

We deserve more than false choices

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Perspective

When I was a boy, my father delighted in playing with my senses of logic and language. "Do you walk to school or carry your lunch?" he would ask. "Is it hotter in New York or in the summer? What would you rather do or drag a broom?"

Listening to the coal-bed methane industry and many elected officials gives me a strange sense of *déjà vu*. "You want to protect water quality? You want to regulate surface discharges so they do not kill trees and upland forage, or interfere with traditional ranching operations? Wouldn't you rather have the jobs and money that the coal-bed methane industry has blessed us with? Why are you against the industry?" They might as well be asking (actually, some have asked), "Do you want environmental protection or CBM production?" Do you walk to school or carry your lunch?

We hear it all the time. The first public meeting of the Wyoming Legislature's Coal-Bed Methane Task Force used a part of its agenda listening to a junior bureaucrat from the Department of Revenue read a list of numbers (they all had lots of zeros) describing revenues. That was one thing. But it was an entirely different thing when the director of Wyoming's Department of Environmental Quality asked for copies, saying that knowing how much CBM contributes to state coffers would help him do a better job of regulating the industry's compliance with the Clean Water Act and other environmental standards.

I'm not making this up.

It may be unfair, but those of us who spoke at that meeting did get the impression that the revenue numbers were a lot more interesting to task force members than were our suggestions for rendering industry practices less destructive to our ranches and to public lands.

A highly-respected Wyoming legislator told us with a perfectly straight face that he believes his constituents value CBM revenues more highly than they value protection of private lands and water quality.

I think the hardest part of the Powder River Basin Resource Council's job is to convey what should be obvious, but seldom is: *We can* have both. *We should* have both. It is the government's mission to insure we *do* have both. Every one of us should object loudly whenever we hear such a false choice posed. It is not either CBM or environmental protection. It is CBM produced in an environmentally sound way.

A strong CBM industry can flourish under regulations that protect our land and water resources to a much greater degree than is now the case. We should be walking to school *and* carrying our lunch.

All human activity carries costs, whether they be in energy, in capital goods, or in actions that reduce the value of affected environments. One underlying purpose of society is to regulate behavior so that costs are fairly apportioned. Society prevents one from reducing the value of a neighbor's life by killing or maiming him, even if that might be to our advantage. In town, we do not reduce the value of our neighbor's lawn in order to save a dump tipping fee by throwing our trash across the fence. The neighbor is not expected to pay to dispose of our junk even if we do pay taxes to the state and employ a few people.

The CBM industry should not be allowed to avoid paying the costs of proper disposal of CBM water, or avoid paying the costs of conserving water, even if such costs will reduce their profits and may even prevent development of certain marginal prospects.

Natural prices are \$7.66 at Henry Hub as I write this the second week in December. Using conservative assumptions, typical CBM wells in our basin will pay millions a year at this price. The simple fact that investors are seeking permits for tens of thousands of wells is ample proof that there are huge profits in this activity.

This is wonderful. It is wonderful for our education system, for our teachers' salaries, for our roads and our mean family income.

And yet our government bureaucrats, by their inactions, sometimes subsidize industry to come in and take this money. They pay by not demanding that industry protects our surface and water resources, rather than leaving them de-valued. And the ones who ultimately get the bill are the surface owners, both private and public, and those of us who will try to make a living here after the methane industry (and a lot of our water) is long gone.

The point is, there is plenty to go around. Protecting our water quality, our upland pastures, and our land surface will not make it unprofitable to produce gas. We can and should do things in both a profitable way *and* an environmentally sound way. Industry is managed this way in other jurisdictions. Why not in Wyoming?

As for losing the industry? Don't forget why Willie Sutton said he robbed banks. "Because that's where the money is!" The gas is in Wyoming, and this is where industry will stay. Even if it costs them a few cents an MCF to behave.

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