

**AMERICAN ENERGY INITIATIVE:
IDENTIFYING ROADBLOCKS TO
WIND AND SOLAR ENERGY ON
PUBLIC LANDS AND WATERS,
PART I—DOI OFFICIALS**

OVERSIGHT HEARING

BEFORE THE

COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

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CONTENTS

	Page
Hearing held on Friday, May 13, 2011	1
Statement of Members:	
Lamborn, Hon. Doug, a Representative in Congress from the State of Colorado	2
Prepared statement of	3
Markey, Hon. Edward J., a Representative in Congress from the State of Massachusetts	4
Prepared statement of	6
Statement of Witnesses:	
Abbey, Hon. Robert V., Director, Bureau of Land Management, U.S. Department of the Interior	7
Prepared statement of	8
Response to questions submitted for the record	43
Bromwich, Hon. Michael R., Director, Bureau of Ocean Energy Management, Regulation and Enforcement, U.S. Department of the Interior	12
Prepared statement of	14
Additional materials supplied:	
Holt, Hon. Rush D., a Representative in Congress from the State of New Jersey, Letter submitted for the record to President Obama from various environmentalists, conservationists, and clean energy advocates in support of development of offshore wind along the Atlantic Seaboard dated March 7, 2011	34

OVERSIGHT HEARING ON THE “AMERICAN ENERGY INITIATIVE: IDENTIFYING ROADBLOCKS TO WIND AND SOLAR ENERGY ON PUBLIC LANDS AND WATERS, PART I—DEPARTMENT OF THE INTERIOR OFFICIALS.”

Friday, May 13, 2011

**U.S. House of Representatives
Committee on Natural Resources
Washington, D.C.**

The Committee met, pursuant to call, at 11:28 a.m. in Room 1324, Longworth House Office Building, Hon. Doug Lamborn, [Acting Chairman of the Committee] presiding.

Present: Representatives Lamborn, Bishop, Thompson, Tipton, Labrador, Fleischmann, Runyan, Markey, Holt, Costa, Sablan, Luján, and Pierluisi.

Chairman LAMBORN. The Chairman notes the presence of a quorum, which under Rule 3(e) is two Members. The Committee on Natural Resources is meeting today to hear testimony, and before I talk about the specifics there, a couple of points of personal privilege.

I would like to say first of all that our thoughts are with Chairman Doc Hastings, who is laid up back in Washington, and not feeling well, but I think he is improving. He had some medical issues. So that is why he could not be here today, and he would want to, and that is why I am filling in.

And I want to thank also our two important witnesses for being here. We wanted to start right on time, but we had votes interfering with our schedule, and so thank you for your patience and being here right now.

OK. The hearing today is titled “American Energy Initiative: Identifying Roadblocks to Wind and Solar Energy on Public Lands and Waters, Part One—Department of the Interior Officials.”

Now, under Rule 4(f), opening statements are limited to the Chairman and Ranking Member of the Committee. However, I ask for unanimous consent to include any other Members opening statements in the hearing record if submitted to the Clerk by close of business today. Hearing no objection, so ordered.

And now I recognize myself for five minutes.

**STATEMENT OF HON. DOUG LAMBORN, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF COLORADO**

Chairman LAMBORN. This week the House took important action to expand American energy production by passing three bipartisan offshore drilling bills. These bills will unlock our oil and natural gas resources that have been placed off-limits by the Obama Administration, create 1.2 million jobs, and reduce foreign imports by one-third.

There are different perspectives on it, and maybe that will be part of our discussion here today, but that is my perspective. These bills represented the first important steps. However, our work on this Committee is just beginning.

As Chairman Hastings has repeatedly said, there will be an array of energy bills coming from this Committee as part of the House Republican's American energy initiative that will focus on expanding all types of energy production, including renewable.

The Obama Administration has taken steps to increase production of both wind and solar power, and we recognize that. However, there are significant questions about the implementation of these policies, and today we will examine roadblocks to the development of wind and solar power on public lands.

Our Federal lands are intended to be multiple-use lands, open to recreation, energy production, and other types of job-creating activities. Yet, too often we have seen attempts by Congressional Democrats and the Obama Administration to place our public lands off-limits to any type of economic activity.

This costs jobs and blocks crucial American energy production. I understand that the Obama Administration has an inherent distrust and opposition to conventional fossil fuels, and that environmental concerns, even highly speculative, unprovable speculations about the climate of the future, seem to trump the everyday concerns of average Americans here and now, such as jobs, affordable gasoline, and lessening our reliance on foreign sources.

I disagree totally with that perspective, but I understand it. What I don't understand is how catering to environmentalists has even seemed to put the brakes on alternative sources of energy, like solar and wind power.

The United States has some promising areas, especially in the West, for solar energy development. The Obama Administration claims that solar energy production is one of its highest priorities. Yet, only a tiny fraction of public land is even being considered for this use, and almost nothing has actually been made available.

The Bureau of Land Management has created 24 solar energy zones on public lands in six western States. However, of the 120 million acres of BLM land in these States, only 674,400 acres have been identified by the Administration as proposed solar energy zones.

This means that the Interior Department is offering less than one percent of this land for streamlined solar energy production. Access to public lands is not the only hurdle facing renewable energy projects.

Regulatory confusion, lawsuits, and permitting delays are also stifling wind and solar development. For example, Bright Source

Energy's solar project in California was halted by the BLM over last minute concerns regarding tortoises.

This suspension of the project came after the company had already invested millions of dollars, and had gone through the required permitting process. In 2010, BLM issued new policy requiring approval from the Fish and Wildlife Service on specific plans for addressing eagles.

This sudden change in policy resulted in significant delays to numerous wind projects, and the wind industry estimated that this rule cost \$68 billion in wind power investment.

The Obama Administration has launched a "Smart From the Start" wind initiative for Federal waters in the Atlantic. As part of this initiative the Department issued a request for interest on the potential for wind development in an area located off of Massachusetts.

Despite receiving 11 submissions from 10 companies expressing interest in leasing this area, the Administration decided to reduce the area size by half. These are all examples of what appear to be unnecessary roadblocks to renewable energy production.

If changes need to be made to ensure these projects are more than just talk and actually become reality, the Natural Resources Committee is prepared to act. It quite frankly boggles the mind that some of the biggest so-called proponents of renewable energy are often the same people filing lawsuits blocking renewable development.

But just because the environmental communities are actually very fractured, and riddled with inconsistencies, doesn't mean that Federal agencies should be paralyzed and ineffective.

Steps should be taken to reduce the regulatory uncertainty, expedite the permitting process, and remove roadblocks in order to appropriately expand the development of energy projects on public lands.

I do thank again Director Michael Bromwich and Director Bob Abbey for taking the time to be here today. I look forward to your testimony, and exploring ways that we can work together to overcome obstacles to renewable energy production on Federal lands. And at this time, I would like to recognize the Ranking Member for five minutes.

[The prepared statement of Mr. Lamborn follows:]

**Statement of The Honorable Doug Lamborn, Subcommittee Chairman,
Committee on Natural Resources**

This week the House took important action to expand American energy production by passing three bipartisan offshore drilling bills. These bills will unlock our oil and natural gas resources that have been placed off-limits by the Obama Administration, create 1.2 million jobs and reduce foreign imports by one-third.

These bills represented the first important steps, however our work on this Committee is just beginning. As Chairman Hastings has repeatedly said, there will be an array of energy bills coming from this Committee as part of House Republicans' American Energy Initiative that will focus on expanding all types of energy production—including renewable.

The Obama Administration has taken steps to increase production of both wind and solar power, and we applaud them for that. However there are still questions about the implementation of these policies and today we'll examine roadblocks to the development of wind and solar power.

Our federal lands are intended to be multiple-use lands—open to recreation, energy production and other types of job-creating activities. Yet too often we've seen

attempts by Congressional Democrats and the Obama Administration to place our public lands off-limits to any type of economic activity. This costs jobs and blocks crucial American energy production.

The United States has some of the most promising areas, especially in the West, for solar energy development. The Obama Administration claims solar energy production is one of its highest priorities, yet only a tiny fraction of public land is even being considered for opening and almost nothing has actually been made available.

The Bureau of Land Management (BLM) has created 24 “solar energy zones” on public lands in six Western states. However, of the 120 million acres of BLM land in these states, only 674,400 acres have been identified by the Administration as proposed solar energy zones. This means that the Interior Department is offering less than 1 percent of this land for streamlined solar energy production.

Access to public lands is not the only hurdle facing renewable energy projects. Regulatory confusion, lawsuits and permitting delays are also stifling wind and solar development. For example:

- BrightSource Energy’s solar project in California was halted by the BLM over last minute concerns regarding tortoises. This suspension of the project came after the company had already invested millions of dollars and had gone through the required permitting process.
- In 2010, BLM issued new policy requiring approval from the Fish and Wildlife Service on specific plans for addressing eagles. This sudden change in policy resulted in significant delays to numerous wind projects and the wind industry estimated that this rule cost \$68 billion in wind power investment.
- The Obama Administration has launched a “Smart from the Start” wind energy initiative for federal waters in the Atlantic. As part of this initiative, the Department issued a Request for Interest on the potential for wind development in an area located off of Massachusetts. Despite receiving 11 submissions from 10 companies expressing interest in leasing this area, the Administration decided to reduce the area size by half.

These are all examples of what appear to be unnecessary roadblocks to renewable energy production.

If changes need to be made to ensure these projects are more than just talk and actually become reality, the Natural Resources Committee is prepared to act. It quite frankly boggles the mind that some of the biggest so-called proponents of renewable energy are of often the exact same people filing lawsuits blocking renewable development.

Steps should be taken to reduce the regulatory uncertainty, expedite the permitting process and remove roadblocks in order to quickly and efficiently expand the development of energy projects on public lands.

I want to thank Director Michael Bromwich and Director Bob Abbey for taking the time to be here today. I look forward to your testimony and exploring ways we can work together to overcome obstacles to renewable energy production on federal lands.

STATEMENT OF HON. EDWARD J. MARKEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. MARKEY. I thank the gentleman, and first of all, as we turn our attention to renewable energy, I hope that Chairman Hastings is successfully renewing his health back home in Washington. Our thoughts and prayers are with him for a speedy recovery.

America’s public lands and waters are a virtually untapped clean energy reserve, holding some of the world’s best wind and solar resources. Yet, in the first five months of this Congress, renewable energy has been an invisible issue with the Republican majority.

The majority claims to be for “All ’of the Above,” yet have been entirely subsumed by their “Oil Above All” approach. This Committee has now passed three bills on the House Floor, and not one includes anything on wind. Not one includes anything about solar, or geothermal, or hydropower, or anything but oil.

This is a continuation of the energy policy under President Bush. Now, during the eight years of the Bush-Cheney Clean Energy

Moratorium, the Interior Department issued more than 40,000 permits to drill for oil and gas on public lands.

But of the more than 300 applications to build solar facilities that came in during that time of the Bush Administration, up until January 20th of 2009, exactly zero applications were approved for solar, and only five wind permits were approved.

Fortunately, as we will hear today, leveraging America's renewable resources on public lands has become a top priority at the Interior Department under the Obama Administration because they have now lifted the permit moratorium on wind and solar on public lands.

The largest solar power plant in the world, the first offshore wind farm in America, and up to 10,000 megawatts of other renewable energy projects, will soon commence construction, all on America's public lands and waters.

The 3,800 megawatts of wind and solar projects permitted just last year under the Obama Administration is 13 times more than what was permitted during the entire eight years of the Bush Administration.

I commend the Interior Department and our witnesses here today on this progress, but I do believe that much more must be done. The permitting time for wind and solar is measured in months, and sometimes years, while the time for oil and gas drilling permits is measured in weeks.

And you don't need a blowout preventer on a solar panel. Wind turbines don't spill anything but wind. To even the playing field, the Department needs to work with stakeholders to complete the planning activities that will put the wind and solar project permitting schedule on par with oil and gas.

This will take a greater budgeting commitment than we have seen thus far from the majority. Earlier this week, the Republican Appropriators set a funding mark for Interior and the Environment that is nearly \$4 billion short of the President's request. That will not help get wind and solar projects online faster.

Beginning with the voyage of the Pilgrims in 1620, millions of people have ridden the strong winds of the North Atlantic to my home State of Massachusetts, in search of greater freedom and opportunity.

Today, those same winds are attracting investors, driving technology development, and creating good-paying jobs. Later this year, the Cape Wind project plans to begin planting 130 turbines, totaling 468 megawatts into the waters off the shores of Massachusetts.

It will ultimately produce 75 percent of the power for Cape Cod, Martha's Vineyard, and Nantucket. At this point, Cape Wind won't be held back by a permit from the Interior Department, or a power purchase agreement with the utility.

But it could be scuttled by a lack of financing. Like many first-of-their-kind energy projects, financing support will be critical to help Cape Wind secure the necessary private investment.

Yet, under Republican budget plans, the only technology worthy of Federal financing support is nuclear power. The Republican 2011 spending plan in H.R. 1 actually rescinded the \$25 billion in loan guarantees authority for solar, and wind, and Smart Grid, and effi-

ciency, while keeping \$22.5 billion available for nuclear power. That is unbelievable.

It is ill-conceived policy decisions such as these that can keep America from fully leveraging wind and solar power. This is a very important hearing that we are having today, and I hope the first of many on the subject. I thank the witnesses for being here. I thank you, Mr. Chairman, for calling this hearing.

[The prepared statement of Mr. Markey follows:]

**Statement of The Honorable Edward J. Markey, Ranking Member,
Committee on Natural Resources**

First of all, as we turn our attention to renewable energy today, I hope that Chairman Hastings is successfully renewing his health back home in Washington. Our thoughts and prayers are with him for a speedy recovery.

America's public lands and waters are a virtually untapped clean energy reserve, holding some of the world's best wind and solar resources. Yet in the first 5 months of this Congress, renewable energy has been an invisible issue with the Republican majority.

Republicans claim to be for "All of the Above," yet have been entirely subsumed by their "Oil Above All" approach. This committee has now passed three bills on the House floor, and not one includes anything on wind. Not one includes anything about solar, geothermal, hydropower or anything but oil.

This is a continuation of the energy policy under President Bush. During the 8 years of the Bush-Cheney Clean Energy Moratorium, the Interior Department issued more than 40,000 permits to drill for oil and gas on public lands. But of the more than 300 applications to build solar facilities that came in during that time, exactly zero were approved. And only 5 wind permits were approved.

Fortunately, as we will hear today, leveraging America's renewable resources on public lands has become a top priority at the Interior Department under the Obama administration.

The largest solar power plant in the world, the first offshore wind farm in America, and up to 10,000 megawatts of other renewable energy projects will soon commence construction, all on America's public lands and waters.

The 3,800 megawatts of wind and solar projects permitted just last year under the Obama Administration is 13 times more than what was permitted during the entire 8 years of the Bush administration.

I commend the Interior Department and our witnesses here today, Director Abbey and Director Bromwich, on this progress. But I do believe much more must be done.

The permitting time for wind and solar is measured in months and sometimes years, while the time for oil and gas drilling permits is measured in weeks. And you don't need a blowout preventer on a solar panel. Wind turbines don't spill anything but wind.

To even the playing field, the Department needs to work with stakeholders to complete the planning activities that will put the wind and solar project permitting schedule on par with oil and gas.

This will take greater budgeting commitment than we've seen thus far from the majority. Earlier this week, the Republican Appropriators set a funding mark for Interior and the Environment that is nearly \$4 billion short of the President's request. That will not help get wind and solar projects online faster.

Beginning with the voyage of the Pilgrims in 1620, millions of people have ridden the strong winds of the North Atlantic to my home state of Massachusetts in search of greater freedom and opportunity. Today, those same winds are attracting investors, driving technology development, and creating good-paying jobs.

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Yet under Republican budget plans, the only technology worthy of federal financing support is nuclear power. The Republican 2011 spending plan in H.R. 1 actually rescinded \$25 billion in loan guarantee authority for solar, wind, smartgrid, and efficiency while keeping \$22.5 billion available for nuclear power.

It is ill conceived policy decisions such as these that could keep America from fully leveraging wind and solar power.

This is a very important hearing we're having today and, I hope, the first of many on the subject. I thank the witnesses for being here today and look forward to their testimony.

Chairman LAMBORN. And thank you, Representative Markey, for your comments, and now we will launch into witness statements. As you probably already are aware, you are very experienced at this, your written testimony will appear in full in the hearing record.

So we ask that your oral statements be limited to five minutes. You need to hit the microphone switch before you talk, and once again I will just say we have The Honorable Bob Abbey, Director of the Bureau of Land Management, and The Honorable Michael R. Bromwich, Director of the Bureau of Ocean Energy Management, Regulation and Enforcement. Thank you again, and Mr. Abbey, you may start.

STATEMENT OF HON. ROBERT C. ABBEY, DIRECTOR, BUREAU OF LAND MANAGEMENT, UNITED STATES DEPARTMENT OF THE INTERIOR

Mr. ABBEY. Well, Mr. Chairman, and Members of the Committee, thank you for the opportunity to discuss renewable energy development on America's public lands. Since the beginning of his tenure, Secretary of the Interior Ken Salazar has made the development of renewable energy one of his top priorities.

As the Director of the Bureau of Land Management, I share this goal and am pleased to report that the BLM is making great strides in this effort. We are ensuring environmental stewardship of our public lands, while fulfilling America's potential for our future powered by renewable energy.

In the Energy Policy Act of 2005, Congress established a goal of permitting 10,000 megawatts of non-hydropower renewable energy on public lands by the year 2015. It is the goal of this Administration to permit this amount by 2012, three years ahead of schedule.

In 2009, the BLM instituted a "fast track" process that identified existing renewable project applications that were far enough along in the permit approval process to be completed by the end of 2010.

By year's end, the BLM had approved nine solar, one wind, and two geothermal projects. Together, these 12 projects have a permitting capacity of almost 4,000 megawatts.

The BLM has positioned itself to build on last year's successes. In March of this year, the BLM announced 20 projects on the 2011 priority list; 10 solar, 5 wind, and 4 geothermal. In total, these 20 projects represent over 4,000 megawatts of renewable energy potential.

All renewable energy projects proposed for BLM managed lands will receive the full environmental review required by the National Environmental Policy Act, and include opportunities for public involvement.

The BLM and our partners within the Department of the Interior engage in ongoing coordination and consultation throughout the priority project process. The aim is to effectively identify potential conflicts with projects early in the process in order to focus permit-

ting efforts on projects that have the fewest conflicts, and are the most likely to be approved.

In order to achieve the goals set by Secretary Salazar, we have implemented a number of policies and engaged in program level environmental analysis designed to ensure that renewable energy development occurs in an environmentally responsible manner, and that the American people receive a fair return for the use of their natural resources.

The BLM has successfully used a programmatic environmental impact statement process to evaluate BLM wide programs for geothermal and wind energy, and we are now in the process of completing one for the solar energy development program.

These programmatic EIS documents examine a range of alternatives for establishing renewable energy programs on suitable BLM managed lands, and amend resource management plans necessary first step before the BLM can authorize specific projects.

The BLM and the Department of Energy jointly published the draft programmatic EIS for solar in December of 2010. The public comment period for the solar programmatic EIS closed on May 2, after two extensions to encourage greater input.

The BLM is currently reviewing comments and will use the public's input to help determine the best path forward. We have also recently implemented a number of policies regarding renewable energy development.

These policies clarify NEPA documentation requirements and expectations. They streamline the project application review and approval process, and strengthen plan of development and due diligence requirements.

We have established our renewable energy coordination offices throughout the Western United States. These offices have facilitated the efficient processing of applications for large scale solar, wind, and geothermal projects.

Finally, there are also a number of BLM, State, and local land use planning efforts underway to facilitate the future development of renewable energy, including the BLM's Arizona Restoration and Design Program, which is evaluating and analyzing the potential of previously disturbed or contaminated lands for solar energy development.

In closing, we are proud of the work that we have accomplished in order to stand up a renewable energy program, and a portfolio of projects that reflect the incredible resource potential of America's public lands. Can we do better? You bet we can, and we intend to do so.

Mr. Chairman, I would be happy to answer any questions that the Committee Members may have at the appropriate time. Thank you.

[The prepared statement of Mr. Abbey follows:]

**Statement of Robert V. Abbey, Director,
Bureau of Land Management, U.S. Department of the Interior**

Introduction

Mr. Chairman and Members of the Committee, thank you for the opportunity to appear here today to discuss renewable energy development on America's public lands. Since the beginning of his tenure, Secretary of the Interior Ken Salazar has made the development of the New Energy Frontier on America's public lands one

of his top priorities. As Director of the Bureau of Land Management (BLM), I share that goal and I am pleased to report that the BLM is making great strides in this effort—approving renewable energy projects on public lands that will power millions of American homes, as well as instituting “smart from the start” policies that ensure environmental stewardship of our public lands while fulfilling America’s potential for a future powered by renewable energy.

The BLM is leading the nation toward the New Energy Frontier with active solar, wind, and geothermal energy programs. In 2010, the BLM approved the first nine large-scale solar energy projects on public lands. These projects will have an installed capacity of 3,600 megawatts, enough to power close to 1 million homes, and will create thousands of jobs. Additionally, the BLM has 29 authorized wind energy projects on the public lands with a total of 437 megawatts of installed wind power capacity. Geothermal energy development on the public lands, meanwhile, with an installed capacity of 1,275 MW, accounts for nearly half of U.S. geothermal energy capacity.

The BLM is working with local communities, state regulators, industry, and other Federal agencies to build a clean energy future by permitting the environmentally responsible development of renewable energy on public lands. The BLM’s groundbreaking work reflects a policy approach that focuses on environmentally-responsible development of renewable energy resources on the public lands with a fair return to the American people for the use of their resources.

In his *Blueprint for a Secure Energy Future*, President Obama charged the nation to make itself “more secure and control our energy future by harnessing all of the resources that we have available and embracing a diverse energy portfolio.” That call to action specifically mentioned the accomplishments of the BLM and the DOI. This testimony describes not only how far we have come in two short years to answering this call, but also how we have laid the groundwork necessary for a secure energy future powered by the nation’s renewable energy resources.

Renewable Energy Authorizations & Priority Project List

Promoting renewable energy on public lands is one of this Administration’s and this Department’s highest priorities. In Section 211 of the Energy Policy Act of 2005 (EPAct), Congress declared that before 2015 the Secretary of the Interior should seek to have approved non-hydropower renewable energy projects (solar, wind, and geothermal) on public lands with a generation capacity of at least 10,000 megawatts of electricity. It is the goal of this Administration to meet this goal by 2012—three years ahead of schedule.

In 2009, the BLM instituted a “fast track” process that identified existing renewable project applications that were far enough along in the permit approval process to be completed by the end of 2010. These projects underwent full and comprehensive environmental review and public comment periods before the BLM made permitting decisions. While the BLM did not permit every project, in 2010, the BLM approved 9 solar projects capable of generating 3,600 megawatts of electricity. Additionally, in 2010 the BLM approved one wind project and two geothermal projects through the “fast track” process with a combined capacity of over 200 megawatts.

The BLM has positioned itself to build on last year’s successes and continues to move toward the goal of approving 10,000 megawatts of renewable energy projects by the end of 2012. In March of this year, the BLM announced 20 projects on the 2011 priority project list—ten solar, five wind, and five geothermal projects. To be a priority project, an applicant must demonstrate to the BLM, among other things, that the project has progressed far enough to formally start the environmental review and the public participation process. A 2011 priority project must also have the potential to be cleared for approval by the end of 2011. The BLM is working to identify those projects that are sited in areas that minimize impacts to the environment.

All renewable energy projects proposed for BLM-managed lands will receive the full environmental review required by the National Environmental Policy Act, and include opportunities for public involvement.

In total, these 20 projects represent over 4,000 megawatts of renewable energy potential: 2,950 megawatts for the ten solar projects; 1,000 megawatts for the five wind projects, and 500 megawatts for the five geothermal projects. The first of these projects, the 62-megawatt Coyote Canyon geothermal project in Nevada was approved in March of this year. Potential output on some of these projects may change depending on the analysis and review of each project.

The priority list was developed using a collaborative process that emphasized early consultation. The Fish and Wildlife Service and the National Park Service provided input to the priority list. Additionally, the BLM and its partners within the Department of the Interior engage in ongoing coordination and consultation

throughout the priority project process. This coordination and consultation is achieved in part through the Department's renewable energy coordination group, which meets on a weekly basis to discuss current projects and potential cross-jurisdictional issues that arise with these complex authorizations. This group has been effective in identifying potential conflicts with projects early in the process in order to focus permitting efforts on projects that have the fewest conflicts and are most likely to be approved.

“Smart from the Start” Policies

In order to achieve the goals set by Congress and Secretary Salazar, the BLM has implemented a number of policies and engaged in program-level environmental analysis designed to ensure that renewable energy development occurs in an environmentally responsible manner and that the American people receive a fair return for the use of their natural resources.

Programmatic Environmental Impact Statements

The BLM has successfully used the Programmatic Environmental Impact Statement (PEIS) process to evaluate BLM-wide programs for geothermal and wind energy, and is in the process of completing one for solar energy development. A PEIS evaluates the environmental impacts of broad agency actions, such as the development of major programs or the setting of national policies. These PEIS documents examine a range of alternatives for establishing renewable energy programs on suitable BLM-managed land and amend resource management plans (RMP), a necessary first step before specific projects can be authorized on BLM-managed lands.

The BLM published the Wind Energy PEIS in 2005. The Record of Decision amended 52 RMPs and identified over 20 million acres of BLM-managed land as being suitable for wind energy development. The decision also established policies and best management practices for the administration of wind energy development activities and established minimum requirements for mitigation measures.

The BLM published the Geothermal PEIS in 2008. The Record of Decision amended 114 RMPs and allocated about 111 million acres of Bureau-managed public lands as open for geothermal leasing. An additional 79 million acres of National Forest System lands are also open for geothermal leasing and administration by the BLM.

The BLM and the U.S. Department of Energy (DOE) jointly published the Draft Solar Energy PEIS in December of 2010. The Draft Solar Energy PEIS estimates that up to 214,000 acres of public land could be needed over the next 20 years for solar energy projects. Under the study's Preferred Alternative, the BLM would establish a new Solar Energy Program that would standardize and streamline the authorization process and establish mandatory design features for solar energy development on BLM lands. Under this proposal, the BLM would establish Solar Energy Zones (SEZ's) within a larger area of approximately 22 million acres that would remain open to solar energy right-of-way applications. The proposed SEZs studied in detail in the Draft PEIS included about 677,400 acres preliminarily identified as areas most appropriate for development, containing the highest solar energy potential and few known environmental and resource conflicts. The analyses of the proposed SEZs presented in the Draft Solar Energy PEIS shows that some, but not all of those areas, would be good places for solar projects. The BLM intends to prioritize solar energy development within SEZs carried forward in the final record of decision, and projects located in those areas would benefit from a more efficient, streamlined permitting process. After two thirty-day extensions designed to encourage greater public input, the public comment period for the Solar PEIS closed on May 2. The BLM is currently reviewing comments and suggestions and will use the public's input to help determine the best path forward.

Renewable Energy Program Policies

While the Programmatic Environmental Impact Statements provide the overall framework for the BLM's renewable energy programs, the BLM has also recently implemented a number of policies regarding renewable energy development. This field guidance clarifies National Environmental Policy Act (NEPA) documentation requirements and expectations; streamlines the project application review and approval process; and strengthens Plan of Development (POD) and due diligence requirements. Additionally, the interim final rules on segregation (discussed below) will allow the BLM to temporarily protect lands that are being considered for wind or solar development from new mining claims. The following is a summary of recent BLM policy guidance that will ensure responsible development of the nation's public land renewable energy resources:

- **Solar & Wind Energy Applications/Pre-Application & Screening**—The BLM believes it is important for all parties to engage in early coordination before committing significant resources to processing solar and wind energy

development right-of-way applications. Under this guidance, the BLM will not accept a solar or wind energy development right-of-way application without holding pre-application meetings. Early coordination and review helps screen out projects with the most serious potential environmental conflicts and helps give priority to applications with the highest likelihood of success in the permitting process. The BLM follows a screening and prioritization process that will help direct development to low-conflict areas such as previously disturbed sites, areas adjacent to disturbed sites, and locations that minimize construction of new roads and/or transmission lines. (BLM Instruction Memorandum 2011–61)

- **NEPA Compliance for Utility-Scale Renewable Energy Right-of-Way Authorizations**—Certain renewable energy projects (e.g., concentrated solar) on public lands are somewhat distinct from many other types of rights of way authorizations due to their intensity of land use and the resulting potential for significant resource conflicts. This guidance is designed to help BLM field managers conduct NEPA analysis for these utility-scale renewable energy projects. The policy includes examples and guidance applicable to renewable energy right-of-way applications that supplement information in the BLM’s NEPA Handbook, and will assist offices that are analyzing externally-generated, utility-scale renewable energy right-of-way applications. (BLM Instruction Memorandum 2011–59)
- **Solar & Wind Energy Applications/Due Diligence**—The due-diligence requirements of right-of-way applicants for solar and wind energy development projects on BLM-managed public lands are updated in this guidance. There have been some instances where land speculators have filed applications for solar or wind energy rights-of-way, in effect, blocking applicants with serious interests in the potential development of solar or wind energy resources on the public lands. The BLM can reduce the effects of speculation by applying the applicant qualification requirements of the right-of-way regulations and requiring the timely submittal of a POD consistent with the requirements of the regulations. This policy also emphasizes the review of pending applications and the rejection of any applications where the applicant cannot demonstrate the technical or financial capability required by the regulations. Requiring a proof of due diligence by the applicant through the timely submittal of an acceptable POD ensures that applicants are not holding lands for extended periods and precluding other applicants with serious interests in potential development of the public lands. (BLM Instruction Memorandum 2011–60)
- **Renewable Energy Project Segregation Rules**—In April 2011, the BLM published two rules—a proposed rule and a temporary interim final rule—to help resolve land use conflicts that arise when mining claims are located in a renewable energy project right-of-way application area after the application is submitted but before the application can be evaluated and acted upon. The two rules grant the BLM authority to temporarily remove lands included in a renewable energy ROW application and lands offered for wind or solar energy development from land appropriations such as mining claims. Under the two published renewable energy segregation rules, lands with ROW applications for solar or wind energy development could be segregated to ensure no new resource conflicts will arise with respect to mining claims. Such segregations would only be authorized as needed and would not necessarily cover all lands where renewable energy ROW applications have been filed. The rules would also provide for termination of the segregation by the BLM upon the issuance of a decision to issue or not issue a ROW for the wind or solar proposal. (Federal Register Docs. 2011–10017; 2011–10019)

Other Renewable Energy Program Initiatives

The BLM continues to build the framework necessary for an onshore renewable energy program, including initiatives beyond the PEIS and recent policy developments. The BLM’s establishment of its Renewable Energy Coordination Offices (RECOs) in Arizona, California, Nevada, and Wyoming and teams in Colorado, Idaho, Montana, New Mexico, Utah, and Oregon/Washington has facilitated the efficient processing of applications for large-scale solar, wind, and geothermal projects. Fish and Wildlife Service and National Park Service staff are co-located in many of the RECOs to expedite coordinated review of renewable energy projects. These offices play an integral role in the processing and approval of renewable energy project applications on BLM-managed lands.

BLM–Arizona’s Restoration Design Energy Project, funded under the American Recovery and Reinvestment Act (ARRA) of 2009, supports the goals of building

America's renewable energy resources and protecting and restoring treasured landscapes. The purpose of this initiative is to evaluate and identify disturbed, contaminated, and isolated lands in Arizona that also have high renewable energy potential. The project's draft environmental impact statement is anticipated to be completed in late 2011. The final environmental impact statement is expected in fall 2012. The EIS will evaluate different types of disturbed lands, including landfills, mines, and brownfields. Land use planning efforts are also underway by BLM in other states to facilitate the future development of renewable energy. These efforts include the Wyoming Wind and Transmission Study, the California Desert Renewable Energy Conservation Plan, and the West Chocolate Mountains Renewable Energy Evaluation and Land Use Plan in California.

The Department of the Interior is working closely with other partners to facilitate and encourage the development of renewable energy development. On July 8, 2010, Secretary Salazar and Secretary of Energy, Steven Chu signed an interagency Memorandum of Understanding to develop a Solar Demonstration Zone on federal lands in Nevada to demonstrate cutting-edge solar energy technologies. The Solar Demonstration Zone will be located in the Nevada National Security Site, withdrawn public lands administered by DOE's National Nuclear Security Administration. The MOU will enable the DOE to support the demonstration of innovative solar energy technologies at a scale fully representative of the next generation utility-scale Concentrating Solar Power (CSP) systems. These projects will serve as proving grounds for new CSP technologies, providing a critical link between DOE's advanced technology development and full-scale commercialization efforts.

Finally, the BLM is striving to provide access to remote renewable sources and to enhance the national electricity grid to ensure reliability as sources of renewable energy are brought online. The BLM is meeting these challenges through its land use planning processes and through improvements to project siting and permitting reviews. The BLM continues to work closely on these efforts with other Federal agencies, tribes, states, and other entities.

Conclusion

The Department of the Interior and the BLM are proud of the work we have accomplished in order to stand up a renewable energy program and a portfolio of projects that reflect the incredible resource potential of America's public lands. I would be happy to answer any questions you may have.

Chairman LAMBORN. OK. Thank you so much. Director Bromwich.

STATEMENT OF HON. MICHAEL R. BROMWICH, DIRECTOR, BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT, UNITED STATES DEPARTMENT OF THE INTERIOR

Mr. BROMWICH. Thank you so much, Mr. Chairman, Mr. Markey, and Members of the Committee. I thank you for the opportunity to appear here today. I want to discuss the renewable energy program of the Bureau of Ocean Energy Management, Regulation and Enforcement, and our efforts to expedite the development of the Nation's offshore wind energy resources.

BOEMRE manages the energy and mineral resources of the Outer Continental Shelf. The Department of Energy estimates that the total offshore wind potential is enormous, and the Nation's vast offshore wind resources are located close to our largest electricity demand centers.

Offshore wind energy is capable of providing significant energy and environmental benefits, and it would also produce considerable direct and indirect economic benefits.

Government estimates suggest that offshore wind development would create approximately 20.7 direct jobs per annual megawatt installed in United States waters, including economically depressed

port areas that could become important in fabrication and staging areas for wind turbines.

The Obama Administration has established ambitious, but achievable, goals for offshore wind energy development in the United States that require focusing on three central issues. Number one, technology development. Number two, market barrier removal; and number three, advanced technology demonstration.

BOEMRE is working closely with other Federal agencies, State, local, and tribal governments, and other stakeholders, to establish an effective process for locating and permitting offshore renewable energy projects.

The Energy Policy Act of 2005 provided the Secretary of the Interior with the authority to administer an OCS renewable program. This authority was delegated to BOEMRE, and then the Minerals Management Service in March of 2006.

And in April of 2009, BOEMRE's final OCS renewable energy regulatory framework was issued. The regulatory framework is a comprehensive approach to managing the full scope of OCS renewable energy activities, including an initial study and leasing, site characterization and assessment, project construction and operation, and cessation and decommissioning.

The framework reflects a renewable energy program based on the following principles. First, consultation and coordination with stakeholders of all kinds. Second, application of the regulatory framework in the context of interagency planning activities. Third, focusing on the multiple uses of the OCS, and fourth, achievement of our program goals.

This framework and our process require us to work with a wide array of stakeholders. Our most valuable consultation and coordination tools have been a State-by-State intergovernmental task forces.

They bring together all interested government parties to facilitate information sharing, and informed decision making. We have nine task forces on the Atlantic Coast, and one on the Pacific Coast.

Since 2009, we have ought to streamline our location and permitting processes for wind leasing, and development, and have launched initiatives to support those efforts. The central initiative is the "Smart From the Start" Program, which was announced by Secretary Salazar on November 23, 2010.

"Smart From the Start" in the offshore context is designed to expedite commercial wind lease issuance on the Atlantic OCS by doing several important things; streamlining processes, including a more efficient NEPA compliance review; identifying wind energy areas to stimulate investment in Atlantic OCS wind leasing and development, and processing transmission line proposals on a parallel, but separate, track from generation projects.

We are identifying as WEAs, areas that have high wind resource potential, and relatively low risk of potential conflicts and use. BOEMRE will conduct an environmental assessment to analyze potential impacts and effects associated with issuing leases and conducting site characterization and assessment activities.

If the WEA leads to a finding of no significant impact, we will be able to issue leases promptly, and will not have to prepare an

environmental impact statement at that stage. This will allow developers to acquire leases on an expedited basis and enable them to more easily finance their projects.

BOEMRE will conduct a full EIS when the lessees submit a construction and operations plan for review. BOEMRE has already begun this process offshore at New Jersey, Delaware, Maryland, and Virginia.

A regional WEA is being prepared and consultations are being conducted to address the potential environmental and socio-economic impacts of lease issuance and site characterization surveys, and site assessment activities.

In addition, BOEMRE has repeatedly engaged non-government organizations, individually and in groups, to obtain feedback. We conducted several stakeholder information gathering sessions while we were developing the framework, as well as workshops on the draft and final regulations.

All of these initiatives are helping us to identify areas with relatively few impediments to offshore wind development, and move forward quickly and efficiently to promote the establishment of an offshore renewable energy industry.

In sort, the Obama Administration has set ambitious, but achievable, goals to move forward with the development of domestic renewable energy. Mr. Chairman, this concludes my statement. Thank you again for the opportunity to be here, and it will be my pleasure to answer any questions that you or other Members of the Committee may have.

[The prepared statement of Mr. Bromwich follows:]

Statement of Michael R. Bromwich, Director, Bureau of Ocean Energy Management, Regulation and Enforcement, U.S. Department of the Interior

Mr. Chairman, and Members of the Committee, thank you for the opportunity to appear here today to discuss the renewable energy program of the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) and our efforts to facilitate and expedite the development of the Nation's offshore wind energy resources.

Outer Continental Shelf (OCS) Wind Resources and Energy Development Goals

BOEMRE manages the energy and mineral resources of the OCS, which comprises some 1.7 billion acres of submerged lands generally located between 3 and 200 nautical miles off the continental U.S., Alaska, and Hawaii. The U.S. Department of Energy (DOE) estimates that the total offshore wind potential is over 4,000 gigawatts (GW) for areas up to 50 miles from shore with average wind speeds of 7 meters per second or greater at 90-meter elevation. This estimate includes the resources of the Great Lakes and the coastal submerged lands under state jurisdiction, which are not managed by BOEMRE. However, OCS lands constitute the vast majority of what DOE considers "offshore" in its wind energy estimate.

According to a report prepared and issued jointly by DOE's Office of Energy Efficiency and Renewable Energy and BOEMRE earlier this year, each average GW of wind power capacity can generate 3.4 million megawatt-hours of electricity annually.¹ This amount of power would replace the use of 1.7 million tons of coal or 27.6 billion cubic feet of natural gas and reduce the carbon emissions associated with those fossil fuels by 2.7 million metric tons. The Nation's vast offshore wind resources are located close to our largest electricity demand centers, allowing offshore wind to compete directly with fossil fuel-based electricity generation. Northeastern and Mid-Atlantic coastal states especially can benefit from OCS wind resources to meet ambitious renewable portfolio standards and related policy goals

¹A *National Offshore Wind Strategy, Creating an Offshore Wind Energy Industry in the United States*, February 7, 2011.

calling for the use of a stable and clean supply of energy resources for electrical generation.

In addition to these energy and environmental benefits, offshore wind energy development would have considerable direct and indirect economic benefits. The National Offshore Wind Strategy suggests that offshore wind development would create approximately 20.7 direct jobs per annual megawatt installed in U.S. waters. Many of these jobs would be located in economically depressed port areas that could become important fabrication and staging areas for the manufacture, installation, and maintenance of offshore wind turbines.

The National Offshore Wind Strategy addresses these goals and discusses three focus areas that are central to achieving them—(1) technology development, (2) market barrier removal, and (3) advanced technology demonstration. BOEMRE is working closely with DOE and with other federal agencies, state, local, and tribal governments, and other stakeholders to establish an effective process for siting and permitting offshore renewable energy projects.

OCS Renewable Energy Regulatory Framework

The Energy Policy Act of 2005 provided the Secretary of the Interior with the authority to administer an OCS renewable energy program. This authority, including the mandate to promulgate necessary regulations, was delegated to BOEMRE (then the Minerals Management Service) in March 2006. In early 2009, at the start of the Obama Administration, a draft rule had been issued, but a final regulatory framework was not yet promulgated. On taking office, Secretary Salazar addressed the remaining issues, leading to the publication of BOEMRE's final OCS renewable energy regulatory framework on April 29, 2009.

The regulatory framework is a comprehensive approach to managing the full life cycle of OCS renewable energy activities, from initial study and leasing, through site characterization and assessment and project construction and operation, ultimately to cessation and decommissioning. The regulatory framework reflects a renewable energy program based on the following principles:

- consult and coordinate with federal, state, local, and tribal governments and other stakeholders;
- apply the regulatory framework in conjunction with interagency-led planning activities;
- focus on multiple use of the OCS; and
- work within current authorities and responsibilities to achieve program goals.

With over 20 existing laws and Executive Orders that apply to the OCS, consultation and coordination is critical to a successful renewable energy program. As BOEMRE strives to facilitate sustained development of a domestic offshore wind industry, we are working with a wide array of stakeholders to work together to find ways for offshore wind projects to proceed with minimal adverse effects on other uses and resources. Our most valuable consultation and coordination tools have proved to be the state-by-state intergovernmental task forces that we have established. These bodies bring together all interested and affected government parties to facilitate information sharing and foster informed and efficient decision-making. To date, we have nine task forces on the Atlantic coast that are helping BOEMRE to proceed with commercial wind energy leasing, as well as one on the Pacific coast that is working on marine hydrokinetic energy from waves, currents and tides.

Since the OCS renewable energy regulatory framework was established in 2009, Secretary Salazar and BOEMRE have sought to outline, refine, and streamline our siting and permitting processes for wind leasing and development. We have launched several initiatives to support our efforts that I will summarize briefly.

Atlantic Offshore Wind Energy Consortium

In early 2010 Secretary Salazar invited the governors of the Atlantic coast states to join with the Department of the Interior in an Atlantic Offshore Wind Energy Consortium (AOWEC) for the purpose of facilitating federal-state cooperation and coordination for the efficient, expeditious, orderly, and responsible development of wind resources along the Atlantic coast. On June 8, 2010, the Secretary and 11 governors signed a Memorandum of Understanding (MOU) outlining the scope and objectives of the Consortium and establishing working groups charged with formulating an action plan addressing issues relating to (1) siting and permitting, (2) data and science, and (3) investment in infrastructure. DOE is serving an advisory role to BOEMRE by assessing national infrastructure investment requirements as described in the National Offshore Wind Strategy. The action plan was completed in February of this year, and BOEMRE is considering its recommendations, which relate to improving coordination, implementing pilot projects, revising existing statu-

tory and regulatory authorities to streamline permitting, and improving data acquisition and sharing.

Smart from the Start Atlantic Wind Initiative

On November 23, 2010, Secretary Salazar announced *Smart from the Start*, a program to expedite commercial wind lease issuance on the Atlantic OCS. This initiative has three main elements:

- streamlined processes, including more efficient National Environmental Policy Act (NEPA) compliance review, for renewable energy lease issuance;
- identification of Wind Energy Areas (WEAs) followed by information gathering to stimulate investment in Atlantic OCS wind leasing and development; and
- processing of OCS energy transmission line proposals on a parallel but separate track from generation projects.

This approach will identify as WEAs those areas of the OCS that have high wind energy resource potential and relatively low potential use conflicts. BOEMRE will then conduct an environmental assessment (EA) to analyze potential impacts associated with issuing leases and conducting site characterization and assessment activities. If the EA leads to a finding of no significant impact, we will be able to issue leases and will not have to prepare an environmental impact statement (EIS). This will allow developers to acquire leases on an expedited basis and enable them to acquire necessary financing of their projects. BOEMRE will conduct a full EIS when the lessee submits a construction and operations plan for review.

Smart from the Start also calls for enhanced coordination on offshore wind within the federal government. The Department of the Interior has led the formation of the Atlantic Offshore Wind Interagency Working Group—which includes executive level officials of DOE, Commerce, Defense, Homeland Security, the Environmental Protection Agency, the Council on Environmental Quality and other federal agencies—to facilitate the sharing of relevant data.

Smart from the Start has been well received by federal and state stakeholders and the offshore renewable energy industry.

Additional Cooperation with Other Federal Agencies

BOEMRE is also working with interested federal agencies to establish agreements to facilitate coordination on OCS renewable energy development. For example, we have in place an MOU with DOE to facilitate and expedite OCS wind and hydrokinetic development. Consistent with this MOU, DOE is making available up to \$50.5 million over 5 years to develop offshore wind technology and to reduce specific market barriers to its deployment. We also have an established MOU with the U.S. Fish and Wildlife Service concerning the Migratory Bird Treaty Act and a MOU with the Federal Energy Regulatory Commission regarding the leasing and licensing of marine hydrokinetic projects. Other MOUs in development are with the Department of Defense (Secretary), the U.S. Army Corps of Engineers, the U.S. Coast Guard, and the National Oceanic and Atmospheric Administration (NOAA). We are confident that these inter-agency groups will ultimately streamline permitting processes and promote efficient and effective decision-making.

BOEMRE Research and Studies

BOEMRE has two main scientific research programs. The Environmental Studies Program (ESP) has completed numerous research projects and has several more that are planned or ongoing to determine and evaluate the effects of OCS activities on natural, historical, and human resources and the appropriate monitoring and mitigation of those effects. For example, the ESP has completed or is conducting a number of scientific studies that explore the potential effects of offshore wind projects on birds, marine species, and other aspects of the environment. BOEMRE and DOE co-fund a number of studies within the Environmental Studies Program and also partner on research efforts led by the International Energy Agency. Pursuant to the MOU mentioned above, DOI and DOE have also formed an interagency working group with other federal agencies including NOAA, Department of Defense (DoD), US Army Corps of Engineers (US ACOE), and the Department of the Navy which will facilitate an integrated national network for characterization of offshore wind resources and design conditions.

BOEMRE's Technology Assessment and Research (TAR) Program also conducts research associated with operational safety, engineering standards, and pollution prevention.

One noteworthy research project just completed under our TAR program is on Offshore Wind Energy Turbine Structural and Operating Safety. BOEMRE asked the National Research Council's Marine Board to conduct a study relating to the structural safety of offshore wind turbines. The study addresses three specific areas: (1)

standards and guidelines for design, fabrication and installation of offshore wind turbines; (2) expected roles of third-party entities, called Certified Verification Agents (CVA), in overseeing the design and construction of offshore wind turbines and identifying standards for monitoring, inspection and compliance verification; and (3) expected qualifications to be considered a recognized CVA. BOEMRE received the final report on April 28, 2011, and will analyze the recommendations to determine whether to modify the relevant offshore renewable energy regulations.

The National Ocean Policy's Coastal and Marine Spatial Planning

BOEMRE is implementing the OCS renewable energy program in accordance with Executive Order 13547, which President Obama issued in 2010 to establish a comprehensive and integrated national policy for stewardship of the oceans, our coasts and the Great Lakes, including a framework for coastal and marine spatial planning (CMSP). We fully understand and support the need to work together with all OCS users and regulators, and we look forward to coordinating with the National Ocean Council and leading and participating in regional planning bodies undertaking CMSP. We believe our intergovernmental task forces are a valuable vehicle for informing these efforts. We will use an integrated interagency marine information system, developed in collaboration with the National Ocean Council, to implement Executive Order 13547. Part of this system will be the Multipurpose Marine Cadaster, which provides legal, physical, ecological, and cultural information in a common geographic information system framework. This tool was created in partnership with NOAA to comply with a mandate in section 388 of the Energy Policy Act of 2005.

Outreach to Non-government Stakeholders

BOEMRE has repeatedly engaged non-government organizations (NGOs)—individually and in groups—to obtain feedback on its regulatory framework and associated processes. During promulgation of our renewable energy regulatory framework rule, we conducted several stakeholder information gathering sessions, as well as workshops on the draft and final regulations. Since the final framework was issued, we have continued meeting with NGOs and stakeholders, including The Nature Conservancy, the National Wildlife Federation, and the Mariners Advisory Committee and have had valuable information exchanges. We have also communicated with representatives of fishing interests through the special working groups established by Massachusetts and Rhode Island, as well as the regional Fisheries Management Councils. BOEMRE also has continued its dialogue with industry representatives, primarily through the Offshore Wind Development Coalition. Based on all of our conversations with stakeholders, we have identified regulatory revisions that we will pursue to bring more clarity and efficiency to our processes. Our first such revision—designed to simplify the leasing process for offshore wind in situations where there is only one qualified and interested developer by eliminating a redundant and therefore unnecessary step—has been published and received comment. BOEMRE plans to complete this final rule and to propose other revisions in the near future.

Status of OCS Wind Development

All of the initiatives I have just discussed are helping BOEMRE to identify areas where there are relatively few impediments to offshore wind development and move forward quickly and efficiently to promote the establishment of an offshore renewable energy industry.

Our efforts have already resulted in significant accomplishments in offshore wind development:

- We have issued 4 short-term leases that permit the installation of data collection facilities to inform planned commercial wind development activities (3 off New Jersey and 1 off Delaware). These leases were issued in 2009 under an interim policy initiated while the OCS renewable energy regulatory framework was being developed. We anticipate the first data collection facilities to be constructed this summer.
- Interior issued the first ever U.S. offshore commercial wind energy lease in October 2010 for the Cape Wind Energy Project in Nantucket Sound off Massachusetts. Shortly thereafter, the lessee submitted a construction and operations plan, which BOEMRE approved on April 18, 2011. The lessee hopes to begin construction later this year. The Cape Wind Energy Project proposal contemplates building 130 wind turbine generators, 3.6 megawatts each, with the maximum capacity to produce about 468 megawatts. The average expected production from the wind facility could provide about 75 percent of the electricity demand for Cape Cod and the islands of Martha's Vineyard and Nantucket. At average expected production, Cape Wind could produce enough energy to power more than 200,000 homes in Massachusetts.

- BOEMRE announced the first four WEAs—off the coasts of New Jersey, Delaware, Maryland, and Virginia—established under *Smart from the Start* on February 9, 2011, in a Notice of Intent to Prepare an Environmental Assessment for Mid-Atlantic Wind Energy Areas. We have determined that there is no competitive interest in leasing the area made available off Delaware and will complete a noncompetitive process in response to NRG Bluewater Wind's commercial wind lease request. We hope to make a final decision on lease issuance by the end of this year. By contrast, we have determined that there is competitive interest off Maryland, and we believe there will also be competitive interest off New Jersey and Virginia. BOEMRE plans to complete competitive processes for these three states by early 2012. We will continue to consult with our intergovernmental task forces on all of these leasing processes.
- BOEMRE intends to designate a second set of WEAs—off Massachusetts, Rhode Island, New York, and North Carolina—by the end of this year. We have already received numerous expressions of interest off the coast of Massachusetts, and we will be soliciting nominations and other relevant information in the other three areas in the coming months. We will continue to consult with the intergovernmental task forces in these states.
- BOEMRE will consult with the established Maine intergovernmental task force concerning possible future deepwater wind leasing and development and anticipates establishing new task forces in Georgia and South Carolina later this year. The University of Maine's DeepC wind program, funded in part by DOE, is working on developing new technologies, including floating wind turbines for use in deep waters. BOEMRE will work with Maine in the event that any entities are interested in pursuing leasing opportunities offshore Maine. We also have received an application for a short-term lease for data collection off Georgia under the interim policy.
- BOEMRE also received a request for a right-of-way for a 750-mile backbone transmission line running about 10 miles offshore from New York to Virginia. The developer has ambitious plans for this transmission line, believing that it can link future Atlantic OCS wind energy installations in a manner that can facilitate efficient interconnection to the onshore electrical grid. We will consult and coordinate with federal, state, local, and tribal governments and other stakeholders in processing this request.

Conclusion

As I stated at the outset, we have set ambitious but achievable goals to help the U.S. make development of domestic sources of clean, renewable energy a reality. The combination of streamlined processes along with the increased involvement of our state and federal partners is helping BOEMRE make good strides in reaching those goals. We are excited to have a prominent role in the nation's renewable energy future, and we look forward to working with stakeholders to develop a thriving domestic offshore wind industry that is coordinated and supports Executive Order 13547 and the national policy for stewardship of the oceans.

Mr. Chairman this concludes my statement. Thank you again for the opportunity to appear here. It would be my pleasure to answer any questions you or other Members of the Committee may have.

Chairman LAMBORN. OK. Thank you also, and thank you both for your statements. We will now begin questioning. As you can see, we have a smaller than usual number of Members here because we are done with the votes for the week, and many people have started their trek to the airport already.

But with that smaller number, I am hopeful that you would be able to stay for a second round if Members are so desirous. Is that something that you would consider?

Mr. BROMWICH. Yes.

Mr. ABBEY. Yes.

Chairman LAMBORN. OK. Thank you so much. I will start in, and then we will go to the Ranking Member second. Director Abbey, in 2010, the Administration placed 34 projects on a fast track list for expedited permit approval, primarily in order to qualify for stimulus funding that expired in December.

As BLM made decisions on which projects would be placed on the fast track list, can you tell me what the criteria BLM used to determine which projects were to be placed on that list?

Mr. ABBEY. Yes, I would be happy to. We did have 34 or so applications that we were reviewing, and that we thought were far enough along in the permitting process, but there were several reasons why some of those applications for projects were at least delayed.

And not all of them were related to our own review process. Some of those projects were delayed because of the lack of financing, or the inability of the companies themselves to provide us with all the information that we needed to perfect those applications and do the thorough review that was appropriate.

So what we focused on, Mr. Chairman, was those projects that were far enough along, and that had perfected applications, and that were located in areas that had the fewest risks.

Our intent was to move forward aggressively in reviewing those projects, and to evaluate each of those projects in the manner that they deserved, and then to the best of our ability to approve those if we were able to mitigate the potential impacts from those projects.

Our track record demonstrates that we were successful. Of the nine solar projects that we ended up reviewing and putting through that fast track project, all nine projects were approved, and they were approved because of the early consultation and coordination that took place, with not only within the Department of the Interior, as with agencies like the National Park Service, or the Fish and Wildlife Service, but also with other stakeholders and tribal governments.

Chairman LAMBORN. OK. Well, on that last point, did BLM review with outside groups or individuals which projects were considered advanced enough to qualify for expedited permitting, and did you accept outside comments for or against projects?

Mr. ABBEY. I am sorry, but we always are receptive of public input anywhere in our process. The value of public comments certainly during the scoping process helps us identify what are the likely issues that would need to be addressed through our review, and again all of those projects, or at least many of the projects that were identified, or all of the projects that were identified on the fast track list did go through that public scoping process to determine what were the issues, and how best we could evaluate those issues, and potentially mitigate those issues.

So again the public did have a say during that scoping process. If at the end of the day it was our decision to go forward with those projects that we believed had the best chance for success.

Chairman LAMBORN. OK. Now, were the companies who had been making the investments leading up to this consideration, were they aware of this process, and the criteria that were going to be used for the expedited approval?

Mr. ABBEY. Well, they were certainly aware of the criteria that we were using to evaluate their own applications. We maintained a close working relationship with all proponents of such projects, and really all projects that are being proposed for public lands.

We want to understand what the proposal is, and what are the likely consequences and the timelines that the proponents are anticipating that they need in order to get the approvals for their projects.

So even though we have delayed some of those projects, that doesn't mean that we have denied those projects, and that we are currently continuing to review all applications that are before us to determine the merits of each proposal.

Chairman LAMBORN. OK. Now, do you think that your willingness to process permits could impact the financing that applicants are working toward on these various projects?

Mr. ABBEY. Well, some of those applications that we reviewed as potentially fast track projects fell out because they were unable to get financial assurances. So again no doubt that some of our actions do impact the abilities of some of the companies to go forward and get the financing that they require for their projects.

But again that is no surprises as far as the timelines that we require in order to conduct a thorough evaluation of each of those projects.

Chairman LAMBORN. Well, now I am trying to figure out which is first, the chicken or the egg. Did there lack of financing mean that they were not high up on the priority list, or were they not able to get a permit and they had lost their financing after that?

Mr. ABBEY. No, they never evidently had—and I can't speak to all of the projects or applicants, but I can speak to some of those that we were reviewing for the potential to place on the priority list.

Some of those projects did not have financing in place for them to assure us that they would be able to construct in a timely manner those projects that we were interested in approving.

So, again, without that financial capacity, that was one of the criteria that we took into account in identifying the projects that we ended up placing on the fast track list.

Chairman LAMBORN. OK. Thank you. I realize that my time is up. If the Committee has additional questions about this process would you commit to working with us to answer questions or concerns that we might have?

Mr. ABBEY. We would welcome that and would certainly do so.

Chairman LAMBORN. Thank you very much. Ranking Member, Representative Markey.

Mr. MARKEY. Thank you so much, Mr. Chairman. Director Abbey, it takes so much longer to permit wind and solar than it does to permit oil and gas, which I think that people would like to know what is the reason for that?

Why does it take just so much longer, and what can we do to shorten that time framework so that we deploy in a way that really helps to deal with these imported oil issues, and the climate change issue, and the job creation issue? You know, this is a real make it in America opportunity for us.

Mr. ABBEY. Well, again, I really don't know whether or not it takes a lot longer time. However, I will say this, in our oil and gas program, there are different layers of review and evaluation that are conducted.

For example, we prepare a land use plan which would identify public lands that are managed by the Bureau of Land Management that would be available, or could be available for leasing for oil and gas resources.

Prior to conducting any leases of those lands consistent with the land use plan decisions, then we would also conduct an additional NEPA evaluation of the areas that are being proposed for leases, and after that NEPA is completed, and a decision is made relative to going forward with such areas for leasing, then we also after issuing those leases, we conduct an environmental assessment of applications for permits to drill.

So there is really a kind of a three-tier program for authorizing of the drilling on public lands. We have the land use planning process, and then the NEPA that is required for leasing, and then the NEPA that is required for processing applications for permits to drill.

I will say this though. In 2009, the Bureau of Land Management leased 1.9 million acres of public lands for oil and gas, and in 2010, we leased 1.4 million acres of public lands for oil and gas.

In 2009, we issued almost 4,500 applications for permits to drill on public lands, and in 2010, we issued 4,000 applications for permits to drill. So if you look at the amount of effort going into the oil and gas program, versus what we are doing in the renewable energy program, there is a lot more that we can be doing in the wind and the renewable energy program than what we have done in the past, and we intend to improve our performance.

Mr. MARKEY.—below what President Obama has asked for, what would those cuts do to your ability to speed up the deployment of wind and solar on public lands?

Mr. ABBEY. Well, again, we are still reviewing what—

Mr. MARKEY. Would it hurt?

Mr. ABBEY. Well, no doubt. We have requested—

Mr. MARKEY. Would it hurt significantly your ability to get the work done?

Mr. ABBEY. It would hurt, and it would certainly slow things down, Congressman, and we have proposed as part of the Presidential budget a funding level that we believe that we need in order to maintain the emphasis that we have placed on—

Mr. MARKEY. Let me go to Director Bromwich. Would these budget cuts that the Republicans are proposing, \$4 billion, hurt your ability to deploy offshore wind in this country?

Mr. BROMWICH. They would not hurt our ability, because we are one of the few agencies as you know that did not suffer significant budget cuts. So the request that we made for offshore have largely been granted. But could we use additional increments? Absolutely.

Mr. MARKEY. Thank you. Let me go back to you then, Director Abbey. How many wind and solar permit applications are currently active at your agency?

Mr. ABBEY. Well, we have over 200 at last count for solar. I don't have the number for wind at this point in time. For 2011, we are evaluating 20 such projects, 10 solar, and five wind, and five geothermal. We will be announcing projects for Fiscal Year—

Mr. MARKEY. Well, how many—well, let me ask you this. How many of those would you say would be churning out power right

now if the Department of the Interior had granted a permit the same day that they applied for it?

Mr. ABBEY. Well, Congressman Markey, let me just give you my assessment of some of those applications. Many are speculative in nature. The number of applications that we have for solar are again over 200 at last count.

In our review of some of those applications, we believe that they are speculative in nature, and not necessarily ready to go forward and do a thorough evaluation and assessment. But having said that—

Mr. MARKEY. So what are the real hurdles then to building wind and solar on public lands right now?

Mr. ABBEY. Well, there are several impediments. First, it is financial. Second is transmission. Third is the lack of power purchase agreements with some of the companies, and a source where they can market their power if they were to develop such power.

And then no doubt the permitting process also creates some delays in getting some of these projects in place.

Mr. MARKEY. And what about the timely tax credit extensions? Is that a factor?

Mr. ABBEY. Well, it would enhance their abilities to move forward with their projects if such a program continued.

Mr. MARKEY. OK. Thank you, and thank you, Mr. Chairman.

Chairman LAMBORN. OK. I thank the Ranking Member. Now, let's go to the gentleman from Pennsylvania for five minutes.

Mr. THOMPSON. Thank you, Mr. Chairman. I appreciate it. Thank you for coming and for testifying. I really very much appreciate that. It is a very important topic. Both of you have been talking about and reflecting on the permitting process, and certainly that is something that sometimes takes time, frustrating amounts of time, and a lot of unnecessary litigation, and it often times frankly only serves to muddle the permitting process and slow down the approvals.

I wanted to pursue a little more about how you are working to streamline the permitting. "Smart From the Start" sounds like a good approach, and looking at that, and building some efficiencies into that process. Frankly, are there other things that you are looking at, that the agencies are looking at, or what can Congress do to help make this permitting process more efficient and less wasteful?

Mr. BROMWICH. You are right, Congressman, in that the "Smart From the Start" Program will make much more efficient the permitting process, because we are doing at the outset environmental assessments rather than full scale environmental impact statements.

We are waiting until the stage where companies file a construction and operations plan before we do a full EIS, and that was specifically designed to shrink the period of time through which companies had to go through the entire process.

We are continuously thinking about ways to further shrink that process, because there is consensus in the Department, and certainly in my agency, that the current timeline is too long. So we are actively and continuously engaging with industry, and with

other stakeholders to try to figure out ways to cut further time off the process.

There are certain parts of the process, including public comment, and including environmental reviews, that simply have to be done. Those are irreducible. But we are going to continue to work to find ways to further cut down on the permitting process time.

Mr. THOMPSON. Well, I want to congratulate you for looking at that. I think that is a good approach. Director Abbey, my question is from the lessons learned with this, because it seems like you roll this out specifically with wind, are there other opportunities? Are these concepts something that can be applied to all forms of energy permitting on Federal lands?

Mr. ABBEY. Certainly we have learned as we go, no doubt. The Bureau of Land Management, and certainly those that we have worked with within the Department of the Interior have shown over the last two years that extraordinary progress can be made in conformance with NEPA, and in coordination with State agencies, and tribal groups, and local governments, and other entities.

You know, our successes in permitting the solar projects in California and in Nevada, the first nine solar projects ever built on public lands, are truly showing us the way forward for approving utility and renewable energy programs on public lands.

So it is not just how they could apply to the solar projects, but also to the wind projects as well, the large scale wind projects that we have had under review. We have had a successful track record for a number of years in the geothermal program. That is a leasing program.

It is done under different authorities, but again geothermal is another renewable resource that we have ample supplies of in this country, and we need to take advantage of that.

Mr. THOMPSON. How about applying this more efficient process to oil, natural gas, coal, all the other resources that we have on public lands?

Mr. ABBEY. Well, again, we try to be as efficient and as effective as we can in the processes that we have in place. As I mentioned earlier, do we continue to learn, and is there opportunities for us to continue our performance? Yes, there are.

We work very closely to try to make sure that the people who we need to be consulting, and those that we need to be coordinating with prior to expending a great deal of effort on any of these projects, whether they are oil and gas leasing proposals, or solar, or wind, that we have the full information before us so that we can go forward as expeditiously as possible and address the many issues that each of these project proposals bring before us.

Mr. THOMPSON. Sure. What are some of the—and specifically just focusing on wind, and it sounds like you will get another opportunity to talk about solar, but what are some of the specific objections that you find that are raised by those who live in the areas where these projects are going in, or frankly what are some of the environmental concerns that are being identified through the NEPA analysis, and the other environmental analysis? Let's just start with wind for the short period of time that I have left here.

Mr. ABBEY. Well, again, I think that as we look across these renewable energy projects, these are large scale footprints on public

lands, and while everybody talks about being for renewable energy development, I have to admit that almost every project that we review, there are opponents of each project.

But as we go forward, it is a matter of again working with the proponent when it is through our own land use planning process, which is a public process, and identifying the best locations that would have the fewest risks to sensitive resources that we also manage for, including wildlife habitat, for threatened and endangered species, and also to take into account what are the likely consequences of the decisions if we make to approve projects, and how best we can mitigate for any impact from those projects.

As we look to wind, we certainly have challenges in dealing with some of the bald and golden eagle habitat. We are working very, very closely with the Fish and Wildlife Service.

They have been an excellent partner to the Bureau of Land Management in helping us use the best science, the best information possible, as part of our analysis, and potentially mitigation measures.

Mr. THOMPSON. OK. Thank you.

Chairman LAMBORN. Thank you. Now, the gentleman from New Jersey.

Mr. HOLT. Thank you, Mr. Chairman, and I thank the witnesses. I would like to focus on offshore wind, particularly in the Atlantic. So I would like to ask you, Director Bromwich, how would you characterize the offshore wind capacity in the Middle Atlantic States?

Do you have some numbers or the number of city sized electric equivalent power plants?

Mr. BROMWICH. I don't have those with me, Congressman. I would be happy to supply those. I do know that it is considered by all of the experts that have reviewed it to be an enormous potential source of power, and I have certainly seen figures suggesting that what is available in the Atlantic equals the capacity that we currently have for electricity generation country-wide. So that is an enormous potential.

Mr. HOLT. I would like to ask you to repeat that for the record, because I think that there are few people in the United States who really understand.

Mr. BROMWICH. My understanding is that the potential that Atlantic wind holds for supplying electricity to this country equals what current exists nationwide for all sources, in terms of what currently provides electricity. That is my understanding, Congressman.

Mr. HOLT. Now, it is worth noting, of course, that that electricity, if it were generated even in-part would be close to the uses of obviously the Eastern Seaboard, which would be about the most densely populated part of the country, and has a lot of electricity use there.

So this would be convenient to the use, and perhaps would have less transmission line site problems?

Mr. BROMWICH. That is absolutely right.

Mr. HOLT. And, again, since I think people in the Congress, or people around the country and their representatives here in Congress, often hear that wind is intermittent, and really can't be a

reliable energy source. So you have any information about the consistency and strength of the wind offshore?

Mr. BROMWICH. My understanding is that the more wind farms, and the larger the network you have of wind turbines offshore, that becomes much less of a concern, and you can equalize the load and provide a steady stream of electricity from numerous wind farms that would be located off the Atlantic Coast.

Mr. HOLT. So you have now characterized this as an enormous source of energy that has some attractive features certainly and I would argue many attractive features. What does the Bureau and the Department in general need to do to help characterize this resource so that the developers who might be interested have what they need to move forward?

Mr. BROMWICH. I think we are on the right track. I think the "Smart From the Start" Program, which is designed to shorten the process, shorten the environmental reviews up front as they look at potentially promising wind areas, find out what the level of interest is among developers in the specific locations that have been identified.

And as you know, one of the ones that has already been identified is off New Jersey, and to just continue to move that process forward so that we can find out who is interested, and find out whether there are financially, legally, and technically qualified to hold leases, make those determinations, and get those leases awarded so that we can move forward.

Mr. HOLT. Are you leaving it to the developers themselves to characterize the resource, or is the Department doing more to characterize the resource? So specifically what are you spending this year or next year to measure the wind, to characterize its consistency, and to make those data available to—

Mr. BROMWICH. We are working more on doing the preparatory work that goes in advance of awarding the leases. We are not doing insofar as I know a lot to look at the kinds of issues that you are talking about, in terms of figuring out how much wind power is available in a particular place.

Mr. HOLT. Is that because you are leaving it to the developers to do that work? It seems to me that there is an appropriate thing for our Federal Government to be doing, to characterize.

Mr. BROMWICH. It may well be, but my understanding, Congressman, is that we have not been spending our resources to do that. It is certainly possible that if we had more that we would be in a position to do that. But insofar as I know, we have not.

Mr. HOLT. OK. Thank you. Thank you, Mr. Chairman.

Chairman LAMBORN. OK. Thank you. The Gentleman from Tennessee.

Mr. FLEISCHMANN. Thank you, Mr. Chairman, and Gentlemen. I have enjoyed this very much, especially the discussion of these alternate forms of energy. Thank you for being before us today.

I represent the Third District of Tennessee, and solar energy has grown considerably, and very, very popular in my district. We have had manufacturers of components come in, very large manufacturers, and we welcomed them to Tennessee.

I am interested to know, Director Abbey, why there are 95 solar permit applications currently pending under the Bureau of Land

Management's supervision, and what factors are preventing these permits from being approved, sir?

Mr. ABBEY. Well, I believe there may be even more applications than what you listed. Again, we moved forward, and in the authorization process, we close coordinate with other Federal agencies to determine the appropriateness of where the applications have been filed, and which lands the applications have been filed on, and what potential conflicts we might encounter as we go forward in that review.

We have placed our emphasis and our limited capacity on reviewing those applications that we believe have the best chance of being approved. That is a track record that we are very proud of.

Since 2009, it is an area of focus that will continue, and we will continue by the way to also work proponents in those other areas to perfect their applications, and maybe even offer some alternatives for their consideration.

Mr. FLEISCHMANN. Thank you, Director Abbey, and Director Bromwich, this is a question for both of you. Reportedly, there have been wind and solar energy projects canceled or delayed under the supervision of your respective departments.

Can you please explain to the Committee the criteria for canceling or delaying both onshore and offshore wind and solar energy projects, and what kind of factors must be present for these projects to be delayed, and how you go about determining what these factors are, and then in fact if they are present?

Mr. BROMWICH. I can go first because my answer will be short. We have not had any cancellations, and the only delays have involved litigation relating to the Cape Wind project, and those were totally out of our control.

Mr. ABBEY. And then I would add to Director Bromwich's answer, that as it relates to public lands managed by the Bureau of Land Management, we have had applications that have been delayed for a number of reasons.

Again, the inability of the companies to enter into a power purchase agreement, and therefore, what is the need for that project until they get such an agreement in place. That is a factor in considering how we place and prioritize such a project.

Another factor would be as we go forward in this scoping process of an application in preparation for doing the analysis, the environmental analysis, if we identify issues, and if we are unable to work with the proponent to identify measures that we could mitigate those environmental issues, then we continue to work closely with the proponent to perfect an application to look at its various alternatives, and even different locations for their projects. So that in and of itself sometimes will delay a potential project.

Mr. FLEISCHMANN. Thank you. Director Abbey, this year the Bureau of Land Management, Fish and Wildlife Service, and the National Park Service, have apparently given 20 wind, solar, and geothermal projects a priority status.

We are midway through the year and only one of these 20 have been approved. Mr. Director, would you be able to explain to the Committee why the other 19 have yet to be approved, and perhaps give us a timetable as to when we might expect them to be approved, sir.

Mr. ABBEY. Well, again, because of the early coordination and consultation with both the United States Fish and Wildlife Service, and the National Park Service, among other entities, we anticipate that many of those 20 projects will be completed this calendar year.

All those projects are likely to be approved if we do not run into obstacles like issues that cannot be mitigated. You know, we are still conducting the Environmental Impact Statements on each of those projects, and so I don't want to sit here and tell you that they all will be approved, and if they are not approved, it won't be because we did not give it the attention that each of those projects deserved.

And that we will allow our analysis to determine whether or not all of the projects could be approved, or which ones cannot be approved.

Mr. FLEISCHMANN. Thank you, Director. I yield back.

Chairman LAMBORN. OK. Thank you. Now the Gentleman from New Mexico.

Mr. LUJÁN. Mr. Chairman, thank you very much, and I am glad that we are having this important discussion to see what truly can be done across the country, especially with our public lands, to encourage and provide certainty to be able to develop renewable generation, and make sure that this is something that this great Nation of ours is truly embracing, and not pushing away or discouraging.

Director Abbey, you have mentioned power purchase agreements a few times. Can you tell us what they are and why they are so important?

Mr. ABBEY. Well, they are important because all of a sudden it gives legitimacy to the projects for energy that can actually be sold, and delivered to the market, and so the proponents for renewable energy, and other sources of energy, need to have a market in order to go forward and compensate for the costs that they are investing in each of those projects.

So it is market driven. They consult and work out agreements with the power provider. Those agreements then became part of the business plan, and used to get financing in some cases, but more importantly, provide assurances that the energy that they could produce from their project being approved and constructed will go on to the market, and there is a return for their investment.

Mr. LUJÁN. I appreciate that, Director Abbey, because as we have talked about the importance of providing the certainty around public utility commissions across the country having the certainty, really incentives, that would encourage utilities to engage in these discussions, and to actually talk to these developers, and to bring these PPAs to fruition, and provides the certainly necessary so that when we talk about the financing, we now have the ability to bring together those that are going to build this generation, and bring the project to fruition, and work with that utility company, or that small municipality, whatever they may be, so that they can buy the power that is going to be produced.

It is a simple idea. It is one that sadly in many parts of the country, I don't think we have the strong incentives that are needed, and this Congress, I think that we could do something about that.

Secretary Salazar recently said that when he was talking about “Smart From the Start,” which I want to applaud your efforts on, as we talked about some of the barriers that exist with where some of these projects have been held up, and providing certainty associated with “Smart From the Start,” and the planning necessary to be able to designate areas where you can have an accelerated NEPA process, and make sure that you are working in these areas so that that does not slow things down.

But the Secretary warned us, the lawmakers, that investors will need dependable incentives, and regulations to continue building. So we heard a lot from Ranking Member Markey about the tax incentives, and tax extenders, that should be extended.

I hope that we as a Congress have the will and the courage to move those forward, and create some certainty for not one year, but maybe for five years. But that we also act to establish a renewable electricity standard, which is something that Congressman Udall, when he served, was a big proponent of it here in the House, and it was included in some legislation going forward.

So that way when we talk about providing the incentives necessary to help drive this market, you provide the certainty to the regulators, to public utility commissions, to utilities, to those that are going to bring the financing necessary to build these renewable energy generation projects on our public lands.

And you also incentivize those that are going to provide the transmission conductivity required. So while I appreciate that this hearing is centered around what we can do to look at our hurdles that sometimes exist on the permitting process with our public lands, that there is a whole other round that could provide the incentives necessary to help us drive this forward.

And I am looking forward to being able to further that conversation as well. One hat that I wore before I came to Congress was that I actually served on New Mexico’s equivalent of the Public Utility Commission. I was honored to chair that body for three years.

I certainly served on it for four years, and so understanding the complexities that are sometimes associated with helping to change legislation in New Mexico, we established a renewable portfolio standard, and we saw an acceleration associated with those that were coming to the State to develop more generation.

And in New Mexico, we actually worked with our rural electric cooperatives to find a path forward for their generation and transmission company to have some certainty on the financing so that we can get renewable projects also with our rural co-ops, and it fits into the mix.

And so, Mr. Chairman, I am glad that we are going to have a second round of questions because I know that I really wasn’t able to delve into some of the questions that I have around the term of the contracts.

But this is an important conversation, and I think one that we can find a lot of common ground on in order to get people to work here in the country. So, thank you, Mr. Chairman.

Chairman LAMBORN. OK. And I thank you, and I would remind all the Members that we can get the best focus and the best bang

for the buck out of our witnesses when we concentrate on issues that our Committee has jurisdiction over.

There are a lot of important issues out there, but that would be something that I think would be the most focused use of our time. OK. The Gentleman from Puerto Rico.

Mr. PIERLUISI. Thank you, Mr. Chairman. Good afternoon. I would like to make a general statement and then ask Mr. Abbey to relate my concerns and my statement back to the Secretary, Secretary Salazar, as well as the Assistant Secretary Balboa, that I am one who supports our country's efforts to accelerate the deployment and application of wind and solar energy on public lands.

And so I am urging you to enhance and expedite that effort as much as possible, both of you actually. This potential is particular important to the island territories, including my home, Puerto Rico, where opportunities abound.

The report recently issued by the White House Task Force on Puerto Rico validates that Federal and local interest in developing wind and solar energy in Puerto Rico, and especially in Vieques, the nearby Island of Vieques.

I should note that my constituents pay over twice the national average for kilowatt hour for their electricity, and that recent prices have soared to 26 cents a kilowatt hour. A home to over 3.7 million American citizens, and with a struggling economy, energy costs are a major obstacle to Puerto Rico's economic growth.

Therefore, I hope that future Interior Department budget requests and efforts across the Administration will address the wind and solar potential in Puerto Rico and the other territories.

Now, referring to Vieques specifically. I advocated for a green plan for Vieques, and that got the attraction of the White House and this task force. They basically adopted that and they are proposing that in the report that was recently issued.

Now, what happens in Vieques is that most, if not all, of the land owned by the Federal Government there constitutes the Vieques National Wildlife Refuge, and I know that you are here today to speak to the Bureau's role in facilitating solar and wind projects on your land.

However, can you generally address how the Department might be collaborating on citing such projects on other Interior lands, such as those within the refuge system. I want to see your reaction there.

I know that the Fish and Wildlife Service delegates authority to determine compatible use to each of its refuge managers. I know that. And that energy projects are addressed in the comprehensive planning process.

But if there is one message that you can take back to the Department, it is that we are looking for flexibility and support from the Department in evaluating wind and solar energy projects on Federal land in Vieques.

And let me put it just in plain words. When you go to Vieques—and I have been there many times—you see that it has got a lot of potential. Consistent winds for windmills. And the sun exposure is so amazing as well, and I am one who wants this refuge to be preserved, and taken care of.

But it makes all the sense in the world, and it is so big, the area, to be able to locate some of this power projects there, and that is what I am telling you, and if you can relay that back to your colleagues in the Department, and I will really appreciate that. And if you have anything to comment or say about this, I am all ears.

Mr. ABBEY. Well, again, we are fortunate to have a very good working relationship with the Fish and Wildlife Service, and a Secretary of the Interior that is a proponent of renewable energy development.

I will pass on your comments to the Secretary, as well as to Dan Ashe, who is the designee, or the nominee for the Director of the Fish and Wildlife Service.

Mr. LUJAN. Thank you very much. I yield back the balance of my time.

Chairman LAMBORN. OK. I thank the gentleman. Now, we will start a second round. Thank you again for agreeing to do so. Mr. Bromwich, a general question, and then a specific question.

In general, does "multiple use" mean that existing uses have a higher priority than a new use, such as wind energy, which is fairly recent?

Mr. BROMWICH. No. We look at all the potential uses and we try to strike a balance, taking into account the importance of the various uses, and making decisions about whether the new use can move forward.

Chairman LAMBORN. OK. Thank you very much. Now, let me ask you specifically. In December of 2010 the Bureau announced a request for interest from the public regarding the potential for wind development in a 7,700 square kilometer area off the coast of Massachusetts.

The Bureau received 11 submissions from 10 companies expressing commercial leasing interests in the area. A clear indication that the area is of significant interest to wind development, and would likely be a promising wind development zone.

However, recently, BOEMRE announced the closure of more than half the original area as a result of comments from the fishing industry, State politicians, and marine biologists. Can you tell me what guidance the Bureau used from industry in advance of that closure, and what scientific studies had been done, or what scientific research the Bureau was relying on when they decided to apparently permanently close this obviously promising area?

Mr. BROMWICH. Well, a cornerstone of our process is consulting with all of the affected communities and people. That includes elected representatives of the State, but it also includes representatives of industries that are affected, and in this case the fishing industry.

There was an extremely strong multi-part opposition to opening up the part of Massachusetts, offshore Massachusetts, that we have now decided to withdraw, and as a response to Federal agencies, and taking into account all the comments that we got, from the Governor of Massachusetts, down through fishing interests, we determined that that was the appropriate balance to strike in that case.

So it is not to say that that is the same decision that we will make in every case, and each case is different. The expressions of

concern and the other interests affected will necessarily be different in every case, and we simply try to make the best decisions that we can.

We have seen in the saga of Cape Wind that has dragged on for 10 years that litigation can tie up these projects to a tremendous degree. So we thought among other things that we took into account, we don't want to provoke litigation if we can avoid it.

So in this instance, where there was strong opposition to the part offshore Massachusetts, we decided to take it off the table for now, and we thought that was clearly the right decision in order to move these projects forward.

Chairman LAMBORN. OK. Thank you. Now, I am going to ask you to make a little bit of a prediction here. By the end of next year, at the end of 2012, besides the Cape Wind project, which as you say was 10 years in the words, and counting, apart from that, will the American people see any single offshore wind project under construction?

Mr. BROMWICH. I don't know the answer to that. I am not a great predictor, but I can predict this. That we will award almost surely a non-competitive lease this year, and we will almost surely award multiple competitive leases next year.

In terms of when the construction begins, that is largely out of our hands, and I certainly can't read the minds of the developers who were responsible for the construction.

But I can comment and make predictions based on our process, which is now far more expedited than it was before, and that we will push forward the day that we can award these leases, both non-competitively and competitively.

Chairman LAMBORN. OK. Thank you for your answer, and once again for being here. And I yield to the Ranking Member.

Mr. MARKEY. OK. Thank you. Just to go back to this Massachusetts decision. It is my understanding that you did permit though, or approve an area that would be able to generate 4,000 megawatts of wind off of the coast of Massachusetts; is that correct?

Mr. BROMWICH. There is a substantial area that still exists, yes.

Mr. MARKEY. That is correct, and just so everyone has knowledge, in New England, we need about 30,000 megawatts of capacity on a daily basis. We only use about 23,000 of it.

Massachusetts, of the six States, consumes maybe 13,000 of it. So if you found an area where 4,000 megawatts can come in—

Mr. BROMWICH. It would be a big contributor, yes.

Mr. MARKEY.—on the Massachusetts coastline over the next 20 years, that is pretty much all we are going to need. We don't need more than 4,000 by the year 2030. So, just so we all know that your decision accommodates our fishing industry and our wind industry, and our wind industry endorses the decision that you made.

Mr. BROMWICH. That is right.

Mr. MARKEY. Because we just don't need more than that. So, thank you. We still have Seabrook, and we still have Pilgrim, and we have all of the other nuclear power plants, and all the other electrical generating capacity.

Now, yesterday, the Department of Energy decided not to extend the loan guarantee to Cape Wind, which is a big decision, and it has been an especially big decision because Wall Street is already

scared, and we need government support in order to make sure that we can get this project off of the line.

So what are the implications, Mr. Bromwich, of that decision yesterday in terms of all of the other projects along the coastline of the United States?

Mr. BROMWICH. I think that remains to be seen. I think that Cape Wind will continue to try to get financing, and try to get the loans that it needs, but there is no question, Congressman Markey, that that is a very significant blow.

And I share your view that the kind of loan availability, including governmental loan availability, is an important factor in getting this very important industry off the ground.

So I think that it is a significant problem, and I can't predict what the impact will be on other interested developers, but I would think that it can't be positive.

Mr. MARKEY. OK. So the combination of the Republicans and their budget zeroing out loan guaranteed money, combined with then this decision, really does create a chilling effect going up and down the coastline if other developers are looking at Cape Wind as the first of its kind in our Nation. Would you not agree with that?

Mr. BROMWICH. Yes, I would agree with that.

Mr. MARKEY. Yes, and so we are at a real inflection point here, and I would call upon the Republicans to reconsider their decision to zero out loan guarantees for wind and solar in their budget, and to keep in \$20 billion for nuclear power.

After Fukushima, it is going to be hard to find anyone that wants to build a nuclear power plant, but we have hundreds of applications for renewables that are out there, where the loan guarantee program can help to ensure that we move in that direction.

And I know for one that Massachusetts wants to be the leader. We have been out trying to get this done, and this was a final stage, but the more that this funding is put in jeopardy is the more difficult that it is going to be in order to really create a longer term vision.

So this is an incredible day where the Republicans are defending \$4 billion in tax breaks for oil companies out on the House and Senate Floor, at the same time that they are zeroing out the loan guarantee programs for wind and solar.

One industry is reporting the greatest profits in the history of the world, and by the way the oil industry only invests one-half of one percent of their funding into research, and semi-conductors, 17 percent of their revenue goes into research, and biotech, it is 19 percent of their revenues.

And the oil industry is not investing in solar or winds for the future. They are investing in manufacturing that god already created, the oil under the ground. So that is their manufacturing tax credit, and this is our way of helping these other industries.

So on page seven, Mr. Bromwich, of your testimony, you note that your agency has received a request for a right-of-way for 750 mile backbone transmission line that would run about 10 miles offshore from New York to Virginia.

What is your timetable for processing this request, and making the consultations that you need to do in order to make this happen?

Mr. BROMWICH. I asked that question this morning. I don't have a specific time for you. We know how potentially important it is. We are supportive of the project, and we now have it as of the last day of March, I think. We have the application and we will move as quickly as we can to go through all the reviews that are necessary.

Mr. MARKEY. OK. Well, Google is ready to go, and time is of the essence, and I would urge you to put it on a fast track.

Mr. BROMWICH. It is on a fast track, Congressman.

Mr. MARKEY. It is on a fast track. OK. And what is a fast track? How fast is a fast track?

Mr. BROMWICH. It is as fast as our people can review all of the things that they need to review.

Mr. MARKEY. Is that in months or years?

Mr. BROMWICH. It is not in years.

Mr. MARKEY. It is not in years, and so it could be done by the end of this year?

Mr. BROMWICH. Oh, I hope it is, yes.

Mr. MARKEY. OK. Then I think that should be our goal.

Mr. BROMWICH. I agree.

Mr. MARKEY. You need to give hope to investors that there is something, and to these companies who are sticking their neck out, or necks out, that there is an end in sight to their hopes to be able to contribute to a new energy vision for our country. I thank you, Mr. Chairman.

Chairman LAMBORN. Well, the Ranking Member had some interesting news and predictions that you are bringing to our attention, including that apparently the Republican budget will pass the Senate. Now, the Chair would recognize the Gentleman from New Jersey.

Mr. HOLT. Thank you. First, let me ask the Chair for permission to include in the record a report issued by the National Wildlife Federation, entitled, Offshore Wind In the Atlantic: Growing Momentum For Jobs, Energy Independence, Clean Air, and Wildlife Protection.

And also to include in the record a letter, dated March 7 of this year to the President, signed by a hundred or so organizations and individuals from a dozen different Eastern States, having to do with offshore wind.

Chairman LAMBORN. Without objection.

[The letter to the President follows:]

March 7th, 2011

Dear President Obama:

As environmentalists, conservationists, and clean energy advocates, we urge you to support the swift development of offshore wind along the Atlantic Seaboard while still ensuring strong environmental safeguards. We applaud the Administration's efforts to date to foster offshore wind development, as federal leadership is critical for advancing this homegrown clean energy source. For the sake of our environment and the hope of building a truly clean energy economy in America, we must see numerous wind farms spinning off our shores within the next few years – and we need your help to make that vision a reality.

Fossil fuel consumption represents the biggest threat to our environment, public health, and way of life. As such, we must move quickly away from fossil fuels and toward clean, efficient renewable energy. Such a transition will help protect our environment while creating good-paying jobs and moving our states and our nation toward energy independence. Vast, untapped offshore wind potential along the Atlantic coast can play an increasingly important role in getting our region and our nation off of fossil fuels. For nearly every Atlantic coastal state, offshore wind represents one of our best strategies to generate significant amounts of energy without creating more pollution. A bold commitment to clean energy such as offshore wind can significantly reduce air pollution, reduce greenhouse gas emissions, and reduce the risk of oil and gas spills as well as other fossil fuel-related disasters.

We are calling on you and our state leaders to join forces for the orderly, environmentally-sound ramp up of offshore wind, while protecting the health of our ocean ecosystems.

Specifically, we ask that:

- A bold goal is set for offshore wind development in the Atlantic, in order to provide clear leadership and vision regarding the important role of offshore wind in America's energy future and to demonstrate that this is a high priority for the Administration.
- Federal agencies and state officials should coordinate to identify, with public input, high priority areas for offshore wind, and establish a clear and rational process to speed environmentally-responsible development of offshore wind farms off the Atlantic Coast. The "Smart from the Start" initiative by the Department of the Interior is a promising first step in this direction.
- When developing offshore wind farms or any other energy generating facility, federal agencies should create standards to protect the Atlantic Ocean's marine and coastal ecosystems by avoiding siting in important ecological areas and areas critical to sensitive species and minimizing and mitigating impacts to habitats and life stages needed to sustain healthy fish and wildlife populations.
- Offshore wind projects should be sited, constructed and operated in a way that seeks to avoid, minimize, and mitigate conflict with other uses, whether fishing,

recreation, or other renewable energy generation. Your recent Executive Order that establishes the National Ocean Policy, including the Framework for Effective Coastal and Marine Spatial Planning, offers a guide for promoting conservation, science-based decision making and coordination between federal agencies, states and all ocean users. Wind energy development should be coordinated with state and regional coastal and marine spatial planning efforts and be done in a manner that is consistent with the goals of your historic National Ocean Policy.

- All energy sources, including offshore wind, must be held to high environmental standards, and the permitting of offshore wind facilities should take into account the *benefits* to the environment from the proposed project.
- Federal financial investments to spur offshore wind development should continue to grow until this new technology is mature and well-established.

We stand ready to work with you and your administration to advance offshore wind to help put America on a path to a truly clean energy future. Thank you for your consideration.

Signed,

National and Regional

American Lung Association of New England	GreenFaith
Chesapeake Climate Action Network	Greentrack Strategies
Citizen Partnership for Offshore Wind	Interfaith Power and Light
Citizens Campaign for the Environment	League of Conservation Voters
Clean Power Now	National Audubon Society
Clean Water Action	National Wildlife Federation
Conservation Law Foundation	Natural Resources Defense Council
Conservation Partners	Ocean Conservancy
Delaware Riverkeeper Network	Oceana
Earth Day Network	Safe Climate Campaign
ENE (Environment Northeast)	Sierra Club
Energy Consumer Alliance of New England	Southern Alliance for Clean Energy
Environment America	Southern Energy Network
Environment and Energy Study Institute	Southern Environmental Law Center
Environmental Defense Fund	Surfrider Foundation
Global Warming Education Network	Terra-Scapes Environmental
	Woods Hole Ocean Research Center

Maine

Environment Maine
Maine Interfaith Power and Light
Natural Resources Council of Maine

New Hampshire

Environment New Hampshire

Vermont

Vermont Natural Resources Council

Massachusetts

Boston Climate Action Network
Cape Islands Self-Reliance Corporation
Environment Massachusetts

Environmental League of Massachusetts
 International Brotherhood of Electrical
 Workers, Local 103
 Massachusetts Audubon
 Massachusetts Climate Action Network
 Massachusetts Council of Churches
 Massachusetts League of Environmental
 Voters

Rhode Island

Environment Council of Rhode Island
 Rhode Island Interfaith Power and Light

Connecticut

Connecticut Fund for the Environment
 Environment Connecticut

New York

Alliance for Clean Energy New York
 Environment New York
 Environmental Advocates of New York
 Renewable Energy Long Island

New Jersey

American Jewish Committee of New
 Jersey
 Association of New Jersey
 Environmental Commissions (ANJEC)
 Atlantic County Utilities Authority
 Byram Township Deputy Mayor Scott
 Olson
 Environment New Jersey
 Grandmothers Mothers and More for
 Energy Safety (GRAMMES)
 Musconetcong Mountain Conservancy
 New Jersey Audubon Society
 New Jersey Environmental Federation
 New Jersey Highlands Coalition
 New Jersey Work Environment Council
 NJ Assemblyman John McKeon
 NJ Assemblyman Samuel Thompson
 NJ Assemblyman Upendra Chivukula
 NJ Assemblywoman Connie Wagner
 NJ Assemblywoman Sheila Oliver,
 Speaker of the Assembly

NJ State Senator Barbara Buono, Senate
 Majority Leader
 NJ State Senator Loretta Weinberg
 ResurgInt EcoLogical Sustainability
 Consultants
 Sierra Club, NJ Chapter
 South Branch Watershed Association
 Sustainable Highlands New Jersey
 Upper Raritan Watershed Association

Pennsylvania

Citizens for Pennsylvania's Future
 (PennFuture)
 Pennsylvania Interfaith Power and Light

Delaware

Delaware Nature Society
 Sierra Club Delaware Chapter

Maryland

Assateague Coastal Trust
 Assateague Coastkeeper
 Blue Water Baltimore
 Environment Maryland
 Maryland League of Conservation Voters
 Maryland PIRG
 Maryland-DC Audubon Society
 Midshore Riverkeeper Conservancy
 Patuxent Riverkeeper
 Queen Anne's Conservation Association

Washington, DC

Greater Washington Interfaith Power and
 Light

Virginia

Environment Virginia
 Green Jobs Alliance of Hampton Roads
 Public Policy Virginia, Inc.
 Sierra Club Virginia Chapter
 Virginia Conservation Network

North Carolina

Albemarle Environmental Association
 Cartaret County Cross Roads

Environment North Carolina
 NC State Representative Pricey Harrison
 NC State Representative Rick Glazier
 NC State Representative Susan Fisher
 North Carolina Conservation Network
 North Carolina Interfaith Power and
 Light
 North Carolina League of Conservation
 Voters
 North Carolina Wildlife Federation
 Pamlico-Tar River Foundation
 Surf Rider Outer Banks Chapter

South Carolina

Audubon South Carolina
 South Carolina Wildlife Federation

Tennessee

Tennessee Interfaith Power and Light

Georgia

Center for a Sustainable Coast
 Environment Georgia
 Georgia Interfaith Power and Light
 Georgia Wildlife Federation
 Initiative to Protect Jekyll Island State
 Park
 Tybee Island City Councilman Paul
 Wolff

Florida

Environment Florida
 Florida Conservation Alliance
 Florida Wildlife Federation

Mr. HOLT. Thank you. And just to follow on Mr. Markey's very good comments, this transmission line backbone that would go up the Atlantic Coast, if it is going to carry anything other than coal generated electricity, we are going to have to have more incentive, more support, for developing this enormous attractive resource of wind offshore.

Mr. Markey talked about the loan guarantees that I think are necessary for that, and I realize that is not your department, but we will also need I think to have good confidence building review process for the leasing decisions.

For the "Smart From the Start" initiative, I would like you to explain a little bit more how the lessons learned from onshore renewable energy can help make the offshore development go smoothly, and how the offshore wind leases to be highly conditioned in the

leases, what that really means, and whether that will accelerate the development of this enormous resource.

Mr. BROMWICH. Let me begin the answer this way. We have as I think you know, Congressman Holt, a very relatively small, but incredibly dedicated, staff of people who do our renewables work. Right now it is about 28 people who have a broad range of expertise.

And I can't tell you what they have learned from onshore, but they could tell you what they have learned from onshore, and I am sure that they are applying it to the various work that they are doing right now.

And I know that in devising the "Smart From the Start" Program as it applies to offshore, the Secretary and others in the Department used some of the lessons that they had learned from onshore work.

I think that what has already happened is that the "Smart From the Start" Program has given a booster shot to the program. It has accelerated the pace of things to a remarkable degree.

As you know, we have designated specific areas offshore New Jersey, Maryland, Delaware, and Virginia, and in the case of your State, for example, we have already put out for response a request for interest. That went out at the end of last month.

And we are anticipating a very significant amount of interest, and then it will be our job to shift through those and to figure out to whom the leases should be awarded. So we are in a very different place now, not just in New Jersey, but in all of the wind energy areas that were designated recently, and with a whole new set that will be designated in the near future, to put together and get up and running a robust offshore wind capability that will justify the kind of transmission backbone that Google and its partners are looking to build.

As I said before, we are going to continue to look for ways to improve the efficiency of our process, and to cut back even further on the time that it takes to go through all of the steps. We have already made a substantial advance by—

Mr. HOLT. So let me ask you that anywhere along the East Coast will there—well, how soon do you estimate will there be wind turbine offshore generation? And I am talking about kind of the 10 to 30 mile offshore region? When will we see it?

Mr. BROMWICH. I don't know. So much of it depends on the pace of construction of these facilities, and what happens the construction is in operation, and plans have been filed, as it has been for Cape Wind, and then what other obstacles may be in the way.

And in the case of Cape Wind, there is very little left for us to there. There is a review of birds, and bats, and our monitoring program needs to be submitted. There are then various plans that need to be submitted, but they don't need our approval. We have to object within a certain period of time if we object.

So that, if they get the financing, is going forward. It is harder to predict, and it is more speculative for me to predict how things will go off Delaware, off New Jersey, off Maryland, and off Virginia.

I think that I share your hope that it will be soon, but how soon, I really can't say without any degree of certainty.

Mr. HOLT. Thank you, Mr. Chairman.

Chairman LAMBORN. Thank you. The Gentleman from California, Mr. Costa. And I am letting him go next with the agreement of Mr. Markey, because he didn't have a chance to speak in the first round. Thank you.

Mr. COSTA. I appreciate it, Mr. Chairman, and my colleagues as well. This is a very important hearing, I think, of the Subcommittee today because for those of us who do want to build a renewable robust portfolio, and trying to find out what these roadblocks have been for both solar and wind.

And even in States like California that have approximately 20 percent of our energy from renewable sources, and with the goal to expand that to 30 percent over the course of the next 10 years, these challenges I think are critical.

Mr. ABBEY, I would like to talk to you because we have had this conversation before. There is an effort that the Bureau of Land Management has done with the renewable electricity standards that have been implemented in 29 States, and especially in the Southwest, with a number of areas where there is great potential for solar energy utilization; i.e., California, Nevada, New Mexico, Arizona.

And you have been dealing with these programmatic EISs to do this. You have had—I can't speak for the other States, but I certainly know in the desert of Southern California that a very, I thought, good effort, collaboration between the State and local agencies.

But yet as we all know, and I am reading it in our analysis, some of the obligations are roadblocks to solar and wind, to include financing demand, and project siting and litigation.

I would submit to you and Members of the Subcommittee that it is siting and litigation that seems to be the primary obstacles in the case of Southern California. Where are we on that, Director ABBEY, and where are we in the opportunity to produce the final programmatic environmental impact statement that would allow those solar projects to go forward?

Mr. ABBEY. Well, thanks for your question, Congressman Costa. The programmatic environmental impact statement assessed the environmental, and social, and economic impacts associated with solar energy development on public lands, and as you stated, in Arizona, California, Colorado, Nevada, New Mexico, and Utah.

We extended the public comment period twice so that we could benefit from the input that we would receive from the public, from the industry, and other regulatory agencies that worked for the State and even local governments.

That public comment period has closed, and we are assessing those comments at this point in time, and we anticipate moving forward as aggressively as possible, and responding to those comments, and producing a final environmental impact statement based upon the information that has been provided to us hopefully this year, or early next year.

Mr. COSTA. So you are looking at doing it before the end of this year hopefully?

Mr. ABBEY. The schedule was such that we were targeting this calendar year, and it may be in the next year based upon the sub-

stantial comments that we have received regarding the draft document.

Mr. COSTA. Are you committed to adopting solutions that have been recommended by the California Desert Renewable Energy Working Group in the near future?

Mr. ABBEY. We have taken that into consideration. Let me just say one thing along those lines. We have a great working relationship with the State of California, and because of that working relationship, and because of the State renewable energy portfolio standards that is in place, we understand the important role that California plays as far as helping us diversify our Nation's energy portfolio.

Mr. COSTA. I mean, if we can't locate solar energy development in that part of the State, god help us. I don't know that we can site it anywhere.

Mr. ABBEY. Well, I am pretty confident that we will move forward with projects that have been proposed, and at least of those projects. Litigation is something that we are—

Mr. COSTA. Is there anything that Congress should consider to remove barriers for agencies to try to implement these solutions?

Mr. ABBEY. Congressman, I am not that we need a Congressional engagement or involvement at this point in time. Certainly oversight is helpful, but nonetheless, we have all the authorities that we need to go out and do the job that we have been tasked to do.

Mr. COSTA. But I suspect that you are as frustrated as I am, and some of the others. The Bureau of Land Management has spent considerable time and effort now through two Administrations trying to take advantage of what is a tremendous potential in those States that you enumerated, where there is a lot of solar energy potential.

There are literally thousands of megawatts that could be developed, and it just—I mean, are there any other impediments that are keeping us from getting there?

Mr. ABBEY. I do not believe there is. Again, the chief—

Mr. COSTA. How about the connection of the transmission and the moving of that power to where it can be used?

Mr. ABBEY. The transmission continues to be a challenge, but again I don't believe that any additional authorities are necessary. The challenge that we have with transmission is that it crosses numerous jurisdictional boundaries, and there are an awful lot of people that are involved in approving the transmission through corridors and lines.

Mr. COSTA. Well, thank you, Mr. Chairman. My time has expired, but we need to continue to work on this. This seems to be one of those areas where there is strong bipartisan agreement, and clearly we can do better, I think, and I will look forward to you making those timelines at the end of this year or early next year.

Mr. ABBEY. I look forward to working with you to do that.

Chairman LAMBORN. And I want to thank the Gentleman from California who was the Chairman of this Subcommittee for the previous four years, and knows many of these issues very well. We are going to conclude now unless someone shows up at the last second. The Chair recognizes Representative Bishop from Utah.

Mr. BISHOP. Thank you, Mr. Chairman, and I appreciate what the Gentleman from California was asking, because transmission is a key element to whether we have any kind of alternative energies. You have to get it from one place to another.

So let me follow up if I could on the track in which he was going, because this could be a major impediment to that power. So, Mr. Abbey, how many transmission projects have been fully permitted on Federal land in, say, the last three years?

Mr. ABBEY. Congressman Bishop, I would have to provide you with the specific data for that request, but I will say this. That since 2009, BLM has permitted 500 miles of transmission lines across Nevada, Idaho, and California.

Mr. BISHOP. And you did not have Utah in there. Come on.

Mr. ABBEY. Well, actually, we are dedicating a transmission line in Utah, I think, next week.

Mr. BISHOP. Oh, good, because that is the last question that I have here.

Mr. COSTA. Could you name it after the Congressman?

Mr. BISHOP. No. Just don't use the word memorial in there. Do you have an idea of how many transmission projects that are currently in the pipeline with the Interior Department?

Mr. ABBEY. The answer that was just given to me is around 35.

Mr. BISHOP. OK. And I was going to ask if there were delays, but obviously like the Gateway West, the EIS for Gateway West in Utah has been delayed for 22 months. Why was there a delay in that?

Mr. ABBEY. Again, there are challenges as far as identifying a corridor that is acceptable to everyone that is engaged and involved in that review process.

Mr. BISHOP. OK. Well, that is a good point, because obviously in developing these EISs requires multiple agencies to become involved in them unfortunately. So is the policy that you require a consensus, or a majority rule on the issuing where there are various opinions that may be in conflict from these multiple specialists from these multiple offices? How do you determine whether you go forward or not?

Mr. ABBEY. Well, again, it goes back to our "Smart From the Start" concept, where we try to engage and involve everybody early in the process, versus going forward with the analysis and coming up with a decision that there is little support for. So as we look to—

Mr. BISHOP. So, could one office stop the entire work?

Mr. ABBEY. No, they could not. They could certainly object to the analysis, or object to the decision, and then we would work through the processes to try to resolve those differences.

Mr. BISHOP. Has it ever been attempted to have like a team of experts congregate just in one office so they can represent all of it, and it can all be done in a timely manner?

Mr. ABBEY. Well, we routinely get together and coordinate our actions. Whether or not we need to all be in one office to do that on a routine basis, I am not sure that it requires that, but communication is a key all along that process.

Mr. BISHOP. Well, that may be one of the things that we should talk about in the future sometime in trying to consolidate that par-

ticular process. I would ask you the specific that is very parochial to me, and that is that segment to Red Butte portion of the energy gateway, and I am hoping, but is the Interior prepared to deliver that?

I understand that the EIS is supposed to be published on May 27. Of course, if the world ends on May 21, it is a moot issue, but are you prepared to move forward with that one?

Mr. ABBEY. We are prepared to move forward. I am not sure within the time frame that you just identified, but we have done a lot of work to get to where we need to be as far as releasing that document.

Mr. BISHOP. I appreciate that, and I think that one of the things that people have talked about here before as I was listening before I came down here, we have made statements both from the Administration and from Congress about our need to invest in and integrate renewable energy sources, and sometimes there is an incongruity with that statement; the development with the resources, and especially the critical transmission infrastructure that we need to move that particular energy.

I think that I have about a minute-and-a-half left there. If, for example, you all don't change your wildlands, and you do something wrong, and don't change your wildlands proposal, and we do something wrong, and don't actually cut the funding. Let's say we do something right and cut the funding to that.

Since it is not in a—and the line item for it is part of the overall budget, but would any kind of change in that funding provide a delay in projects like these from getting their permits established?

Mr. ABBEY. I am not sure that there would be delay. It would certainly be a factor in us reviewing the proposals that would be before us, and take that information into account from the inventories that would have been performed to identify lands with renewable energy characteristics.

At the end of the day, it is one factor of many that we would consider, and then as we go forward, make a decision to best serve the public.

Mr. BISHOP. And that one factor is a key in keeping this Committee going. I don't have any other questions, but I really feel somewhat naked up here if I am not asking you to release some documents to me. I don't have any that I really want, but can you give me something just for the fun of it?

Mr. ABBEY. I will give you my written notes here if you would like them.

Mr. BISHOP. All right. Thank you. Thank you, Mr. Abbey. Thank you, Mr. Chair.

Chairman LAMBORN. OK. And thank you, and I want to thank the two witnesses, both Directors, for their testimony. Members of the Committee may have additional questions for the record, and I would ask that you would respond to these in writing should they be submitted.

If there is no further business, without objection, the Committee will be adjourned.

[Whereupon, at 12:55 p.m., the Committee was adjourned.]

[Additional material submitted for the record follows:]

**Response to questions submitted for the record by Robert Abbey, Director,
Bureau of Land Management, U.S. Department of the Interior**

Congressman Rob Bishop (UT)

1. You mentioned during the May 13 hearing that the Gateway West environmental impact statement is being delayed due to “challenges to identifying acceptable corridors to those engaged in the review process.”

a. Can you be more specific as to the nature of those challenges?

Answer: With a proposed route of over 1,100 miles, the Gateway West Transmission Line Project is the longest, and perhaps the most complex, interstate high voltage transmission line project currently under consideration in the United States. Over 2,000 miles of alternative routes are analyzed in detail in the Draft Environmental Impact Statement (DEIS). The project has a wide range of cooperating agencies, including Federal, state and local governments. Some of the siting challenges addressed in the DEIS include: location of the line on both Federal and private land, and use of designated corridors, such as the West Wide Energy Corridor; avoiding impacts to Sage Grouse and other sensitive species habitat; avoiding designated areas and existing infrastructure; and conformance with existing land use plans.

b. Have those challenges been resolved? If not, why not?

Answer: The BLM, working with cooperating agencies, developed a broad range of alternatives designed to address siting issues. BLM has addressed some of these challenges for instance, by locating some segments of the proposed line in areas where most, if not all, resource conflicts are avoided; for these segments, no alternative routes were analyzed in the DEIS. There remain project segments where a consensus opinion on an acceptable route does not currently exist. However, BLM continues to engage with cooperative agencies to try to resolve these remaining issues.

c. Are those challenges within the U.S. Department of the Interior or other federal agencies?

Answer: Federal Cooperating Agencies on the Gateway West Project include the U.S. Forest Service, U.S. Fish and Wildlife Service, Bureau of Indian Affairs, National Park Service, and the Army Corps of Engineers. Although not all regulatory issues are resolved at this time, the BLM has a very good working relationship with these agencies and we expect resolution before the Record of Decision is issued.

d. What is being done to resolve these issues and move this project through the process?

Answer: After the close of the Public Scoping Period in July 2008, the BLM allowed additional time in response to public input and for state and local governments to develop alternative route proposals. The BLM worked with these stakeholders to avoid “fatal routing flaws” from a public land perspective. These alternatives are fully considered in the DEIS. The project management team continues to work with cooperating agencies to address issues and provide as complete an impact analysis as current information and science allow.

To address sage grouse and cultural resource issues, the BLM has formed focus groups consisting of cooperating agencies, interested parties, and the applicants. For sage grouse, the BLM developed an “Analysis Framework for Interstate Transmission Lines.” The focus group is working through the four components of analysis in this first-time application of the Framework. The approach is endorsed by the BLM, U.S. Fish and Wildlife Service, and the Idaho and Wyoming State Game Agencies. For cultural resources, a focus group is preparing a Programmatic Agreement (PA) required by Section 106 of the National Historic Preservation Act. The focus group was endorsed by the interested parties affected by the project and should lead to a broader acceptance of the PA among the interested parties.

2. What is your expectation of how long a project of this scale should take to complete the NEPA process?

Answer: Depending on the length and complexity of a transmission project, four to five years for the NEPA process should be expected.

3. Are there similar challenges for the Sigurd-to-Red Butte segment of the Energy Gateway transmission project? If so, what is being done to address those in a timely manner?

Answer: The BLM is working closely with 13 Cooperating Agencies (Federal agencies and local governments) to identify the optimum routing alternatives for the Sigurd to Red Butte Project. Although this project does not have significant sage

grouse concerns, and plan amendments are not needed to address visual constraints on public land, there are other and different challenges associated with this project. For example, there are cultural and cultural-visual concerns and inventoried roadless area constraints as the southern portion of the route crosses the Dixie National Forest.

4. What is your expectation of when the draft environmental impact statement will be issued for the Sigurd-to-Red Butte segment?

Answer: The Draft EIS was mailed to the public on May 27, 2011, and is available online at: http://www.blm.gov/ut/st/en/fo/cedar_city/planning/deis_documents.html. The public comment period began on June 3 and ended on July 18, 2011. We anticipate a decision on the project in the fall of 2012.

Congressman Raúl Grijalva (AZ)

1a. Before permitting a project, I think we can all agree that everyone involved would like to have certainty that a project is not going to experience any delays from litigation. Certainty is good for industry, energy investors, endangered species, irreplaceable historic and cultural resources, Native American tribes and land managers. However, in the Solar Energy Development Draft Programmatic Environmental Impact Statement (PEIS) there are at least 20 out of 24 proposed SEZs have had less than a 5% survey for cultural resources. In the PEIS, the BLM states that in-depth analyses have already been performed for the SEZs, or would be for future SEZs. If <5% surveys are generally the best the BLM can do for identifying cultural resources in "solar energy zones," can you please share with the Committee how the BLM plans to adequately assess potential impacts to historic properties under both NEPA and Section 106 of the National Historic Preservation Act, thereby providing certainty for preservationists as well as other interested parties?

Answer: in accordance with the requirements of Section 106 of the National Historic Preservation Act (NHPA), the BLM is coordinating with and soliciting input from the State Historic Preservation Offices (SHPOs) in each of the six states in the study area and from the Advisory Council on Historic Preservation. In addition, the National Council of SHPOs, the National Trust for Historic Preservation, and Tribal governments have been invited to consult on the Programmatic Environmental Impact Statement (PEIS) and the preparation of a National Programmatic Agreement (PA) regarding solar energy development. The PA will provide for a phased consultation process related to historic, traditional, and cultural resources for the PEIS and subsequent activities that could tier to the PEIS Record of Decision. Details regarding the consultation process are presented in Chapter 14 of the Draft Solar PEIS. Additional information, including copies of correspondence with Tribes, is included in Appendix K. of the Draft Solar PEIS.

1b. When the BLM creates new SEZs, will the BLM instate minimum cultural resources survey thresholds before offering any new SEZs like a 20% survey standard for example?

Answer: The BLM is currently reviewing comments (comment period ended May 2, 2011) on the Draft Solar PEIS. Many commenters asked that the BLM augment its data collection for various resources by conducting on-the-ground surveys prior to making final decisions about solar energy zones (SEZ). Such comments identified the need for conducting targeted Class II cultural resource inventories, among others. We agree that identifying baseline cultural resource data through a standard sampling regime would be useful in assessing the potential adverse affect on historic properties, and we are considering various options in terms of time and cost. We also note that each solar energy development project will require additional review and consultation once a specific plan of development is prepared and presented to the BLM.

Congresswoman Grace Napolitano (CA)

- 1. The BLM and DOE draft Programmatic Environmental Impact Statement for the Development of Solar Projects in Six Western United States purports to reduce the permitting time for projects. My understanding is that the BLM must still conduct an environmental review for each project because the PEIS does not get into site specific and project specific environmental impacts. Please provide a schedule showing exactly how much time the PEIS will save, and why, over the normal time for the BLM to process an application for a solar project or a transmission line project needed to delivery energy from a solar project?**

Answer: The Programmatic Environmental Impact Statement (PEIS) will help the BLM establish a framework for siting solar energy development projects and identify and prioritize locations on public lands best suited for solar energy development (i.e., those identified through a comprehensive environmental analysis as containing the highest solar energy potential and the fewest environmental and resource conflicts). Once completed, the PEIS will provide environmental analysis to which future projects may tier under the National Environmental Policy Act (NEPA). It would be difficult to ascertain how much time the PEIS would save because each project is unique. However, by tiering to the Solar PEIS' analysis, future environmental reviews may be expedited by focusing on a narrower range of alternatives and by avoiding redundancy by concentrating only on issues not already analyzed.

- 2. The BLM, U.S. Fish and Wildlife Service have entered into a Memorandum of Understanding with various California agencies to create a Renewable Energy Policy Group to facilitate the permitting of renewable energy projects. Related to that effort, BLM and other federal, state, and focal agencies, along with industry, environmental organizations, and the public are involved in the development of the Desert Renewable Energy Conservation Plan (DRECP) that is intended to facilitate renewable energy project review and approval and provide long-term endangered species permit assurances. One of the products will identify and map areas for renewable energy project development. How is (he PEIS for Solar Development taking into account the work of the DRECP?**

Answer: A number of regional and state initiatives, including the California Desert Renewable Energy Conservation Plan (DRECP), have been started in the six-state study area evaluated in the Solar PEIS.

Appendix D of the Solar PEIS provides an overview of the regional and state initiatives that specifically address renewable energy development in the six-state study area. It also includes maps depicting how these efforts relate to the lands proposed by the BLM as being available for solar energy development or proposed as SEZs.

Specifically, the DRECP is intended to advance state and federal natural resource conservation goals in the Mojave and Colorado desert regions of southern California, while also facilitating the timely and streamlined permitting of renewable energy projects. The DRECP will include a strategy that identifies and maps areas for renewable energy development and areas for long term natural resource conservation. The DRECP was initiated after the BLM began its evaluation of the six-state study area for the Solar PEIS, is currently collecting additional data, and is not expected to be completed until after the Solar PEIS Record of Decision has been issued. Because both efforts may result in amendments to the California Desert Conservation Area (CDCA) plan, there has been and will continue to be close coordination between the two efforts. The outcome of the DRECP is anticipated to result in additional refinements to the decisions expected to be made on the basis of the Solar PEIS, including any lands prioritized for renewable energy development and any lands excluded from renewable energy development in the CDCA.

3. **The BLM seems to be moving towards more of a business-like relationship with renewable energy developers on public lands. The renewable energy industry is supportive and like their private lands projects, the BLM is a business partner in the development process. Does the BLM acknowledge that in a business transaction there is a significant amount of risk assumed by both parties and all contracts and agreements should be drafted to address these risks? Industry is concerned about the outdated, template forms that the BLM requires developers to sign without any opportunity to suggest changes. These documents include cost recovery agreements, memorandums of understanding, and right of way grants. Industry is running into significant problems obtaining financing because of poorly drafted or unclear language in these documents. Would the BLM consider a process where a developer would have an opportunity to provide comment (a redline draft) of an agreement which would then be reviewed by an Interior Department Solicitor for consistency with federal regulations? The types of changes that industry is seeking are replacing references to outdated policy and regulations, ensuring relationships with third party consultants and cooperating agencies are clearly spelled out, and terms and conditions of the agreements are clearly defined.**

Answer: There are a variety of different BLM documents and agreements associated with the processing of wind and solar rights-of-way on the public lands. Some of these documents are standard template documents that need to be retained for consistency purposes. These types of documents include the standard terms of the right-of-way grant and the template for cost recovery agreements.

There are other documents, including the stipulations attached to a right-of-way grant, which are developed through the NEPA process and should be clear and understandable. Applicants or project proponents should have an opportunity to review these stipulations to make sure they are clear and understandable, and it is appropriate for individual companies to work with the local BLM office to ensure these stipulations are clear and understandable. However, the BLM authorized officer retains the authority to accept or reject any suggested revisions to these documents.

4. **The Wind Industry understands that the federal government must propose new policies to keep up with the ever-changing public interests and impact concerns. They were pleased when the BLM's PEIS for wind was being developed that industry representatives were allowed to provide input and the policies were created through a public process, taking into consideration the concerns of a variety of stakeholders. However, more recently, several new policies (IMs) have come out which have a great impact on renewable energy development, and industry is not allowed any input during the development of these policies. Why has the BLM recently chosen to adopt policies unilaterally without any consultation with the parties most affected by these policies, especially in light of the strong track record of collaboration on past policies such as the wind PEIS and related IMs? The renewable energy industry sees the BLM as a partner in the development process and would appreciate if the BLM would consider soliciting opinions of industry experts before releasing policy which is often met with contention. Would the BLM consider appointing a panel of expert industry representatives to review proposed policy to help the BLM draft the most appropriate and productive policies to meet their goals, while continuing to encourage renewable energy development on public lands, as has been stated time and again as a priority for the federal government?**

Answer: The BLM has a strong history of collaborating with industry and will continue to maintain that working relationship. While our Instruction Memoranda generally deal with the orderly administration of public lands and generally do not have a public comment period, the BLM is always interested in hearing from our industry partners as well as other stakeholders and the public in general about impacts to them.

5. **One of the biggest problems with NEPA is the duplication of responsibility among resource agencies (e.g., BLM Sensitive Species List and USFWS Candidate, Threatened and Endangered Species List). This fragmentation and duplication adds greatly to the problem of coordination of NEPA with other laws and with conflicting agency missions. Under most current practices, a project often proceeds under NEPA in a 'best public fit scenario,' only to be substantially delayed by interpretation of policy memorandums and guidance documents, and exceptionally broad interpretations of permitting and analysis requirements. How does the BLM plan to use the RECO offices and staff to effectively minimize this type of duplication?**

Answer: The objective of RECO offices is to facilitate the expeditious processing of applications for renewable energy projects on the public lands. However, the close collaboration with other agencies does not mean that the BLM can abdicate its responsibility to comply with federal laws and regulations, even if those laws appear duplicative of other agencies' laws and mandates. We will continue, however, to minimize and streamline our procedures with other agencies to the greatest extent possible.

