

Western Governors' Association
Sunday June 29, 2008

Transcript of Keynote Address by Secretary Dirk Kempthorne Keynote

Governor Freudenthal, thank you very much for the invitation to be here. Also thank you for your friendship. It is a great pleasure for me to work with Dave Freudenthal and it is a great pleasure to be back with the Western Governors' Association and all of my friends and colleagues and, once again, to see the strength of the organization by the addition of the Premiers. That's something that goes back a number of years and again, I appreciate seeing the Premiers here as well.

Tom Brokaw – what a pleasure to be on the same dais as you. “If it is Sunday, it is Meet The Press”. Those words have very special meaning. When we saw that you were asked to step in and to be the moderator of Meet The Press for the foreseeable future, it made perfect sense for NBC to go to the senior leader of that outstanding team, we applaud. As I have traveled in settings where people do not even know each other but it is amazing how many folks volunteer what Tim Russert meant to them where they'd never met him and America lost a friend and...ah...I had the great occasion to be with him at different times and just to talk with him and he was every bit as down to earth in person as you saw on TV and...ah...sometimes we don't get to say something to someone in the professions so I just thought perhaps on behalf of all the governors and people of America to say to Tom Brokaw I'd like to thank you for the professionalism which you bring to journalism, civility and the fairness which you bring. It is greatly appreciated.

I was with Governor Schwarzenegger this week and apparently you did a pre-recorded something with him for this morning. I didn't get to see it cause there are no TV sets where we are staying but he was telling me, he said that Tom Brokaw and Governor Schwarzenegger were friends for many years and at the first question that Tom asked him was “Well Governor, six percent unemployment, your economy is in the tank, 50 billion dollar deficit, if this were Wall Street, they'd say the CEO has to go.” and I said “Arnold, how did you respond?” He said “I'm glad you're in a good humor.”

I always have recognized and I think the fact that you have so many people here today that traveled many distances. . .one of the strengths of the Western Governors' Association is its bi-partisan approach. I never experienced partisanship when I was here. I have not experienced partisanship from you Governors of the Western Governors' Association in my current position. As I said to Janet [Napolitano] “I appreciate when she gave me a call and a heads up on an issue that needed some attention.” With every one of you, the opportunities I have had to sit down and we solved problems. It's the pragmatism.

We don't often see as much bi-partisanship in Washington, D.C. at least during this current season. I have mentioned to a few of you my thoughts on bi-partisanship. When I first arrived in the United States Senate, I had the honor of serving on the Armed Services Committee and, when I was a freshman, I was under the impression that you were

supposed to attend your hearings. This one particular hearing of the Armed Services Committee, it was a large horseshoe table like this; one party is on one side, the other party is seated on the other, and you are seated by seniority. I was seated in the very last chair and nobody even noticed I was there because I was the only Republican who was there.

Interesting enough most of the Democrats were there and an American icon was speaking, John Glenn, and to sit there and listen to John Glenn, who I believe is one of our heroes, and what I didn't realize was that the issue he was discussing and presenting, he had presented three years in a row, never to be successful, because he never had the support of his colleagues. I listened to him and I thought "Boy he makes a great deal of sense." and, at that point, there was a staffer behind me and he leaned forward and said "Sir do you realize you have all the proxy votes of the Republican Senators?" I said "You're kidding!" and he said "Oh no sir."

So John Glenn wrapped up his arguments and he made a motion for adoption and there was silence. No one was going to adopt or move for a second, so I seconded the motion. At that point, they glanced up, no big deal, it's that new fella over there. So they called the roll starting with Sam Nunn who is the great chairman. Senator Nunn – No. Senator Levin – No. Senator Byrd – No. Senator Kennedy - No. Senator Lieberman – No. Senator Glenn – Aye. They just continued the Democrat call and there were no votes for John except his own and they knew it wouldn't take long on the Republican side because no body was there. Senator Thurman – Aye by proxy. Senator Warner – Aye by Proxy. Senator McCain – Aye by proxy. So every time they called a name, I voted. They finally called Kempthorne and I said aye and they tallied the votes. John Glenn won. Sam Nunn immediately adjourned the hearing. Everybody went out the different doorways and I went out one set of doors and turned to head back to my office. Standing at the end of the hallway was John Glenn and as I approached he said "Who are you?" (laughter) and I said "Well apparently I'm your new best friend!" (laughter) and we became very close friends.

I do believe there is something very special about being a Western Governor. Those of us who have been honored by the citizens of our states, know what it is to have this sacred honor. That is true of the Premiers as well. The trust of being stewards of vast and beautiful lands. The trust of serving people whose connection with the land dates back generations, and, in some cases, centuries. People in whom the irrepressible "can do" spirit of the frontier is still very much alive.

Ah ... that frontier spirit. I will tell you that when I arrived last night about 8:30, stepping off that plane, seeing those magnificent Tetons, I did not expect this Governor. Freudenthal but the stirring that you feel within knowing that we share those Tetons and on the other side is Idaho, our wonderful state, but to be back in the West, the openness, the cleanliness, the vitality is tremendous and the pragmatism which we learn as governors.

When I first became Secretary of the Interior, I found that there were a number of issues during my confirmation process of the 22 senators that served on that committee, every one of them had some issue with the Interior, I would go down them as a “to-do” list. One of them, for example, was a state in the East and so I asked the regional people to come in and brief me “what is this issue about?” They began the briefing by saying “we’ve been working on this for fifteen years.” And I said “I need to stop you for just a minute. I don’t have fifteen years.” I said “We may not reach perfection but we are going to reach a decision.” And I said “now proceed with the briefing.” They laid it out and I said here’s how I see it. Can you live with that? And they said “well, if that’s the direction...” I said “Let’s get the governor and the U.S. Senator who have raised these issues with us on the phone.” They were a different political parties and their reaction was “hallelujah!” we needed a decision.

Well, that’s what governors do and I commend you for what you do. We have tremendous challenges in the West. The 2008 fire season which Governor Freudenthal referenced - it is here! Fire seasons now come at least a month earlier and they last at least a month longer. When I was in California with Governor Schwarzenegger, we went to the northern part in the Greater Redding area where you have treacherous fuel load, treacherous fuel type, treacherous terrain, and they are being hit, and have been hit, by dry lightening strikes. It can be thousands of lightening strikes per day.

What is unusual is that this is happening in May and June. Not unusual in August but is starting so much sooner and hitting with such volume of fire. The official fire season does not even start until July or August. When we think about the preparation ... what can we do for the firefighters. One of the realities is that 60% of all new homes today are constructed in the wildlife-urban interface and so the idea of being “fire wise” and creating fire-safe councils is absolutely important and critical. We saw that in the Greater Redding area. We have done a tremendous job. Anything that you can do to get the fuel load away from the eaves because firefighters, number one, are going to protect human life and then they are going to protect property. We need to make sure that we do all that we can as part of that team.

I will note that in 2000 when I was Chairman of the Western Governors’ Association and was honored to host this meeting in Coeur d’Alene, we signed the 2000 National Fire Plan. That fire plan gave way to what is now our Fuels Reduction Program at the Department of the Interior. In the last eight years, we have invested two billion dollars and we have treated ten million acres. We just treated the ten millionth acre. That is more acreage than the entire State of Maryland to give you an idea and the U.S. Forest Service is doing the same thing on their side of the equation. It shows you that we can get things done. We may not be able to address drought as far as changing it but we can address reduction in the fuel loads.

Also, I want to point out that Premier Doer and I were the co-authors of the protocol between Canada and the United States with regard to fire suppression so that whatever team, be it Canadian or American, was closest, regardless of what side of the border they

were on, we had a common protocol on communication and on chemicals so that we could attack it. That protocol still stands.

I would also note and thank the Canadians that because with the National Inter-Agency Fire Center they are the partners with the Canadian Inter-Agency Fire Center and while we already have a tough season, we have not yet had to utilize the extension of offer from the Canadians of ten elite fire crews but we appreciate that you are on stand-by status.

Next I will tell you what we do with regard to the National Inter-Agency Fire Center as we coordinate this with all of the federal entities and I am very proud of two of those members of my team that are here -- Lyle Laverty who is our Assistant Secretary, and Steve Allred, Assistant Secretary Department of the Interior. We continually 24/7 we evaluate what the patterns of the weather are, what are the fuel loads and we continually pre-deploy. When the Santa Ana winds hit last fall, we were pre-deployed with personnel and rolling stock and, as bad as it was, it could have been far worse if we don't use that. We still employ the strategy of initial attack and we are 97% successful with that initial attack.

When we talk about the forest season, it gets into something that Dave has referenced is and that is critical habitat. Critical habitat for species such as sage grouse and what that can mean. Once the fire season is over, we immediately begin our efforts on restoration, getting the seeds back in the ground so that when the snows come, when the spring rains come, we can at least have the beginnings to stop the erosion, stop invasive species but the critical habitat... and I want to commend the Governors of Idaho, Utah, Nevada, Wyoming for joint effort - the funds that you have put together to help us in partnership on this critical habitat. The BLM, for example, has sent to the National Federation Fire Center the critical habitat of the sage grouse so that as we see fires beginning to set up or potential ignition, that is a critical area that we are going to make sure we have resources deployed to hit it, to stop the fire so that we don't lose critical habitat.

One of the things that we need from the states, and you have responded in extremely good fashion, is information on your state conservation plans so that we incorporate that. The populations of the sage grouse that you see in your respective states and the trends that you are seeing there. We have just received, Governor Freudenthal, from Wyoming, 1,000 pages of hard data on the sage grouse. That's the information that we need. BLM is evaluating the critical habitat for the sage grouse because 50% of that habitat is within the jurisdiction of the BLM and so we are looking at our practices on the land and looking at what you are doing on your area of responsibility and what we could do to closer augment what you are doing in this approach.

We remain on target for completing the petition process with regard the sage grouse this December, and, again, it is very important for all of us and the ramification to that. We think of the critical habitat and it is very interesting that you often have world-class habitat that is sitting right above world-class energy reserves. They need not be mutually exclusive. It is to our benefit that they are not mutually exclusive and when you look at

the \$4.00 a gallon gas tax, you see what the implications are for the American family with regard to fuel and food.

We need to do all that we can to responsibly and environmentally develop our energy resources. The Healthy Lands Initiative, which President Bush placed in the budget for 2008 and which we continue in 2009, takes this approach so that we are not so focused on acre by acre that we lose sight of the bigger picture of the total ecosystem. Now we are looking at a much greater vision of ridge top to ridge top, a more holistic approach which is going to be very, very important.

Some of the trends, therefore, that are happening in the energy situation...traditionally what has been ten to five acres per wellhead is being dramatically changed. We are now getting to the point that one wellhead can occupy one-third of an acre instead of that ten acres. With the multi-directional drilling ... this is something that, as the industry can tell you, much of this has been perfected in the offshore, the outer continental shelf, of going in multi-directions and now, employing that same strategy here on land, allows us to get down to this much less footprint on the acreage.

The liquid gathering system which we had because there is a by-product of condensation which comes from this process it may be water and kerosene, and so as this condensation is acquired, it is placed in the tank and then you have a continual daily transportation of the tanker trucks to take it to different locations but now we are going to a liquid gathering system that will be by pipeline. We have already been able to replace tens of thousands of truck traffic trips per day and our goal is ultimately 160,000 truck trips will be eliminated. Do you realize what that means to the infrastructure of not needing the additional roads? Do you realize what that means to clean air? Because with the trucks and the diesel engines you have the NOx, with the tanks you have the volatile organic compounds and so you have adverse effect to the ozone. This can be very positive with regard to that.

The pipeline being underground and also under the road so that we continue to remove the disturbance that is being caused and also now putting utilities underground in the same area under that road. The BLM has now set a goal that with regard to the activities at the wellheads where we have traditionally had the diesel engines and the compressors, we now are going to natural gas as the means of generating those.

A goal of no emissions in four years with regard to the NOx. A variety of things are taking place. Again we look at the north in Alaska where we have realized the benefit of the ice roads so that when you go out to an area and you do the development of a wellhead but then as the spring thaw comes, you withdraw the activity leaving no footprint ... we are doing the same thing in this region of the country using the wooden mats, setting them out, going out to the area where the development takes place, putting satellite remote machinery so that we can then monitor all of this, remove the mats and find that we have not had damage to the sage brush which is critical habitat to the sage grouse. One of the positive unintended consequences is that it serves as a moisture gatherer so that we actually see that the sage brush actually comes back. All these

technologies are being developed and now being put into place. In fact, in Colorado, Governor Ritter, I believe the energy industry is the number one purchaser of solar panels so that they can use these for the remote locations. That shows you what has taken place.

But I also want to complete the view of energy. That it is not just strictly an oil and gas but it is on the alternatives and on the renewables. The BLM issued 380 geothermal leases – compare that with 25 in the last four years. BLM has 180 wind-energy leases since 2001. Currently we have 15 additional developments in the states of Arizona, California, Idaho, Montana, Nevada, Oregon, Utah, Wyoming – the western states. BLM has more than 250 applications for utility scale solar energy projects in the states of California, Nevada, Arizona, Colorado, and New Mexico and also our Minerals Management Service which is part of the Department of the Interior, will have a proposed rule on alternative energy production in the Outer Continental Shelf next month. This is going to give us a regulatory process for wind, wave and current energy development.

Now one final issue that I'd like to mention to you is a precious commodity. You know, it is interesting when we think of precious commodities. Gold currently is selling for about \$900 an ounce. Deny a human water for 72 hours and offer them an ounce of gold or an ounce of water and see which one is truly precious. We are all realizing that water is finite. We are realizing that all throughout the United States and throughout the world.

When I led the U.S. delegation to the Global Earth Observation Summit last December to Cape Town, South Africa there were 73 nations but talking about climate change, talking about drought, all of the implications that that has and what we can do about it, how we can share this data.

Last fall when I was, literally the morning, that I was briefing the President in the Roosevelt Room on the Santa Ana winds and how we were dealing with that wind and getting it contained, walking across the hall to the Cabinet meeting, and after that Cabinet meeting, I was informed that I was going to Florida, Georgia and Alabama and I said “Why would I go there?” and they said because the next fire is drought and because you are a western governor and you have dealt with drought and so I went down there and I met with Sonny Perdue, Bob Riley, Charlie Crisp working on this whole thing of drought in the southeast.

When you look again at the seven-state Colorado River Compact -- what has been achieved – that is the most significant accomplishment since 1922 when the Compact was first put on the books. It is very easy for all of us deal in times of surplus but to deal in times of scarcity is truly tough and this record and decision which I signed which reflects the work of your seven states is tremendous. It is a role model throughout the United States and I believe even the world.

What do you do to share scarcity? There are a variety of programs that we are working on. The President has included in this upcoming budget an initiative “Water for America.” We haven't had a water census in 30 years and I am not sure how accurate it is

because of stream gauges that are not in major tributaries, in major water sheds and an update of stream gauges that we need. What is the interaction between the ground water, the surface water, the spring water? All of this needs to be part of the data that we have so that we can make better decisions.

When I was Chairman of the Western Governors' Association in 2002, the theme that I built on was *The Power of Partnership*. I believe that more so even today. Governor Schweitzer in Montana and I visited what was called the "Black Foot Challenge." You are very familiar with that. It's the Black Foot River made famous by the book "A River Runs Through It." You go there and you find that the ranch families ... we went to Jim Stone's ranch, Rolling Stones, and his children, and the ranch families standing there with their federal friends, their state friends and putting up easels out in this beautiful meadow saying they were concerned what was happening, that they weren't going to have the traditional lifestyle, that they no longer had the fisheries, that they no longer had the wildlife habitat.

They'd, years ago, determined that it was more efficient, that if you wanted to get water from point A to B you just put in a pipe but now going back and breaking up what was, in essence, a pipe and letting natural stream meandering take place. How ironic that on the east side how the aquatic life has come back, how the water fowl have returned. Now they have fish and fish is an indicator of how well they are doing. They are so proud of this.

There is this synergy of the partnership between the public and private sector and as I listened to this I said "Ladies and gentlemen – this may surprise you but if I put those very maps on your easels and took the very message which you just delivered but insert a few other names that all coincide with the Everglades, we are doing the same thing in the Everglades. We are doing the same thing throughout the United States." A variety of things.

So we have enormous challenges as a country. We have enormous opportunities as well and we have so many successes, so many best practices that we are now being able to build upon. So it's just a great pleasure for me to, once again, be back to an organization that I have the greatest of affection and respect for ... the Western Governors' Association and to be back with my friends, the governors who do a great job for all of the states of the United States.

God bless you.