Secretary Jewell Announces Competitive Leasing Policy to Encourage Solar and Wind Energy Development on Public Lands, Create Greater Certainty for Developers

Proposed rule to spur renewable energy in the West, ensure fair return to American taxpayers

WASHINGTON, D.C. – As part of President Obama’s comprehensive Climate Action Plan to create American jobs, develop domestic clean energy resources and cut carbon pollution, Secretary of the Interior Sally Jewell today announced a new competitive leasing process by the Bureau of Land Management (BLM) to help spur solar and wind energy development on public lands in the West.

“This competitive process will encourage access to leasing opportunities for renewable energy projects, create greater certainty for developers and provide a fair market return to American taxpayers for the use of public lands,” said Secretary Jewell. “The competitive proposal will help move the United States toward a cleaner environment – cutting carbon pollution and creating American jobs, while supplying communities with reliable and affordable power.”

The announcement builds upon Tuesday’s release of an innovative, landscape-level blueprint for renewable energy and conservation, covering more than 22 million acres in the California desert. The draft Desert Renewable Energy Conservation Plan will protect areas important for wildlife, recreation, cultural heritage and other uses while streamlining permitting in areas appropriate for siting of solar, wind and geothermal energy projects and associated transmission.

“Public lands offer some of the best opportunities for renewable energy development across the West,” said BLM Director Neil Kornze. “The draft rule is an important step toward having clear and fair rules for how to move energy development forward. This effort will complement critical programs like the Western Solar Plan, the Desert Renewable Energy Conservation Plan and the President’s Climate Action Plan.”

The proposed regulations would promote the use of “designated leasing areas” that include the Bureau of Land Management’s Solar Energy Zones (SEZs). The rule would establish
competitive processes, terms and conditions (including rental and bonding requirements) for solar and wind energy development right-of-ways (ROWs) both inside and outside the designated leasing areas and provides incentives for leases in designated leasing areas. Existing regulations limit the competitive process to situations involving overlapping ROW applications.

“By offering incentives to promote the use of preferred areas with the least potential resource conflicts, the initiative will enable us to better manage solar and wind energy development on public lands using a landscape level approach, improving efficiency for developers and reassurance that lands not suitable for development will be protected,” added Assistant Secretary for Land and Minerals Management Janice Schneider.

The BLM’s action strengthens the Western Solar Energy Plan, an initiative to expand utility-scale solar energy production on public lands in Arizona, California, Colorado, Nevada, New Mexico and Utah by establishing SEZs with access to existing or planned transmission, incentives for development in those zones and a process for considering additional SEZs and solar projects. There are currently 19 designated SEZs covering more than 298,000 acres of BLM-managed land. If fully developed, projects in the designated leasing areas could produce as much as 27 gigawatts of solar energy -- enough to power about 8 million homes.

Earlier this year, the BLM held a competitive auction for renewable energy development in the Dry Lake Solar Energy Zone in Nevada under existing regulations. The July 30 auction, which generated over $5.8 million in high bids, selected preferred applicants to develop utility-scale solar energy projects on six parcels across 3,000 acres in Clark County.

The President’s Climate Action Plan outlines a wide array of actions his administration is taking using existing authorities to reduce carbon pollution, increase energy efficiency, expand renewable and other low-carbon energy sources and strengthen resilience to extreme weather and other climate impacts. As part of the plan, announced in June 2013, the president directed the Interior Department to approve at least 20,000 megawatts of renewable energy capacity on the public lands by 2020. Interior had already approved more than 10,000 megawatts of solar, wind and geothermal energy projects on public lands between 2009 and 2013.

Interior has permitted 52 utility-scale renewable energy projects since 2009 as part of a Department-wide effort to advance smart development of renewable energy on our nation’s public lands. Together, the wind, solar and geothermal projects could support more than 20,000 construction and operations jobs and generate over 14,000 megawatts of power to communities across the West, or enough to power nearly 4.8 million homes.

The Federal Land Policy and Management Act of 1976 requires the BLM to manage and conserve the public lands for the use and enjoyment of present and future generations. Under that mandate, BLM administers public lands for multiple uses, balancing the development of renewable and nonrenewable resources; conservation and sustained yield, managing the use of resources to ensure the future productivity of the land; and environmental stewardship, ensuring the protection of signature landscapes, wildlife habitats and cultural resources.

The Federal Register publication kicks off a 60-day comment period that closes on December 1, 2014.