death by his parents and half-sisters Mildred Knapp and Wilma Toll.

He is survived by his wife of 49 years, Gayla Rowley; daughter Leslee (Rod) Richardson of Gillette, and grandchildren Emily, John, and Maureen Ransone; son Steve (Sara) of Urbandale, Iowa, and grandchildren Georgia and Sydney Rowley; sister-in-law Connie (Gary) Mahaffey and niece Kristen and nephew Brenton Mahaffey.

A funeral service will be at 2 p.m. Tuesday at Kane Funeral Home in Sheridan. A reception will follow in the Kane Funeral Home Reception Hall. Interment will follow in the Juniper Heights Section of the Sheridan Memorial Cemetery.

In lieu of flowers the family requests donations be made to Powder River Basin Resource Council, 934 N. Main St., Sheridan, WY or Big Horn City Historical Society, P.O. Box 566, Big Horn, WY 82833 or to a charity of your choice.

Online condolences may be written at [kanefuneral.com](http://kanefuneral.com).  
Reprinted from the Gillette News Record, Nov. 25, 2018.

## Forsberg Art Exhibit a Hit at Sheridan County Library

Not only did over 100 people enjoy Michael Forsberg’s presentation at Powder River’s 46<sup>th</sup> Annual Meeting, but dozens more were able to enjoy Forsberg’s Great Plains photographs at the Sheridan County Fulmer Public Library throughout November and early December. On the evening of November 1<sup>st</sup>, Powder River hosted a public reception at the library to kick-off the exhibit with approximately

40 people stopping by to check out the artwork. Even though the exhibit has now closed, library patrons will be able to view these photographs and more in Forsberg’s book, *Great Plains - America’s Lingering Wild*, available at the library through the author’s donation.

Powder River Staff





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## Save the Date

- December 12<sup>th</sup>, Annual Meeting Raffle Drawing
- January 8<sup>th</sup>, Legislative Session-Cheyenne
- January 24<sup>th</sup>, Board Meeting-Cheyenne
- February 27<sup>th</sup>, Tentative Legislature Session End

## Planned Giving and Estate Planning Gifts: Don't Forget Powder River Basin Resource Council

The Powder River "family" has been thinking a lot about the future lately, because, as the saying goes, "We aren't getting any younger." We want to make sure this organization remains viable for future generations in the same way it serves today's members. For this reason, we are inviting you, our extended family of members and donors, to consider including Powder River in your estate plans.

More specifically, we are asking that you consider designating Powder River Basin Resource Council as a beneficiary in your will. Your gift will create a living legacy allowing Powder River to continue our work far into the future and helping to ensure that Wyoming remains the place we know and love for our kids and grandkids.

As one long time Powder River member, Digger Moravek stated, "I want to raise Hell long after I'm gone." You, too, can do this with a

generous bequest to Powder River.

Please consult your legal and financial advisors about how you can use a variety of estate planning tools to support Wyoming's most effective grassroots member organization, and how you might benefit. For example, there is a tax exemption for estate tax rates of up to \$5 million.

Thank you! If you have any questions, please give Powder River a call at 307-672-5809

**Powder River Basin Resource Council  
Fundraising Committee**

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