



Panel Discussion on Coal Decline and Wyoming's Future Packs the House

On the evening of Nov. 2, nearly 150 of our members gathered for Powder River's 47th Annual Meeting. After socializing and shopping at the silent and live auctions; the crowd filled the room at the Holiday Inn in anticipation of the conversation around how Wyoming can address the declining coal industry and subsequent consequences, both economic and human, before it's too late. After a tumultuous year of bankruptcies, layoffs, and mine closures, in addition to the state's budget woes and dismal revenue outlook, it was no surprise that Wyomingites turned out to listen to the discussion.

This year's theme, *When Coal is No Longer King: A Conversation on Wyoming's Future*, featured a



Panelists discuss Wyoming's future in the face of the coal industry's decline at the 47th Annual Meeting.

panel discussion among Denise Parrish, Deputy Administrator of the Wyoming Office of the Consumer Advocate; Robin Cooley, Director of the Department of Workforce Services, and Adele Morris, Senior Climate and Energy Economics Fellow at the Brookings Institution. The panel was moderated by Wyoming House Minority Floor Leader Cathy Connolly, who has served in the state legislature for a decade.

Though the topic was ominous, the thoughtful and lively discussion proved hopeful overall but did not skirt the hard truths that Wyoming is facing. Morris cautioned the crowd that coal is already at the tipping point and that coal-reliant areas such as Wyoming

...continued on page 9

Power to the People: Net Metering Stays Strong

Solar energy in Wyoming has been on a roller coaster for the past year. During the 2019 legislative session, a bill that would have positively impacted Wyoming solar passed the House of Representatives with broad support before dying in the Senate. In April, the Wyoming Solar Energy Association (WYSE), Wyoming's first solar trade organization, announced their formation at Powder River's Spring Solar Celebration in Casper. It was a good way to begin installation season!

Solar took a turn for the worse when net metering was discussed at the first interim meeting of the legislature's Joint Corporations, Elections and Political Subdivisions Committee. Until that meeting, solar advocates anticipated the possibility of strengthening Wyoming's solar laws to allow for systems of greater capacity, more equitable true-up dates, and allowing for virtual net metering for community solar installations. Instead, committee members proposed amendments to Wyoming's laws that would have reduced the amount of credits solar owners receive for their excess power, entirely disincentivizing investment in solar.

Over the past six months, organizations and individuals have united to protect and defend the current net metering statute. Members of the Corporations Committee received thousands of emails, phone calls, and visits asking them to protect net metering in our state.

Our coalition showed up in record numbers to the committee's November meeting, the last one prior to the beginning of the 2020



Solar advocates pack the room as lawmakers consider changes to net metering statutes.

legislative session. In total, 26 members of the public offered comments. Some of the most memorable comments came from the Laramie Youth Council members about inheriting Wyoming's energy future, from solar business owners advocating for jobs and economic diversification, and from members of the public who have invested in solar energy systems. The support of net metering was nearly unanimous, with every single person asking for the protection of Wyoming's net metering statutes. Only utility lobbyists offered comments in support of the amendments.

Through this process, Wyoming solar advocates have become more connected and unified. We emerged with our net metering laws intact and have developed stronger ties and greater determination.

During the next year, Powder River will move forward in hosting solar workshops and events with our allies around the state to bring together all of those who want to see renewable energy grow. WYSE will continue to build themselves into a robust voice for solar energy in our state. We will work together to advocate for solar and continue growing renewable energy.

Here's to making 2020 the year of solar energy in Wyoming!

Hesid Brandow & Monika Leininger
Powder River Staff

Message from the Chair

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

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

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Powder River Breaks

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Photos by Powder River staff and members.



Greetings! As the new chair of Powder River's Board of Directors, I look forward to working with you, our members, at this time of challenge and transition in Wyoming.

I first became acquainted with Powder River Basin Resource Council at its inaugural Harvest Celebration in 2005 several years after I moved to Sheridan. It was at that festive event, squeezed into the cozy Big Horn Women's Club on a rainy Saturday afternoon, that I realized that this was a group I wanted to join. The tables were heaving with bountiful and delicious, home-made dishes, Mark Paninos and friends filled the hall with lively music, and the welcoming crowd greeted this newcomer with genuine warmth and friendliness. It was only later as a

member that I came to appreciate the depth and breadth of Powder River's expertise and commitment to preserving Wyoming's unique agricultural heritage and quality of life.

Serving on the Board of Directors for the past seven years has deepened my appreciation and affection for all who work to realize Powder River's goals. The smart and hard-working staff, my congenial and dedicated board colleagues, the loyal and generous members and donors: all help to make this organization the unique voice for informed and responsible development and sustainability in Wyoming.

I am grateful for all these strengths, especially now as Wyoming faces an unprecedented fiscal challenge as a result of the decline in the market for coal with its consequential steep drop in the major source of state revenue. Those who were among the overflowing crowd attending our annual meeting panel—"When Coal is no Longer King"—will have heard a startlingly realistic analysis of what this change means for Wyoming Communities. Adele Morris, Senior Fellow for Climate and Energy Economics at the Brookings Institution, Denise Parrish, Deputy Administrator of the Wyoming Office of Consumer Advocate, and Robin Cooley, Director of Wyoming's Workforce Services gave compelling testimony and were skillfully invited into rich conversation by Wyoming House of Representatives Minority Floor Leader Cathy Connolly.

The following are the salient messages I took away from their discussion:

- Coal decline is a reality. We cannot stop this fact or wish it away. Markets for coal are steadily shrinking. Cheaper and less carbon intensive sources of energy—oil and gas as well as solar and wind—have been replacing, and will continue to replace, coal.
- Our state leaders are in denial when they discount coal's decline. State budgets which assume the fiscal reality is "business as usual" (with gradual cutbacks) are not facing the urgency of the problem. Desperate schemes to revitalize external markets for coal are irresponsible folly.
- The decline in coal means an erosion of revenue streams, jobs, healthcare, and the quality of life for Wyoming citizens and communities. Unemployment will rise. Coal company bankruptcies have already left county governments scrambling to collect unpaid taxes and fund necessary services. Bankrupt and abandoned coal mines leave the landscape littered with unreclaimed, environmentally dangerous pits. Public education—the state's primary expense—has suffered declining revenues. These problems will only worsen. "The prognosis is grim."
- Creating a different future requires intelligence and will. We need invigorated leadership at the grass-roots and state levels, leaders who can "reinvent ourselves" now that our state is well on its way to becoming "just like any other state," that is, no longer able to depend on a lopsided revenue source. We have the opportunity to learn from other states about how they diversified their economies and reformed their tax structures. And we can develop smart strategies for working with policy climate initiatives at the federal level that can benefit our state.

These are the messages I took away from the panel, but I urge you to view the videos of this program yourself at www.powderriverbasin.org/2019/11/25/panel/. I believe we can meet this challenge before us if our leaders can overcome the fear of letting go of a declining industry and realize that the dreaded has already happened.

Marcia Westkott

Aethon Pushes DEQ to Allow Increase of Pollutant Discharge

The Wyoming Department of Environmental Quality's (DEQ) response to a public records request reveals a close working relationship between the DEQ and Aethon Energy over the past year. Aethon Energy, a Dallas, Texas-based hedge fund, owns the Moneta Divide gas field. Over the past two years Aethon has been pushing DEQ and EPA to downgrade water quality protections for Badwater Creek in order to permit a significant increase in the discharge of toxic oil and gas wastewater into the creek. Documents and photos acquired in the records request show Aethon and their consultants working side-by-side with DEQ in meetings, in the field conducting sampling and analysis of the creeks, and in responding to public objections concerning the proposed increase in discharges.

The field photos and testing of Alkali Creek clearly show significant damaging impacts that have already occurred as a result of decades of oil and gas discharges. The photos of Alkali Creek show stream banks devoid of vegetation, extensive eroded areas and a smelly black slime that underlies and permeates the creek. The field notes also document hydrocarbon and sulfur odors and lab tests show high levels of benzene, toluene, ethylbenzene and xylenes (BTEX) in some outfall samples. Alkali is the main receiving stream for the oil and gas wastewater and flows into Badwater Creek, which supports fisheries. At the confluence of Alkali and Badwater Creeks, a video shows fish trying to swim away from the oil and gas wastewater in Alkali as it enters Badwater. The video can be viewed here: <https://vimeo.com/372503296> (courtesy of Wyofile.com)

Documents also reveal that Aethon and DEQ met with EPA in December of 2018 working to persuade EPA to approve downgrading Badwater Creek to accommodate the proposed increase in oil and gas polluted wastewater from Aethon's Moneta Divide field. In the presentation to EPA,



An outfall in the Moneta Divide gas field discharges wastewater in the Alkali Creek drainage area.

Photo produced in DEQ records request

Aethon claims a need to increase discharges into the creeks in order to expand production. Aethon argues that because oil and gas discharges have occurred for decades and already impacted Alkali Creek, they should be allowed to set new, lower water quality standards in Badwater Creek in order to accommodate their new expansion and increased pollution.

In short, Aethon, with DEQ's support, wants a permit to increase their right to pollute even more. Their presentation to EPA states: "Aethon seeks to establish site specific water quality criteria that would allow them to expand their operations in Moneta Divide. Aethon and WDEQ have developed a strategy and accompanying SAP (sampling and analysis plan) to collect data that will support the UAA (use attainability analysis) process and the development of site specific water quality criteria." Aethon and DEQ's "site specific water quality criteria" is code for allowing more pollution into the creeks and into Boysen and Wind River.

To date, EPA has not approved the downgrade. The public outcry and comments objecting to Aethon's proposed discharge permit has helped to hold back the permit from being issued by DEQ. However, Aethon has increased pressure on DEQ to dismiss both public concerns and our experts who raised serious scientific problems regarding the impacts to fisheries and flawed modeling concerning the real impacts to Boysen and the Wind River. We will continue to push for protection and clean-up of these streams and work to pressure DEQ and EPA to abide by the laws that protect our freshwater streams from oil and gas polluted wastewater.

Jill Morrison
Powder River Staff

Laramie County Landowners Advocate for Strong Pipeline Requirements

The Laramie County Planning Department is considering changes to their Land Use Regulations that would streamline the process for construction of energy pipelines.

Currently, the county's land use regulations require that companies installing high power transmission lines, water pipelines over 12 inches in diameter, and energy pipelines must notify landowners within 1,500 feet and provide a public hearing before construction can be approved. The department recently told Cheyenne Area Landowners Coalition (CALC) that an attorney challenged the planning commission's authority to approve energy pipelines under state and federal laws, and therefore the department was removing provisions that allowed public and planning commission involvement.

CALC pushed back on the notion that the county has no authority in these matters and provided comments with proposed language that would still require notification of landowners and a comment period to raise concerns and ask questions.

At a recent Laramie County Planning Commission meeting, Wayne

"We are concerned that if these changes are accepted then the planning office will discontinue public notification process when I can guarantee that there is going to be an increase in oil and gas activity and drilling here. The county has both the authority and responsibility to notify residents about construction that could impact property owners."

– Wayne Lax

Lax, CALC Vice President, testified on the need for transparency with surrounding oil and gas development. "We are concerned that if these changes are accepted then the planning office will discontinue public notification process when I can guarantee that there is going to be an increase in oil and gas activity and drilling here. The county has both the authority and responsibility to notify residents about construction that could impact property owners," he told commissioners.

The county attorney will be reviewing CALC's suggestions. Brad Emmons, director of the Planning Department, believes notification is still achievable but is skeptical that the county planning commission should allow for comments on construction of pipelines. The commission will have the final say on the new regulations, which is expected following the new year.

Monika Leininger
Powder River Staff

Case Against Ramaco Mine Heads to Supreme Court

In October 2014, Ramaco submitted its application for a new coal mine north of Sheridan in the Tongue River Valley. Since that time, the company's proposal has been fraught with controversy and legal and technical missteps. In late October, just about five years from its initial permit submission, a state district court judge in Cheyenne seemingly gave the company its first real victory. However, a careful read of the decision and a good understanding of the facts reveals Judge Rogers's order did little to bring the company any closer to opening a mine.

Those of you who have been following the Ramaco saga for several years now know that in August 2017, the Wyoming Environmental Quality Council (EQC) ruled 4-1 that the company's permit application was technically and legally deficient on several key grounds, including a failure to conduct baseline water testing and adequately analyze impacts to water resources, a failure to consider likely subsidence (the ground caving in over underground mining), and a failure to put any limits on blasting activities in spite of the mine being located in close proximity to numerous rural homes. Ramaco appealed the EQC decision to state court, but in October 2018, the company hedged its legal bets by also submitting a much-revised permit application responding to the EQC decision. So, fast forward to present day and while the court decision reverses the EQC decision, the reversal doesn't mean much as the company – and the Department of Environmental Quality (DEQ) – have been analyzing how the permit application complies with the EQC decision for over a year now. In fact, DEQ just sent out its *eleventh* round of technical review questions and comments to Ramaco. The company is expected to respond, and we may be participating in a new public comment and hearing process sometime soon.

As Powder River Board Member and Tongue River Valley landowner Joan Tellez put it in response to Judge Rogers's decision,

“Time has not stood still, and in the two years since the Environmental Quality Council and Wyoming Department of Environmental Quality's decision regarding the deficient coal mine permit, the process has been moving forward with further rounds of review. And in these two years, the Brook Mine permit has yet to be found complete. Powder River has remained engaged with DEQ throughout this process, and we remain committed to ensuring that the deficiencies in Ramaco's coal mine permit regarding groundwater and hydrology, subsidence, and blasting are thoroughly addressed and that landowners and the Tongue River Valley are protected.”

While the court decision may have little practical impact for DEQ's review of the Ramaco permit, it did potentially have significant impact for the EQC's overall authority and jurisdiction. At issue in the case was whether the EQC could make a “decision on the application” as the Environmental Quality Act requires, holding that the permit should be issued or denied by the DEQ Director. The court decision held that only the DEQ can make a decision on the permit application, and the DEQ “is not bound by the findings of the Council.” (See the May/June 2019 edition of the *Breaks* for a rundown of the oral arguments before the judge). Powder River believes the case's holding is in error and goes against several decades of Wyoming mine permitting history. We have appealed the case to the Wyoming Supreme Court to seek clarity and a firm opinion that the EQC has the authority to find a mine permit application deficient.

We will continue to protect the Tongue River Valley on multiple fronts, and we appreciate all of the ongoing support of our members and friends.

Shannon Anderson
Powder River Staff

Sheridan Community Solar Update

Our efforts to get community solar, a mid-sized solar installation shared by a group of homes and businesses, are going well in Sheridan County. We have collected around 250 signatures on our petition asking MDU to install a community solar facility. Additionally, several businesses have agreed to write letters of support.

We are making great progress, but we still need to reach more people. If you live in the Sheridan area, you can help us with our petition. You can find a link to our online petition by going to our website, www.powderriverbasin.org, clicking on “What we do” and “Renewable Energy.” Please sign the petition and share the link with other people who you know using email and social media.

If you want to help us even more, you can arrange a time to pick up some of our paper petitions. Getting people to sign requires a bit of a conversation, but only because most people in our area have never heard of community solar. The conversations we have with people about solar energy end up being really enjoyable, and nearly everyone we talk to signs our petition once they understand what community solar is.

If you are interested in taking a petition, but are nervous that you don't know what to say, we would be happy to talk to you about what it is and why we think it could be a good fit for our county. Call the office at 307-672-5809 or email info@powderriverbasin.org, and we will be happy to set up a time to



talk. You can also visit our renewable energy page on our website and read some of the materials we have posted there with our petition link.

If you are a Sheridan County business owner in MDU territory, please consider writing a letter of support. Having a good show of support from residents and businesses will help us to show MDU that our community has a high level of interest in community solar.

On a different note, if you are not from Sheridan County but you are interested in what we are doing, I strongly urge you to call me. I will help you to start a petition to your utility. I have talked to all of the utilities in the state, and can tell you what your utility had to say about community solar. Also, I am happy to share materials and talk through any questions you have.

I respectfully challenge anyone interested in starting community solar in Wyoming to a race. I promise, our toes won't be stepped on here in Sheridan County if you get community solar first, but right now we are in the lead. It would be invigorating to have someone in another Wyoming community take me up on this grassroots challenge.

Let's work together and bring power to the people!

Hesid Brandow
Powder River Staff

Bill to Force Utility Coal Plant Sales Causes Implementation Headaches

One of the more complicated bills from the 2019 legislative session was Senate File 159, a bill sponsored by Senate Majority Floor Leader Dockstader to force a utility to try and sell a coal-fired power plant before retiring it. Lawmakers argued that even though a utility finds a coal plant uneconomic for its customers, someone else could find value in the facility allowing the life of the coal plant to be extended – along with perhaps the jobs and tax revenue that comes along with the plant.

However, inserting the legislative hand into utility markets this way is not a simple thing to do, and for the past several months the Wyoming Public Service Commission (PSC) has been grappling with how to best implement the law in a manner that will not harm utility customers – all of us in Wyoming.

The issues have ranged from how to advertise and select bids from potential new owners, whether the PSC should engage an independent evaluator to gauge offers and whether the utility should accept them, and how much power should cost if the new owner wants to sell it back to the utility as Senate File 159 allows. The last set of questions the PSC considered at a technical conference on Dec. 2 are perhaps the most important, including whether the new owner can properly operate a coal plant, environmental compliance obligations of the new owner, and whether a bond should be required to ensure the new owner properly decommissions and retires the coal plant at the end of its life. The PSC must ensure that the state isn't left with orphan coal plants, and workers and communities aren't left in the lurch after a new owner falsely promises it can save the coal plant.

Naturally, the issues have presented conflicts of position between the utility owners of the plants and entities and local governments looking to facilitate a sale. In particular, Glenrock

Petroleum has been very active in the PSC's review process, arguing that "in cases where the facility is otherwise being retired, it is in the public interest for the standards to be flexible." The company, which has expressed interest in operating a unit of the Dave Johnston coal plant near Glenrock after its proposed 2027 retirement, wrote in comments, "requirement(s) that are onerous or lack flexibility would counteract a key objective of SF-0159 by discouraging potential purchasers from submitting bids."

On the other hand, Rocky Mountain Power is arguing for clear and strong requirements because the issues "go directly to the many risks that Wyoming customers will bear with respect to the sale by a public utility of any of its Wyoming coal facilities that it would otherwise retire." Rocky Mountain Power also supported bonding for the new owner, commenting that "Recognizing that risks may materialize under even competent and reliable management teams, financial security for these critical risk points needs to be of a level that is provided by a creditworthy source and is both sufficient in form and amount."

In our comments, Powder River also supported bonding and strong and clear proof from the new owner that it can safely and responsibly operate and decommission the coal plant it seeks to buy. We also supported assurances from the new buyer that it can satisfy the terms of labor agreements with plant employees. All of the comments, along with audio recordings of all three technical conferences, are available at <https://psc.wyo.gov/home/hot-topics>.

The PSC is expected to start formal rulemaking in the new year, but might hold off if the legislature amends Senate File 159 in a significant way during the February 2020 budget session.

Shannon Anderson
Powder River Staff

COOL Makes a Comeback

With 2019's low cattle prices, country-of-origin-labeling (COOL) has re-entered the ring of policy debate. While the issue remained near and dear to the hearts of ranchers around Wyoming and the nation, Congress's reversal of mandatory COOL in 2015, felt like the end of the road.

However, Montana Senator Jon Tester has introduced a resolution supporting the reinstatement of mandatory COOL. While a resolution is not binding, it is a step toward shoring up support for the policy.

"Ask a rancher what they think would make the most difference for cattle prices, and they should tell you 'COOL.' The consumers have shown that they want to know where their food comes from, and that it is a quality product. Most other food categories are labeled, why not beef? Let's give consumers and ranchers a win/win by re-implementing country-of-origin-labeling," said Powder River member and rancher Wilma Tope..



In other livestock labeling news, there are two different efforts to close a loophole that allows meat from imported live cattle that are slaughtered in the US to be labeled as a US product, even though they were raised elsewhere.

The United States Cattlemen's Association has submitted a petition to USDA's Food Safety & Inspection Service (FSIS) asking the agency to revise its Food Standards and Labeling Policy Book to only allow labels such as "USA Beef" or "Product of the USA" for beef from cattle born, raised, and slaughtered in the US. South Dakota Senators Rounds and Thune have also introduced legislation to close the

labeling loophole through the Federal Meat Inspection Act.

Powder River, WORC, and the other regional groups are circulating a petition supporting reinstatement of COOL and closing the labeling loophole. You may show your support for mandatory COOL and truth in labeling by signing the petition before Dec. 24: www.worc.org/cool-prb.

Robin EH. Bagley
Powder River Staff

Affirming the Statutory Authority of the Environmental Quality Council

WHEREAS, in the 1970s, Powder River Basin Resource Council supported the creation of the Environmental Quality Council as an integral part of the Environmental Quality Act's framework for public participation in permitting actions of the Department of Environmental Quality;

WHEREAS, throughout its history, the seven member citizen board has served as an independent check and balance against the Department of Environmental Quality's failure to adhere to the standards of the law and science;

WHEREAS, after Powder River Basin Resource Council and landowners in the Tongue River Valley were successful in challenging a coal mine permit before the Environmental Quality Council, some legislators tried to defund the agency in the 2018 budget session of the Wyoming legislature; and

WHEREAS, the company that was unsuccessful in obtaining a permit before the Environmental Quality Council appealed the decision to state court and obtained a judgment that demotes the decisions of the Council to advice only and allows the Department of Environmental Quality to ignore the Council's decisions;

NOW THEREFORE BE IT RESOLVED that Powder River Basin Resource Council affirms the important role of the Environmental Quality Council in allowing citizens to voice disagreements and to settle disputes with the Department of Environmental Quality; and

BE IT FURTHER RESOLVED that Powder River Basin Resource Council will support the Environmental Quality Council and its decision-making authority before the legislature and state courts.

Technology-Neutral Permitting of Industrial Facilities

WHEREAS, any industrial facilities related to manufacturing, energy transport, energy conversion, energy generation, waste management, or other purposes can have adverse environmental, economic, and public health impacts;

WHEREAS, Wyoming's ground and surface waters, air, wildlife, watersheds, and other public trust resources are critical assets for the state's long-term economic vitality, and therefore warrant strong consideration and protection in the course of industrial development;

WHEREAS, Wyoming's undeveloped landscapes—including its agricultural lands, public lands, and conserved areas—are cultural assets and economic drivers that warrant special consideration by state decision-makers;

WHEREAS, Wyoming has a history of inadequate regulatory oversight of a range of industrial activities, including oil and gas development, which resulted in significant fiscal liabilities for state and local governments and Wyoming taxpayers;

WHEREAS, independent review and impact analysis of proposed industrial facilities in Wyoming should be conducted fairly and uniformly irrespective of the proposed technology, so that any adverse social, economic and environmental impacts of all such facilities are mitigated to maximum practicable extent; and

WHEREAS, the membership of PRBRC has passed eight separate resolutions over the organization's history calling for rigorous, technology-neutral state oversight of industrial siting, including for currently exempted energy projects, indicating the organization's long-held support for evenhanded application of the Industrial Siting Act;

NOW, THEREFORE, BE IT RESOLVED, that PRBRC supports the reform of the Wyoming Industrial Siting Act to require Industrial Siting Council oversight, impact analysis, impact mitigation, and permitting for all proposed industrial facilities that exceed certain specified thresholds in total project cost, net land acreage disturbed inclusive of new associated roads, or net nameplate generation capacity. The Industrial Siting Council should also continue to oversee and permit any projects, regardless of cost, that propose to manufacture, handle, store or emit chemicals identified by U.S. Federal law or regulation as toxic, hazardous, or radioactive.

Supporting Medicaid Expansion in Wyoming

WHEREAS, PRBRC supports the preservation and enrichment of our agricultural heritage and rural lifestyle;

WHEREAS, many PRBRC members work in the agricultural sector and live in rural areas;

olutions

WHEREAS, all PRBRC members would benefit from having access to quality, affordable healthcare;

WHEREAS, coal miners and other energy workers have abruptly lost employer-provided health care during bankruptcies and would benefit from affordable and accessible health care options;

WHEREAS, the *Patient Protection and Affordable Care Act* permits states to voluntarily opt in to Medicaid expansion, which extends health care to non-disabled childless adults earning up to 138 percent of the federal poverty level;

WHEREAS, the Wyoming Department of Health estimates Medicaid expansion could bring health insurance to 27,000 low-income residents; and

WHEREAS, Wyoming is one of only 14 states that has not expanded Medicaid;

NOW, THEREFORE, BE IT RESOLVED, that the Powder River Basin Resource Council supports the efforts of organizations urging the Wyoming House and Senate to pass legislation that would expand Medicaid in Wyoming.

Support for Keeping Utility Power Costs Low

WHEREAS, Wyoming residents and businesses currently benefit from some of the lowest cost electricity prices in the nation;

WHEREAS, utilities regulated by the Public Service Commission have obligations to choose energy sources that provide the lowest cost and the least risk for their customers;

WHEREAS, Wyoming's largest utility, Rocky Mountain Power, is undergoing an important review of its energy sources, including evaluating the need to retire coal-fired power plant units to keep electricity prices low;

WHEREAS, Wyoming coal mines and power plants are becoming increasingly uneconomic because of low-cost renewable energy, battery storage, and natural gas resources;

WHEREAS, some states that Wyoming exports power to, like Oregon and Washington, have passed laws that prevent the sale of coal-fired power in those states starting in 2025;

WHEREAS, here in Wyoming, some legislators and local government officials are pushing for policy decisions that will support coal at any cost, at the expense of ratepayers; and

WHEREAS, the 2019 Legislature passed Senate File 159, entitled *New Opportunities for Wyoming Coal-Fired Generation*, which requires a utility to try and sell a coal plant before it retires it;


NOW THEREFORE BE IT RESOLVED that Powder River Basin Resource Council opposes policies that seek to prop up or prolong the life of coal-fired power plants at the expense of ratepayers; and

BE IT FURTHER RESOLVED that Powder River Basin Resource Council supports policy initiatives for worker re-training and community economic development that reduce the harm caused by job and revenue losses from the retirement of coal-fired power plants and associated coal mines.

Powder River Solar Energy Production

Energy Produced: 326.7 kWh
Carbon Offset: 497.9 lbs

We have offset the equivalent of 5 trees in Oct/Nov 2019!



Did you know that Powder River has a YouTube Channel?

You can find us by going to YouTube.com and searching PowderRiverBasinRC. All of our solar stories and our new oil & gas impact videos are available to watch.

Powder River Affiliates with Alliance for Renewable Energy of Laramie



As part of Powder River's commitment to community-based grassroots organizing, we work with our members across the state to focus on issues that are of the greatest importance at the local level. In November, the Powder River Board of Directors approved Alliance for Renewable Energy of Laramie's (ARE) affiliation. ARE is dedicated to increasing renewable

energy use in their community to support smart investments that provide economic diversification, jobs, and cost-savings. We are excited to see ARE's trajectory and support their work into the future.

Monika Leininger
Powder River Staff

Lawmakers Nix Nuke Waste Plan

In the last *Breaks*, we reported that some lawmakers proposed opening up the Environmental Quality Act to remove restrictions that prevent the storage and disposal of high-level radioactive waste from nuclear power plants in other states. However, when it came time to bring forward the proposals to the Joint Minerals Committee in early November, the only bill that materialized was one to fund discussions between the Governor and the Department of Energy to see if a lucrative contract for Wyoming would be available for a storage site. And even that bill died a swift death when the main sponsor, Senate Minerals Chair Jim Anderson from Natrona County,

tabled the bill at the beginning of the meeting. Lawmakers noted significant public opposition, both in the room and from written comments submitted in advance of the committee's meeting.

The issue is dead – for now. But like nuclear waste itself, the idea that we can dispose of it in Wyoming never really goes away.

Shannon Anderson
Powder River Staff

Jabs at Wyoming's Solar Energy Users Would Gut Small Businesses

In 2018, Wyoming had 65,462 small businesses employing nearly 138,000 people. As a small business owner, I passionately believe that small business is the lifeblood of any community. I have serious concerns when the Wyoming Legislature considers proposals that would effectively kill any small business in Wyoming. As an associate stated: "It is riding against the brand" in Wyoming.

I own and operate Range Solar and Wind Casper, Wyoming. We have been in business for 13 years (originally founded by Gene and Deb Theriault in 2006). We love what we do and hope to continue installing renewable energy solutions for people throughout Wyoming. If the state eliminates or severely hampers our current net metering laws, many businesses will face closure.

This is not an exaggeration.

Under the current law, people and businesses can install renewable energy systems to receive credits for energy produced. In some cases more energy is produced than needed. Excess power generation is sent into the grid for neighbors to use. The credit received is at the same rate paid if purchasing power. It's a simple transaction. If credits are built (traditionally summer months) they can be used to offset later bills (traditionally winter months). Credits accumulated in July can offset your bill in December, for example.

The Corporations Committee is considering legislation that will turn solar upside down. There are two current proposals; both of them are bad. The first proposal would eliminate net metering entirely. The second proposal would force the solar owner to sell all of the energy they generate at the avoided cost rate (about one-third of retail rate) and purchase all of the energy they use from the utility at full retail rate. It's about a threefold difference.

Our concern is that of our current and future customers. It would

triple the time it takes a solar energy system to pay for itself. Many of our customers install solar as a retirement plan, lessening future power bills. Currently most systems can pay for themselves in 6-7 years. If it turns into 12-18 years it's much less affordable. The sad fact is that many people will not install solar if payoff time takes that long.

Not only is this unfair to all of the people who have made that investment under current law, but it would also pull the rug out from under many Wyoming small business installers. Several years ago there were only a handful of solar installers in all of Wyoming, now there are approximately 12.

Here in Wyoming we need to hang on to our youth workforce. As 60% of 18-year-olds leave the state within 10 years (Wyoming Public Media, 2018) and an Oct. 7, 2019 article in the *Casper Star-Tribune* noted that Wyoming had the highest rate of outmigration (population loss) in the nation. When we're struggling to keep our youth here, gutting the state's solar industry seems short-sighted to say the least.

Our small business looks at Wyoming as a community and believes that solar installation businesses contribute greatly. How? By creating jobs for the youth workforce in a steadily growing solar industry and keeping current jobs and monies in the state. We may not have a vast number of employees, but we firmly believe our jobs matter.

Stacey Schmid is the President of the Wyoming Solar Energy Association (WYSE). She and her husband Mark own and operate Range Solar and Wind, in Central Wyoming.

Editor's Note: Reprinted from the Nov., 17, 2019 edition of the Casper Star Tribune.

EPA Proposes Changes to Coal Ash Rule

Coal ash is produced from the burning of coal in coal-fired power plants. Despite known hazards of coal ash, it wasn't until 2015 that the federal government began regulating its disposal. Those regulations were the first in the nation, but many critics argued that they did not go far enough. Now the EPA's proposed changes threaten to further set back environmental protections. The EPA's proposed rule extends the "cease receipt of waste" deadline, but also specifies that all unlined surface impoundments must close or retrofit.



Ash ponds at the Naughton power plant in Kemmerer.

Communities benefit from coal ash cleanup, but the results can vary widely, depending on the remediation followed. Some strategies lead to more jobs, stabilized property values, and effective groundwater cleanup, while others accomplish only the bare minimum for legal compliance.

Cap-in-place (leaving coal ash waste material in the pond and covering the pond with a cap or final cover) is the more affordable option; however, it is an impermanent solution because seepage and contamination can still occur. Leaking ash ponds at Colstrip, MT have played into the company's decision to retire the plant nine years ahead of schedule.

PacifiCorp has acknowledged that onsite groundwater exceeds standards for a number of toxins at both its power plants in southwest Wyoming. Both sites include unlined ash ponds and made Earthjustice's

top ten list of worst coal ash sites in the nation. The company has proposed cap-in-place for both sites, Jim Bridger in Rock Springs and Naughton in Kemmerer.

Powder River's letter to PacifiCorp argued that the company's plan is against the current EPA rules, and pointed out that removal of waste will be the most cost-effective long-term choice to make. Excavation cleanup is also more permanent and thorough method to stopping contamination.

Our partner, the Northern Plains Resource Council, in Billings, MT, has spent years studying the relationship between coal ash cleanup and job creation. Their takeaway is that robust cleanup creates more jobs, better environmental protection, and greater economic benefits for the local community.

Requiring control of toxic coal ash through federally enforceable standards that protect all Americans nation-wide is good for local communities. The Wyoming DEQ is working on developing its own coal ash cleanup program, and is evaluating how to incorporate the EPA's proposed rules when they are finalized.

Powder River will continue encouraging PacifiCorp to pursue proper cleanup as part of a larger employee/community transition plan.

Michele Irwin
Powder River Staff

Panel Discussion...Continued from page 1

involved but also for the impact the industry's decline has on the state's revenue streams. She urged the state to "diversify your revenue instruments" and that when it comes to the coal industry, Wyoming doesn't control the outcome. "Other states are the ones buying your coal...you can't hold a gun to their head and force them to buy coal," she said. Wyoming will be like most of the other states in the nation who don't have these resources, "you're going to be just like everybody else," meaning that the state will need to develop its economy and change its tax structure.

Parrish addressed impending coal plant retirements but said she believes there is time to transition. She acknowledged that Wyoming can't save the coal industry by itself, using these numbers as an example: Wyoming mined 288 million tons of coal in 2018, 26 million tons of coal were burned in Wyoming coal plants, and only 15% of that was for our own use, so only two percent (2%) of the coal mined here was used for Wyoming, and "that's not going to save a mine." She said Wyoming must start looking forward and use the next 12 to 15 years to transition, but it's a question of will. "The hardest part we have with Wyoming leadership right now is that they are so ingrained with trying to save something that's unsavable at this point that we need somebody to step and up provide a dose of reality."

While Morris and Parrish focused more on economics, Cooley was more focused on the human side of the discussion. Having been in Gillette during the Blackjewel bankruptcy, which was "devastating," she emphasized that "there is a human element to this that we all have to

recognize." There is an urgent need to get resources in place quickly so that the state can help miners during events like closures and start offering programs such as apprenticeship jobs where miners could learn a new skill while still earning money. She sees great opportunity for re-education and re-training. She also addressed healthcare issues when Blackjewel employees were left without their insurance coverage, and while the state worked with Health and Human Services so that people could get into the market, there are still no real solutions to the insurance and retirement issues. However, as Connolly said, the state must talk about Medicaid expansion as one way to help people. Cooley referred to a similar situation in Kansas, where Medicaid expansion saved the state a great deal of money.

In closing, the panel offered advice to state leadership in this time of transition. Cooley emphasized that retaining a skilled workforce is critical and that we have to stop brain drain, where our college students leave upon graduation. Parrish encouraged the state to move forward and acknowledge that things change, "let's reinvent ourselves—we have a great state." Morris cautioned the state to be careful of wishful thinking, "you can be hopeful but that doesn't necessarily have to be your central strategy." Overall it's just a matter of plain good government, good revenue administration, and being as strategic as possible.



Robin EH. Bagley
Powder River Staff

The Great Coal Transition, an Economist's Perspective

Economies change. The citizens of Wyoming have come to a fork in the economic road and reasonable minds can, and do, disagree on the best way forward.

Which path better navigates the social-economic consequences of the ongoing and real transition away from coal in the 21st century? Examined through the lens of theory, the experiences of other communities, in other times, offer valuable insight into our economic predicament, but not an infallible map.

There are, however, a few certainties. Wyoming faces an economic transition. By some estimates, the global response to climate change will reduce the demand for coal by nearly 75% within the next decade. And we know that transitions in resource-dependent economies are real, painful and disruptive. People around the nation and globe live through these transitions every year. Market conditions change and once-profitable industries become uncompetitive. Change, and the associated pain, is inevitable.

The question is whether to rip off the Band-Aid, or take the time to gently trim away the tape from the skin.

This is more than an academic question for me. I was part of the Great Flush (as I call it) in Northern Minnesota of the 1970s and 80s. I grew up in the shadow of the Iron Range, which supported the dominant industry of the region. As the iron ore was all mined out, the mines started to shut down and the decline reverberated through the entire Arrowhead region. The population of the Duluth metro region declined by 17,000 in five years, from 222,000 in 1980 to 205,000 in 1985.

Like many young people, my plan was never to move from my home, but I was flushed out of the region. While that transition was a challenge, I ended up in Wyoming and earned my PhD in economics. Was I better off in the long run? I think so in that my investment in human capital paid off, but there is always a question of missing your hometown.

As an environmental economist who has experienced such transitions, I have mixed emotions about how Wyoming can deal with the Great Coal Transition. As a rational economist, messing with the free market for political reasons to suit your friends and neighbors is wasteful policy; as a humanist, ripping off the Band-Aid on friends and families and asking them to bear the costs privately is cold-hearted. I can see the promise and the pitfalls of both roads before us.

The hard-headed rational economist's view on this is to rip off the tape, sooner rather than later. This is Schumpeter's classic notion of the power of "creative destruction."

Promoting a public policy to bail out your neighbor in a declining industry slows down the transition to greater economic efficiency. It also avoids the "free markets for you, socialism for me" hypocrisy. Poor economic consequences emerge from well-intentioned policies when resources are moved from high-valued uses to lower-valued uses. Listen to the free market. This is the classical neoliberal approach — end all subsidies and provide tax credits for new technologies. Let the market reveal the "best technology," which can provide the most energy at the lowest cost.

This hard-headed approach is exemplified by the United Kingdom's former Prime Minister Margaret Thatcher's decision to stop subsidizing her country's inefficient coal industry with tax-payer dollars. Back then, UK coal was financially non-viable relative to much cheaper coal from around the globe, and she could find no private buyers. No coal mine closed during the Thatcher era reopened once the Labour government took over.

The dissolution of the former Soviet Union is another example of an economic transition that used what we call neoliberal shock therapy. Neoliberal shock therapy employs "sudden and dramatic" economic policies designed to induce rapid changes in prices and jobs. The goal is to quickly set clear expectations for consumers and producers operating within the

economy. But shock therapy has its mixed success. It led, for example, to the concentration of wealth in the hands of a few Russian oligarchs.

Is anyone proposing such shock therapy to Wyoming today? Perhaps the Libertarian Party does. In general, the party does not support any subsidies for any energy source. And in an example of "strange bedfellows" some progressive environmental groups, driven by climate change concerns, also appear to support the idea that the sooner we listen to the market and get off coal, the better.

In contrast, the warm-hearted economics requires policy that slows down the transition — less pain, slower gains, more helping-hands by providing more resources to those affected.

Wyoming has its rainy-day fund. We could use some of these resources to fund the retraining, relocation, re-education, refinancing and so on of the friends and families that have been dependent on wages from coal mining, and aid the communities that grew up around them. We could add a carbon tax on all energy sources to secure more resources to be dedicated to easing this transition.

But it takes a long-term commitment to planning and investment to buffer such a transition. Making energy consumers pay more for energy is just a hidden tax, not a long-term solution. These retraining programs have to work, and they have to be funded with more than just lip service. As an example of such a glide path strategy, Headwater Economics recently offered up a transition plan that focuses on building coalitions, improving industrial diversity, stronger community bonds, financial strategies to spread the risk and increasing wealth to help coal communities navigate the transition.

Examples of the mixed success in managing this rupture-style transition can be found in a recent report by the Resources Legacy Fund, which considered case studies in Delta County, Colorado, San Juan County, New Mexico and Campbell and Sheridan Counties in Wyoming. They conclude that while such economic transitions take time and are context-specific, rewards do arise to the early movers. Early wins in diversification attract others, and can build momentum.

Stretching out economic reform prolongs what is widely recognized — free markets are not supporting the coal industry due to more cost-effective substitutes today and into the future, and coal is on the decline. How should Wyoming respond?

Economists have found that shock therapy has worked, look at the jump-start to Poland's post-communism economy. But gradual change can work too in this economic transition, as evidenced by China's fast growth strategy through centralizing the slow transition to more access to markets from command-and-control.

Wyoming's citizen's face a difficult choice today — free market shock therapy in which the transition costs fall on our coal-dependent friends, or centralized gradual change that we all support with higher energy prices. Both will take visionary ideas and real economic commitment.

Jason Shogren is the Stroock Chair of Natural Resource Conservation and Management in the Department of Economics at the University of Wyoming, his alma mater. He studies the behavioral and institutional underpinnings of environmental and economic policy. Shogren served on the UN's Intergovernmental Panel on Climate Change, the Council of Economic Advisers in the White House and Wyoming's Environmental Quality Council. He is a foreign member of the Royal Swedish Academy of Sciences

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Thank you for all your Support!!



Wishing you a Happy Holiday!



POWDER RIVER BASIN
Resource Council

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



Donate a Car/SUV to Powder River



Powder River staff members do a lot of traveling around Wyoming, and we put a lot of hard miles on our cars. We keep them well maintained as we want the staff to travel in safety. However the vehicles do eventually wear out. In the past we have been lucky enough to have members donate cars in good condition, which is a wonderful gift for Powder River.

If you have a car or SUV in fairly good condition that you would like to donate please contact the office at 307-672-5809. It would make a great holiday present for the staff and a good tax write off for you!

Thanks to all our members for their magnificent support in 2019.

Powder River Staff



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In this Issue

Save the Date

Panel Discussion on Coal Decline and Wyoming's Future Packs the House.....	Pg 1
Power To the People: Net Metering Stays Strong.....	Pg 1
Message from the Chair.....	Pg 2
Aethon Pushes DEQ to Allow Increase of Pollutant Discharge.....	Pg 3
Laramie County Landowners Advocate for Strong Pipeline Requirements.....	Pg 3
Case Against Ramaco Mine Heads to Supreme Court.....	Pg 4
Sheridan Community Solar Update.....	Pg 4
Bill to Force Utility Coal Plant Sales Cause Implementation Headaches.....	Pg 5
COOL Makes a Comeback.....	Pg 5
2019 Resolutions.....	Pg 6
Powder River Affiliates with Alliance for Renewable Energy of Laramie.....	Pg 8
Lawmakers Nix Nuke Waste Plan.....	Pg 8
Jabs at Wyoming's Solar Energy Users Would Gut Small Businesses.....	Pg 8
EPA Proposes Changes to Coal Ash Rule.....	Pg 9
The Great Coal Transition an Economist's Perspective.....	Pg 10
Donate a Car/SUV to Powder River.....	Pg 11

2019
6 - 7 December WORC December Meeting, Billings

2020
24 January Board Meeting, Casper
31 January Raffle Drawing, Sheridan

Planned Giving and Estate Planning Gifts

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. So we're inviting you, our extended family of members and donors, to consider including Powder River in your estate plans.

Your gift would create a living legacy allowing Powder River to continue our work far into the future and helping ensure 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 through a bequest to Powder River.

The two easiest ways to include Powder River in your estate planning take little time (and no legal assistance).

- **THROUGH YOUR RETIREMENT ACCOUNT** (Your IRA, Roth-IRA, SEP-IRA, 401(k), or other such account): Name *Powder River Basin Resource Council* as a Primary beneficiary for a percentage. One percent, 10%, 25% or whatever you wish. You can do this through the account custodian, or often even on the custodian's website in a few minutes (Powder River's Tax ID is 74-2183158).

- **THROUGH YOUR LIFE INSURANCE POLICY:** - Name *Powder River Basin Resource Council* as a primary beneficiary of any percentage of your life insurance policy. You can do this through your insurance agent or the insurance company, or often even on your insurance company's website in only a few minutes (Powder River's Tax ID is 74-2183158).

If you are preparing a formal will or living trust document, you can include Powder River Basin Resource Council as a primary beneficiary of a specific dollar amount or percentage of your estate. If you already have such an instrument, you can have it revised to include Powder River. This is probably best done through your attorney.

Finally, there are several more complex tax-advantaged ways to contribute to Powder River's future and receive continuing income and tax advantages during your lifetime. These include "charitable remainder trusts" and sale of appreciated and depreciated securities. Please consult your legal and financial advisors about how you can use such tools to support Wyoming's most effective grassroots member organization, and how you might benefit.

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

Thank you!

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