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White House Promises False Hope; Oil Shale Technology Remains Decades Away
Interior Department Oil Shale Rules Ignore Reality, Will Not Lower Gas Prices

(Washington, D.C.)—Ignoring the wishes of two Governors and numerous Members of Congress, Secretary of the Interior Dirk Kempthorne today will outline the Bush Administration's draft regulations for commercial oil shale production on more than 2 million acres of public lands in Wyoming, Colorado and Utah. These draft regulations are expected to lay out the rules governing royalty rates, evaluation of lease bids, mitigation requirements, and other technical and procedural elements of oil shale leasing and production.

A congressional moratorium on finalizing these regulations, which does not affect research and development already underway, remains in place until October.

“Today's announcement is designed to give the American people the false impression that oil shale has some hope of lowering gasoline prices,” Chase Huntley, energy policy advisor for The Wilderness Society (TWS), said. “But practical and technological impediments cannot be overcome by fiat. Instead of gambling our resources on unproven fuel sources, such as oil shale, we should invest in proven options that will reduce prices such as higher fuel economy standards, energy efficiency and renewable generation technologies.”

Oil shale development depends on turning rock into oil but the oil shale industry is years away from establishing the technical, economic, and environmental viability of the technologies needed to extract and process oil from shale. Corporate representatives acknowledge a commercially-viable technology for squeezing oil from rock remains a decade or more away. In light of these knowledge gaps, Congress voted last year and the

president approved legislation that included a limitation on the Bureau of Land Management's (BLM) implementation of a commercial oil shale leasing program.

“Creating commercial regulations when we know so little about the technology puts the cart before the horse and puts the West at great risk,” Elise Jones, executive director of the Colorado Environmental Coalition (CEC), said. “Folks out here remember Black Sunday of 1982 when Colorado’s economy was devastated by the collapse of a major oil shale project. Haven’t we learned anything?”

Commercial oil shale development poses dangers for the landscape, and raises concerns that not enough water, let alone water rights, exist in this arid climate to sustain an oil shale industry, according to a 2005 RAND Corporation report. Such a huge demand on the region’s water resources would hold serious consequences for agriculture and wildlife, particularly those animals inhabiting the lands and waters in the area.

Furthermore, a recent review of the technologies under consideration found that fuels derived from oil shale would result in upwards of five times more global warming pollution than conventional oil and gasoline. With our country poised to cap carbon dioxide emissions, the principal pollutant driving global warming, the lifecycle emissions of shale fuels raise questions about the long-term economic viability of the industry and the soundness of policy to pursue a fuel source significantly more polluting than those it replaces.

Other Quotes:

“Allowing our public lands in the west to be sacrificed for commercial oil shale development is a tragic misuse of some of the best wildlife habitat in the United States,” Denise Ryan, legislative representative for Public Lands, National Wildlife Federation, said. “It is not a choice the American people would make if they understood how much would be lost, for generations, for so little gain. Americans need better choices than to be asked to stick with failed energy policies at the expense of mule deer, elk, mountain lion, black bear and bald eagles. The wholesale industrialization of these public lands would forever change the way of life of surrounding communities whose economies depend on bountiful wildlife for hunting, fishing, wildlife viewing, outfitters and guides.

“In Utah, industry has thousands of acres of oil shale resources found on federal, state and private under lease already,” Stephen Bloch, conservation director for the Southern Utah Wilderness Alliance (SUWA), said. “If they could produce oil cost-effectively at today’s prices they’d be doing so already. Leasing federal lands has nothing to do with allowing those activities to move forward, but everything to do with fattening those companies’ bottom lines.”

“Oil shale in Wyoming is a pipe dream,” Erik Molvar, wildlife biologist with Biodiversity Conservation Alliance of Laramie, said. “If we ever see large-scale oil shale production, the water demand alone could suck the West dry of water, an even more precious resource than oil.”