

*Complaining about a problem
without proposing a solution
is called whining.
-Teddy Roosevelt*



Bette B. Grande
President & CEO

February 4, 2021

Chairman Kreun and Members of the Senate Energy and Natural Resources Committee,

My name is Bette Grande, I am the CEO of Roughrider Policy Center and I stand in support of SB 2291. I have provided the Committee with two articles I wrote recently, and a white paper written by Bud Brigham, many of you will recognize that name, Mr. Brigham was a pioneer in the Bakken.

These materials will explain what we are up against and I want to use this time to put this issue in perspective. I am old enough to remember the 1980's and I saw my father struggle when the oil field went bust. The 80's were hard in North Dakota, young people seeking opportunity moved away, myself included.

Many of you may recall the idea floated in the late 80's that North Dakota would become a "Buffalo Commons" and thinking back of that time it was hard to argue with Frank and Deborah Popper on that vision.

My family and I moved back to North Dakota in 1992 and things were improving. Gov. Schafer and the Republican Legislature were working to bring our economy back and build a future for North Dakota families.

But it was not until pioneers like Bud Brigham brought the Bakken to life that things really began to change in North Dakota. Population growth, economic opportunity, wealth and revenue growth put North Dakota on the national map. Energy security.

The new administration is not friendly to coal, oil, natural gas and other vital parts of our economy and supports many Green New Deal policies. And the ESG (Environmental and Social Governance) movement is just the latest tool to attack our traditional energy resources. ESG could just as well stand for "Eliminate Shale Gambit" and efforts by industry and government in our state to play along with the ESG game will only weaken our hand.

Why would North Dakota go along with a plan to send us back to the 1980's, to Buffalo Commons?

The issues and threats our energy industry faces are significant. We will be right back fighting with environmental groups and federal agencies over our ability, our rights, to develop our resources. The future of DAPL is in the hands of federal court in DC. Additional infrastructure

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RedState

Forget Peak Oil, Peak Capital Will Cost Consumers Dearly

By Bette Grande, Roughrider Policy Center for The Heartland Institute | Jan 13, 2021 3:00 PM



(AP Photo/David Zalubowski, File)

The Energy Information Administration reported that the United States did not import any oil from Saudi Arabia in the last week of 2020. There are many reasons for this, and it is likely temporary, but the trend of lower oil imports is happening because of increased domestic oil production in states like New Mexico, North Dakota, and Texas. However, our hard-won national energy security may be short-lived.

It is no secret that it has been a difficult year for the shale oil industry. First, OPEC slashed the price of its oil in March 2020. That was quickly followed by COVID-19 lockdowns and the drop in demand for oil and gasoline. Those two factors have improved somewhat, but in 2021, the domestic energy industry may see a fracking ban on federal lands and a host of new environmental regulations that will deter energy production.

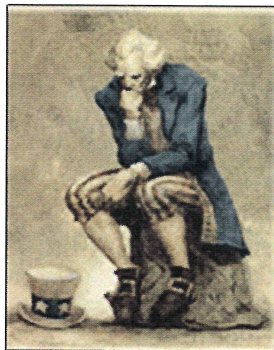
Even so, the biggest challenge facing domestic energy producers is the increasing lack of capital. Environmental and Social Governance (ESG) requirements and the related trend for big banks to deny capital to the traditional energy sector will choke off the capital needed for the continued dominance of the domestic energy sector.

ESG investing, pushed by the largest firms on Wall Street, is the latest effort to force companies to turn away from their core business and divert resources to address the evolving social and environmental concerns of activists.

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American Thinker

January 28, 2021

First, they came for Alaska

By [Bette Grande](#)

The future of domestic energy production and resource development is happening now in Alaska. Two recent stories out of Alaska sound a warning to energy and mining states: you are next.

Last August, the U.S. Interior Department finalized its plan to open a small portion of the Arctic National Wildlife Refuge (ANWR) to oil and gas development — a move welcomed by Alaska governor Mike Dunleavy at the time, who said, "Alaskans, Americans, this is a great day."

It was a day full of opportunity, but five months later, reality hit. Leases for just 11 of the 22 tracts were sold on [January 6, 2021](#), the majority to a state-owned development corporation. And not a single major oil company submitted a bid. Not one.

Why would private oil companies take a pass on tapping into ANWR's vast oil and gas reserves? In a word, capital, or lack thereof. Drilling in ANWR, despite the potential payoff, does not fit nicely into the Environmental and Social Governance (ESG) policies that oil companies are now required to implement. Today, access to private capital, bank loans, and insurance requires a strong ESG strategy. And without capital or insurance, development of resources is not possible.

The Pebble mine project in southwest Alaska has also been in the news lately. In November, the U.S. Army Corps of Engineers rejected a permit for the mine located on state-owned land. The

https://bismarcktribune.com/news/local/buffalo-commons-20-years-later/article_cc83255b-3ca1-5055-a33e-5cd8d3b5ec63.html

Buffalo Commons, 20 years later

LAUREN DONOVAN Bismarck Tribune

Aug 31, 2007

Franks and Deborah Popper remember when all hell broke loose out here in the Great Plains.

They - otherwise obscure East Coast university professors - remain amazed and pleased by reaction to a research paper they called "The Great Plains: From Dust to Dust," published 20 years ago.

In it, they proposed a Buffalo Commons for the sparsely populated regions of 10 states from western North Dakota clear to Texas.

They suggested that the vast grassy region was stuck in a cycle of decreasing population and emptying towns and farms, and the best use for it would be a vast preserve and wilderness for bison and wildlife. They proposed the federal government, like it did in the '30s to create the National Grasslands, could buy back the land it gave free for homesteading.

They say most of what they foresaw has come to pass, but differently.

The Great Plains continue to empty, except for in larger population centers. And, a Buffalo Commons is happening, only through a private conservation movement, not through government intervention.

The Poppers say they were far more right than wrong.

In their view, conservancy-style purchases of the Great Plains' prairie, plus the strength of the buffalo industry highlighted by Ted Turner's conglomeration of Montana ranches into a bison empire are signposts pointing the way.

Those indicators, plus groups like the Great Plains Restoration Council, the Inter-Tribal Bison Cooperative, the American Prairie Foundation and the Grasslands Foundation, all put flesh to the concept and make it material, they say.

"There's no question now that the Buffalo Commons will happen," Frank Popper said in a recent interview. "The interesting questions are how."

Richard Rathge, who directs the state's population data center, says he frankly thinks that's hogwash, or more accurately, buffalo-wash.

He said the Poppers based their proposal on the notion that places like North Dakota had no ability to create a different economy and that buffalo parks would be a sustainable use of the region.

"That didn't happen, nor will it happen," Rathge said, partly because buffalo ownership is mainly privatized in a cattle-style industry.

More importantly, though, he thinks the Poppers failed to recognize that a population resurgence was possible in western counties and towns they saw as spiraling toward extinction.

The latest data show that for the first time in more than two decades, 10 of 15 counties either west of or on the Missouri River in North Dakota show growth.

Those counties - including McKenzie, Dunn, Hettinger, Morton, Williams and Sioux - have seen an influx of people because of energy development and eco-tourism.

"The key is the diversification of the economy," he said.

Shaking things up

The Poppers' beliefs that the Buffalo Commons "will happen" are not the fighting words they were 20 years ago.

Then, the idea sounded faintly ridiculous.

On the other hand, with a deepening drought, Yellowstone National Park on fire, an oil recession and towns across the plains for generations birthing far fewer people than they buried, they touched a nerve that maybe it could really happen.

It was to that "other hand" that the Poppers were called on to defend their research in overheated meeting rooms up and down the Great Plains. Strong words were said and meant.

"We were the damned last straw," Frank Popper recalled.

In Montana, people wore jackets with the picture of a bison surrounded by the circle-slash stamp for "no." In Kansas, a meeting with the Poppers was cancelled because of a death threat against them. In North Dakota, a McKenzie County newspaper publisher angrily asked them, "What do you want us to do? Leave?"

For all the heat it generated, the Poppers' work created an equal amount of light.

Jim Gilmour remembers both the fire and the illumination.

Gilmour is a Fargo city planner, a city of fortune far outside the Buffalo Common fray.

Back in 1987 he was working for the Lewis and Clark Council for Regional Development that included 10 North Dakota counties. Most of the counties - Grant, Sioux, Sheridan, Hettinger - were on the Poppers' dire demographics "hit" list for having towns that were dying on their feet.

Looking back these 20 years, Gilmour said the Poppers did some good.

"People get accustomed to the gradual decline and don't realize what the situation is," Gilmour said. "Having that prediction caused people to realize they needed to create their own future."

In fact, Gilmour was among those to first read the Poppers' Buffalo Commons theory in the American Planning Association magazine. He invited them to speak at a 16-state Western Planning Conference in Bismarck, July 1988.

It was hot. It had barely rained for months. Crops were burning up. Water in the huge Missouri River dam basins was shrinking.

"Suddenly, I was not a joke or some kind of bizarre prophet, the intellectual clown act that I'd been (earlier)," Frank Popper said. "They were taking us very seriously indeed."

The media showed up, including the Chicago Tribune.

Until then, the Buffalo Commons theory had four hooved feet that were trampling humans in their most fragile places. With the attention of Chicago, the New York Times to follow, the "Today Show" and others, it grew wings. Within months the Poppers and Buffalo Commons were part of the regional lexicon.

Timing was everything

While the Poppers were battling up and down the plains, George Sinner was North Dakota's governor, winding down the first of his two terms in office.

His administration dug hard into North Dakota's economic development movement and fostered an eventual understanding that growth would come bootstraps up, not dispensation down from state government.

Sinner had his hands full. There was the drought, a prolonged struggle to keep the Great Plains Synfuels Plant up and running and communities like Belfield and Watford City reeling from the implosion of the oil boom.

Still, Sinner said he didn't believe in the Poppers' theory, even though he had a congenial half-hour meeting with Frank Popper during that planning conference.

"I still don't believe it," Sinner said.

Looking back now, he sees that some of what they predicted has come to pass.

What the Poppers failed to take into account was that the tide could turn, Sinner said.

There has been a rebirth in western North Dakota, with ethanol production, a new promising run in the oil fields and a number of coal projects under development. Good crops are cyclical, but the world demand for food will only ever increase, Sinner said.

Judging the future by what happens over a relatively small time span is short-sighted, he said. "I don't think anybody in my office was very alarmed," Sinner said.

Conversation long overdue

Rathge said the Poppers started an important conversation about depopulation in the plains. The numbers had always been there, but tying them to the empty wildness of a Buffalo Commons gave the discussion an unprecedented urgency, he said.

Even with modest growth in some western counties, the same trends that have always plagued the state still do. Six counties contribute to the slight but steady increase in the state's population over the past 50 years. All other counties have declined in population with only a recent improvement for some that could go away if the energy and oil boom do.

Rathge said he's optimistic, but people and communities still need to be innovative and diversify.

Deborah Popper says when she rereads the original paper she is struck by its sweeping, vivid language.

"It was much more powerful than I would write it now," she said.

What most sticks with the Poppers is the conversation - occasionally a shouting match - that occurred up and down the plains when people were confronted with such a dramatic view of how the future might unfold.

Deborah Popper said ultimately people used their work to define what they didn't want to have happen to their communities and the land they loved and lived.

"The Buffalo Commons became one piece of the way to articulate that," she said.

(Reach reporter Lauren Donovan at 888-303-5511 or lauren@westriv.com.)



Energy Discrimination



**A THREAT TO CAPITALISM,
PROSPERITY, & FLOURISHING**

Bud Brigham for Life:Powered

The constitutional, moral, and ethical problem

It was 50 years ago that famed economist Milton Friedman published the Friedman doctrine of capital theory. Friedman argued that the main responsibility of business managers is to create profits for their shareholders — in other words, to cultivate and grow their business by running it well and providing an outstanding product or service — and that the shareholders can then decide for themselves what social initiatives they wish to take part in.

freedom to not invest in enterprises that don't reflect our values.

But what if they are investing someone else's money? Maybe yours? This is where energy discrimination becomes a problem, especially for workers who assume (rightfully so) that their retirement funds are being managed with their best interests — not political whims — in mind.

That is the problem with these campaigns to bully businesses into divesting from fossil fuels. They go much farther than encouraging individuals to invest in environmental issues. The groups hostile to fossil fuels generally have no desire to own these companies, but exercising their right not to participate in ownership is not enough for them. These movements are working to change these companies, primarily from the outside, at the expense of the shareholders who rely on their

manager's dedication to their fiduciary obligations. It's a co-opting of ownership and control, deeply penetrating and affecting the behavior of corporations and pension funds who are investing and risking other people's money. Is that right? Do you really own the property if special interests are able to exercise control and even seek to destroy it?

Our Founding Fathers set forth a clear vision for a nation thriving on the firm foundation of individual liberty, the right to private property, and the right to freedom of association. James Madison wrote, "The rights of persons, and the rights of property, are the objects, for the protection of which government was instituted." Or as stated by my favorite author Ayn Rand, "The right to life is the source of all rights — and the right to property is their only implementation. Without property rights, no other rights are possible."

"...the rights of property, are the objects for the protection of which government was instituted."

-James Madison

Economic freedom — our right to spend, invest, and donate our hard-earned money as we choose — is one of our most cherished rights. Today, many investors are investing their own personal capital not just to generate a financial return, but also to reflect and project their environmental or societal concerns and beliefs. Freedom to do just that is obviously a very good thing, as is the



Capitalism, uncorrupted, creates human flourishing

The genius of the United States of America is empirically and unquestionably evident in a vast array of fields, from technology and medicine to music and the arts. The rest of the world combined does not nearly match America's diverse contributions to the advancement of society and human flourishing. **American fossil energy companies have revolutionized energy markets by producing abundant and clean fuels, reducing energy costs to the benefit of the entire world (particularly the poor and middle class), and making the world safer and less vulnerable to supply disruptions.**

What differentiates America's impact on human civilization? Why, despite all the advancements of other countries and societies, is America still so exceptional?

It comes down to one attribute: economic freedom. American businesses have generated historic advancements over the last century because of their relentless pursuit of excellence, benefitting from lightly regulated and largely free markets.

Stated another way, capitalism has been fundamental to American exceptionalism. For American companies to grow and thrive over the long term, they must generate attractive outcomes for all their stakeholders. What the energy discrimination movement fails to recognize is that companies will not be successful if they treat their employees poorly, fail to be good stewards to their communities, or

spoil the environment that they operate in. We are all on the same team. I have been blessed to have founded and built five successful companies thus far, including two that have successfully gone public. Our achievements were only possible because we rewarded all our stakeholders, and it was a direct consequence of our intense focus on providing an outstanding, profitable service that delivers value to our shareholders. These are virtuous relationships in a virtuous cycle — the beauty, the harmony, of true and uncorrupted capitalism.

When it comes to the environment, the United States is a world leader. We've slashed air pollution by 77% in the last 50 years — far outpacing almost every other developed nation — and are ranked number one in the world for access to clean water. These accomplishments can be credited almost exclusively to innovation in the

private sector, especially pollution control technology, horizontal drilling, and fracking. American energy companies produce the cleanest energy of any country in the world, and partly as a result, the United States has the cleanest environment of any major country. Furthermore, our exports are displacing dirtier energy produced overseas that are polluting our shared air and water resources. **This environmental exceptionalism is a fundamental product of the American energy industry's pursuit of shareholder value** — not ESG investing.

Meanwhile, fossil fuels are helping to fight poverty around the world. While almost half the world's population lived in what economists call "extreme poverty" as recently as 1980, that number is now less than 10 percent. Affordable, reliable energy begets clean water, modern medicine, warmth and light, safe cooking fuels, and



Energy Discrimination = Higher Prices

About energy discrimination & politically motivated investing

Environmental activist groups are increasingly pressuring corporations to take action on political issues instead of prioritizing fiduciary responsibility. Banks are refusing to lend to fossil fuel companies and other vilified industries while environmental, social, and governance (ESG) investing is the behind-the-scenes underpinning of public shaming campaigns to divest from fossil fuels, cut carbon dioxide emissions, and subsidize expensive, unreliable renewable energy.

While social responsibility is important to many consumers and should be a priority for businesses, the energy discrimination movement wrongly bullies corporations into taking a political stance in order to appease a vocal minority of activists. Engaging the energy discrimination movement also grants corporations the false appearance of moral superiority, even though **divesting from fossil fuels would yield no environmental benefits but come with an extreme economic cost.**

Why energy discrimination hurts Americans

The ESG movement's goal is to deny financing and even insurance coverage to fossil fuel producers, led by banks and investment firms including JP Morgan, Bank of the West, and BlackRock. Several states are even considering requiring pensions to prioritize ESG over return on investment for retirees.

In the meantime, Americans still need reliable energy, 80% of which comes from fossil fuels despite decades of multibillion-dollar subsidies for wind and solar energy. Denying financing to our American energy producers kills good-paying jobs, increases cost of living, and reduces the capital available to invest in the energy technologies of the future — while giving a leg up to less responsible producers overseas with lax environmental and labor standards.



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Life:Powered is a national initiative of the Texas Public Policy Foundation. We educate policymakers and the public about the importance of our affordable, reliable energy resources to human flourishing.