

**Prepared Statement of Honorable Melvin J. Baker  
Chairman, Southern Ute Indian Tribal Council  
On behalf of the  
Southern Ute Indian Tribe  
Before the Select Committee on the Climate Crisis  
United States House of Representatives**

**Hearing**

**"Tribal Voices, Tribal Wisdom: Strategies for the Climate Crisis."**

**November 18, 2021, 9:30 a.m. EDT**

**Remote via WebEx**

Good morning Chairman Castor, Ranking Member Graves, and members of the Select Committee.

My name is Melvin J. Baker. I am the elected Chairman of the Southern Ute Indian Tribal Council, the governing body of the Southern Ute Indian Tribe. Thank you for the opportunity to testify before you today on the Tribe's efforts to protect the environment while utilizing the Tribe's energy resources to support a broader mission around the energy transition and carbon neutrality.

The Southern Ute Indian Reservation consists of approximately 700,000 acres of land located in southwestern Colorado. Approximately 311,000 surface acres of that land is held in trust by the federal government for the benefit of the Tribe. The Tribe, with just under 1,500 members, is a leader in Indian Country with a demonstrated and sterling record of foresight and business acumen. The Tribe is the only Indian tribe in the nation with a AAA+ credit rating, which was earned through years of steady governance and successful and prudent business transactions. Though the Tribe has a diversified portfolio, energy development --- predominantly natural gas -- - remains a key component of the Tribe's strategy.

As we move forward to acknowledge the science behind the need for energy transition, nearly every aspect of our lives involves energy in some way. When the federal government placed the Mouache and Capote bands of Ute people on a reservation, the resources beneath the soil, as well as the value of those resources, were unknown. With our traditional way of life forbidden, our people were forced to find new ways to survive. When the Homestead Act opened "vacant" tribal lands to settlers, our Reservation became checkerboarded and soon we began seeing our neighbors' profit from resource development. The impeccable timing of our tribal leaders and their intuitive decision making allowed the Tribe to sit in the driver's seat toward self-

determination. However, the Tribe has never forgotten our traditional responsibility as caretakers for mother earth and all she provides. The Tribe's environmental management remains a priority through production of tribal resources. The traditional territory for Ute people covered the entire State of Colorado and into neighboring states, and the Tribe has zero intention of destroying the small tract of land that remains of our traditional homeland for generations yet to come.

All modern economies require a reliable and affordable energy supply, and, in turn, energy development has an environmental impact. The fact is we must embrace innovative ways of thinking to solve problems for our future generations. The environmental impact that is receiving significant attention today and is the subject of today's hearing is the effect of energy development on climate change. The challenges around the current trajectory of increasing CO<sub>2</sub> emissions in the earth's atmosphere are real. We must work together globally to implement change that puts us all on a path to carbon neutrality so CO<sub>2</sub> levels in the atmosphere don't continue to increase as a result of human activities on earth. We must also be mindful that while we solve the challenges with climate change, it is not to the detriment of other aspects of the environment or the standard of living we strive to provide to our tribal members

We support a holistic approach to climate change by leveraging the natural resources in each region where energy is developed to reduce carbon emissions on Tribal lands, within the United States, and around the world. With many well-meaning ideas and proposals being introduced nearly every day, we cannot allow policy changes to exclude technological advancements because they are not considered "renewables." Nor can we export carbon emissions from one area of the country to another, or even to a different part of the world, as our earth only has one atmosphere. A holistic approach to carbon emissions, delegation of federal environmental programs, and project lifecycle environmental impacts require transformation of future business and energy development to address climate change and other environmental or cultural impacts.

America remains the land of technological innovation in all fields, including ways to tame climate change in ways that do not result in a deterioration of our material standard of living.

One example of our Tribe managing our energy resources on the Reservation is our Methane Capture Project. Methane and CO<sub>2</sub> naturally seep out of the ground on parts of the Reservation where the Fruitland Coal seam comes to the surface, also known as "outcrops." From 2008-2018, the Tribe successfully implemented a pilot project that included a collection system to capture these gases and allowed us to sell over 420,000 metric tons of carbon credits associated with the project. This was possible because personnel from our tribal government, tribal businesses, industry, and academia supported the project in various ways. We are now working on an enhanced version of this project with deployment of newer technology to increase the amount of methane captured. Our tribal entities leading the project benefit from support from the U.S. Bureau of Indian Affairs, congressional personnel, industry, and academia. Even though the characteristics of the gas naturally venting are similar to "Renewable Gas" from landfills, collection of this gas is not treated legislatively the same as renewable gas. We urge Congress to

consider updating federal legislation, revising existing tax laws, to allow “Renewable Gas” to include naturally venting methane.

Another example of our Tribe partnering with others to provide solutions to the challenges we face today is our involvement in the Coyote Clean Power Project with 8Rivers Capital, LLC, to pursue the development, construction and operation of a NET Power plant that utilizes innovative technology to produce 284 MW of electricity from natural gas while capturing and storing all of the resulting CO<sub>2</sub> emissions. This first of its kind facility can provide carbon neutral baseload power to support a reliable grid as more coal power plants are retired, intermittent renewables are added, and electricity demand increases due to an increase in electric vehicle deployment. Commercial deployment of new, innovative technologies has challenges during early stages of development and Congress has a history of supporting innovative technology development as demonstrated through the Investment Tax Credit (“ITC”) and Production Tax Credit (“PTC”) for solar and wind energy. If Congress had not supported ITC and PTC tax credits, solar and wind would not now make up 10-15% of today’s U.S. supply to the electrical grid. We encourage Congress to consider increasing the value of a carbon credit associated with Internal Revenue Code section 45Q legislation to expedite deployment of carbon capture infrastructure and new technologies that can be part of the future solution to a carbon neutral energy environment.

Climate change is complex and implementing meaningful change to the current trajectory of carbon emissions requires collaboration between governments, academia, industry, and NGOs to leverage expertise from scientists, engineers, environmentalists, trade workers, and economists. The Tribe’s history with environmental stewardship and energy development both on and off the Reservation is vast and unparalleled. This includes development of one of the first utility scale solar farms in Southwest Colorado, the recovery of over 420,000 metric tons of CO<sub>2</sub> equivalent by capturing naturally venting methane, and other alternative projects such as biofuels. Participation in the Coyote Clean Power Project and the pursuit of enhanced capture of naturally venting methane along the Fruitland Outcrop will continue our long legacy of leadership, vision, and environmental stewardship while providing economic benefit and essential services to our membership. The Tribe has successfully owned, operated, and participated in numerous energy development opportunities and is interested in leading the way by collaborating with stakeholders who share the same vision to develop and commercialize real world solutions for the energy transition.

Thank you for the time to testify before you today and for your interest in the Southern Ute Indian Tribe, and at this point would be happy to answer any questions you might have.