

# What does cap and trade mean for Gillette?

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Cap and trade legislation would mean lower carbon dioxide emissions, but at what cost to businesses and individuals in Gillette?

As President Barack Obama spoke about the U.S. being a leader on climate change initiatives to the U.N. general assembly this week, the Campbell County Chamber of Commerce and representatives of the energy industry were thinking locally.

At a chamber lunch Wednesday, representatives from local coal and utility companies, as well as U.S. Sen. John Barrasso, who all adamantly oppose the legislation, discussed what cap and trade legislation would mean for Gillette.

Barrasso said cap and trade legislation would have "devastating impacts" on Campbell County and Wyoming. Barrasso, who addressed those attending the lunch in a video message, said thousands of jobs will be lost across the state.

"The list of direct and indirect jobs that will be lost in Gillette and Wright goes on and on," Barrasso said.

The United States needs to follow Europe's lead and invest in nuclear power, he said. Those investments would create jobs in the very Wyoming industries that would "lose big under current cap and tax proposals."

Nuclear power is a resurgent interest in the U.S. and around the globe as a clean energy source and Campbell County has some of the most significant uranium deposits in the nation.

"Wyoming can supply the coal and uranium needed to power the country into the next century," Barrasso said.

The audience consisting of local coal companies, Gillette business leaders and power utility companies listened to Barrasso's video, then to Steve Laird with Alpha Natural Resources and Curt Pearson with Basin Electric. Alpha owns Eagle Butte and Bell Ayr coal mines in Campbell County and Basin Electric is building the Dry Fork power plant north of Gillette.

Pearson said the legislation doesn't give the specifics on what the rules would be. That uncertainty is causing problems in the coal and utility industries. The building of some coal fired power plants that would use Powder River Basin coal have been delayed because companies aren't sure what the legislation will do.

"What utilities want is certainty, what we need is the rules. We don't even know what the rules will be," Pearson said.

Laird said a lot of the support for cap and trade legislation is coming from coastal states that won't be as affected as Wyoming.

"Many people on the coast don't deal with actual industrial jobs, they deal more with informational services," Laird said. "They don't anticipate it will touch them as much."

There are two different cap and trade bills in Congress. One passed the U.S. House earlier this summer and another in the U.S. Senate yet to be debated. Laird said both would cause job losses in Wyoming.

Laird quoted research indicating that the House bill would result in 3,100 to 3,500 lost jobs in Wyoming. The Senate bill would cause an average disposable income loss of \$3,700 to \$6,700 per household in Wyoming.

The decline in coal production in the Powder River Basin would be between 39 percent and 43 percent

between now and the year 2035, Laird said.

It is not certain what the exact effect of cap and trade legislation will have on Campbell County, but Wyoming's leaders are certain the carbon emissions will need to be cut in the coming years and Wyoming needs to be ready, he added.