Colorado Energy Overview

March 2015

The BLM manages about 41 percent (or 27.1 million acres) of the total mineral subsurface acreage in the state. The State of Colorado receives 49 percent of the proceeds from each mineral lease sale and from mineral royalties, with the remainder going to the U.S. government. In Fiscal Year 2014, Colorado received approximately $169 million from royalties, rentals and bonus bid payments for all federal minerals.

OIL AND GAS PROGRAM

Total number of leases: 3,767
Total acres leased: 3.1 million
Producing Leases: 2,205
Acres leased in production: 1.4 million
Producing oil and gas wells: 7,645
Economic output: $4.7 billion

COAL

Producing coal mines: 7 (two are surface mines, the remaining five are subsurface)
Acres leased in production: 60,000
Coal leases: 55
Economic output: $1.2 billion

RENEWABLE ENERGY

BLM Colorado renewable energy projects include wind, solar, geothermal and biomass as well as siting transmission facilities to deliver power.

Geothermal: The BLM began issuing leases for geothermal development in 1974. In 2012, BLM Colorado leased two parcels for geothermal production totaling 8,353 acres in the Gunnison Field Office. These two parcels are the only authorized leases on public lands within the state of Colorado. In 2012, the BLM released a final environmental assessment and proposed amendment to the 1991 BLM San Luis Resource Management Plan for geothermal energy leasing on BLM-managed lands.

Solar: The BLM and Department of Energy (DOE) completed a joint Programmatic Environmental Impact Statement (PEIS) in July 2012, which assessed the environmental, social and economic impacts associated with solar energy development on BLM public lands. The PEIS informed an October 2012 Department of Interior Record of Decision (ROD), which resulted in a Western Solar Plan and BLM Solar Energy Program, including policies, practices and mitigation strategies for future project-level applications. In Colorado, 13 land use plans were amended by the ROD to either allow or exclude utility-scale solar development of 20 megawatts or higher. It also identified four Solar Energy Zones (SEZs) totaling 16,308 acres and another 95,128 acres outside of the SEZs as available for utility-scale solar development under a variance process for resource-conflict screening.

Transmission: New electric transmission lines are being proposed in Colorado to accommodate additional electricity generation capacity for the next several decades, including new renewable generation and improved reliability to reduce congestion on the grid. Large (345kV and higher) right-of-way electric transmission applications within the state proposed to cross public lands include:

• TransWest Express, a TransWest Express, LLC project, is a 725-mile, 600kV DC transmission project from south-central Wyoming to southeast Las Vegas.

• Energy Gateway South, a PacifiCorp (dba Rocky Mountain Power) project, is a 350-

BLM

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400 mile, 500 kV AC transmission project originating near Medicine Bow, Wyoming and terminating near Mona in central Utah.

Biomass: Biomass is made from trees and woody plants, including limbs, tops, needles and leaves. BLM Colorado produces thousands of tons of biomass annually through various forestry, fuel hazard reduction, and range improvement projects. Examples include timber sales, mechanical fuels treatments and rangeland encroachment reduction projects. However, much of the biomass produced is left on-site in the form of chips or piles. Underutilization of biomass in Colorado is due to limited demand. With the development of new plants in Colorado, more facilities plan on using biomass for heating and bio-energy production. BLM Colorado generally offers between 5,000 and 10,000 tons of biomass each year. In Fiscal Year 2014, BLM Colorado offered 8,600 tons of biomass though the Forestry Program and 20,498 tons through the Fuels Program.