

**Testimony of the Honorable Rust Bell, Member
Campbell County Board of Commissioners**

**United States Senate Committee on Environment and Public Works,
Subcommittee on Clean Air, Climate and Nuclear Safety Legislative Hearing
S. 283, National Climate Bank Act
April 27, 2021**

Good afternoon Chairman Markey, Ranking Member Inhofe, and Senator Lummis. My name is Rusty Bell and I am a member of the Board of County Commissioners in Campbell County, Wyoming, located in northeastern Wyoming. I am currently serving my third year of my second term as a member of the Board.

Thank you for the opportunity to talk to you about S. 283, National Climate Bank Act, and its potential impact on my county, Campbell County, Wyoming, and its citizens.

Campbell County encompasses about one-tenth of one percent of the entire land mass of the United States. Yet we produce approximately seven quadrillion BTU's of energy annually, providing from one county nearly 10% of the entire country's energy demand. Most of that demand takes the form of low sulfur coal from the Powder River Basin. Wyoming produced 39.2% of U.S. coal in 2019 with two (2) of the largest mines, North Antelope/Rochelle, and Black Thunder, both located in Campbell County, having produced 22% of that total. Every single day trains containing 130 cars filled with coal depart my county filled with Wyoming coal so that your constituents can safely and affordably turn on their lights and heat. Campbell County coal is what keeps the grid reliable. According to the U.S. Geological Survey, there are approximately 25 billion tons of economically recoverable coal resources in Campbell County.

In addition to our abundant coal resources, Campbell County is also Wyoming's number one producer of oil, producing over 19 million barrels of oil in 2020, which was enough to account for almost 23% of total Wyoming production. We also produced over 84 million Mcf of natural gas and are a leading producer of uranium through in situ mining. When you talk about energy and power generation, Campbell County really is all about, "all of the above." In addition to our abundant fossil fuel resources, we also have some of the best wind potential in the nation.

Gillette, our county seat, is known as, "The Energy Capital of the Nation," for very good reason. However, our community has been significantly impacted by declining production of coal and drops in oil production. Production of Powder River Basin coal in Campbell County increased steadily from the 1980s through 2008. The 1970s and 1980s were a boom time for Campbell County as the opening of large surface coal mines, as a result of the Surface Mining Control and Reclamation Act of 1977 ("SMCRA"), and the passing of the Clean Air Act, made Campbell County's low sulfur, sub-bituminous coal very attractive for power generation. Though we increased steadily from the 1980s through 2008, to a record production in Campbell County of 446 million tons that year, we have also seen our production fall very quickly in the past couple of years, with calendar year 2020 production of coal in Campbell County amounting to approximately 210 million tons, a nearly 50% drop.

Our population of approximately 46,000 has grown resilient to the rise and fall of energy prices affecting our lives, but we have never been as heavily impacted as recently. The majority of Campbell County's budget – and the budget for our schools – is derived from property taxes and ad-valorem taxes, which are property taxes assessed by the county on the value of produced minerals. In Campbell County, upwards of 70%, in some years as high as 90%+, of our assessed valuation is attributed to produced minerals. Campbell County's 2014 assessed valuation, driven by high oil prices for most of that year, was nearly \$6.2 billion. Our assessed valuation for 2020 was \$4.2 billion (based upon 2019 production). This 32% decrease in assessed valuation, which equated to a 32% decrease in ad-valorem taxes, has been further compounded by a nearly 50% drop in sales tax collections.

Our county was fortunate that we were able to adjust to this drop through proactive planning, savings, no debt, and sound fiscal policy. However, our projections for 2020 production in preparing for our FY 2021-2022 budget is \$3.2 billion, a \$1 billion dollar drop. We see no indications that our valuation will tick back up in the immediate future.

Though Wyoming's schools are set up in a way where revenues are redistributed between school districts so that all Wyoming kids receive a quality education, the Wyoming K-12 system is running at a \$300 million deficit following the legislative session that just ended. Fossil energy funds the Wyoming educational system.

I would encourage the Committee to consider the impacts of Sections 5245F and G on my community and in the implementation of Section H pertaining to the prioritization of projects. Campbell County and Wyoming, who have both benefitted from historically strong mineral economies, are both aware of the conversation surrounding emissions and carbon. The State of Wyoming has invested \$15 million in the Integrated Test Center ("ITC") at Dryfork Station Power Plant in Gillette. Wyoming has partnered with the X Prize to use this facility to find beneficial uses for power plant flue gases. The X Prize recently announced their winners which included CarbonBuilt, a team from UCLA that demonstrated its technology at the ITC which uses captured carbon dioxide emissions and infuses it into concrete building blocks as they're made which results in a more cost effective cinder block that uses less cement that's actually stronger. Dry Fork Power Station is also home to the Carbon Safe Carbon Capture project. We are also home to Atlas Carbon making activated carbon used in water filtration systems, and the Wyoming Innovation Center being constructed to research and scale up of carbon products and rare earth element research.

Campbell County intends to continue fully developing our existing mineral resources, we are also looking to the future, recognizing we need to find new uses for our existing resources and new ways to put our people to work.

Additionally, because of the significant amount of tax revenues the county generates from mineral extraction activities – for many of which the long-term opportunities are being threatened – proactively addressing economic development and looking for options to retrain our workforce are essential. Unfortunately, the money for these activities is mostly non-existent.

Campbell County not only leads in energy production but also conservation and reclamation practices. No one in America cares more about the environment of Campbell County than the

residents of Campbell County. We breathe the air, we drink the water, we ranch and farm the land. We have incredible populations of wildlife in Campbell County including pronghorn antelope, deer, elk, sage grouse, and many birds of prey including bald and golden eagles and ferruginous hawks. No energy development happens without these environmental factors taken in to account.

For this reason, I would encourage the Committee to not forget the communities who stand to be the most impacted by the implementation of the proposed National Climate Bank Act and look at including or expanding the legislation to include opportunities for economic development, retraining, and research for new uses for our mineral resources. Examples like the ITC could be further developed to generate beneficial uses for Campbell County's mineral resources, which have helped to power the U.S. for generations. We have been blessed with these resources and our citizens deserve the opportunity to continue to efficiently and responsibly recover these American assets.

Chairman Markey, Ranking Member Inhofe, and Senator Lummis, I appreciate the opportunity to have testified before you today. I am prepared to stand for questions. Thank you.