In June, Powder River kicked off a four-part webinar series, Reclaiming & Growing Wyoming’s Future, providing education, tools, and resources available for a planned transition to a new, diversified Wyoming economy. Each session features panelists with specific areas of expertise in transitioning resource-dependent communities.

In the first webinar, Wyoming’s Reality & Future Opportunities, Rob Godby, Associate Dean of the Haub School of Environment & Natural Resources at the University of Wyoming; Sharon Fain, Rocky Mountain Power’s Vice President for Wyoming, and Kirk Keysor, Economic Development Representative with the US Department of Commerce’s Economic Development Administration discussed Wyoming’s current economic situation and identified opportunities and possible solutions for moving forward.

The session covered the broader economic picture of why the coal market has declined and how that has impacted, and will continue to impact, Wyoming’s economy. Despite the current grim outlook, the presenters also discussed a number of options including renewable energy, for Wyoming communities to start moving toward a new economy. There are opportunities for new industries that will bring fresh investment and jobs to communities that have been reliant on resource extraction.

The second webinar, Tools to Diversify Wyoming’s Economy, featured a co-presentation from Jack Morgan, Program Manager for the National Association of Counties (NACo) County Innovations Lab and Brett Schwartz, Associate Director for the National Association of Development Organizations (NADO) Research Foundation.

Morgan and Schwartz shared examples of other coal-reliant communities in the West and Appalachia that are setting a new course in a variety of ways, including through workforce development and retraining, entrepreneurship, outdoor recreation, cultural heritage, renewable energy, and more. The presenters have spent the past three years working with communities to identify solutions and strategies for economic diversification.

Landowners, Experts, Industry & Citizens Object to New Coal Mine

Tongue River Valley landowners, recreationists, Powder River staff, and our experts participated in an informal conference hearing on May 13 before the Wyoming Department of Environmental Quality (DEQ) regarding a pending permit for Ramaco Carbon’s proposed Brook Coal Mine.

This new coal mine is proposed in the scenic and historic Tongue River Valley along the face of the Big Horn Mountains. The proposed coal mine lies in an area where coal was mined underground from around statehood in the 1890s through the 1950s. Most of the mines were left abandoned. The nearby Big Horn Coal surface mine operated until 1983, and final reclamation is still ongoing today. The area has a history of subsidence and underground coal fires from the old coal mines. When a new owner from Appalachia, Ramaco, bought the coal rights and appeared on the scene in 2011, locals were astounded there was enough coal left to be profitable to mine. Ramaco owners, Randall and Charles Atkins, were dismissive of adjacent landowners and refused to listen to concerns being raised about impacts to homes, water wells, and recreation in the area. They attempted to bully and scare landowners from opposing a permit for the mine. They also have a shady history including convictions of fraud and bankruptcy.

In late 2014, after Ramaco submitted its permit application to DEQ, Powder River was asked by our members and many of the landowners and citizens to oppose this coal mine. In 2017, Powder River along with our landowners, experts, and Big Horn Coal succeeded in defeating Ramaco’s coal permit. Our testimony and Landowners....continued on page 10
Message from the Chair

Dear Powder River members and friends,

I hope you and yours are continuing to take care during this challenging time. Normally, Powder River leaders and staff would be completing plans now for our traditional Harvest Celebration in the fall. We always look forward to this festival of local food, convivial community, spirited music, and lively auctioning. But 2020 is no ordinary year, and the Coronavirus is still very much with us. As much as we treasure rubbing elbows with you in Kearney Hall, the Board of Directors, by valuing everyone’s safety first, has cancelled the event this year. We will miss being with you, but all is not lost. We are working on creating a safe and healthy alternative and will keep you posted as plans unfold.

On other fronts, our productivity has been head-spinning. Even as they work primarily from home, the staff have been agile and exceptionally prolific. You can see some of the fruits of our labors in this issue of The Breaks. We have on-going work on plugging orphan wells and bonding on idle wells, the PacifiCorp coal plant retirements and ratemaking process, coal bankruptcy proceedings, the proposed Brook Coal Mine permitting process, protecting surface and groundwater from oil and gas development, and local foods outreach. On several of these issues, we hire expert consultants to provide necessary science-based data for us to ground our analyses and proposals in verifiable facts. And, over the past several months, we have become creative media producers. Consider the webinars: we developed a four-episode series “Reclaiming & Growing Wyoming’s Future” on transitioning from a coal-dependent economy; a virtual seminar on local foods marketing; and, in collaboration with our Laramie group, Alliance for Renewable Energy (ARE), a webinar on how to create solar bulk buys. But that’s not all. We also produced a landowner video series (three completed, one more in process), titled “Protecting the Tongue River Valley,” and are developing an on-line educational video which documents the state’s growth in solar installations. I highly recommend your viewing these informative productions, which are available through our website. They are not only entertaining; they also provide useful information about current problems confronting citizens and policy-makers and tackle issues important to Wyoming’s future.

We have been more than willing to step up to meet the demands of the day, and we hope you will help us continue to do our job of advocating for responsible energy development in Wyoming. Cancelling the Harvest Celebration—and quite possibly the Annual Meeting—means that our major fundraising event(s) are no longer available to us. Our record of 47 years shows we make a difference for our state, its land, and communities, and we can’t do it without you. I hope that you will continue to value the work we do by donating to Powder River this month. Many thanks for your past support, and in advance for your continued generosity. All of us staff and board members hope that you and yours stay safe and well in these uncertain days.

Marcia Westkott
Harvest Celebration Canceled…

Pies by Guys Auction is a Go

In order to protect public health and safety, Powder River’s Board of Directors has decided to cancel the in-person Harvest Celebration this year. This was a difficult decision because this event allows us to share food and camaraderie with our community. It’s also one of Powder River’s best fundraisers, which will be very diminished this year. We are still proceeding with the raffle and Pies by Guys Auction, but we are making some changes.

We will mail out raffle tickets soon; please mail your tickets back to the office, or drop them off in our mailbox. Please call or email before dropping them off as the staff is still working remotely. Winners will be contacted to make arrangements to receive the raffle items.

Raffle prizes include: an 8” x 8” Ellen Dudley original oil painting, “Deer Hugs;” a bison meat package valued at $90 from the Durham Ranch donated by Christy Gerrits, and a local foods basket – the winner can collect the food items Sept. 5 at the Landon’s Farmers’ Market.

Also, we are still holding the Pies by Guys Auction, though it will not be a live auction. You may submit your bid via mail, using the pie auction bid sheet mailed out with your raffle tickets and is also included in this issue of Breaks. You may also email your bid to info@powderriverbasin.org. Just include your information, and maximum bid on the pie(s) you want to bid on. Send no money now – the winning bidders will be notified when the auction closes on Aug. 29. Please note – your pie will not be baked until just prior to delivery, so it will be fresh and delicious when it arrives.

Pie bakers are willing to deliver their pies within the local area. Be sure to read location information in each pie’s description on the bid sheet. Watch our Facebook page for more Pies by Guys information coming out this summer!

If you have any questions, please feel free to call the office at 307-672-5809 or email info@powderriverbasin.org.

Robin EH. Bagley
Powder River Staff

Pies by Guys Auction
Bidding Form

Bid on as many pies as you want, fill out the bottom and send the whole sheet to Powder River.
Send no money now – you will be notified if you have a winning bid.

1. Gluten-Free Peach Pie - DJ Purcell
   Max Bid: $____
   a. Gluten-free pies are DJ’s specialty! Double-crust pie peach pie made with Colorado peaches. Can be delivered in the Sheridan/Buffalo area.

2. Fruits of the Food Forest Pie – Bob LeResche
   Max Bid: $____
   a. For the third year, the Sheridan Food Forest is producing plenty of fruit for a pie! This double-crust pie is made from a variety of fruit grown in the Sheridan Food Forest. Can be delivered in the Sheridan/Buffalo area.

3. Apple Pie – Kevin Knapp
   Max Bid: $____
   a. Handcrafted double-crust apple pie made with apples growing along Sheridan’s Goose Creek. Can be delivered in the Sheridan/Buffalo area.

4. Cherry Pie – Sirus Knapp
   Max Bid: $____
   a. From our youngest pie-baker! Double-crust pie made with either local or Flathead cherries (just depends on how the season goes). Can be delivered in the Sheridan/Buffalo area.

5. Apple Pie – Wayne Lax
   Max Bid: $____
   a. Homemade double-crust pie using regional apples and Wyoming honey. Can be delivered in the Cheyenne area.

6. Apple Pie – Roger Sanders
   Max Bid: $____
   a. Homemade double-crust pie made with local ingredients. Always a crowd-pleaser! Can be delivered in the Sheridan/Buffalo area.

7. Wyoming Cherry Pie – Zorro
   Max Bid: $____

Pies by Guys Auction Bidding Form

Name:
Address:
City: State: Zip:

Mail to: Powder River Basin Resource Council, 934 N. Main Street, Sheridan, WY 82801 or email it to info@powderriverbasin.org.
Bills Help Meet Consumer Demand for Locally Raised Meat

The closures of corporate meat processing plants due to hundreds of workers contracting Covid-19 exposed intolerable working conditions and the vulnerability of our meat supply. The demand by consumers who want to buy directly from ranchers has skyrocketed in response. Unfortunately, in recent decades thousands of small meat processing plants were driven out of business by the big processors, four of which control 80% of the market. Subsequently, there is no longer adequate local packing plant capacity to meet this increased consumer demand.

Four proposed federal bills could be helpful in addressing the local capacity crunch. The PRIME Acts S 1620 and HR 2859, neither of which had Wyoming co-sponsors as of June 15; the New Markets for State Inspected Meat and Poultry Act S 2814, co-sponsored by Senators Enzi and Barasso, and a companion bill in the House, Expanding Markets for State-Inspected Meat Processors Act introduced by Rep. Cheney, are an important first step in helping communities across the nation take back their meat processing markets, increase rancher profits, and allow consumers to stock their freezers with locally produced meat.

Wyoming has three classes of processing plants. Meat processed in USDA inspected plants can be sold across the nation and some international markets. Meat processed in state inspected plants can be sold within Wyoming due to a special agreement with USDA under the Meat and Poultry Inspection Program (MIP). Meat and wild game processed in custom plants is for consumption by the owner of the animal and cannot be legally sold. All plants must meet rigorous health and safety standards.

The PRIME Acts would permit the sale of beef processed in custom plants within all US states, expanding rancher opportunities to meet consumer demand within each state. The New Markets Act and the Expanding Markets Act would permit the sale of meat across state lines if processed in state inspected, MIP plants, expanding rancher opportunities to sell anywhere in the US. Twenty-seven states currently have MIP status including Wyoming and neighboring states Montana, South Dakota, and Utah.

Much of the profit from Wyoming’s grass-to-protein industry ends up out of state. The passage of these four bills would be a first step in addressing packing plant shortages, allowing us to keep those dollars in Wyoming.

Pennie Vance
Powder River Staff

Picnic on the Pathway Canceled

To help protect our community from a potential resurgence of Covid-19, the Picnic on the Pathway event scheduled for August in Sheridan has been canceled. The Sheridan Area Land Trust, Sheridan Food Forest, Science Kids, Downtown Sheridan Association, and Powder River look forward to hosting the Picnic on the Pathway in 2021.
What is Sensible Solar?

Powder River has long advocated for responsible energy. Regardless of resource, the organization supports affordable, reliable, and sustainable energy.

The membership of Powder River has also passed eight separate resolutions over the organization’s history calling for rigorous, technology-neutral state oversight of industrial siting. The latest was a 2019 resolution calling to include renewable projects in this oversight.

“Sensible solar” certainly begins with some of those shared aspects we expect from any energy source. Informed decision making, science-based siting, best practices, and continued investment in research and development for continual improvement are basic expectations.

When we look at solar from a holistic perspective, taking into account perspectives from utility, ratepayer/consumer, local, state and federal government points of view, as well as both long and short-term vision, we see that it makes sense to have a multi-pronged approach to solar development.

We can encourage the solar industry in several ways. One is to identify places we could justifiably welcome utility scale solar projects. That is the fastest way to connect ratepayers to affordable energy. There are several entities that could do this, including the Bureau of Land Management, the largest landowner in the state. The Public Land Renewable Energy Development Act (HR 3794, introduced in Congress) is meant to identify areas for renewable energy development. This can also be done at the local level through county planning and zoning.

There are many arguments to support large, utility scale projects, especially on public land. That combination is efficient and effective, but it can come with environmental costs. The first step should be to identify places on public lands where it makes sense. This could be already developed landscapes, including brownfields. Environmental impacts need to be mitigated if they cannot be avoided.

Maximizing land use benefits from utility solar can also be done on private lands with agrivoltaics (agriculture + photovoltaics). Not only can crops and solar panels co-exist on the same land, but when combined in the right ways at the right locations, researchers say each can help the other function more efficiently than it would alone.

Agrivoltaics isn’t a new idea, but recent research is shedding light on how beneficial it can be. Beyond the benefits of harvesting food and clean energy from the same land, studies suggest solar panels also boost crops’ performance — potentially raising yield and reducing water needs — while crops help the panels work more efficiently. We can also maximize land use opportunities by co-locating wind and solar, and embracing “wild energy,” energy that benefits both humans and the planet. Examples include co-locating solar panels with pollinator plants or configuring fencing to accommodate wildlife.

Policies can help the solar energy industry succeed by identifying places where solar is welcome and streamlining the process for development. Land use planning needs to recognize the economic values of functioning ecosystems, including carbon sequestration. With proper planning we can ensure resilience of economies and the environment.

Another way is to support distributed energy resources (DER). These include advanced roof top solar systems, microgrids and more. Solar cell researchers at the National Renewable Energy Lab in Boulder, CO and elsewhere are also pursuing many new photovoltaic technologies—such as solar cells made from organic materials, quantum dots, and hybrid organic-inorganic materials (also known as perovskites). DERs can help broaden and stabilize the grid.

In communities all over Wyoming, there are government and commercial properties that make sense for solar installations. One successful example is the Sweetwater County Airport, outside Rock Springs; they can utilize both land and buildings to provide power to their remote location. Net metering allows for further reliability and rate savings.

Commercial and government buildings have many advantages over residential solar, including economies of scale, easier permitting, etc. Large buildings and parking lots, as well as water treatment lagoons make ideal places to install solar.

Residential rooftop solar has the added advantage of contributing to community resilience. It is more costly, and has more permitting hurdles, but collectively can add to the stability and reliability of the grid. Residential solar can be an investment in long-term cost savings, especially appreciated by those on fixed incomes or seen as a hedge for financial uncertainty. Energy independence can be a strong foundation for economic stability. Governments could help subsidize rooftop solar in the form of bulk purchases of solar equipment.

Energy security is a huge factor and becoming more so with an aging grid that is vulnerable to natural disasters, including impacts of climate change, like increased wildfire, and extreme weather conditions. Commercial and residential solar can be part of microgrids that connect throughout the region to provide stability to all.

Here in Wyoming it is also possible to add value to the state’s trona industry by producing solar panels within the state. An industry / government partnership could provide low cost energy to residents. By investing in energy infrastructure, we lay the groundwork to power the economy. A proactive, sensible solar policy for Wyoming could lead the way.

All of these steps offer an opportunity for the solar energy sector of the economy to really bloom. All of the above strategies can be implemented to not only meet our energy needs, but do it in a way that promotes energy equity for humans, while minimizing our impacts on the environment.

Michele Irwin
Powder River Staff
Wyoming Solar Energy Association (WYSE) on Track to Grow

The pandemic set back a lot of agendas and derailed many plans. There was concern, for a brief moment, that it may do the same to the progress of the Wyoming Solar Energy Association (WYSE).

Fortunately, solar installers from around the state came together to contribute to the fee required for WYSE’s non-profit incorporation with the IRS, a key step in moving forward as an organization. Solar installers around the state raised money for the IRS fee, and the nonprofit application is in the process of being reviewed and submitted.

Incorporation will allow WYSE to grow and become a strong voice for Wyoming’s growing solar energy industry. WYSE will also provide education and guidance to solar installers. In a time of frequent information overload, WYSE will help installers to sort through the important events affecting solar around the country from the noise.

In addition to helping solar installers navigate a fast-moving and information-loaded profession, WYSE will also help Wyoming solar customers to better understand the options, resources, and programs available to them. The organization will also host events online, as well as physically once it is safe to gather, to bring Wyoming’s solar community together for learning and sharing opportunities...and just for fun.

WYSE’s path to incorporation has not been completely straight, with several issues along the way. However, the group has learned from the early snags and continued to move forward. In the coming months, we will keep you updated as the organization further solidifies.

Powder River looks forward to working with WYSE to co-host events, share information and resources, and provide solar education to Wyoming people. Despite early setbacks and a global pandemic, Wyoming solar installers remain optimistic and are forging ahead.

Hesid Brandow
Powder River Staff

Energy Experts Say Carbon Capture Not Viable Plan

The Institute of Energy Economics and Financial Analysis (IEEFA) recently released a report that determined carbon capture at PacifiCorp coal plants in Wyoming is “not a viable option.”

The report, written by utility experts David Schlissel and Dennis Wamsted, had 13 main findings, all of which contradict boosters of carbon capture projects like Glenrock Energy.

Glenrock Energy has been pushing PacifiCorp to partner with them on a carbon capture project at the Dave Johnston coal plant near Glenrock to provide a source of carbon dioxide for nearby oil fields Glenrock Energy owns. The report questioned Glenrock Energy’s proposal on economic grounds, calling the energy company’s assumptions about cost benefits “speculative at best.” IEEFA concluded “the actual capital cost of designing and building the only existing commercial-scale CO2 capture project in the U.S. was more than three times as high, on a per kW basis, as Glenrock Energy is claiming for the cost of retrofitting just one of PacifiCorp’s units at the Dave Johnston plant.”

The report highlighted the monetary risk and cost to ratepayers should carbon capture projects move forward. A main finding of the report was:

PacifiCorp likely would have to invest between $141 million and $1.2 billion into retrofitting one of its Wyoming coal units, depending on the unit. These investments would dramatically increase the company’s rate base and raise the rates paid by its Wyoming ratepayers.

According to IEEFA’s analysis, these costs and risks to ratepayers increase because of plant specific challenges, such as age. IEEFA questioned investing hundreds of millions of dollars in a coal plant that already is too old for expensive retrofits, has sunk economics because of less expensive renewable energy and natural gas options, and is being run less because of an increasingly integrated western electric grid that displaces coal with lower cost power options for customers.

The report also questioned the wisdom of House Bill 200, a law passed during the 2020 legislative session and championed by Governor Gordon that will require a portion of a utility’s power to come from a coal plant with carbon capture no later than 2030. The law’s mechanics have yet to be worked out, and will largely be left to rulemaking by the Public Service Commission, but IEEFA noted requiring any mandate for carbon capture will raise the power bills of Wyomingites.

IEEFA’s report is available on their website at: https://ieefa.org/all-reports/ It was submitted to the Public Service Commission for their consideration and review during the investigation of PacifiCorp’s 2019 Integrated Resource Plan.

Shannon Anderson
Powder River Staff
Laramie Solar Webinar Series: Renewable Remotely

In light of COVID-19, the Alliance for Renewable Energy (ARE) of Laramie is working to protect public health while still pursuing the goal of making Laramie carbon neutral by 2050. To do this, the group recently launched an online webinar series. *Renewable Remotely* aims at educating Laramie and Wyoming citizens about opportunities for growth in renewable energy.

The first webinar in April featured a conversation about models for a bulk-buy program for solar. Bulk buys are a program where a group of homeowners will put in a collective bid for solar panels. The large number of purchasers can sometimes result in a lower cost for the equipment and installation. Panelist Deirdre Macnab walked ARE members through a model developed through her Florida and Colorado solar organizing. She was past president of the Florida League of Women Voters and now leads the League’s campaign “Make Florida #1 in Solar.” The League, in partnership with Solar United Neighbors, has invested $36 million in rooftop solar through this partnership. She is now continuing this work in Colorado.

The next webinar on July 7 is an opportunity for community members who are interested in solar to ask questions and learn more about the 26% solar tax credit and the basics of net metering. The solar tax credit increases existing returns on solar energy investment. The panel will include a variety of experts from the Wyoming solar industry to answer questions. View ARE’s Facebook or website at wearelaramie.org for more information.

Monika Leininger
Powder River Staff

Powder River Rolls-Out Protecting the Tongue River Valley Video Series

Powder River has released a new series of videos featuring Tongue River Valley landowners and recreationists who are concerned about the potential negative effects of Ramaco’s proposed Brook Coal Mine. Families whose roots stretch back over a century in the valley share their stories and express their concerns about what impacts the mine could have on their properties, wells, and historic structures. (Read an update on the mine permit in this issue of *Breaks.*)

Decades ago, this area was home to the small mining towns of Monarch and Kleenbunm, which grew around the underground mines in the area. This historic mining left the area riddled with old, underground mines and problems with subsidence (ground cave-in) and underground coal fires persist to this day. Starting a new mine in an area where these issues already exist worries many landowners, whose families have been there for generations. Even while the mining operations continued, agriculture was a also a prominent industry, and remains so to this day. Additionally, the area has abundant public land access, both public and private land that allows public walk-in, and is a popular area for hiking, birding, hunting, paddling, and fishing.

John Buyok’s family has resided in the valley for three generations, and his grandfather settled in Monarch in order to work in the mines. Now John and his family live there and have opened up much of their land to public access.

“One of the things we decided would be a good idea was to put our property in a conservation easement. We wanted to make sure that people had an opportunity to see nature…be out in nature, and maybe have a little better feel of why we need to protect some of these areas,” he said. Locals have responded positively; there are a number of people who use the land regularly to hike, mountain bike, walk their dogs, trail run, and hunt. Upcoming videos will feature people who recreate in the area.

Critically, the landowners in the valley who are neighbors to the proposed mine worry about how it will impact their day-to-day lives, such as their domestic water wells, roads, and foundations of homes and farm buildings.

“I’ve got a 500-foot well, and if it (the mine) does damage to it, what am I going to do? That’s my domestic water well. I’m not against coal mining, let’s just do it right,” said Anton Bocek, who lives near the proposed mine on his family’s century-old farm. Bocek is a former coal miner himself and understands the possible impacts involved.

We have released three videos so far in the series, and have at least one more in the works at this time. The videos are only a few minutes long and are released through our social media channels but also hosted on our website [www.powderriverbasin.org/what-we-do/coal/](http://www.powderriverbasin.org/what-we-do/coal/) and our YouTube Channel.

Robin EH. Bagley
Powder River Staff
Correcting Mischaracterizations

As chair of its board of directors, I wish to correct the mischaracterization of the Powder River Basin Resource Council as it was portrayed in Tom Laya’s letter (May 23, The Sheridan Press).

PRBRC was founded in 1973 to advocate for the responsible development of Wyoming’s energy resources. To that end we seek to assure the protection of the state’s air, land and water quality, sustainable agricultural practices and healthy, vibrant communities. For the past 47 years we have never wavered in that commitment. We welcome industries which follow both the letter and the spirit of state and federal laws and guidelines. And we seek to hold accountable those who do not.

We have over 2,000 members who help to support us financially, as well as through their hard work and community service. We have never been offered, nor do we directly take, contributions from billionaires such as George Soros.

We welcome new ideas to help bolster and diversify Wyoming’s economy. Indeed, we have been among the first to advocate for a robust, diverse economic plan for our state, as it was becoming clear that state coffers would soon suffer the loss of international coal markets. We welcome new industries which seek to enhance our treasured environment and state resources and communities. And we seek to hold accountable those who would merely exploit them.

Marcia Westkott
Sheridan

Editor’s Note: Reprinted from the May 29, 2020 issue of The Sheridan Press.
Editor’s Note: This year, the Enhanced Oil Recovery Institute and some oil and gas companies with old, idle oil wells have been pushing the state to eliminate idle well bonding. In June, the Legislative Minerals Committee took up the issue. Powder River provided the Minerals Committee with a history of the millions of dollars spent to plug orphan oil and gas wells as well as the thousands of orphan wells and pits yet to be plugged and reclaimed. We also pointed out the importance of idle well bonding to ensure those plugging and reclamation costs are covered by industry. The editorial below covers those details. In addition, we supported the allocation of additional funds for plugging and reclamation of orphan oil and gas wells to provide jobs. The Minerals Committee supported an additional $7.5 million to increase plugging of the thousands of remaining orphan oil and gas wells and pits. This issue of extra funding will be taken up by the legislature during either a special or the regular legislative session.

Idle Well Bonds are Essential to Wyoming’s Financial Health

Wyoming is a national leader in many aspects of oil and gas industry management. We require financial assurance that wells are drilled to the highest safety standards and that they will be competently plugged, abandoned and site-reclaimed when they no longer produce. Wyoming recently eliminated the tiny “Conservation Tax” that helps finance the work of our Oil and Gas Conservation Commission (WOGCC) and contributes to plugging abandoned “orphan” wells. The WOGCC also requires modest bonds to assure operators clean up and plug wells when their useful lives are over. And we require that when a well has not produced for three years (is “idle”) the operator must provide a bond (like an insurance policy or a cash guarantee) of $10 per foot, which can be used by the state to properly plug and reclaim the well if the operator does not do so. Without these bonds or the now eliminated Conservation Tax, Wyoming taxpayers would be liable for paying for this work on private (“fee”) and state mineral deposits. There are many thousands of such wells, and tens of thousands of additional permitted wells not yet drilled.

This system has worked reasonably well over the years. WOGCC data show that, from 1997 through July 2016, the Commission spent $13.9 million to plug 1,710 orphan wells. But only $3.5 million of this came from forfeited operator bonds, and the Commission was forced to make up the extra $10.4 million from the Conservation Tax fund.

On May 7 this year, the WOGCC website showed 2,898 orphan wells remain unplugged. Not shown are depths of those wells, total estimated cost of plugging them, or the total value of forfeited bonds available to pay for the work. If we assume these wells average 2,000 feet deep and a cost $10 per foot to plug and reclaim, the state’s liability will approach $58 million, less the value of any forfeited bonds. If the wells are deeper, the cost will be greater.

Fiscal prudence demands that Wyoming maintain bonding of idle oil and gas wells. In the past, the majority of orphaned wells were shallow (2,000 feet or less) coalbed methane (CBM) wells on small pads. Today, horizontal oil wells range from 10,000 to 15,000 feet deep, with pads up to 40 acres, and could cost exponentially more to plug and reclaim. (The WOGCC has spent between $500,000 and $1,000,000 to plug individual deep wells.)

More daunting, today’s record low fossil energy prices and the current financial turmoil in the industry almost surely presage an avalanche of un-bonded idle wells becoming orphans.

Moreover, chaotic energy markets and COVID-19 disruption are threatening Wyoming’s conservative approach to risk management. First, the WOGCC has reduced the Conservation Tax to 0 mils. Second, there is an ongoing campaign by a publically funded state-industry organization, the Enhanced Oil Recovery Institute, to essentially eliminate idle well bonding requirements, but to also severely limit the efficacy of our underlying well bonding program. If idle well bonding were to be removed at this time of severely reduced state revenues, it is unclear how WOGCC would begin to fund its liability to plug the already existing 2,900 orphan wells, not to mention additional wells being shut in and orphaned each week.

These idle and orphan wells are primarily on private surface, owned mostly by Wyoming citizens, taxpayers and voters. These landowners are burdened with the damages caused by idle or orphaned wells. They degrade and devalue property, provide a breeding ground for noxious weeds, and they threaten groundwater. How will the WOGCC or the legislature address this responsibility if industry is no longer required to provide bonds?

Essentially, industry is trying to finance production of oil and gas into a down market by using the cash and credit that now insures the state against having to pay to clean up orphan wells. This is happening at a time when other jurisdictions – from Saudi Arabia to Russia to Texas – are considering curtailing production. Industry is asking for this break at a time when Exxon Mobil is shutting down 75% of their Permian Basin rigs, and ConocoPhillips is reducing production by 460,000 barrels a day. Yet, Wyoming is being asked to finance sustained production by shouldering more risk.

Warren Buffett is fond of saying, “When the tide goes out you see who’s swimming naked.” If there ever was a time Wyoming should not expose our state to the risk of un-bonded wells being idled or abandoned, that time is now.

Bob LeResche

Bob LeResche is a former Commissioner of Natural Resources of Alaska, energy executive and investment banker. He and his wife Carol own a ranch and heirloom vegetable farm near Clearmont, Wyoming. He is a Board member of the Powder River Basin Resource Council and the Western Organization of Resource Councils.

Editor’s Note: Reprinted from the May 31, 2020 issue of the Casper-Star Tribune.
evidence convinced the Environmental Quality Council that this proposed coal mine application was deficient. They voted against approval of the permit, and the DEQ Director Todd Parfitt then denied the permit. Then in 2018, Ramaco submitted new information to DEQ for the agency’s review.

In 2020, DEQ again deemed the Ramaco’s revised coal application complete, opening up an opportunity for landowners and our organization to submit comments and objections to the permit. Along with our members, we requested that DEQ hold an informal conference on the permit, essentially a public hearing that allowed people to speak and provide information to the DEQ Director before he makes his final decision on the permit application. The informal conference hearing took place on a virtual platform due the Covid pandemic. In spite of the unusual circumstances, Powder River and some of our members toured the proposed mine site in May a few days before the hearing, and during the hearing, numerous citizens and landowners raised dozens of concerns regarding the proposed coal mine.

Bill Bensel, a landowner just over two miles south of the mine site said, “Attempting to nail down the truth and facts of the proposal for mining and the directly associated experimental scheme has been frustrating with ever-changing plans and statements.” Bensel focused his comments on the impacts of the proposed coal mine on recreation and hunting, which are abundant within the proposed mine boundary because it overlaps with public access areas used for hiking, fishing, hunting, and other recreational uses. He noted that blasting, hauling, and high-intensity mining activity associated with coal production would compromise recreation and also noted that there is no need for this coal mine.

Art Hayes, with the Tongue River Water Users in Montana, raised concerns about impacts to water rights and noted that the Tongue River is the life blood of agriculture in Wyoming and Montana and is over-appropriated (meaning there is not enough water for all of the water rights already in use). Hayes noted that Montana can make a call for water rights, and water rights in Wyoming will have to be released to Montana under an interstate compact that governs water usage. Hayes emphasized that Ramaco had not yet secured water rights for its mining operation or its proposed carbon fiber processing facilities, and any water rights that they may secure would be junior to already existing rights and could unlawfully impact senior water right holders, especially irrigators and ranchers downriver in Montana.

Joanne Westbrook, a landowner next to the permit area, raised concerns about impacts to Slater Creek, the Tongue River, and to Slater Creek Road, a county road that her family uses to access their property. She noted that there is nothing in the permit addressing what will happen with the county road once mining occurs. Normally, coal mine permit applications contain a complete traffic plan, including road maintenance of any county roads that will be used for mining, and companies work with the county to propose relocation of any roads that will be mined through. Landowners, including Westbrook, told DEQ Ramaco’s permit does not contain this critical plan.

Mary Brezik-Fisher, a landowner within one-half mile of the coal mine noted that she and her husband have studied and researched these mine plans. She provided detailed comments and emphasized how unique this area is with hundreds of nearby landowners and water wells, saying, “It is unlike any coal operation in Wyoming. The permit is not complete and accurate and experts still have grave concerns about subsidence, hydrology and alluvial valley floor impacts.” She pointed out that there are serious questions that remain about the risks posed by this mine and told Director Parfitt that under a scientific rather than political standard, the permit should be denied. “Wyoming and its citizens deserve for the DEQ to take a cautious approach given the serious concerns raised.”

Gillian Malone also talked about her use of the area for recreation and called on Director Parfitt to deny the permit for still being incomplete. Malone cautioned, “There is nothing about this project that inspires confidence in its success. Coal mines are on the way out; there are competing coal mines to supply domestic coal, and carbon fiber from coal is an unproven technology. All of this screams for proceeding with the utmost caution. The last thing we need right now is another failed coal mine in Wyoming.”

Joan Tellez grew up in the Tongue River Valley and said, “I have a lot of concerns about Ramaco’s changing plans and the fact that the landowners have not been listened to but the industry seems to get the upper hand. How does Ramaco plan to start an open pit mine while other mines are closing and laying off workers? Talk is cheap but actions speak louder.”

Local landowner John Buyok talked about both past and ongoing subsidence in the area, including close to his home, and raised concerns about the impacts of blasting and mining on homes and water wells, which Ramaco has tried to ignore.

Anton Bocek, who lives very close to the mine, expressed his concerns about the impacts of blasting on his water wells. “If blasting causes turbidity or loss of water, I need a written guarantee that water will be drilled immediately. I have used my 500-foot well without incident for 42 years, and we have a 100-year-old rock barn and cellar we still use.” He also questioned the impacts of mining on water quality in Slater Creek and the Tongue River, and whether Ramaco even knows the extent of sinkholes, subsidence, and underground coal fires. He closed saying, “I live here, and I don’t plan on moving so I want our air, water and quality of life not to be changed by this proposed mining operation.”

Jordan Sweeney of Big Horn Coal pointed out numerous inaccuracies and discrepancies in the revised permit that have not been addressed or updated. These included abandoned mine land reclamation projects that have been halted by Ramaco, which are increasing coal fires, and the deterioration of highwall areas. Additionally, Ramaco gives no justification for the number of acres they plan to disturb in the permit or the mine’s impacts to reclamation work that Big Horn Coal was trying to complete.

Priscilla Dillon commented that she has followed Ramaco’s process over the years and noticed a lack of honoring the permit process and the neighbors. She stated, “I am astounded and horrified at the number of questions that are still unanswered. I want businesses in this area that have integrity and that honor their neighbors and care about the community.”

The citizen and landowner comments were followed by Powder River’s staff attorney, Shannon Anderson, and our experts. Anderson reiterated the importance of the area and said, “We do not want the history of subsidence and mine collapse to become the area’s future.”

She noted several serious procedural deficiencies in the DEQ process and then pointed out numerous permit requirements that have not been met, from disclosure of who will operate the mine to a failure to include the coal processing and upgrading facilities in the permit, a failure to disclose haul roads or to mitigate impacts to recreation, or to address financial assurance for bonding. “This mine plan is not actually a plan,” she said, “but a plan to make a plan.”

Powder River’s comments were concluded by our subsidence expert Dr. Gerry Marino and our hydrology expert, Mike Wireman. Both experts related detailed examples of permit deficiencies and the failure of Ramaco to address subsidence risks and hydrology impacts to groundwater and alluvial valley floors. Dr. Marino stated, “They have a vague and incomplete plan for subsidence remediation, and there is no guarantee for mining and the directly associated experimental scheme has been frustrating with ever-changing plans and statements.”
DEQ to Halt Monitoring Laramie County Air Quality

Starting this summer, the Wyoming Department of Environmental Quality (DEQ) will no longer monitor the air quality in the Laramie County oil fields. Placed in 2018, the mobile air quality monitoring unit was intended to evaluate the air quality around the ongoing oil and gas boom east of Cheyenne. The Cheyenne Area Landowners Coalition (CALC) has been supportive of the mobile monitoring unit due to concern from nearby residents.

Residents in the area have been apprehensive about the air quality in Laramie County for several years as industrial development increased. CALC has heard reports of respiratory issues, smoke alarms sounding in the night, and gastrointestinal and neurological issues from residents living near oil and gas operations. Though CALC supported the mobile monitoring unit in the area, they have encouraged DEQ multiple times to place the unit in closer proximity to oil and gas wells. The current location of the monitoring unit is in an area with dispersed oil and gas activity; whereas, in rural neighborhoods and subdivisions, oil and gas wells are much more congested and closer to homes. Improved, long-term, and accurate monitoring will allow public health officials to better understand the impact nearby oil and gas development has on the health and safety of nearby residents.

DEQ’s decision to no longer monitor air quality in an area of the state with some of the greatest oil and gas activity could endanger thousands of Laramie County residents. Again, CALC has urged DEQ to continue monitoring the air with the mobile unit through 2020 as well as consider moving the unit to areas closer to oil and gas development that experience poor air quality. CALC submitted formal comments to the department and alerted their members to contact DEQ about this proposed change in the draft 2020 Annual Network Plan. DEQ’s Annual Network Plan will be finalized in the month following the 30-day public comment period, and the agency will begin implementation once this process is finished.

Monika Leininger
Powder River Staff

Webinar...Continued from page 1

years visiting and collaborating with coal-reliant regions as they work to build stronger economies by tapping into local assets and strengths.

The third session, Securitization: A Finance Tool for Energy Transition, is scheduled for July 7 and will feature Uday Varadarajan, economist with Rocky Mountain Institute, and Max Backlund, senior research associate for the Kem C. Gardner Institute at the University of Utah.

The fourth and final session, Funding Wyoming’s Economic Transition will be July 21, featuring panelists Ben Alexander, senior program advisor with the Resources Legacy Fund; Chris Markuson, Director of Colorado and State Economic Transition Policy for the BlueGreen Alliance, and Cindy Winland, senior fellow for the Just Transition Fund.

Anyone with an interest in understanding how Wyoming’s communities can transition from dependency on resource extraction to a healthy, diverse economy is encouraged to attend any or all of the webinars. The webinars are free to attend, but registration is required, and attendance is limited to 150. Registration links for these webinars are available on Powder River’s website, www.powderriverbasin.org. Recordings of all four webinars will be available to watch on our YouTube channel and website. For more information on the series, email mirwin@powderriverbasin.org or call 307-672-5809.

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analysis of the floor to be able to review and that alone is incomplete in the application. There is not sufficient data and design to address subsidence for the entire permit area.”

Mike Wireman noted that the permit application reflects an outdated mine plan with a lot of text that does not apply anymore. He stated, “I have reviewed many, many mine permit applications over the years and this one is up there in terms of poor quality.”

The DEQ will make a decision on the permit in July, and then Powder River and landowners will decide whether we proceed with another appeal of this shoddy permit if it is approved.

Jill Morrison
Powder River Staff
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.

- 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!