

# United States Senate

WASHINGTON, DC 20510

December 17, 2010

Honorable Ken Salazar  
Secretary  
Department of the Interior  
1849 C Street NW  
Washington, DC 20240

Dear Secretary Salazar:

We are writing to follow up on our request of December 19, 2009, concerning the need to objectively answer critical questions about impacts of large scale commercial oil shale development on water, wildlife, communities and local economies. We have once again heard from a diverse group of local constituents in northwest Colorado who continue to seek a comprehensive study of those potential impacts prior to consideration of any commercial oil shale development. Those constituents include local government officials, ranchers, water and wildlife interests and others.

As we noted in our previous request, the Bureau of Land Management (BLM) concluded in their September 2008 Programmatic Environmental Impact Statement on oil shale that the agency lacked information to meet the congressional mandate in the Energy Policy Act of 2005 that “development be conducted in an environmentally sound manner using practices that minimize impacts.” In addition, on November 29<sup>th</sup> 2010, the General Accountability Office released a report on the potential impacts to water of oil shale development, finding that oil shale development could have significant impacts on the quantity and quality of water resources and recommending that the Department of the Interior initiate water-related research with DOE and state agencies involved in water regulations.<sup>[1]</sup>

While we and our constituents are appreciative of your efforts in the second round of research, development and demonstration (RD&D) leasing to require that information developed on those leases is more accessible and timely, the fact remains that the RD&D program is focused more on technology and processes than on potential impacts on land, water and people. That additional information is critical to responsible planning by local and state governments and federal and state agencies.

As we requested in our 2009 letter, we ask that RD&D be completed and the data analyzed prior to considering offering leases for commercial development. We also continue to believe that information from the RD&D program must be supplemented by an independent evaluation conducted by the National Academy of Science (NAS) that investigates, among other things:

- The status of oil shale extraction technologies;
- The likely positive and negative implications of the various technologies for the production of kerogen from oil shale resources;
- The cumulative energy inputs required to produce oil from shale;

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<sup>[1]</sup> GAO-11-35.

- The cumulative economic and environmental impacts of commercial-scale oil shale production on energy and water sources and associated energy infrastructure required for the commercial application of various oil shale technologies currently in operation or under development;
- The time frame for viable large-scale commercial oil shale production and events that should serve as a precursor to commercial leasing, such as development of commercially viable and environmentally safe technologies;
- Workforce capacity requirements associated with commercial scale development and the potential impacts of assimilating those workers and their families; and
- Means of ensuring a fair return to the public from the production of oil shale on public land.

Given the lack of current relevant information, any move toward commercial leasing should occur only in concert with a thorough comprehensive analysis of cumulative impacts that would provide the Department of Interior, other relevant federal and state agencies, and local and state governments the means to make informed planning decisions.

We and our constituents recognize the challenges of funding such a study in the current economic and budgetary climate. Therefore, we ask only that you adopt now a policy requiring this type of analysis be completed prior to implementing any commercial oil shale leasing program. They and we pledge to work with you toward scoping and seeking funding for this independent study by NAS as economic conditions improve.

Only by proceeding slowly and judiciously and with current comprehensive information can we be assured that not just technological questions but the broader issues of water needs and impacts, socio-economic impacts, environmental impacts and other impacts can be planned for and mitigated in a manner that leaves local communities and surrounding lands both healthy and prosperous and diminishes the chances they will be devastated by another boom and bust oil shale cycle.

We look forward to your positive response and to working with you and your department on this important issue.

Sincerely,



Senator Mark Udall



Senator Michael F. Bennet