

# WESTERN ORGANIZING REVIEW

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## WORC posse rounds up support for fair livestock market rule

**W**ORC leaders traveled to the halls of Congress in early September to encourage Senators and Representatives to oppose any attempt to stop or delay the enactment of a fair market, anti-monopoly rule.

“This was an especially timely visit, since the Senate Agriculture Appropriations Subcommittee met while we were there,” said Holly Waddell, vice chair of Dakota Rural Action.

Other WORC grassroots advocates were Donley Darnell with Powder River Basin Resource Council; Link Reinhiller with Dakota Resource Council; and Gilles Stockton with Northern Plains Resource Council.

In the 2008 Farm Bill, Congress directed the Department of Agriculture to write rules to address the problems of manipulative markets and unfair contracts as a first step to addressing the problems of unfair livestock markets. After over a year of work by USDA and 60,000 public comments supporting the rule, opponents of fair markets are trying to stop the rule dead in its tracks.



WORC leaders, from left, Gilles Stockton, Holly Waddell, Donley Darnell, and Link Reinhiller in Washington, DC, September 9, 2011.

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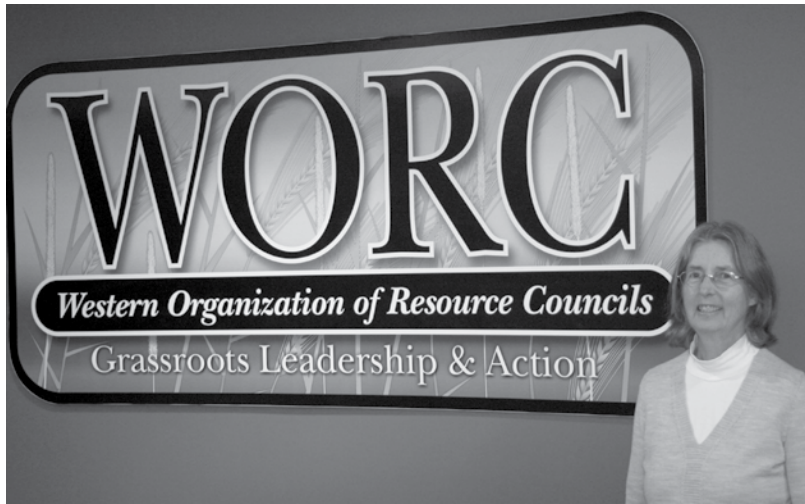
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In July, the House of Representatives passed a “rider” on the Agriculture Appropriations Bill that would stop USDA from adopting the rule. The WORC posse went to DC to stop a similar move by the Senate and delivered a message: Oppose any effort to kill or delay the fair livestock rule and let the process work. The Senate committee passed its bill without a provision to strip funding for the rule. The full Senate has not yet considered the agriculture appropriations bill and opponents may try again to amend the bill and cut funding for the rule.

*“Livestock Market Rule” continued on page 14*

# The View from WORC

By **Monica Wiitanen**, WORC Chair



Summer came late to our valley, delaying transplanting and seeding of crops, and postponing maturation and harvesting as well. Garlic was late, strawberries were late, peaches were late. Autumn weather, however, began at the usual time. When summer still seemed young, preparations for fall crops and winter harvests were underway. Seedlings of winter greens are now making their way into the hoop house to provide a winter's worth of salads and stir-fries to augment the roots stored in the barn, the cellar, and the ground.

While many of us WORC members were navigating our busy summers, WORC staff and several members continued their work on issues as reported in these pages – traveling to our Nation's Capital to advocate for livestock market reform, digging into the latest animal identification proposal, responding to the Exxon oil spill in the Yellowstone River, improving the safety of the proposed Keystone XL tar sands pipeline, protecting air quality in oil and gas fields, publishing educational material on coal exports, challenging inadequate coal leasing policy, and calling for oil and gas companies to Come Clean about the chemicals they use. Many members complemented these efforts by calling or writing to decision makers.

In the midst of the campaign work, we continued to build the base. WORC's Idaho Organizing Project is developing a new group in rural Idaho focused initially in Payette County where natural gas development has begun. Our action alert network gained 4,800 new action-takers in our seven-state region, and two workshops enhanced the leadership skills of members.

Hearing about so many of our organization's activities, locally, regionally, and nationally, makes me appreciate all the more being a member, a member of the Board, and this year the Chair of WORC.

With so many working in their own communities and their own states – and going to Washington when need be – all of us working together with the help and support of our dedicated staff – I feel nourished in the midst of uncertain times and find myself with more resolve than ever to continue work.

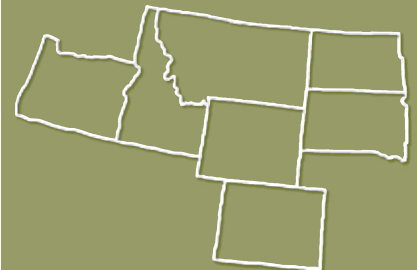
## WESTERN ORGANIZING REVIEW

The *Western Organizing Review* is published quarterly by WORC, the Western Organization of Resource Councils.

WORC is a regional network of seven grassroots community organizations, which includes 10,000 members and 37 local chapters. WORC helps its member groups succeed by providing trainings and coordinating regional issue campaigns.

## MEMBER GROUPS

Dakota Resource Council, North Dakota  
Dakota Rural Action, South Dakota  
Idaho Rural Council, Idaho  
Northern Plains Resource Council, Montana  
Oregon Rural Action, Oregon  
Powder River Basin Resource Council, Wyoming  
Western Colorado Congress, Colorado



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# Around the Region

## A look around WORC's region

**Dakota Resource Council** contends the state of North Dakota violates federal law by effectively granting coal mine bond releases without a public hearing. During an informal hearing by the Public Service Commission June 28 on the proposed South Heart mine, DRC cited the state's second-largest mine, Falkirk, as an example. The mine has not achieved final bond release for post-mining agriculture use on a single acre of land, yet its bond has been reduced many times without public input, despite federal law guaranteeing that right.



agreement for Windsor Energy's Crosby gas well blowout. The well blew out in August, 2006 and spewed an estimated eight million cubic feet of methane gas and vaporized drilling fluids and condensates into the atmosphere over three days.



The blowout contaminated both aquifers in the Line Creek drainage with toxic chemicals. Residents asked that the remedy agreement include notification of any future drilling, fracking and well stimulations in the area, along with sampling of area wells immediately following such activity. They also asked for long-term and more frequent monitoring of drinking water wells. They want Windsor to provide residents with test reports that identify all regulated and non-regulated chemicals found in the water.



**Dakota Rural Action** has hosted a number of community events in the late summer months, including WORC's Principles of Community Organizing training in July. DRA also coordinated Farm Dreams workshops, which exposes would-be farmers to farmers utilizing sustainable farming practices. And, in that vein, DRA organized a four-farm tour in Eastern South Dakota in September.

Members of the **Idaho Resource Council** gathered at the Carmela Winery in Glens Ferry for their annual meeting October 1. The program featured sessions on the 2012 state legislature, Gateway West Power Transmission Line Project, natural gas drilling in Idaho, and a Community Supported Agriculture project in Filer.



About 250 people attended the Wild & Scenic Film Festival in Billings in mid-September. This was the third year **Northern Plains Resource Council** was host for the event. A committee of Northern Plains members and staff selected 15 films for this year's festival.



A draw for the public and media was three films by Montana filmmakers, including one featured in an article in the Billings Gazette, "The Fishman," produced by a husband and wife team in Livingston. The husband likes to body surf the Yellowstone River, and the film captures the beauty of this "underwater wilderness" and importance of the river to Montanans, especially after the oil spill near Billings in July.

**Oregon Rural Action** published the 2011 edition of Northeast Oregon Food & Farm Directory, a guide to local producers, in June. The directory provides information on producers, practices and markets, and is available both on ORA's website and in print. In July, ORA hosted its first Summer Barn Dance, where members and community members enjoyed an old-fashioned combination chili feed-dessert auction-dance. ORA's Snake River Chapter is developing an anti-fracking, campaign while the Blue Mountain Chapter has work groups collaborating on Seed Saving, backyard chicken policies, and developing a Local Energy Guide. The ORA Energy Team is ramping up for Phase 1 of the Solarize Union County! campaign to get 100 homes to install solar thermal panels. The Energy Team is also initiating the Energy Smart Schools campaign to help schools save money by saving energy and hosting the "Beyond Fossil Fuels" Youth Energy Summit as part of the campaign. Finally, September boasts ORA's 10th birthday.



On August 8, the Department of Energy (DOE) held a field hearing in Montrose, Colorado to highlight its Uranium Leasing Program. **Western Colorado Congress** is no stranger to uranium issues, and the group organized strong public support for clean water, healthy communities and resilient ecosystems. Members from Ouray, Mesa, San Miguel and Montrose Counties attended the event and told DOE to include renewable energy in its mission statement, boost bonding and royalty requirements, and clean-up old mines before allowing new ones. DOE currently has 32 uranium leases in Colorado and is conducting a Programmatic Environmental Impact Statement.



On August 4, over 20 members of the Clark Resource Council, an affiliate of the **Powder River Basin Resource Council**, participated in the Wyoming Department of Environmental Quality's final hearing to address the remedy

# WORC members in coal country busier than ever defending property rights, clean air and water

**Y**ou may have thought that coal was a bulky, dirty nineteenth century fuel fraught with liabilities, including air pollution, health risks, massive disruptions of productive but sensitive landscapes, degraded ground and surface water systems, and huge carbon emissions adding up to a dubious future. If so, the past two years with new coal mines opening around the region, massive new proposals to export coal by unit train through several western states and Pacific Northwest ports, and federal coal leasing plans for over 5 billion tons in the Powder River Basin region of Montana and Wyoming would have to give you pause.



Photo courtesy, Paul Anderson, www.paulkanderson.com.

In the face of burgeoning surface and underground long-wall existing and proposed mines in North Dakota, Wyoming and Montana, WORC members and local chapters of the Dakota Resource Council, Powder River Basin Resource Council, and Northern Plains Resource Council have their plates full as they seek to protect their livelihoods, property values, health, and well being. What follows is a quick round robin of the numerous challenges WORC members face in the coal fields of the WORC region.

## North Dakota

### South Heart Hearing

A North Dakota Public Service Commission hearing on the proposed lignite mine near South Heart attracted close to 100 people on June 28, with nearly 40 people speaking out in opposition and no member of the public speaking in support of the mine. Dakota Resource Council (DRC) Board member Steve Merrill, a soil scientist, said the mine would destroy alluvial valley floors in Heart River tributaries and disturb subsurface water supplies. “It’s a terrible sacrifice,” he told the Bismarck Tribune.

Dakota Resource Council’s testimony focused on the poor record of reclamation and bond release in the state and noted that North Dakota’s bond calculation method effectively grants bond release without an opportunity for public hearing in violation of federal law. The conference ran until about midnight.

### PSC Conflict of Interest

In another important development, Dakota Resource Council, along with allied organizations, called on the federal Office of Surface Mining to remove two Public Service Commissioners from deliberations on the South Heart Coal mining permit because they accepted campaign contributions from company officials.

“We deserve Commissioners who evaluate the pros and cons of the mining permit on its merits,” said Linda Weiss, Belfield, Dakota Resource Council Assistant Treasurer. “Instead we have two Commissioners whose election campaigns were bankrolled by the company they’re supposed to regulate.”

Federal law on surface mining prohibits gifts from regulated industries to members of state regulatory agencies who perform any function or duty under the federal Surface Mining Control and Reclamation Act.

The two commissioners, Kevin Cramer and Brian Kalk, received at least \$16,500 in campaign contributions between August 2008 and October 2010 from Corbin Robertson, owner of Great Northern Power Development, which owns South Heart Coal.

## Wyoming

On behalf of its members living in and around coal mines in the Gillette area and north of Sheridan, the Powder River Basin Resource Council (in conjunction with WORC and other plaintiffs) has filed administrative and judicial challenges to several federal coal lease actions in recent weeks.

Altogether, pending and recently completed federal coal leases in the Powder River Basin, in Wyoming alone, add up to approximately 5 billion tons of coal. Powder River Basin Resource Council is leading a concerted effort to hold the Bureau of Land Management (BLM) accountable by challenging a piecemeal and fragmented decision process that lacks the required full and timely consideration of many concerns and issues required by federal laws. These concerns include cumulative air quality impacts from numerous existing mines in the Gillette and Wright areas, issuance of new federal coal to mines that have not demonstrated timely, contemporaneous reclamation, and failure to consider or mitigate the enormous amounts of climate changing greenhouse gases which would result from the combustion of the leased coal.

In late August, Powder River Basin Resource Council submitted to the federal district court a motion for summary judgment in litigation to remedy deficiencies in the Department of Interior's approval of the West Antelope II tract. The 350 million-ton tract was auctioned in May to a lone bidder, Cloud Peak Energy, which, in addition to domestic U.S. customers, is also exporting coal to Pacific Rim customers, mainly Korea at this point.

Powder River Basin Resource Council, with fellow plaintiffs Wild Earth Guardians, Defenders of Wildlife and Sierra Club, also appealed the U. S. Forest Service consent to the South Highlight lease proposal, which is overlain by the Thunder Basin National Grasslands under Forest Service stewardship.

Powder River Basin Resource Council is also participating in public comment on South Porcupine leases and South Gillette area leases and other Wright area leases.

In addition, Powder River Basin Resource Council has filed for information under the provisions of the Freedom of Information Act to shed light on the process that is used to determine fair market value for federal coal, as sales where there is only one bidder tend to devalue the public's resources.

## Montana

### Colstrip Fly Ash Pollutes Groundwater

Colstrip area ranchers and citizen members of the Rosebud Protective Association met with representatives of the Montana Department of Environmental Quality over the summer to present their concerns and request meaningful regulatory intervention to stem the ongoing leakage of the coal ash ponds near the Colstrip Power Plant. The water leaking from the ponds is laden with highly toxic elements due to the fly ash residue from coal combustion

from the nearby power plants. A follow-up meeting is planned with DEQ (and PPL, owner of the plants) as landowners present their demand that the state of Montana require the company to take every measure needed to stop the toxic leaks into their groundwater and creeks.

Members of Rosebud Protective Association have also been active in urging the Environmental Protection Agency to adopt a meaningful standard for coal combustion waste storage that will protect groundwater and phase out wet storage of coal ash such as the system used in Colstrip. In doing so they are having to fight a rearguard action along with allies from coal and power plant communities across the United States to prevent the House of Representatives from stripping clean water protections and funding for the new rules.

Meanwhile, the prospect of up to 110 million tons of coal hauling train traffic through Montana's major cities, doubling the total volume of rail freight in the state, has begun to capture the attention of citizens in Billings, Helena and Missoula. The volume of coal projected for export markets by leading regional producers, including Peabody, Arch and Cloud Peak Energy, portends a virtual wall of coal train traffic through communities that are not ready for these impacts. In some cases, as in Billings, the community has invested tens of millions of dollars to revitalize and restore economic vitality to the part of the city that would be most heavily impacted by coal traffic.

Members of Sleeping Giant Citizens Council in Helena and Yellowstone Valley Citizens Council in Billings are visiting with businesses, emergency and health service providers, neighborhood councils, and local government officials to ask them to be proactive in stemming the impacts of coal exports on their communities well being.

—Margie MacDonald

# Department of Interior to release fracking rules next month

## Federal and state agencies considering wide range of controls

Interior Secretary Ken Salazar announced in early October, that the Obama administration is about a month away from its release of new rules for natural gas drilling on federal lands.

The Interior Department is considering a requirement for drillers on federal land to disclose the chemicals used during a controversial production technique called hydraulic fracturing, or fracking. And Salazar said the new rules could address more than just chemical disclosure.

At a forum on fracking in Laramie, Wyoming in September, Bureau of Land Management (BLM) Wyoming Deputy Director Larry Claypool said that a recent report on fracking by a Department of Energy (DOE) panel and results from public forums hosted by the BLM earlier this year led the agency to consider new rules.

North Dakota rancher Donny Nelson presented WORC's proposal for disclosure of chemicals used in fracking and other phases of oil and gas production at one of those forums in Bismarck, North Dakota. Read more about WORC's *Coming Clean* proposal at [www.worc.org](http://www.worc.org) or in the July 2011 issue of the *Western Organizing Review*.

Fracking is the injection of water, sand and chemicals into an oil or gas well at high pressure to force open cracks in rocks and release gas and oil or other liquids. The expanded use of fracking in recent years has generated the most headlines, but residents in oil and gas fields across the country are concerned about the use of drilling chemicals throughout the production process, not just when a well is being fracked.

The DOE panel released a report in August that said fracking could harm drinking water if not done properly, and that serious changes are needed in regulation of natural gas extraction and production processes, as well as in industry practices. Some oil and gas companies have softened their opposition to more regulation of their industry, such as required disclosure of the chemicals used in fracking.

### Talking the talk

"We need to change," one public relations specialist told an oil and gas industry crowd recently. "We're talking to moms and dads and grandmothers who are worried about the safety of the water their children are drinking, and that's

*"Oil and Gas Rules" continued on page 12*

### DOE panel calls for increased regulation of oil and gas production

In August 2011, the Secretary of Energy Advisory Board's Natural Gas Subcommittee issued a report that could lead to improved federal and state control over natural gas development and hydraulic fracturing ("fracking"). Some of its recommendations:

- 1) Voluntary industry adoption of best practices "should be seen as a complement to, not a substitute for, strong regulation and effective enforcement..." "rigorous regulatory oversight" of the natural gas industry is "essential to protect the public interest."
- 2) Regulators should "immediately develop rules to require disclosure of all chemicals used in hydraulic fracturing on both public and private lands. Disclosure should include all chemicals, not just those that appear on Material Safety Data Sheets."
- 3) The natural gas industry "should be required, as soon as practicable, to measure and publicly disclose air pollution emissions, including GHGs [Greenhouse Gases], air toxics, ozone precursors and other pollutants."

Regulators should work with industry to develop and implement "integrated water management systems" using a "lifecycle approach to managing, tracking and reporting water use—from acquisition through disposal" and "measurement and public reporting of the composition of water stocks and flow throughout the process (for example, flow-back and produced water, in water ponds and collection tanks).

Because poor well construction (cementing and casing) can lead to water contamination, the industry should use state of the art practices to make sure only gas producing areas under ground—and not the pipe, cement, or shallower water-bearing areas—are fractured. Regulations and inspections for casing and cement work should ensure that "operators have taken prompt action to repair defective cementing jobs."

State and local systems should be adopted "for measurement and reporting of background waterquality in advance of shale gas production."

# Negative reaction to GIPSA rule may actually reinforce its justification

Daryll E. Ray and Harwood D. Schaffer, Agricultural Policy Analysis Center

The reaction to part of the proposed GIPSA rule that was issued on June 22, 2010, may in itself suggest the need for Section 201.211. This is the section that addresses the issue of packers offering premiums to some producers and not others. The proposed rule is designed to ensure that packers offer the same premiums to all producers who can provide the required volume, kind, and quality of livestock, either individually or collectively.

Participants in some premium programs have argued against the rule fearing that the packers would eliminate the premium programs rather than keeping paperwork that would justify price differentials offered to different producers or sets of producers. As Ken Grecian, President of the Kansas Livestock Association and member of the Board of Directors of the National Cattlemen's Beef Association, has said, "The proposed regulations ultimately may remove from the marketplace products consumers prefer. Producers have responded to consumer demand by finding innovative ways to develop and market premium quality and branded products. Programs like Certified Angus Beef, U.S. Premium Beef, 'naturally raised' and others would be jeopardized."

From an economic perspective, we find Grecian's argument—the rule could result in the elimination of premium programs—interesting. As every student who takes an introductory course in economics learns, in a competitive market one would expect that if a packer eliminated a premium program that was supported by consumer demand, producers would have little to worry about. The reason for this is because they would be justified in anticipating that another packer would be quick to pick up a premium program that would offer them access to an additional market.

The fact that producers are repeating the arguments of the packers that if the rule is implemented they (the packers) may have to eliminate premium programs because of the burden of paperwork or the fear of lawsuits by those who feel they have unjustly been denied a premium suggests that the producers are aware that they are selling into a market that is not competitive.

And, the producers would be correct. In the proposed rule, the USDA describes the packers in the poultry, swine, and livestock markets as having monopsonistic power. That's economic-speak that means that many producers, instead of having multiple buyers competing for their animals, have only one buyer (or very few buyers in some cases) for their product. As a result, even though the packers may not offer a producer a premium they feel they deserve, the producer is obligated to sell at the offered price, because of lack of alternative buyers. Producers are faced with a take it or leave it deal.

If for no other reason than that, the USDA would be justified in issuing a final rule—including Section 201.211—on economic grounds.

That being said, we seriously doubt that the packers would carry through on their threat to eliminate premium programs if the rule were to be finalized.

To start with, there is only one reason the packers are currently offering various premium programs; they are making more money with these programs that they do with generic meat offerings.

Second, in the course of their business activities, packers already keep records on their transactions and most certainly have documented their rationale for offering higher payments for various premium programs. Therefore the recordkeeping requirements are not likely to incur significant additional costs.

Third, various restaurant chains and grocery retailers have made a significant investment in marketing various premium meat offerings. They have done this because they believe that these products are attractive to their customers and give them an advantage over their competitors. Given this level of commitment, it is likely that the packers would run into significant resistance if they were to try to eliminate the premium programs. Besides that, the retailers have a significant degree of leverage with their suppliers when it comes to the products they make available to the end consumer.

Given all this, could it be that the packers are trying to bluff both the producers and the USDA?

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# Landowners: Keystone XL Pipeline is not in the national interest

Fifty members of Northern Plains Resource Council, including landowners who would be crossed by the proposed Keystone XL tar sands pipeline, told representatives of the State Department that the proposed pipeline is not in the national interest at a national hearing in late September at the Dawson Community College in Glendive.

“The pipeline is for the purpose of generating profit for a private company – it’s for a private use,” said Terry Blevins, a Wolf Point-area landowner crossed by the proposed Keystone XL pipeline and member of the Northern Plains Pipeline Landowners Group. “It will generate few, if any, local jobs, and the oil is likely to be destined for export markets. This is not in the national interest.”

Landowners along the proposed route of the pipeline and other speakers denounced TransCanada’s record of spills and explosions on its newest U.S. pipelines, the lack of an Emergency Response Plan for the pipeline, and the plans of Gulf Coast refiners to export gasoline and diesel refined from tar sands overseas.

Members of Dakota Rural Action, led by affected landowners in South Dakota, drove home those message two days later at a hearing in Pierre, the state capital. Rancher John Harter said if the pipeline is built and leaks on his place, it would contaminate wells that supply nearby Colome’s water. Harter said TransCanada won’t treat his land as a “High Consequence Area” (TransCanada only considers railroad crossings, highways, river crossings, and high population areas as “High Consequence Areas”).

“If we have to have this pipeline, have a safe pipeline,” Harter said.

## Pipeline fight goes to Washington

The hearings in Glendive and Pierre were two in a series of State Department hearings in states to be crossed by the pipeline held to take public testimony on whether the Keystone XL Pipeline is in the national interest. Opponents and supporters showed up by the hundreds, the latest sign of the growing controversy over the pipeline. They followed two weeks of protest outside the White House that resulted in 1,253 arrests. The Nation magazine called it “the largest act of civil disobedience in the history of US environmentalism.”



Northern Plains members at the hearing in Glendive, Montana, on September 27 protest the proposed Keystone XL pipeline, saying it is not in the national interest of the United States. (photo by Northern Plains Resource Council)

In late August the State Department released its Final Environmental Impact Statement (FEIS) on the decision it must make on the pipeline: whether to issue a Presidential Permit allowing TransCanada to build across the Canadian-U.S. border. The FEIS concluded that the pipeline would have minimal environmental impacts, but critics blasted that conclusion as ignoring the impact of tar sands production in Alberta’s boreal forests, whitewashing the contribution of tar sands oil to global warming, and sidestepping a long series of safety risks and threats to rivers and groundwater from the proposed pipeline.

As the White House protests showed, the Obama Administration was caught between powerful forces. On the one hand, it risks alienating its base supporters, who

supported candidate Obama's environmental positions and his pledge to stop and then reverse emissions of global warming gases. On the other hand, TransCanada and its supporters tout the pipeline as a jobs-creating blow for energy independence and a big boost to national security.

Those claims are questionable. A study by the Global Labor Institute at Cornell University says TransCanada's job claims are significantly inflated, and a report by Oil Change International says a large amount of the oil that gets to the Gulf Coast in the pipeline will be refined and exported overseas, adding nothing to U.S. energy supplies.

Pipeline opponents turned out in force for two hearings in Nebraska, in Kansas, and in Texas and Oklahoma. In Lincoln, Nebraska, pipeline opponents estimated that 90 per cent of those testifying opposed the pipeline, and most of the 80 who signed up but couldn't testify before the hearing ended, and most of the hundreds more who didn't even try to testify, also opposed the pipeline. They estimated opponents in the crowd outnumbered proponents four to one.

### **Pipeline opposition grows**

In Ottawa, the Canadian capital, Canadian opponents to tars and organized a mass peaceful civil disobedience action on Parliament Hill, inspired by the White House sit-in. Nine Nobel Peace Prize winners—including the Dalai Lama and Archbishop Desmond Tutu—wrote President Obama urging him to reject the proposed pipeline.

Nebraska Governor Dave Heineman sent a letter to the president asking him to deny the permit for the project, because TransCanada and the State Department refused to consider any route that would avoid Nebraska's Sand Hills and the Ogallala aquifer. Nebraska Senators Mike Johanns, a Republican, and Ben Nelson, a Democrat, also oppose the proposed route of the pipeline. The Ogallala Aquifer supplies groundwater for irrigation to 30 percent of the United States.

Other Senators are impatient with TransCanada's inability or unwillingness to improve the safety measures it will take—and with the unwillingness of federal agencies to require meaningful protections. Senator Jon Tester (D-Montana) wrote Secretary of State Hillary Clinton in August asking the State Department to require TransCanada to share its Emergency Response Plan with first responders and local officials, and to get a study of the safety of tar sands pipelines by the Pipeline and Hazardous Materials Safety Administration (PHMSA), part of the Department of Transportation. PHMSA officials have admitted they have not studied the safety of pipelines designed to carry tar sands.

Senator Tester was unimpressed by 57 conditions touted by TransCanada and the State Department as extra measures designed to deal with the safety concerns he had expressed on behalf of affected landowners and volunteer emergency responders in Montana. "Both the Bison Pipeline [a new gas pipeline that runs from Wyoming through Montana to North Dakota] and Keystone [a new tar sands pipeline that runs through the Dakotas], which are owned and operated by TransCanada, contained many of these same 57 oversight measures," Tester wrote, "yet one of those pipelines [Keystone I] leaked numerous times, and the other [Bison] exploded."

### **Gulf Coast refiners will export diesel, gasoline from tar sands**

Many landowners set to be condemned for the proposed pipeline, already alarmed by TransCanada's poor safety record, are convinced that the real

purpose of the Keystone XL pipeline is to give Canadian tar sands producers access to Gulf Coast refineries—not to provide the U.S. with a more secure supply of oil. At the hearings in September, Keystone XL supporters argued that the U.S. desperately needs to replace declining oil supplies from countries like Venezuela and Mexico as well as from the Middle East, with tar sands oil from friendly Canada.

According to a report by Oil Change International, however, "the idea that Keystone XL will decrease America's dependence on foreign oil is demonstrably false." The report says that the Keystone XL pipeline is an export pipeline. "The Gulf Coast refiners at the end of the pipeline's route are focused on expanding exports," the report says, "and the nature of the tar sands crude Keystone XL delivers enhances their capacity to do so. Valero, the top beneficiary of the Keystone XL pipeline, has recently explicitly detailed an export strategy to its investors. The nation's top refiner has locked in at least 20 percent of the pipeline's capacity, and, because its refinery in Port Arthur is within a Foreign Trade Zone, the company will accomplish its export strategy tax free."

"The oil market has changed markedly in the last several years, with U.S. demand decreasing, and U.S. production increasing for the first time in 40 years," the report continues. "Higher fuel economy standards and slow economic growth have led to a decline in U.S. gasoline demand, while technological advances have opened up new sources in the U.S." Oil Change says that is why U.S. refiners—especially on the Gulf Coast—are increasingly looking to export markets. Supplying those refineries—not U.S. domestic needs—is the main purpose of the Keystone XL pipeline.

*"Keystone XL" continued on page 13*

# Why recruit candidates?

Reprinted from *How To Recruit Candidates*, available at [www.worc.org](http://www.worc.org)

Community organizing is about building enough power to win tangible improvements in people's lives and bring about a more just and sustainable society. There are three important components in bringing about change: good public policy, community organizing, and grassroots electoral campaigns. The late U.S. Senator Paul Wellstone said:

"Electoral politics without community organizing is a politics without a base. And community organizing without grassroots electoral politics is a marginal politics. And electoral politics and community organizing without good progressive policy is a politics without a head – without a goal."

We agree. Community organizations can have the best public policy idea and the strongest grassroots organization and still lose their campaigns because the elected official in question is completely unwilling to make the right decision. In those instances, it is time to replace the elected official with someone more responsive to our concerns – hopefully someone that comes from our own ranks and is accountable to local citizens.

Our theory of social change also recognizes that community organizations do not become truly powerful unless they have built and exercise electoral power. This means the ability to replace elected officials who routinely act against community interests. It also means the ability to get accountable community leaders elected to public office at all levels of government. Only then will we truly re-make society.

## Who can recruit candidates?

Federal and state laws heavily regulate political activity. It is important to know the rules in your jurisdiction before you get started. Be sure to check the resources section for more information.

Individuals acting on their own behalf and on their own time are always free to get involved in politics, including recruiting someone to run for public office and helping in the campaign. This is true even if you work for a non-profit or other organization whose political activity is regulated.

Organizational political work is allowed in certain situations. If your organization is a 501(c)(4) social welfare/advocacy organization, a labor union, a trade association, or a political action committee, it can freely recruit someone to run for public office and support his or her campaign.

Non-profit organizations that have a 501(c)(3) charitable/educational tax-designation from the IRS are prohibited from engaging in partisan political activity, including recruiting candidates.

Employees and leaders of these organizations are allowed to freely support political campaigns using vacation time or after work. But leaders and staff need to be careful not to use the resources of the group to support a candidate or campaign.

Please note: running for the board of a non-profit association, like your local Rural Electric Cooperative, isn't considered running for public office and your 501(c)(3) organization can get involved in those elections.

## Qualities of a good candidate

Make a list of bottom-line issues that your organization feels very strongly and passionately about. You should keep this list front-and-center during the recruitment process because it makes no sense to recruit someone to run for office that disagrees with you on these critical issues.

You should know this ahead of time, if possible, and will need to formalize your understanding of the candidate's issue positions as the recruitment process moves forward. It may not be the first question you ask a potential candidate, but your



organization should not get too far down the line in supporting anyone when you haven't confirmed that he/she supports you on the key issues and will vote the correct way on those issues should the issues come before him/her once elected.

### **Where we find good candidates**

The best place to find good candidates is to look inside your organization. Who are your strong, tested leaders? Who are the ones who are always helping organize actions, rallies, and other events?

Good candidates aren't just active in your organization's committees and chapters. They are active in their community, their PTA, church, or other local organizations. They may have just gotten an important community project accomplished, like the new library or open space bond. They have a large and strong social network. They need not be, but already may be involved in politics!

The best way to make a list of good candidates is to get together with other organizational leaders to begin brainstorming and assessing names. This candidate recruitment committee is a whole lot more likely to be successful by working together.

When you do meet, have the committee compare your notes on each potential candidate. Does the potential candidate live in a district that has a targeted seat up for election? What are the pro's and con's of that person running? If the potential candidate should not or could not run right now, make a list of what your organization can do to help groom this person—can anything be done to expand his/her network, build his/her exposure, and help him/her develop new skills?

At the end of this exercise, your group should prioritize whom to speak with first, second, and so on. Also decide who will speak with each potential candidate and when. Then be sure to follow-up. Make a plan to get the committee together for frequent check-ins when this process is occurring. It is often a good idea to have a short meeting or phone call after each potential candidate has been spoken with, but before moving on to the next person on the committee's list.

### **Meeting with the potential candidate**

The best potential candidates probably have never considered running for elected office. They will likely say "no" to a meeting with you if you lead with that request. You may wish to begin by saying that you are trying to find good candidates to run for office and would like to get their thoughts about names.

At this point it is important to make sure the potential candidate agrees with your organization on its critical issues (assuming your organization can get involved in the election). You should be up front about the fact that your organization is searching for candidates it can support who will be champions for your values and priorities. There is no point in proceeding further if the person who might run is not going to be with you when elected.

A good transition from a general discussion about names to the candidate herself might be, "Your name keeps coming up as someone who would be a good candidate. Have you ever thought about running yourself?" Most people will demure, but this is a good opener to the topic.

### **Assign homework and have a follow-up meeting**

At the first initial meeting, it is a good idea to set-up a follow-up check-in meeting. In the interim, the candidate should be given some homework to see how serious he or she is about potentially running.

A good first task is for the candidate to make a list of 100 people in his or her district who will do more than just vote the right way. These 100 people will be the first 100 people who will be asked to volunteer or to donate money or both. If the candidate is not willing or able to complete this task in a reasonable amount of time, you should be concerned.

Other items for a second meeting could include: articulating in writing why the person wants to run, what the person wants to accomplish when elected, and talking about the level of support your organization could provide. It is also a good idea to brainstorm ideas about the campaign and discuss, in detail, the time, energy and resources it will take to win.

### **Preparing your candidate to run**

After your candidate makes the "go/no go" decision, it is time to put a campaign team together and start training yourselves on how to run a good race. Many state political party organizations offer training for prospective candidates and campaign managers, so check with state headquarters.

### **Great resources for further information**

Wellstone Action! has materials on all aspects of grassroots electoral campaigns and holds exceptional trainings, [www.wellstone.org](http://www.wellstone.org).

The Alliance for Justice has informative materials for non-profit organizations interested in getting involved in elections, [www.afj.org](http://www.afj.org).



Photo Courtesy John Fenton

Home of Powder River Basin Resource Council member, John Fenton, enveloped in a frack cloud.

an emotional issue.”

Discussion of change in the industry goes beyond public relations messages. “We can no longer just say ‘Tell me what the rules are, I’ll do that.’ Range Senior Vice President Ray Walker told another industry crowd. “You’ve got to do things above and beyond the way it used to be. Eventually regulation will pull itself up to that level and we’ll raise the bar.”

That may already have started: the American Groundwater Protection Council, which runs “FracFocus.org,” a website on which oil and gas companies can voluntarily disclose the frack fluids they use, adopted a resolution recommending companies disclose all chemicals, not just those on Material Safety Data Sheets, as recommended by the DOE Panel’s draft report (see “DOE panel calls for increased regulation of oil and gas production” on page 6).

The DOE panel’s report was critical of the oil and gas industry’s substitution of rhetoric for action. The panel rejected well-worn oil and gas industry lines, such as those spinning hydraulic fracturing of shale formations as a time-tested technology, claiming that drilling is a highly regulated industry and that drilling companies are doing everything they can to protect human health and the environment.

“An industry response that hydraulic fracturing has been performed safely for decades, rather than engaging the range of issues concerning the public, will not succeed,” the report said.

### **State regulation: more than baby steps?**

Last year, the Wyoming Oil and Gas Conservation Commission adopted a widely-publicized rule requiring oil and gas companies to disclose chemicals used in hydraulic fracturing—with a less widely publicized, but widely used, exemption that allows continued secrecy to protect “proprietary information.”

The Montana Oil and Gas Conservation Commission, pressured by consideration of a fracking disclosure bill in the Montana legislature earlier this year, proposed a rule requiring disclosure of chemicals used in hydraulic fracturing—but, like the rule adopted in Wyoming, the proposed Montana rule has a loophole for chemical mixtures that oil and gas companies

claim are proprietary. It falls short in other ways, too.

Under the new rules, producers can disclose the chemicals used in fracking fluid either to the board or to the national fracturing fluid disclosure database at FracFocus.org. The Commission refused to require companies to disclose chemicals to be used in fracking to affected landowners prior to fracking, making it impossible to test wells for baseline water quality. Without that data, it’s impossible to determine responsibility for contamination.

More promising rules have been drafted in Idaho. The Idaho Oil and Gas Conservation Commission, which has had nothing to regulate for many years, has drafted rules regulating fracking and other phases of oil and gas production for that state’s fledgling oil and gas industry. The proposed rules will be open for a short public comment period in October, and then will go to the Idaho state legislature in 2012 for final approval.

The section of the rules on fracking is similar to Wyoming’s fracking disclosure regs, but under the Idaho proposal, chemical

*“Oil and Gas Rules” continued on page 14*

# New group empowers Native Americans

WORC has nurtured and will spin off a new, independent, progressive, and non-partisan Native American civic engagement organization, Western Native Voice. WNV is devoted to building and sustaining the empowerment of Native people in Montana and, eventually, across the West.

The founding Board of Directors consists of five top-notch Native American leaders from across Montana:

- Dr. Janine Pease, Crow Agency, Chair, Vice President for Academic Affairs at Fort Peck Community College.
- Rhonda Whiting, Kalispell, Vice Chair, member of the Northwest Power and Conservation Council.
- Jennifer Perez-Cole, Bozeman, Secretary/Treasurer, Public Affairs Specialist, Outreach Coordinator and State Civil Rights Coordinator for USDA Farm Service Agency.
- Carol Juneau, Great Falls, Board Director, retired from a long career in education and served 12 years in the Montana Legislature.

- Gail Small, Lame Deer, Board Director, founder and current Executive Director of Native Action.

WNV hired Loren BirdRattler of Billings as the Executive Director. Loren is a former National Field Director for the Native Vote Initiative of the National Congress of American Indians, a senior advisor for a statewide political campaign, and Native American Lands Environmental Mitigation Program manager for Keres Consulting.

WNV is located in Suite C at Home on the Range, 220 S. 27th Street, Billings, Montana 59101.

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## *“Keystone XL” continued from page 9*

The main argument of proponents at the State Department hearings has been about the number of jobs it will create, a strong selling point in today’s job-short economy. But TransCanada has grossly exaggerated the number of jobs that will be created, multiplying the numbers several times over those in the State Department’s EIS, and far in excess of the numbers that were actually created by construction of the Keystone I pipeline, sister to Keystone XL.

TransCanada, the Government of Canada, the American Petroleum Institute and other pipeline proponents claim Keystone XL create anywhere from 20,000 to 342,000 direct jobs with hundreds of thousands more indirect jobs. But according to the University of Cornell’s Global Labor Institute, there are “major methodological flaws” in TransCanada’s job estimates making them “unreliable and therefore unsuitable for serious public debate.”

Based on numbers provided by the State Department, the pipeline would generate at most 2,500-4,650 temporary construction jobs, which would last no more than two years. Most of these jobs will not be filled from local areas around the pipeline route, mostly rural areas with a strong need for economic development but few workers trained for pipeline construction. The Global Labor Institute concludes that “the construction of Keystone XL will create far fewer jobs in the U.S. than its proponents have claimed and may actually destroy more jobs than it generates.”

## **The buck stops in the Oval Office**

The high profile controversy over the Keystone XL pipeline has elevated the ultimate decision from the desk of Secretary of State Clinton to President Obama’s desk in the White House. Pipeline critics say President Obama cannot afford to further alienate his base supporters, who cheered candidate Obama’s pledges to reverse climate change and protect the environment. Pro-pipeline commentators say President Obama cannot afford to look as if he is against jobs and energy security. They point out that national security and military analysts—and Secretary Clinton herself—have pointed out the national security risks of continued global warming and severe climate instability.

—John Smillie

formulas must always be disclosed to the regulatory agency, instead of only at the agency’s discretion. The proposed Idaho rule sets a limit on the maximum injection pressure of the fracking. Wyoming rules only require a description of the maximum injection pressure. And while Wyoming regulators have the discretion to require well integrity tests before fracking, Idaho requires such tests—and advance notification of the department—in every case.

In Colorado, where gas patch residents have struggled to hold on to reforms of the Colorado Oil and Gas Conservation Commission and its regulations adopted just a few years ago in the face of pressure from the oil and gas industry to weaken the rules, Governor Hickenloper changed the debate recently by announcing a plan for new state rules on fracking.

The biggest surprise may come in North Dakota. The home page of that state’s oil and gas regulator, the Department of Mineral Resources’ Oil and Gas Division, used to have a link for information on fracking that took visitors directly to the American Petroleum Institute’s website and talking points against regulation of fracking. Now, in the same spot, the website has a link to new rules proposed by the Division regulating oil and gas production, including a ban on most open waste pits at oil well sites, and a new section of requirements for fracking. The proposal would require disclosure of the details of each use of hydraulic fracturing on the FracFocus.org website.

Department of Mineral Resources Director Lynn Helms said the oil industry needs a “lighter environmental footprint” in the state. The new rules were written to deal with thousands of new wells the Department expects in western North Dakota in the next few years.

### **EPA Proposes Clean Air Rules for Oil and Gas, Fracking**

In July, EPA proposed new clean air rules for oil and gas drilling at the 25,000 oil and gas wells that companies frack, or re-frack, each year. EPA estimates that its proposed rule would reduce three kinds of pollution from oil and gas development across the country by 25% or more. The proposal would require use of best practices that the oil and gas industry is already using in some states. The rules would set the first federal air standards for fracked wells, and cover other sources of pollution in the oil and gas industry that are

not federally regulated today. The proposal has four parts: a new source performance standard for volatile organic compounds; a new source performance standard for sulfur dioxide; an air toxics standard for oil and natural gas production; and an air toxics standard for natural gas transmission and storage.

Conservation groups and gas patch residents hope the new rules will reduce spewing of toxic chemicals into the air from oil and gas operations, as well as reduce the flaring or venting of natural gas from gasfield equipment. Oilfield residents want EPA to apply some of the rules to stop the practice of flaring (and wasting) gas that is now an unwanted byproduct of oil production. In the Bakken formation in North Dakota, natural gas comes up with the more valuable oil. Without enough economic incentive to capture the gas, drillers burn the gas onsite, wasting it. More than 100 million cubic feet of natural gas — enough energy to heat half a million homes is flared every day. That means at least two million tons of carbon dioxide goes into the atmosphere every year, about the same as 384,000 cars.

—John Smillie

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### *“Livestock Market Rule” continued from cover*

“In most of our visits, we got affirmative support for letting USDA do its job as mandated in the 2008 Farm Bill,” Waddell said.

Link Reinhiller, chair of DRC’s Ag Task Force, agreed. “The Congressional delegation and staff we met with were very attentive,” he said. “I stressed the fact that DRC and the other WORC organizations were created by production ag people concerned about stewardship. The congressional people from many states don’t get the opportunity to meet the grassroots producers very often. They got to hear from those of us dealing day-to-day with production.”

Waddell added, “I believe we made some crucial contacts and it was evident that the legislators and their staff really like to hear directly from the folks on the land.”

Although this fly-in was a success, the action doesn’t stop there.

“When the WORC office or your state’s affiliated office asks for help telling our story, please take a little time to write a note or volunteer some time to make a personal visit to the congressional office like we did,” Waddell said. “If you won’t do that, maybe you can pitch a few dollars into the kitty to help fund a trip for others who would like to go.”

—Jeri Lynn Bakken

# Organizing Nuts & Bolts

## Enabling Members to be Spokespeople

One of the greatest challenges for a community organizer is working with members and leaders to be the public voice of the organization. This task is especially difficult because of the societal pressures to rely on paid professionals and experts. While community organizers may occasionally be quoted in the media and delegated the job of spokesperson that should be the exception and not the rule.

A community organizer continuously strives to help members and leaders understand why they can and should be the primary spokespersons, which boils down to two basic reasons.

First, community organizing is based on the principle that regular people should have the opportunity to speak and act for themselves. The community organizer's job is to provide people with that opportunity, not take it from them.

Second, the messenger matters as much as the message. Having members serve as spokespeople puts a human face on an issue and their personal stories can convey things in a way that paid staff cannot.

Once members and leaders understand that they can and should be spokespersons, the organizer's next job is to help them succeed by following these five basic steps.

1. Designate specific members as spokespeople during the campaign planning process, which also fosters accountability to the group.
2. Make sure every spokesperson has a copy of and understands the talking points or message on an issue, which ideally were developed with member input.
3. Train people on the message and how to stay on it, and practice with them beforehand. The more practice your spokespersons get, the better they become.
4. To build a spokesperson's confidence, put them in nonthreatening situations first. For example, you may ask a member to provide a quote for a news release or meet with an editorial board before testifying in front of a hostile legislative committee or speaking at a press conference.



Ten community organizers in the WORC network participated in the WORC's Continuing Education for Organizers in September. The training is designed to provide support to community organizers with three years or less experience in the Network and provides a forum for the organizers to develop and strengthen both their organizing skills and their local campaigns with their peers. Back row, from left, John Smillie, (facilitator) WORC; Svein Newman, Clayton Elliott, Olivia Stockman, all from Northern Plains Resource Council and Luke Temple, Dakota Rural Action. Middle row Ashley Lauth, Dakota Resource Council; Kevin Williams (facilitator), WORC; Rose Bender, Northern Plains Resource Council and Lee Gelatt, Western Colorado Congress. Front row Frank Smith, Western Colorado Congress. Not pictured - Becca Fischer and Caleb Lande from Northern Plains Resource Council.

5. Finally, an organizer needs the patience and discipline to connect her/his members up with reporters. For starters, prepare a list of spokespersons on your issues and provide it to reporters. You need to know how to locate your spokespersons to set up an interview and often make the arrangements. It's OK to provide background information to reporters, but leave the quotes to members. Most reporters appreciate a real person anecdote combined with background from staff.

Asking members and leaders to be the public voice of our organizations may cause some logistical problems, but presents a truer image of who we are and what we believe, and is more effective in the long run.

For more information see "How to Understand the Role of a Community Organizer" at [www.worc.org](http://www.worc.org).

—Kevin Williams

# WORC

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## PUBLICATIONS

### **BOUND TO FAIL: THE COSTS AND RISKS OF CAPTURING AND SEQUESTERING CARBON FROM COAL-FIRED POWER PLANTS**

White Paper by WORC discusses why carbon capture sequestration technology is a risky and ineffective solution to reducing our nation's carbon emissions

### **A REVIEW OF THE POTENTIAL MARKET IMPACTS OF COMMERCIALIZING GM WHEAT IN THE U.S.**

Report by Dr. E. Neal Blue analyzes the likely reaction of foreign customers for U.S. wheat if GM wheat is deregulated

### **LAW AND ORDER IN THE OIL AND GAS FIELDS - 2009 UPDATE**

Report by WORC reviews state and federal oil and gas inspection and enforcement programs in five Western states

### **HOMEGROWN PROSPERITY FROM THE BOTTOM UP**

Report by Wilbur and Elizabeth Wood looks at the biodiesel industry as it is emerging in the rural economies across the region

### **BIODIESEL BENEFITS FOR CATTLE PRODUCERS**

Report by Dr. Greg Lardy provides ranchers with nutritional information about using oilseed meal byproducts from biodiesel production from crops in the Northern Great Plains

### **UNDERMINED PROMISE**

Report by WORC and the Natural Resources Defense Council examines reclamation and enforcement of the Surface Mining Control and Reclamation Act

Download these publications at [www.worc.org](http://www.worc.org)

## CALENDAR

DAKOTA RESOURCE COUNCIL ANNUAL MEETING  
Bismarck, North Dakota ..... October 22

POWDER RIVER BASIN RESOURCE COUNCIL ANNUAL MEETING  
Sheridan, Wyoming ..... November 5

NORTHERN PLAINS RESOURCE COUNCIL ANNUAL MEETING  
Billings, Montana ..... November 11-12

WORC DECEMBER BOARD AND STAFF MEETING  
Billings, Montana ..... December 2-3

WORC JUNE BOARD AND STAFF MEETING  
Ontario, Oregon ..... June 7-9, 2012

WORC DECEMBER BOARD AND STAFF MEETING  
Billings, Montana ..... December 7-8, 2012