Statement for the Record
Bureau of Land Management
Department of the Interior

Senate Committee on Energy and Natural Resources

S. 562, Geothermal Exploration Opportunities Act
S. 822, Geothermal Production Expansion Act
S. 1057, Geothermal Energy Opportunities Act
S. 1226, American Helium Production Act
S. 1236, Hydropower Improvement Act
S. 1271, Fuel Loss Abatement and Royalty Enhancement Act

May 19, 2015

Introduction

The following is the Bureau of Land Management's (BLM) Statement for the Record on six bills pertaining to energy supply from our nation's onshore public lands: S. 562, the Geothermal Exploration Opportunities Act; S. 822, the Geothermal Production Expansion Act; S. 1057, the Geothermal Energy Opportunities Act; S. 1226, the American Helium Production Act; S. 1236, the Hydropower Improvement Act; and S. 1271, the Fuel Loss Abatement and Royalty Enhancement Act.

This is the second hearing the Committee has convened, with very short notice, in the last two weeks that will address a large number of significant bills. As a consequence, and given the breadth of subject matter contained in the text of the bills, the Administration has not had adequate time to conduct an in-depth analysis and receive input from the many agencies impacted, and the Department has not had sufficient time to develop the detailed, thorough testimony that is appropriate for a hearing on these matters. The following statement represents an initial review and analysis given the time constraints; however the Administration may identify additional concerns with the legislation.

Background

The BLM is responsible for protecting the resources and managing the uses of our nation's onshore public lands, which are located primarily in 12 western states, including Alaska. The BLM administers more land – over 245 million surface acres – than any other Federal agency. The BLM also manages approximately 700 million acres of onshore Federal mineral estate throughout the nation, including subsurface estate overlain by properties managed by other Federal agencies such as the Department of Defense and the U.S. Forest Service (USFS). That's more than 10 percent of the Nation's surface and nearly a third of its minerals.

The BLM manages this vast portfolio on behalf of the American people under the dual framework of multiple use and sustained yield. This means the BLM administers public lands for a broad range of uses, including renewable and conventional energy development, livestock grazing, timber production, hunting, fishing, recreation, and conservation. We manage lands with some of the most significant energy development in the world and some of North America's

most wild and sacred landscapes. This unique role often puts the BLM in the middle of some of the most challenging natural resource issues facing our country, from species conservation to advancements in energy extraction. Across the country, we do this work proudly and with a special emphasis on transparency and public processes that incorporate the input and needs of the American people and of the communities in which we live and work.

As part of our mission and in accordance with the President's all-of-the-above energy strategy, the BLM is pursuing science-based, environmentally responsible development of both renewable and conventional energy resources on the nation's public lands. The BLM's activities provide critical infrastructure and energy for our nation which reduces our reliance on oil imports, by boosting our domestic energy production, while also protecting our public land and water resources, and providing important recreational opportunities that benefit local economies.

The BLM's contribution to the national energy portfolio provides a critical benefit to the U.S. economy. The Department collects billions of dollars annually for the Federal Treasury through mineral lease sale bonus bids, rents, and royalties for mineral extraction and other activities, and shares these revenues each year with states, tribes, counties, and other entities. In many states, energy production and other activities are a critical component of the local economy. For example, in fiscal year 2014, onshore Federal oil and gas royalties exceeded $3 billion, approximately half of which were paid directly to the states in which the development occurred. In the same period, tribal oil and gas royalties exceeded $1 billion with all of those revenues paid to the tribes and/or individual Indian owners of the land on which the development occurred.

Federal lands continue to boost domestic energy production in a variety of areas. The BLM works diligently to fulfill its role in securing America's energy future, coordinating closely with partners across the country to ensure that development of conventional and renewable resources occurs in the right places and that those projects are managed safely and responsibly. Secretary Jewell's 2014 mitigation strategy supports this goal by outlining key principles and actions to more effectively offset impacts of large energy development projects on public lands through the use of landscape-level planning. Advancing both development and conservation, the strategy provides greater certainty for project developers with regards to permitting and better outcomes for conservation through more effective and efficient project planning.

Conventional Energy – Secretary Jewell has made it clear that as we expand and diversify our nation's energy portfolio, the development of conventional energy resources from BLM-managed lands will continue to play a critical role in meeting our energy needs and fueling our economy. Facilitating the safe and efficient development of these resources is one of the BLM's many responsibilities and part of the Administration's broad energy strategy, outlined in the President's *Blueprint for a Secure Energy Future*. Environmentally responsible development of these resources will improve economic conditions by increasing supplies for consumers and reduce our nation's reliance on oil, while also protecting our federal lands and the environment. As part of this effort, the Department is working with various agencies in support of Executive Order 13604 to improve the performance of Federal permitting and review of infrastructure projects by increasing transparency and predictability of infrastructure permitting and reviews.

In recent years, the BLM has overseen a significant increase in oil production, while also supporting continued natural gas production. Oil production from the Federal and Indian lands for which the BLM has permitting and oversight responsibility rose twelve percent in 2014 from the previous year and is now up 81 percent since 2008 – 113 million barrels per year in 2008 to 205 million barrels per year today. By comparison, nationwide oil production over the same period increased 73 percent. The BLM is proud to be a leader in this area and of its efforts to make public lands available for oil and gas development in excess of industry demand.

Oil & Gas Pipelines – Oil and gas production is outpacing pipeline capacity and creating bottlenecks in some areas, putting a strain on existing infrastructure. The BLM is doing its part to expand the nation's pipeline infrastructure and increase the capacity available for the transport of energy resources when and where they are needed. As authorized by Section 28 of the Mineral Leasing Act (MLA), the BLM issues right-of-way (ROW) grants for oil and natural gas gathering, distribution, and transmission pipelines and related facilities. The BLM may grant MLA ROWs on any public lands, or on lands which are administered by two or more Federal agencies, except land in the National Park System and land held in trust for Indian tribes. A designated corridor is a preferred location for the placement of ROWs and the BLM actively encourages use of designated ROW corridors to streamline the authorization process. This work minimizes the proliferation of separate ROWs and promotes sharing of ROWs to the greatest extent possible, while simultaneously considering engineering and technological compatibility, national security, and land use planning. Use of existing corridors and sharing of existing ROWs for pipelines protects the quality of natural resources and prevents unnecessary environmental damage to lands and resources.

Since 2009, the BLM has participated in the approval of nine major pipeline expansion projects totaling nearly 2,000 miles of new oil and gas pipeline with nearly 1,050 of those miles crossing Federal lands. In the next 18 months, the BLM is expected to complete review and disposition of four more major pipeline projects totaling approximately 1,000 additional miles with approximately 450 of those miles across Federal lands. Work on these major oil and gas pipeline projects is in addition to the thousands of miles of smaller pipeline projects that are approved every year to transport oil and gas from production sites to the larger gathering and transportation facilities.

Renewable Energy – In the past six years, the BLM has worked to facilitate a clean energy revolution on public lands, approving scores of utility-scale renewable energy generation and transmission projects. This includes 32 utility-scale solar facilities, 11 wind farms, and 12 geothermal plants, with associated transmission corridors and infrastructure to connect with established power grids. If fully built, these projects will provide more than 14,000 megawatts of power, or enough electricity to power about 4.8 million homes, and provide over 20,000 construction and operations jobs. The BLM continues to actively facilitate and support solar, wind, and geothermal energy development on BLM lands.

In 2014, the BLM proposed a rule for competitive leasing in order to promote additional renewable energy development at appropriate sites in areas that have been determined optimal for wind and solar energy production. Offering lands through a competitive leasing process will allow the BLM to plan smarter by targeting future development toward low-conflict lands close

to existing or planned transmission capability. Increased production of renewable energy will create jobs, provide clean energy, and enhance U.S. energy security by adding to the domestic energy supply. The President has established an aggressive goal to increase permitting of new renewable electricity generation capacity on public lands to 20,000 megawatts by 2020.

Transmission Infrastructure – The BLM performs a key role in efforts to strengthen the nation's electric transmission grid. The BLM currently carries the largest portfolio of transmission projects among the nine Federal agencies involved in the interagency Rapid Response Team for Transmission (RRTT). It serves as the lead agency for four of the original seven major RRTT transmission projects. Since January 2009, the BLM has approved 90 major transmission projects (100 kV and larger), totaling over 2,300 miles, 1,600 miles of which cross through BLM lands in 10 western states. From 2012 to 2013 alone, the BLM approved permits which will enable construction of nearly 1,000 miles of transmission lines across Federal lands in seven states. Of 21 currently pending major transmission projects in various stages of environmental review, the BLM is the lead Federal agency for 18. The pending projects total approximately 3,811 miles, with approximately 1,311 miles crossing BLM-managed land. The BLM has undertaken efforts to ensure that the Bureau is poised to successfully fill its role as a leader among Federal agencies in the build-out and upgrade of the nation's electrical grid.

Helium – The BLM has processes in place to analyze and approve applications for helium production on Federal lands – both in combination with natural gas production processes and for drilling proposals focused exclusively on helium production. Helium commonly exists as a minor component of most natural gas plays. When natural gas is produced, it is typically transported by pipeline to a processing plant where it is separated into marketable components, which could include helium if it is a viable option. Because the helium on Federal lands is reserved to the United States, natural gas lessees can enter into additional contracts with the BLM to provide for the processing and sale of the helium. This type of arrangement occurs near Kemmerer, Wyoming, where helium produced from Federal lands partially supplies an ExxonMobil helium refinery.

Similar contracts can also be used to enable the recovery of helium as a primary gas in combination with Applications for Permit to Drill (APDs). This method is feasible where the gas composition in a reservoir consists of a low Btu gas with relatively high helium concentrations. For example, the BLM approved an APD in 2013 for a 1,100-foot exploratory well in the Harley Dome gas field in eastern Utah and an associated right-of-way to transport the produced gas via a surface pipeline to a new gas processing plant. Here, the proponent has constructed a four-inch, 7,183-foot pipeline to a small plant where the helium is removed from the gas stream and compressed for truck transport. The well is located five miles west of the Utah-Colorado border on Federal lands in northern Grand County and the helium extraction plant is located 1.4 miles from the well on private property.

During fiscal year 2014, the Department of the Interior collected almost $15 million in revenues from the sale of helium produced from Federal mineral estate. While the long-term potential for such production remains unclear, the BLM has noticed a recent increase in expressions of interest for helium production on Federal lands. The BLM looks forward to working with

interested parties on helium production contracts that will help meet the helium needs of the country.

S. 562, the Geothermal Exploration Opportunities Act

S. 562 amends the Geothermal Steam Act of 1970 and identifies a number of categorically excluded activities under the National Environmental Policy Act (NEPA), including both geothermal exploration and geothermal resource testing activities. In addition, the bill provides for the use of the Department's extraordinary circumstances provisions – in circumstances when NEPA review would still be warranted. S. 562 would only apply to those geothermal exploration or test activities on leased lands where the leaseholder has the right to the testing of leased geothermal resources. The bill also includes notice and review timeframes for the categorically excluded activities.

Under the bill, the leaseholder would be required to provide notice to the BLM 30 days before the date of the proposed drilling activity, and the BLM would be required to review the proposed activity not later than 10 days after receipt of the notice. The leaseholder also would be provided with an opportunity to remedy any deficiencies in the notice to still qualify for the categorical exclusion under the bill.

Analysis

NEPA review is an important component of responsible development, and the Department opposes the routine use of categorical exclusions for geothermal exploration and geothermal resource testing activities as proposed in the S. 562. Although the bill follows the extraordinary circumstances provisions of NEPA, it still contemplates overly prescriptive levels of disturbance or types of activities that would qualify for a categorical exclusion. Furthermore, requiring the review to be completed in 10 days is tantamount to waiving compliance with NEPA.

Geothermal drilling plans are typically comprised of a comprehensive scope of activities – including temperature gradient wells, geothermal resource test wells, observation wells, and production and injection wells – and it is the BLM's responsibility under NEPA to complete an appropriate analysis of these activities before they are undertaken. Precluding this analysis would undermine the reasoned consideration of the environmental effects of such projects and impede the opportunity to consider alternatives with less adverse impacts on communities and the environment. Failure to complete NEPA review would reduce transparency in agency decision making and would impact our ability to identify relevant and useful information for consideration by the public and by the BLM as a decision-maker. As drafted, these provisions would preclude appropriate environmental review, negate opportunity for appropriate public engagement or input, and be little more than a rubber stamp. The BLM strongly opposes provisions limiting appropriate environmental reviews by impeding or waiving the NEPA process.

Furthermore, the BLM is concerned that the notice and review timeframe provisions of the bill would be a challenge for those projects that involve a wide variety of exploration and drilling activities in different locations and results in a waiver of appropriate review when circumstances make it clear that further consideration is necessary before making a decision. For example, the

review of certain large projects may require more than 10 days to determine whether the project is an eligible activity for a categorical exclusion under the bill.

S. 822, Geothermal Production Expansion Act

S. 822 amends the Geothermal Steam Act to authorize non-competitive leasing of up to 640 acres of Federal geothermal resources when a valid geothermal discovery is made on adjoining lands and the geothermal resources extend into unleased Federal land. The bill requires that regulations be issued within 270 days after enactment to implement the provisions of the bill establishing the procedures to determine the fair market value of leases and the minimum price for that evaluation. Under the bill, minimum value must be at least $50 per acre or four times the median amount paid per acre for all land leased under the Geothermal Steam Act during the preceding year, whichever is greater. The bill also requires that proposed fair market value determinations be published and open for public comment for 30 days; that proposed determinations be appealable; and that annual rental rates be the same as the rate for competitive leases.

Analysis

The BLM supports the bill's objective to enhance geothermal exploration and development by ensuring that geothermal discoveries can be responsibly developed. The BLM also generally supports maintaining competitive leasing processes for the development of Federal energy resources, but recognizes that there are situations in which non-competitive leasing may be appropriate, such as to increase investor confidence that geothermal discoveries could ultimately be fully developed.

Additionally, the BLM supports a requirement that regulations be promulgated to establish procedures for determining the fair market value of leases on adjoining lands. The BLM would consider a number of factors in identifying a price that is fair for a given lease, including information on known existing resources and the value of other leases within the local market. The BLM supports measures that help ensure a fair return to U.S. taxpayers for the use of public lands, and would like to work with the sponsor on this provision.

Finally, however, the BLM has concerns with the timeframes included in the bill. Specifically, the promulgation of regulations issued by the Secretary typically requires more than 270 days. The 180 days provided in the bill for determining the fair market value of a lease also may not be adequate to conduct such an evaluation.

S. 1057, Geothermal Energy Opportunities Act

S. 1057 sets a goal for the Secretary of the Interior to approve at least 15,000 megawatts (MWs) of new geothermal energy capacity on the public lands within 10 years after enactment. The bill also directs the BLM, in consultation with other Federal agencies, to identify high-priority areas for geothermal development on public lands and to take actions to facilitate that development. To that end, S. 1057 amends the Geothermal Steam Act to allow for the noncompetitive leasing of adjoining areas for development and coproduction of geothermal energy from a producing oil and gas well. Lands subject to the latter provision would be oil and gas leases issued pursuant to the Mineral Leasing Act or the Mineral Leasing Act for Acquired Lands.

Furthermore, the bill directs the USGS and DOE to identify sites capable of producing a total of 50,000 MWs of geothermal power. It provides authority to the Department of Energy (DOE) for a federally funded program of cost-shared drilling for geothermal resource exploration. Data from exploration activities carried out under the cost-share program would be provided to both the DOE and the DOI (presumably the USGS) for geothermal resource assessments. The program would be funded by a special U.S. Treasury account into which the Federal share of revenues from geothermal leases would be deposited. Although the bill requires no direct distribution of revenues to the BLM or the Forest Service, it would provide DOE with authority to transfer funds to cooperating Federal agencies to meet the goals of the bill.

Finally, S. 1057 amends Title VI of the Energy Independence and Security Act of 2007 to provide additional focus on the Geothermal Technologies Program and the Building Technologies Program of the DOE. The bill provides additional authority to the DOE to make grants promoting the development of geothermal heat pumps and the direct use of geothermal energy. It also requires DOI and DOE to submit a report to Congress within three years of enactment and once every five years thereafter describing the progress towards achieving the goals of the bill.

Analysis

While the Department supports the aggressive goal for additional geothermal projects on the public lands set by this bill, it feels strongly that consideration must be given to having the appropriate market incentives in place in order to achieve this goal. The BLM presently manages 593 geothermal leases, with 73 leases in producing status, and a total capacity of 1,500 MWs of geothermal energy on public lands. The goal of 15,000 MWs of new capacity by 2025 would require a ten-fold increase in the approval of geothermal projects from Federal geothermal leases, or approximately 1,500 MWs of additional capacity per year. This goal is highly dependent on a variety of factors, including state renewable energy standards and market conditions that are outside of the BLM's control. A limited number of proposed geothermal development projects on Federal lands are pending at this time and it is unclear what future projects may be proposed.

The Department also supports the sponsor's interest in identifying areas for potential geothermal development, but notes that a process is currently in place for industry to nominate areas of interest for geothermal leasing on Federal lands. The BLM and the FS completed a "Programmatic Environmental Impact Statement for Geothermal Leasing in the Western United States" in October 2008 and issued a Record of Decision and land use plan Amendments in December 2008 to facilitate geothermal leasing and development. As part of that process, the BLM amended 114 land use plans to help facilitate geothermal leasing and development. In total, approximately 111 million acres of BLM-managed public land are open to geothermal leasing and about 79 million acres of FS lands are open to leasing. The BLM depends on industry to nominate lands for leasing and to identify those priority areas of development interest.

In addition, the Department supports amendment of the Geothermal Steam Act to provide for the non-competitive leasing of geothermal resources, although implementation of these provisions of the bill would require the promulgation of regulations in order to address the approval and

permitting process, and production royalties. Finally, the Department defers to DOE on how the geothermal and building technology research contemplated under the bill fits within its existing renewable energy funding priorities. It should be noted, however, that the federal portion of revenues from geothermal energy leases on public lands is currently deposited in the Treasury. We have concerns about the redirection of Federal receipts traditionally deposited in the Treasury toward this new special-purpose account.

S. 1226, American Helium Production Act

S. 1226 amends the Mineral Leasing Act (MLA) and the Mineral Leasing Act for Acquired Lands (MLAAL) to include helium as a leasable mineral under the two Acts. In establishing a leasing program for helium exploration, development, and production, the bill requires collection of a $5,000 permit processing fee. Under the bill, half of the revenues generated by fee payments would be used by the field offices in which helium leases are located to cover the costs of processing protests, leases, and permits. S. 1226 also repeals the current reservation of helium on Federal lands to the United States, and directs the Secretary of the Interior to prepare a Programmatic Environmental Impact Statement (PEIS) on helium exploration and development.

Analysis

The BLM supports the goal of the bill to encourage private development of helium resources on Federal lands, as well as repeal of the helium reservation. We would like to work with the Committee, however, to include helium as a leasable mineral under the MLA and MLAAL without creating a new separate leasing program. The BLM believes that the separate leasing program authorized by the bill could create conflicts in cases of overlapping leases which would be counterproductive to the goals of S. 1226. Instead, a simple repeal of the helium reservation would allow future fluid mineral lessees to acquire the right to produce helium under their leases. These lessees could then either process the helium themselves or enter into private agreements with helium refiners to separate the helium from the rest of the gas they produce. Further, BLM opposes requiring a specific Helium PEIS. Occurrences of helium in marketable quantities within natural gas on Federal lands are relatively well known and not wide spread; consequently, the BLM should continue to have the ability to use either programmatic or case-by-case NEPA reviews to make the most efficient use of its planning processes based on the facts at hand. In most cases, experience has taught that specific NEPA analysis for the development of the helium resource can be completed on a case-by-case basis in a more cost effective manner.

S. 1236, Hydropower Improvement Act,

The Department is the second largest producer of hydroelectric power in the United States, and we are actively engaged in looking for opportunities to encourage development of additional hydropower capacity at our facilities. The Department, along with our federal partners, has made significant strides in encouraging the development of reliable, affordable and environmentally sustainable hydropower at our existing federal facilities, and with FERC at non-Reclamation facilities. Through the advancement of hydropower, we are helping to meet the Administration's goal of generating 80 percent of our energy from clean energy sources by 2035. Recent progress in advancing hydropower development includes the renewal of the 2010 Memorandum of Understanding for Hydropower on March 24, the ongoing assessment of non-powered dams, and the implementation of legislation to encourage the development of small hydropower on existing facilities and other water conduits.

S. 1236 would undermine the Department's ability to: (1) facilitate sustainable hydropower, (2) protect and manage our Nation's public lands and water resources, (3) operate and manage Federal water and power facilities, and (4) fulfill the Federal trust responsibility to American Indians. The Department believes that clean energy development and environmental compliance can co-exist and that one should not exclude the other. S. 1236 could hinder our ongoing efforts, and the Department offers the following views in opposition to S. 1236.

Section 5 threatens to undermine the Federal trust responsibility to American Indians, the Federal policy to promote Indian self-determination and economic self-sufficiency, and would significantly impact the Department's ability to manage and protect fish and wildlife resources, tribal lands, cultural and historic resources, and other lands and interests in lands managed by the United States. Section 5 of the bill would amend section 4(e) of the Federal Power Act to subordinate the Department's authority to establish conditions necessary for the adequate protection and utilization of reserved lands to the findings of the Federal Energy Regulatory Commission (FERC). This would authorize FERC to determine the appropriateness of conditions based on whether FERC determines a "clear and direct nexus" exists between the conditions and the presence or operations of a license. This provision would impact agencies' ability to fulfill mandates under other laws, and would effectively transfer some authority over the use of Indian reservations to FERC for purposes of implementing the Federal Power Act. This conditioning authority was reserved for land management agencies dating back to the enactment of the Federal Power Act. This provision would undermine these agencies ability to "continue to play the major role in determining what conditions would be included in the license in order to protect the resources under their respective jurisdictions".[1]

Section 9 would subordinate the Department's role in overseeing the use of, design, construction and operation of fishway facilities to FERC, by authorizing FERC to determine appropriate measures to mitigate effects on fish populations subject their determination of a "direct nexus to the presence or operations of the project being licensed". Information for fish and wildlife and fish passage constraints are important to address from an environmental and natural resource standpoint, and should remain with the Department and Department of Commerce.

Section 10 would eliminate land management agencies' ability to review and accept proposed alternative conditions for FERC licenses and allow FERC to determine whether a proposed alternative condition "adequately protects the reservation from adverse effects of the project". The Department remains best suited to determine the needs for protecting resources under their management, and this provision would undermine the Department's ability to manage public lands and infrastructure.

Section 34 would require FERC to use existing studies and data in licensing proceedings; however, it is unclear whether FERC would need to justify their decision that a study is not necessary or whether there would an appeals process. Resource agencies need appropriate information to complete their analyses in a timely fashion.

[1] *Escondido Mut. Water v. La Jolla Band of Indians*, 466 U.S. 765 (1984).

Section 35 amends the Federal Power Act to designate FERC as the lead agency responsible for coordinating all required Federal authorizations related to the licensing or relicensing of a hydropower project. This would include authorizations granted by other Federal agencies. The Department believes that the lead agency should be determined based upon the substantive statute at issue. For example, the legislation is unclear on its approach for licensing of hydropower on Federal facilities versus non-Federal facilities, which could impact how hydropower is sited on Reclamation facilities. It is also unclear on what impact this legislation may have on Reclamation's Lease of Power Privilege The Department looks forward to working with the Committee to ensure that approval of rights of way or use authorizations on public lands are carried out with sufficient Departmental analysis under NEPA or input on the terms and conditions needed to protect important resource values and public health and safety. The bill also provides that if a Federal agency does not issue a required Federal authorization related to the licensing process within a 3-year deadline, a FERC license alone is deemed sufficient to satisfy the required federal authorization. This could result in incomplete applications from a developer; the need to conduct public outreach, tribal consultation, cultural resource surveys, or other analyses needed to balance power generation with mitigation and protection of the natural and cultural resources of the public lands. We would like to work with the Committee to provide additional clarity on these issues.

In conclusion, the Department appreciates this Committee's interest in encouraging the development of hydropower, and we look forward to working with you to increase the use of reliable, affordable and environmentally sustainable hydropower.

S. 1271, Fuel Loss Abatement & Royalty Enhancement Act

S. 1271 requires the Secretary of the Interior to issue regulations within 180 days to: (1) prevent or minimize the venting and flaring of gas in oil and gas production operations on Federal land onshore and offshore; and (2) promote the capture and beneficial use or reinjection of gas back into these operations. The bill requires such regulations to require operators to pay royalties on vented or flared gas from a federal lease, and it provides that the regulations would not apply to existing leases if that would constitute a breach of contract by the United States. S. 1271 also requires the U.S. Comptroller General to assess the venting and flaring of gas in oil and gas operations on Federal land, and to submit a report to Congress that includes an estimate of the volume of gas that is vented or flared in such operations on annual basis.

Analysis

The BLM supports the goals of the bill – to reduce the amount of gas that is vented or flared from oil and gas development on public lands, promote the conservation of produced oil and gas, and ensure a fair market return to the U.S. taxpayers. The BLM is currently updating decades-old standards to reduce wasteful venting, flaring, and leaks of natural gas from oil and gas wells on public lands. These standards, to be proposed later this year, will address both new and existing oil and gas wells on public lands. The BLM is concerned that the bill's 180-day deadline for rulemaking provides insufficient time to issue a final rule.

Conclusion

Thank you for inviting our testimony on S. 562, S. 822, S. 1057, S. 1226, S. 1236, and 1271. The Department of the Interior is committed to supporting the responsible supply of energy for our nation.