

## **J. Steven Griles** **Deputy Secretary of the Interior**

*"Nowhere is Mr. Bush's strategy [of nominating people from industry] clearer than at Interior, the agency most responsible for protecting the country's natural resources. The department's new deputy secretary, J. Steven Griles, was a top lobbyist for the oil, gas and coal industries, which contributed heavily to Mr. Bush's campaign last year and this year helped shape an energy strategy that would open the public lands to drilling."*

*- New York Times, 8/19/01*

*"He's an ally of the industry... This hopefully will be a breath of fresh air. We just hope there's a return to balance."*

*- National Mining Association spokesman John Grasser.  
Denver Post, 3/9/01*

*President Bush nominated Steven Griles to be deputy Secretary of the Interior. Griles has been a lobbyist for the National Mining Association and Shell Oil, the coal industry, and others. He served as Vice President of a company that operated one of the countries most environmentally hazardous mines. He previously served in the Reagan Administration, where he was viewed as a very controversial figure who made many decisions that undermined federal control of the mining industry. And previous to that, he served as Virginia's senior mine regulator, coordinating Virginia's lawsuit against a newly instated federal mining law in 1977.*

*Despite this, Griles is now Deputy Secretary of the Interior, and in that role has much sway over the future of the roadless rule. Here's a sampling of his record.*

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**Steven Griles Was Confirmed As Deputy Interior Secretary.** The Senate on July 12, 2001 approved a long list of candidates to serve in the administration, including former coal and oil lobbyist J. Steven Griles as deputy Interior secretary. Until that point, Interior Secretary Gale Norton had held the only confirmed position in the department.

[Environment and Energy Daily, 7/16/01]

- **Griles Claimed That He Has Evolved Since His Days Serving Under James Watt In The Reagan Administration, And Now Favors A "Balanced" Approach.**

Griles said that he has evolved since his days serving under James Watt, and would favor a "balanced" approach to running Interior as Deputy Secretary. In a variety of high-level jobs at Reagan's Department of Interior, Griles left no doubt about which

side he belonged to in the industry vs. environment policy battle. [[www.salon.com](http://www.salon.com), 5/23/01]

**Griles Previously Worked As A Lobbyist for National Mining Association, Oil And Gas Industry.** After leaving government, Griles became a lobbyist. His client list is dominated by extraction industry companies who desire greater access to public lands. [[The Seattle Post-Intelligencer](#), 7/14/01]

**His clients:**

- National Mining Association
- The American Petroleum Institute
- Occidental Petroleum
- Shell Oil
- The American Gas Association
- Coastal Coal
- Edison Electric Institute
- Coalbed Methane Ad Hoc Committee
- Western Gas Resources
- Coalbed Methane Ad Hoc Committee
- Dominion Resources Inc
- Energy Corp of America
- ANR Coal
- Entergy Operations Inc
- Pennsylvania Power & Light
- Reilly Industries Inc
- Tempico

[[The Seattle Post-Intelligencer](#), 7/14/01; [St. Petersburg Times](#), 6/28/01, [The Stuart News](#), 6/28/01; [www.crp.org](http://www.crp.org)]

**While Working For The United Company, Griles Oversaw One Of The Most Environmentally Hazardous Mines.** At the United Co., where Griles was a vice president, one of his main tasks was helping oversee its Dal-Tex mine in West Virginia. The West Virginian mine, one of the nation's largest "mountaintop removal" mines, stirred controversy because miners detonated mountain ridges and filled in valleys, burying trees and streams. [[The Washington Post](#), 5/16/01]

- **United Company Operated Mines Near Homes That Caused Boulders To Fly And Choking Dust To Cause Harm To Nearby Home Owners.** Neighbors, environmental lawyers and mine regulators complained of boulders flying into homes, and choking dust that worsened neighbors' allergies and asthma. United massively expanded the mine's size, and set up huge coal-loading machines that ran 24 hours a day, right next to homes. Griles acknowledged some problems at the mine, but said he drew up ambitious reclamation plans with state officials. [[The Washington Post](#), 5/16/01]

## **Griles, While Serving Under Reagan, Took Many Pro-Industry Stances**

**Griles Served As Assistant Secretary From 1985 to 1989.** Griles served as assistant secretary for Lands and Minerals Management, which oversees the Bureau of Land Management, Minerals Management Service and Office of Surface Mining, from 1985 to 1989. He previously served at the Office of Surface Mining. He worked under controversial Interior head Secretary Griles. [[Environment and Energy Daily](#), 5/29/01; [St. Petersburg Times](#), 6/28/01]

**Many Of The Tough Mine Inspectors In The Interior Department Quit After Griles Joined The Department.** Many Interior Department mine inspectors quit the Office of Surface Mining after Griles came into office, asserting that Griles and his allies pushed them out. In 1982, Bruce Boyens, whom Griles praised in an interview with the Washington Post for his mining expertise, resigned as a senior Office of Surface Mining official in Tennessee, convinced that Griles's attempt to move him to a headquarters job was an effort to silence him. [[The Washington Post](#), 5/16/01]

**Griles Explained That Reorganizing The Office Of Surface Mining Was Not The Plan Of The Reagan Administration, But Rather An Idea Generated Under President Carter.** The 1981 reorganization of the Office of Surface Mining was not the brainchild of Reagan administration officials but rather an idea generated in 1980 by departing staff of the Carter administration, according to Steven Griles, Interior Department assistant secretary-designate for land and minerals management. Staff reduction numbers for the 1981 reorganization of the Office Surface Mining were not passed on to the incoming Reagan administration by departing Carter administration staff members but rather were part of the Interior Dept.'s budget proposal submitted by Reagan administration officials that year as a continuation of previous policy, says Steven Griles, assistant secretary for land and minerals management. [[Inside Energy/with Federal Lands](#), 12/9/85]

- **Critics Charged That The Reorganization Was An Attempt By Former Interior Secretary James Watt To Dismantle The Agency.** Critics of OSM charged that the reorganization was an attempt by former Interior Secretary James Watt and staff to dismantle the agency. That 1981 change was blamed for the departure of nearly half of the experienced agency staff and for retarding OSM progress and contributing to low staff morale. Griles played a major role in the changes as OSM deputy director from June 1981 through September 1983. [[Inside Energy/with Federal Lands](#), 12/9/85]
- **During His Confirmation Hearing, Griles Was Charged With Creating Many Of The Current OSM Problems.** During his confirmation hearing before the Senate Energy Committee, Griles was accused by Sen. Howard Metzenbaum, D-Ohio, of creating many of the current problems. He asked Griles why the Senate should

approve the promotion on the basis of his record. Metzenbaum questioned Griles about his role at OSM and asked him to provide the committee with one "scintilla of evidence" to support Griles' contention that he has worked to enforce provisions of the surface mining act and not acted instead to "subvert or distort" the law. [[Inside Energy/with Federal Lands](#), 12/9/85]

- **Griles Separated Himself From The Problems At OSM.** Griles said that when he arrived at OSM in 1981, he was presented with a plan developed by the former OSM director, complete with staff reduction numbers. Griles also tried to separate himself from some of the blame for the agency's ongoing troubles. He said that after leaving OSM for land and minerals, he had no managerial responsibility for OSM for the two and a half years preceding his appointment as acting assistant secretary. [[Inside Energy/with Federal Lands](#), 12/9/85]
- **Attempting To Point Out Positive Actions Of The OSM, Griles Explained The Department's Efforts To Tighten Mining Law Regulations.** Griles cited his and department efforts to tighten regulations governing the two-acre exemption of the surface mining law. Some coal companies have been accused of abusing this provision, which Congress intended to help pick-and-shovel miners. Metzenbaum, however, challenged that assessment by noting that the department's action on the two-acre rules was spurred on by a lawsuit by environmentalists. [[Inside Energy/with Federal Lands](#), 12/9/85]

**In The Interior Department, Griles Was Forced To Administer A Program He Had Tried To Dismantle In The Courts.** Griles played a major role in one of Virginia's legal challenges to federal strip mining policy in the late 1970's. When he joined Interior in 1981, a Virginia challenge was still in the courts. He then was in the position of administering a program he was trying to dismantle in the courts. State coal mining officials and the Reagan administration praised him for his work in the Department of the Interior. [[The Washington Post](#), 12/5/85]

- **Griles Served As Main Coordinator In Virginia's Lawsuit Against A New Federal Mining Law.** As Virginia's senior mine regulator, Griles helped coordinate the state's lawsuit against a new federal mining law. After being appointed to the Interior Department under the Reagan Administration, Griles was being asked to enforce that very same 1977 law, which was hated by the mine industry. [[The Washington Post](#), 5/16/01]

**Griles Was Charged With Suppressing An Environmental Report.** In 1987, during a debate about oil drilling off the coast of California, the U.S. Fish and Wildlife Service issued a report that predicted a 94 percent chance of an oil spill if leases were granted. Griles then wrote a memo that said the study "could prove very damaging" if the public found out about it. His critics charged Griles with suppressing the report. Griles told the Seattle Post-Intelligencer one week later that he did not silence the opposing side and that he met with Fish and Wildlife Service scientists. [[St. Petersburg Times](#), 6/28/01]

**Griles Showed A Combative Attitude Toward Congressional Oversight Of His Actions.** Griles was showed great attention to Congressional oversight, while serving in the Interior Department. He once went so far as to try to use the Freedom of Information Act to find out how much money and time the GAO expended to investigate his actions related to some coal leases in western Colorado. He did so in error, as the GAO-an arm of Congress-is exempt from FOIA. [U. S. Newswire, 5/16/01]

**Griles Supported The Interior Department's 1986 Giveaway Of 82,000 Acres Of Oil-Shale Lands.** Griles strongly supported the Interior Department's 1986 virtual giveaway of 82,000 acres of oil-shale lands for \$2.50 per acre. The department did so by choosing not to appeal a court decision allowing patenting of the lands in question under the 1872 mining law. A House Appropriations Committee investigation found that the government might have received as much as \$250 billion in revenue in the event the lands were developed under a leasing arrangement, as is customary for oil resources on federal lands, rather than allowing the land to be patented. The buyers quickly realized a profit of nearly \$37 million, congressional investigators determined. [Friends of the Earth Press Release, 5/16/01; The Seattle Post-Intelligencer, 7/14/01]

**Griles Was Accused Of Making Deals With State Officials, Changing The Federal Coal Royalty Rate In Exchange For Political Backing.** During the Reagan Administration, the Bureau of Land Management set out to write new regulations establishing a flat federal royalty rate for coal, and conducted a study at the request of then-Assistant Secretary J. Steven Griles. The study was to examine how different rates for federal coal would affect the coal industry, Griles' presumption being that lower royalty rates would encourage more production. The agency issued a preliminary study showing that there were no links between royalty rates and production, but Griles sent it back to be rewritten in line with his thinking, sources inside and outside the department said. [Inside Energy/with Federal Lands, 3/13/89]

- **Griles Was Charged With Guaranteeing State Officials Low Rates.** It was not clear how the rule would affect Interior's settlement with Coastal States, which was charged only five-eighths of the interest due on underpayments pending the outcome of the rule. In public comments on the rule, Utah attorney Kay McIff charged that Griles assured Coastal States and Utah officials that he could "deliver a 5% rate" if the governor would back him. McIff's client, Unelco Inc., would lose millions of dollars if the royalty rate were changed to 5%. [Inside Energy/with Federal Lands, 3/13/89]

**Griles Issued Favorable Rulings To The Mining Industry Immediately Before Taking A Job In A Large Coal Mining Company.** In his last year at Interior, the Department of Lands and Minerals Management, headed by Griles, issued a number of rulings favorable to the mining industry. One ruling, for example, saved the coal industry \$33.2 million in just 10 months' worth of royalties that mining companies would

otherwise have paid to the federal government. By the time the ruling went into effect, on March 1, 1989, Griles had left his Interior job and was a highly paid executive at The United Company, a major mining company. [[www.salon.com](http://www.salon.com), 5/23/01]

- **Griles Claimed That He Had Nothing To Do With The Favorable Mining Law, But A Columnist Quoted Interior Department Officials Who Gave Griles Credit.** Griles reportedly has claimed he made sure he had nothing to do with the mining law, but a column by syndicated columnist Jack Anderson at the time quoted Interior Department officials who said the new regulations were "Griles' brainchild and would have never passed without his endorsement. [[www.salon.com](http://www.salon.com), 5/23/01]

**Environmental Activists Have Consistently Criticized Griles' Actions.** Environmental activists cited Griles' actions promoting offshore oil leasing, drilling in the Arctic National Wildlife Refuge, and his support for a plan to sell off 82,000 acres of oil-shale lands for a low rate. Many environmental advocates criticize how he "gutted" the office of surface mining. They have pointed out that some of Griles' actions were extremely conservative. Many of Griles' actions were quickly overturned by the incoming Interior Secretary under President George H. W. Bush. [[www.salon.com](http://www.salon.com), 5/23/01]

**Griles Attempted to Oust Aggressive Regulator Who Had Oversight Over New Griles Company.** In January 1989, after Griles announced he was taking a coal company job, he called Carl Close, who had oversight over Griles's new employer and was viewed as one of the few aggressive OSM officials left. Griles urged him to leave his mining enforcement job and move to another agency, which was uninvolved in inspecting coal mines, Close said, and had other top officials call. Close said that is was part of Griles' plan to turn out the lights at OSM. Griles said the job he wanted Close to take had some power over mine policy, and denies trying to help his future employer. [[The Washington Post](http://The Washington Post), 5/16/01]

**Griles Supported Drilling Off The Shores Of California And Florida.** During his confirmation hearing for the Deputy Secretary position before the Senate Environment and Public Works Committee, Griles told senators that he supports drilling in the eastern side of the Gulf of Mexico. Griles aggressively promoted offshore oil leasing, especially in California and Florida in the 1980s. In 1987, he described those states' congressional delegations' efforts to obtain moratoria on drilling off their coasts as "misguided," adding that they were "cutting their own throats" by doing so. [Friends of the Earth Press Release, 5/16/01, [The Stuart News](http://The Stuart News), 6/28/01]

- **Griles Was The Central Figure In The Reagan Administration To Downplay The Risk Of Oil Spills Associated With Drilling Off The California Coast.** In 1989 it surfaced that Griles was the central figure in a Reagan Administration effort to downplay the risk of oil spills associated with proposed drilling off the California coast. Several California legislators, led by Representative Mel Levine, uncovered internal Interior Department documents that showed that Griles forced Minerals

Management Service officials to delete oil-spill risk warnings from a report on several proposed offshore lease sales. [Friends of the Earth, 5/16/01]

## **Griles Advocated Development Of The Environmentally Protected California Desert For Mineral Exploration**

**Griles Advocated To Develop 25-Million California Desert For Mineral Discoveries And Exploration.** Assistant Secretary J. Steven Griles said some 25-million acres of California desert have been used for mineral development in the past and have a high potential for future mineral discoveries and should be left open for exploration. [[Inside Energy/with Federal Lands, 6/27/87](#)]

- **Griles Clashed With Senator Alan Cranston Over Protection Of 25-Million Acres Of California Desert.** Sen. Alan Cranston defended a bill designed to further protect some 25-million acres of California desert, saying the legislation is necessary because of Interior Secretary Donald Hodel's breach of trust in failing to protect the lands. [[Inside Energy/with Federal Lands, 6/27/87](#)]

**Griles Authored A Letter Asking The Federal Government To Rule That California Was Deviating From Its Federally Approved Zone Management Plan.** Steven Griles, Interior assistant secretary for land and minerals management wrote a letter to Anthony Calio, administrator of Commerce's National Oceanic and Atmospheric Administration, asking for a ruling that the California commission was deviating from its federally approved coastal zone management plan. Attached to the Griles letter was a long laundry list of complaints against the commission. [[Inside Energy/with Federal Lands, 6/15/87](#)]