

Energy meeting revisits Wyoming's options and roles

Terrorist attacks, war and sluggish economy have shifted focus away from energy development.

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CASPER — In the 23 months since the Bush energy plan debuted, the United States is a different country.

Terrorist attacks, a war in Iraq and a stumbling economy all have shifted the national focus away from energy development and Wyoming's role in that arena.

U.S. Sen. Craig Thomas, R-

Wyo., sought to bring the picture back into focus Monday with a forum here to examine how Wyoming can benefit from the national energy policy.

Wyoming is among the leading producers of coal and natural gas in the country, causing some to call it "the Btu capital of the Western Hemisphere." A Btu, or British thermal unit, is a measure of energy.

For about six hours, experts spoke in panel discussions, taking on established issues, such as enhanced oil recovery, and cutting edge issues, such as energy generated from hydrogen.

Some of the perspectives were not



CRAIG THOMAS

new.

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Energy: Transmission lines needed — experts

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For Wyoming government and coal producers to maximize their profits, the state needs more transmission lines, experts said.

Sadrul Ula, a University of Wyoming professor of electrical engineering, showed what Wyoming is losing through numbers.

The state, he said, produces 36 percent of the nation's coal, but only 0.7 percent of the electricity. As a value-added product, electricity is worth more to the state.

"High-voltage, direct-current power transmission lines can deliver value-added Wyoming coal and gas to distant markets," he said.

But it's not as easy as that, as Bob Middleton knows. He directs the White House Task Force on Energy Project Streamlining.

That body is one of the outgrowths of the federal energy policy. It is working on making the federal permitting process more efficient among the various agencies that have a say in siting transmission lines for instance, or approving environmental impact statements for coal-bed methane well drilling.

It also is working on developing corridors through federal lands for power transmission lines and should have recommendations soon, he said.

For his part, Thomas said he is looking for a balanced federal energy policy that will take conservation, renewable energy and research into consideration.

The bill that arose from the federal energy policy has passed the U.S. House of Representatives and is expected to be voted on in the Senate as soon as next month.

Early on, he said, the plan got beaten up in part because of Vice President Cheney's opinion that conservation wouldn't help the shortage of energy production in the face of growing demand.

But in the two years since, the U.S. economy has shrunk. That cut the demand for power, making large-scale immediate production less realistic.

At that time, applications to build natural gas-fired electric plants were piling up; now most have gone dormant. Natural gas was the fuel of choice before a dramatic price run-up because it was a fairly cheap source.

In Wyoming, coal-bed methane has generously added to the state's overall natural gas production, and its revenues kept Wyoming state government from facing serious budget shortages.

Even so, Wyoming natural gas commands a price that's lower than gas traded in other states.

John Holcomb, vice president of PACE Global Energy

Services, said that gap is on its way to closing with more natural gas pipelines coming online.

PACE Global just done a study funded in part by the Wyoming Energy Commission to find out why this state's gas is worth less.

In his estimation, a pipeline that connects Wyoming with power-hungry markets in the Midwest will boost the price, he said, just as sending gas to the West Coast through the expanded Kern River pipeline is expected to narrow the gap when it comes on line next month.

Wyoming Natural Gas Pipeline Authority Chairman Mark Doelger agreed.

"We need to build more natural gas pipelines," he said.

Dormant for a number of years, the Legislature revived the authority earlier this year with funding and by increasing the limit on the amount of money it can raise for pipeline projects.

The authority starts its work today with a two-day information-gathering hearing in Casper.

"We have to improve prices and export more gas," Doelger said. "Those are two measurable goals. If we don't move more gas at a better price, then the pipeline authority is not doing its job."