

Senate kills methane water bill

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CHEYENNE -- A bill that would have allowed greater state regulation of water discharged from coal-bed methane wells died in the Wyoming Senate Monday after what some senators said was a stiff lobbying effort by the energy industry to kill the bill.

The bill, Senate File 46, would have limited the quality of water discharged from coal-bed methane wells to the natural capacity of streambeds that carry the natural flow of water in the area.

The bill also would have allowed landowners concerned about discharge water flowing over their lands to contact the state engineer's office to require construction of ditches or similar structures to control the flow.

State officials have said the industry pumps about 600 million barrels of water from coal aquifers in the Powder River Basin of northeastern Wyoming every year. Some of the water is used in irrigation and to water livestock, but a majority of the water is not put to a specific beneficial use.

The legislation that died Monday was the product of a state task force that included landowners, industry representatives and state officials. Gov. Dave Freudenthal, in his "State of the State" address last month, had urged lawmakers to pass the bill.

An attempt to reach Bruce Hinchey, president of the Petroleum Association of Wyoming, for comment on the bill after business hours on Monday was unsuccessful.

The Senate deadlocked over an amendment sponsored by Sen. Bruce Burns, R-Sheridan, and then failed to pass the bill by a vote of 15-15.

Burns said his amendment would have specified that the options of building a tunnel to carry coal-bed methane water over a landowner's parcel, or piping it over the land, would have had equal footing in the law with the cheaper option of allowing energy companies to dig ditches to carry the water.

"Otherwise, the way the language was sitting, the coal-bed methane companies, 99 percent of the time, would have ditched, because it's cheaper to go that way," Burns said.

Burns said ditches don't solve landowners' problems. Once they freeze, he said, they commonly result in flooding the adjacent land and property upstream.

Sen. Charles Scott, R-Casper, was among the senators who voted against the bill. He said he opposed it because it essentially would have given landowners veto power over coal-bed methane development.

"If the state engineer found that you needed to construct something to deal with excess water, it had to be something that was mutually agreeable between the companies and the landowners," Scott said. "And some of the landowners will not agree to anything."

Scott said he recognizes that the state needs to address the problems of coal-bed methane water production. But he said it's difficult to try to address such complex issues in the short, 20-day budget session.

"We do have a bit of a mess up there," Scott said of the Powder River Basin. "By and large, where people are being reasonable, it can be dealt with. But you do have some real problems that the bill was attempting to deal with, so I'm sorry to see the bill go down."

Senate President John Schiffer, R-Kaycee, voted for the bill and said after the vote that he was disappointed it died.

"(Industry) put the word out that they didn't want to deal with Wyoming's coal-bed methane water, so that was the end of it," Schiffer said. "They pretty much cracked the whip."

Schiffer said he expects the Legislature will have to address the issue next year.

"We're talking about water, and we're talking about damaging people's property, and we're talking about wasting a valuable resource of the state," Schiffer said. "There's no particular reason for us to send that water up to Montana; it's one of those issues where we'll be back."

Sen. Tony Ross, R-Cheyenne, also voted for the bill.

"It's a controversial deal," Ross said. "You're trying to also keep the industry going, but by the same token, there are some serious damages that are happening to landowners' property up there, and how best to accommodate both of those competing interests."

The Powder River Basin Resource Council, a landowner group, had lobbied in favor of regulating the discharge water.

Deputy State Engineer Harry LaBonde said Monday that his office had been following the bill closely.

"We're just disappointed that they didn't give us the tools to go out and deal with some of these landowner issues," LaBonde said.

Cara Eastwood, spokeswoman for the governor, said it was unfortunate that the bill died.

"As originally presented, the bill was a step forward," Eastwood said. "But the number of amendments and the heavy lobbying from landowners and industry alike demonstrated the complexity of the issue, and the absence of consensus."