Statement of Marcilynn Burke Deputy Director Bureau of Land Management U.S. Department of the Interior Bureau of Land Management Oversight Hearing "Getting Past Gridlock: Regional and State Models for Renewable Energy Siting and Transmission" House Natural Resources Committee, Subcommittee on Energy and Mineral Resources

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Introduction

Mr. Chairman and members of the committee, thank you for the opportunity to appear here today to discuss how the Bureau of Land Management's (BLM) efforts to develop renewable energy resources on public lands managed by the BLM are being coordinated with and building upon complementary regional and state renewable energy planning models. The state and regional models of particular focus in my testimony are the Western Renewable Energy Zone (WREZ) process led by the Western Governors' Association, and the State of California's Renewable Energy Transmission Initiative (RETI). I am accompanied by Ray Brady, the BLM's renewable energy program manager, who will help answer any detailed questions you may have regarding the BLM's renewable energy planning efforts.

My testimony today will describe the BLM's ongoing efforts to achieve President Obama's and Secretary Salazar's goals to develop renewable energy resources on public lands managed by the BLM while protecting and conserving important natural resources. I will update the committee on the BLM's progress toward these goals since the agency last appeared before you on these topics, and I will discuss how our efforts are being coordinated with and enhanced by the WREZ and RETI processes.

Renewable Energy – A National Priority

President Obama, Secretary Salazar, and Congress have stressed the critical importance of renewable energy to the future of the United States. Developing renewable energy resources is central to the Nation's efforts to reduce greenhouse gas emissions, mitigate climate change, and protect the global environment. Renewable energy is also vital to our economic development and energy security. Developing renewable energy can create jobs and promote innovation in the United States while reducing the country's reliance on fossil fuels.

The President has established ambitious goals to increase energy production from clean, renewable sources. Through investments enabled by the American Recovery and Reinvestment Act (Recovery Act), the Administration has committed to doubling the Nation's renewable energy generating capacity over three years. To help accomplish this goal, the Secretary issued a Secretarial Order in March 2009 that makes the development, production, and delivery of renewable energy a top priority of the Department of the Interior (DOI) and the BLM.

The BLM is carrying out a comprehensive program on BLM-managed lands to help achieve these goals. Since passage of the Energy Policy Act of 2005, the BLM has established policies to guide renewable energy development; completed broad-scale programmatic plans for wind, geothermal, and energy corridor development on the public lands; and amended individual land use plans to enable these resource uses. The Administration is significantly expanding upon these initial efforts. Through funding provided by the Recovery Act, the BLM is investing \$41 million to complete the additional planning and environmental studies needed for siting future renewable energy projects and transmission facilities on BLM lands. In addition, the recently passed FY 2010 Interior Appropriations Act includes \$16.1 million for implementing the BLM's renewable energy programs, as proposed in the President's Budget. This 2010 Appropriation follows a 2009 reprogramming of \$11.0 million that enabled the BLM to build the organizational capacity to implement its long-term renewable energy strategy.

BLM's Renewable Energy Planning & Permitting Efforts

The investment from the Recovery Act is enabling the BLM to move forward with parallel efforts to advance processing of renewable energy project applications and to complete the long-range planning needed for responsible renewable energy development on the public lands. For example, the BLM is currently processing approximately 150 applications for utility-scale solar projects, which involve approximately 97,000 MW and 1.5 million acres of public land. An additional 67 applications have been submitted for land already under application; these are considered inactive applications until the initial application is approved, denied, or withdrawn.

The BLM is expediting permitting for 32 "fast track" renewable energy projects that have the potential to qualify for financial incentives under the provisions of the Recovery Act. These "fast track" projects include 13 solar energy projects with a potential capacity of 4,500 MW, 9 wind energy projects with a potential capacity of 1000 MW, and 3 geothermal energy projects with a potential capacity of 1000 MW, and 3 geothermal energy projects with a potential capacity of 100 MW, one of which became operational in September 2009. The BLM has already issued two right-of-way grants for transmission fast track projects and currently is working on applications for five fast track projects that would expand energy transmission capacity and linkages in the Western Interconnection. These transmission projects traverse over 1000 miles, including approximately 750 miles of BLM land. In addition, the BLM has established renewable energy coordination offices in four states (California, Nevada, Arizona, and Wyoming) to coordinate and streamline permit processing for renewable energy projects on public lands.

Concurrent with project permitting, the BLM is continuing to conduct the long-range planning needed for developing renewable energy projects in a manner that is responsible and environmentally-sound. A key project is the Solar Energy Development Programmatic Environmental Impact Statement (Solar PEIS), which the BLM is preparing in cooperation with the Department of Energy. The Solar PEIS is a landscape-scale plan for siting solar energy projects on BLM-managed lands in the six southwestern states (Arizona, California, Colorado, Nevada, New Mexico, and Utah) that have the best potential for utility-scale solar energy development. A Draft Solar PEIS is scheduled for release in 2010. Separately, the BLM is preparing the Restoration Design Energy Project in Arizona, which is a plan to assess the potential for disturbed lands, such as abandoned mines, to be reclaimed and developed for renewable energy uses.

California's RETI – Linking State & BLM Renewable Energy Planning

The BLM's renewable energy planning efforts are strongly linked to, and are evolving in concert with, the renewable energy planning initiatives underway at the state and regional level. The BLM is a full partner and participant in these efforts. In California, for example, the State's Renewable Energy Transmission Initiative (RETI) is identifying the most appropriate areas and corridors for siting renewable energy development and transmission. The BLM in California is fully engaged in the RETI and is contributing to the process in many ways, such as supplying the data necessary to analyze renewable energy potential in the California Desert, providing mapping services, and facilitating stakeholder involvement at public meetings throughout the state.

The BLM also participates in California's Renewable Energy Action Team (Action Team), an operational and management working group staffed by the BLM, the U.S. Fish and Wildlife Service, the California Energy Commission, and the California Department of Fish and Game. Through a Memorandum of Understanding (MOU) signed in 2008, the Action Team was given the responsibility for expediting and streamlining renewable energy processing in California. This MOU also outlined agency roles in the state's Desert Renewable Energy Conservation Plan (Desert Plan). The Desert Plan is a state-led, multi-agency effort to identify the best areas for developing renewable energy in the California Desert while providing effective, long-term habitat conservation for declining species.

The Action Team has been both effective and productive. It conducted scoping meetings on the Desert Plan and prepared a "Best Management Practices and Guidance Manual for Desert Renewable Energy Projects." Project-specific discussions between relevant field staff occur weekly and managers from Action Team agencies reach out to multiple stakeholder groups. Developers are regularly using Action Team products, and many stakeholders note that information is more widely available and consistent due to the Action Team's work.

On October 10, 2009, Secretary Salazar and Governor Schwarzenegger entered into a new MOU that further enhances coordination between the DOI and the State of California in developing renewable energy and siting transmission facilities, while protecting water, wildlife, and other natural resources. The MOU establishes a higher-level Renewable Energy Policy Group (REPG) to guide the REAT and oversee permitting of renewable energy projects in California. The MOU also calls for permitting milestones to facilitate renewable energy projects that are seeking approval before the expiration of the Recovery Act's financial incentives in December 2010.

WGA's WREZ – Linking Western Regional & BLM Renewable Energy Planning

The DOI and the BLM also are working closely with the Western Governors' Association's (WGA) Western Renewable Energy Zone initiative (WREZ), which began in May 2008. The WREZ is identifying areas with the best renewable energy resources in the western energy interconnection, which encompasses 11 western states, two Canadian provinces, and areas in northern Mexico. Its key purposes are to generate reliable information that supports the cost-effective and environmentally-sensitive development in or near identified renewable energy zones, and to develop the conceptual transmission plans needed to deliver the renewable energy to load centers.

The WREZ is a collaborative process involving state and Federal governments and stakeholders. The DOI and the BLM are full and continuing participants. Steve Black, Counselor to Secretary Salazar, is an Ex-Officio member of the WREZ Steering Committee, and BLM managers and staff are members of the WREZ Technical Committee and various working groups. The BLM both provides information for the WREZ process, and uses the products and results of the WREZ in BLM land use and renewable energy resource planning.

The WREZ published its Phase 1 Report in June 2009. The Phase 1 Report identifies preliminary areas, called Qualified Resource Areas, which have the potential for large-scale development of renewable energy resources with relatively low environmental impacts. To enable cost-effective development, the Qualified Resource Areas have a potential minimum generating capacity of 1,500 MW and are within a 100-mile radius of the existing Western transmission grid. The Phase 1 Report also incorporates an initial categorization of the Qualified Resource Areas based on important wildlife habitat, sensitive ecosystems, and other sensitive lands. The WGA is currently working to refine the wildlife assessment and distill the Qualified Resource Areas into Western Renewable Energy Zones, which will complete Phase 1 of the WREZ planning effort.

BLM's Solar PEIS – Building on the RETI & WREZ

The RETI and WREZ are important, foundational initiatives that complement and enhance the BLM's ongoing renewable energy planning efforts. The RETI and WREZ recognize that renewable energy planning, transmission planning, and natural resource planning must be integrated and conducted at a broad landscape scale. This approach will enable responsible renewable energy development that conserves treasured landscapes and important land use values. The BLM is incorporating and building on both initiatives as it moves forward with renewable energy planning for public lands.

The BLM's ongoing Solar PEIS, in particular, is drawing from many of the concepts and information developed through the RETI and WREZ. The Solar PEIS is examining the options, trade-offs, and potential impacts of solar energy development on approximately 23 million acres of public lands in the Southwest that have high solar potential. It was originally conceived as a broad-scale, programmatic plan that would identify lands available for or excluded from solar development, establish best management practices, amend the BLM's pertinent land use plans, and provide the cumulative environmental analysis needed for subsequent project-level review.

In June 2009, Secretary Salazar expanded the scope of the Solar PEIS to include a more detailed analysis of 24 Solar Energy Study Areas to determine which of these areas, if any, should be identified for solar development. The Solar Energy Study Areas have high solar potential, relatively few resource conflicts, suitable slope, and access to transmission. They contain about 670,000 acres of public land and could have a potential generating capacity of 75,000 – 135,000 MW if fully developed. The concept and identification of Solar Energy Study Areas were strongly informed by the models and preliminary results of the RETI and WREZ, as well as by public scoping comments on the Solar PEIS. The public comment period on the proposed Solar Energy Study Areas ended on September 14, 2009, and the BLM is currently reviewing the comments to determine if any further refinements of the proposed study areas are appropriate.

The Solar PEIS will also assess the need for transmission linkages to transmit renewable energy to load centers. To further facilitate and coordinate transmission planning, the DOI recently joined eight Federal departments and agencies in signing an MOU that will make it faster and

simpler to build transmission lines on Federal lands. The goal of the MOU is to improve coordination among Federal agencies, states, and tribes; cut red tape; and make transmission siting on public lands more sensible and straightforward. The MOU also recognizes DOI's key role in ensuring that transmission facilities are sited in a manner that protects America's natural and cultural heritage.

BLM's Eco-regional Assessments – An Information Tool for Renewable Energy Planning

The renewable energy planning processes underway at the state, regional, and Federal levels are interactive and interrelated. They share a common goal—expanding renewable energy and transmission capacity efficiently and cost-effectively while protecting the environment. They also share a common challenge—to minimize the impacts of large-scale renewable energy development through proper siting and effective environmental mitigation and conservation. The BLM is preparing a series of eco-regional assessments to help meet this challenge.

The BLM's eco-regional assessments assemble, synthesize, and integrate existing information about high value aquatic and terrestrial resources, including native species of concern, across targeted landscapes. The assessments, which are being developed in consultation with state and Federal land management agencies, are information tools that help land managers understand resource conditions, trends, and management opportunities from a broader, landscape view. This perspective is increasingly critical as managers confront a widening range of environmental change agents. These agents include increasing wildfires, invasive species, energy development, urban growth, and climate change impacts—which transcend traditional management jurisdictions and land ownership boundaries. Eco-regional assessments will provide the spatial overview needed to design effective wildlife and habitat conservation strategies, and to inform decision-making for a wide range of land use proposals, including renewable and traditional energy development.

The BLM is currently completing eco-regional assessments for the Northern Great Basin and Wyoming Basins. These assessments will assist in designing effective conservation strategies for sage-grouse and other sensitive species that can potentially be affected by wind energy, oil and gas development, fire, and invasive species. Regional assessments will begin in 2010 for several southwest regions that have high solar development potential, including the Mojave Desert, the Sonoran Desert, and the Central Great Basin. These regional assessments can complement and inform renewable energy planning at all levels of government. They will support and facilitate the responsible, scientifically-grounded decisions required to conserve important natural resources and chart our transition to a new energy future.

Conclusion

Thank you, Mr. Chairman, for the opportunity to testify today. The RETI and WREZ offer outstanding state and regional models for renewable energy planning. They are important resources for renewable energy planning at the BLM, and we look forward to our continued close collaboration with these vital initiatives. I would be happy to answer any questions.