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This overview offers observations about legislation as well as major environmental and energy studies affecting public lands. The legislative issues focus on appropriations, the farm bill, energy, climate change and the Secure Rural Schools Program.

LEGISLATION

This has not been a productive year for the Congress, in large part due a high degree of partisanship, which has been magnified by the upcoming elections. Now there are only 29 days left on the House calendar for votes before the target adjournment date of September 26. The Senate has not set a target for adjournment.

In the remaining time this session, advocates are likely to get creative in seeking unrelated legislative vehicles for (1) extending the Production Tax Credit (PTC) for renewable energy projects, (2) continuing support for schools and roads for timber-dependent communities through the Secure Rural Schools program and (3) drilling for oil and natural gas in offshore moratoria areas and in the Arctic National Wildlife Refuge. This creativity is not likely to be rewarding, since the House usually stops provisions that are non-germane and the Senate essentially operates on unanimous consent. The first two issues have broad bipartisan support. The third is more partisan in nature.

Next year will have a very different dynamic if Senate Democrats number close to 60, which is enough to invoke cloture and cut off filibusters. In the meantime, another omnibus continuing resolution (CR) will probably cover most appropriations due to a contentious Senate and the Democrats' hope for more leverage next year. The CR is likely to address most appropriations except for defense and possibly homeland security. One result would be a loss of funding increases for BLM and the Forest Service that were added in the House Interior and Environment Appropriations Subcommittee bill. In any event, there is a greater likelihood of serious energy and climate change legislation in the next congress.

APPROPRIATIONS FOR FY 2009

A week ago only a third of the appropriations bills had been approved by the full House or Senate Committee and none had gone to the floor.

The House Interior, Environment and Related Agencies Appropriations Subcommittee marked up its bill about a month ago, but the counterpart Senate Subcommittee has not

held its markup. The full House Committee reportedly postponed its markup at least partly because of concerns about the expected energy amendments, including offshore drilling.

In late June House Appropriations Committee Ranking Member Jerry Lewis (R-CA) drew the ire of his chairman at the markup of the Labor-HHS spending bill when he tried to insert the unrelated Interior bill so that GOP members could attach drilling provisions. Reportedly, this move came after Appropriations Chairman David Obey (D-WI) would not commit to bring up the Interior bill in early July.

Land and Water Conservation Fund Land Acquisitions

<u>FY 2009</u>	<u>Administration Requests</u>	<u>House Subcommittee</u>
Bureau of Land Management	\$4.5 million (3 Projects)	\$18.1 million
Fish and Wildlife Service	\$10.2 million (9 projects)	\$44.1 million
National Park Service	\$21.8 million (5 projects); no funds for States	\$77.1, including \$25 million for States
U.S.D.A. Forest Service	\$6 million (no projects)	\$33.5 million

The House numbers are based on the version that Rep. Lewis attempted to use at the Labor HHS markup. The total Administration request of \$42.5 million for the Land and Water Conservation Fund acquisitions for FY 2009 is less than a third of the level enacted for FY 2008. The House Interior and Environment Appropriations Subcommittee total of \$168.8 million for acquisitions was 4 times larger than the request. The House Subcommittee also continued the State acquisitions at roughly the level enacted last year.

Forest Legacy

The Administration's budget calls for cutting the FY 2009 Forest Legacy program to \$12.5 million, including only 3 projects. This compares with \$59.7 million enacted for 2008, including \$7.5 million of unobligated balances. This program in State and Private Forestry offers cost-shared grants in cooperation with State partners. It uses conservation easements and forestry practices to conserve forests as a land use, including sustainable working forests. This program is funded through the Interior Appropriations.

Conservation Buffers for Military Bases and U.S. Border Areas

The *Readiness and Environmental Protection Initiative* (REPI) program enables the Department of Defense (DOD) to purchase conservation easements near military bases, in areas ecologically related to bases or under military airspace. This cost-shared land conservation program seeks to protect testing and training ranges from encroachments by buying easements from willing State and local governments and private land owners. Support for the program has been growing as shown by the project pipeline, Administration budget requests and expanding budgets and authorizations.

The Administration requested \$40 million for REPI for FY 2009, \$6 million less than the amounts enacted for both the *Defense Appropriations* and the *National Defense Authorization* for FY 2008. The House-passed Defense Authorization for FY 2009 (H.R. 5658) and its counterpart, approved by the Senate Armed Services Committee, include \$60 million for REPI. The Defense Appropriations Subcommittees have not yet acted.

This year both the House and Senate defense authorization bills would:

(1) allow DOD to purchase credits from conservation banks or mitigation sponsors for habitat mitigation and allow spending on habitat management on non-federal lands to reduce impact on protected species or habitats to facilitate military testing, training or construction (S. 3001, Sec. 2811).

(2) authorize DOD to fund habitat management, maintenance and restoration on non-federal lands through a cooperative agreement without acquiring a property interest. The objective is to reduce current or anticipated challenges that might interfere with military activities. These agreements could be used to enhance compliance with the Endangered Species Act, the Clean Water Act and the Coastal Zone Management Act, among other laws.

The House Appropriations Committee approved a Homeland Security bill that would allow \$50 million to be spent on regulatory and environmental assessments and mitigation in national border areas, a 5-fold increase over the Administration's request. The Senate bill does not contain related language. The House language calls for "land acquisition efforts for mitigation, where applicable."

Coastal and Estuarine Land Protection Program

The National Oceanic and Atmospheric Administration (NOAA)'s National Ocean Service administers a competitive, matching grants program that helps State and local governments acquire from willing sellers coastal and estuarine lands that States have found to have high ecological, conservation, recreational, historical or aesthetic value. Ecological values are the highest priority. The Senate Appropriations Committee report for *Commerce-Justice-Science Appropriations* (S. Rpt. 110-397 for S. 3182) included \$15 million for the FY 2009 program, the same as the Administration's request and almost twice the amount enacted for this year. The House counterpart report includes \$18.3 million

The House Natural Resources Committee approved an authorizing bill, H.R. 1907 on June 25 that is similar to a bill pending before the Senate, S. 1142 (S. Rpt. 110-78). The program has always been authorized by appropriations, which also makes it vulnerable to points of order on the floor.

Federal Mineral Revenue Sharing Deductions

The House Interior and Environment Appropriations Subcommittee FY 2009 bill repeats the provisions in last year's appropriations, which adopted the Administration's proposal to reduce the States' share of onshore federal mineral revenues from 50 to 48 percent. States traditionally spend these funds on schools and roads, though other infrastructure is

also eligible. The Administration's FY 2009 budget calls for making this deduction permanent law. The Administration estimates that this would result in a \$54 million deduction from the States' share in FY 2009, \$269 million in FYs 2009-1013 and \$559 million for FYs 2009-2018.

Appropriations Riders

The House Interior Appropriations Subcommittee bill appears to continue the usual prohibitions on leasing for oil and gas in certain offshore areas as well as certain onshore and offshore national monuments. The bill would continue the ban on patents for mining and mill site claims, except for those that are grandfathered. It would also prevent finalizing oil shale regulations, due to ongoing research thought to be essential first. In addition, the bill seeks to prevent companies from participating in future offshore lease sales if they hold leases without price thresholds for royalty waivers.

FARM BILL

The *Food, Conservation, and Energy Act*, known as the Farm Bill, survived two sets of vetoes by similar and substantial margins. The first bill, H.R. 2419, lacked one of the 15 titles at the time it passed, so Congress then passed the complete bill, H.R. 6124, which became P.L. 110-246 on June 18.

This drama aside, despite favorable language in the Senate-passed bill and Administration support, the enacted version does not make trust lands eligible for the Conservation Stewardship Program (CSP) in Sec. 2301, formerly known as the Conservation Security Program.

Sec. 15302 of the Farm Bill continues through the end of 2009 an incentive for donated conservation easements that had expired this year on January 1st. It has the exact same terms, raising the deduction for donated conservation easements to 50% of adjusted gross income (AGI) and 100% of AGI for farmers and ranchers. The bill also extends the period for using the deduction to 16 years. (For more information, see http://www.lta.org/policy/conservation-funding/copy_of_farm-bill#renewal-of-the-conservation .)

ENERGY

On June 25 the Joint Economic Committee held a hearing on oil prices. Among the speakers was Dr. Daniel Yergin of Cambridge Energy Research Associates. He noted no single reason for the oil price run-up; however, he pointed to supply and demand imbalances resulting from:

- success of the global economy, especially in China and India, which are now integrated with the world economy

- near doubling of the total absolute growth of world oil demand from the periods of 1998-2002 to 2003-2007 (from 4.2 million to 8.2 million barrels per day)
- loss of supply in Nigeria of almost 1 million barrels per day (greater than the increase in Saudi supply)
- flashpoints in Iran and Sudan
- Iraqi production at less than pre-war levels
- decline of nearly a million barrels of oil a day from Venezuela's peak
- inadequate investment in Mexico, in part because of restrictions on international investment
- areas with restricted development
- uncertainty about investment, fiscal and regulatory regimes
- projects are twice as costly as 4 years ago due to shortages of people, equipment, skills, steel and other commodities
- postponed or canceled investments and a longer supply response: 5 to 7-year time lag for developing new projects
- refining capacity shortages contributing to tightness in markets, especially for diesel
- increased role of financial markets treating oil assets as a commodity for hedging or other purposes and shortage psychology due to expectations of tight markets
- weakened U.S. dollar

Yergin urged improved assessment of U.S. resources and increased investment in new supplies, efficiency improvements and renewables, plus reduced consumption. His testimony is posted at http://jec.senate.gov/index.cfm?FuseAction=Hearings.HearingsCalendar&ContentRecord_id=bbbf263f-df33-1ce5-d113-dff1a3624a92 .

Two major rounds of major energy legislation were enacted in August 2005 (P.L. 109-058) and December 2007 (P.L. 110-140), but in the face of widespread frustration over energy pricing, Congress has not moved any major energy bills this year. Instead, it has taken a more piecemeal approach. Examples follow.

Expanding Federal Leasing Areas

Measures to encourage production in the Arctic National Wildlife Refuge and offshore moratoria areas have been introduced as bills and amendments and are part of the dialogue between presidential candidates. On June 11 the Interior and Environment Appropriations Subcommittee rejected an amendment to allow oil and natural gas preleasing and leasing activities on current offshore moratoria areas. Senator Pete

Domenici (R-NM) has led the charge for Republican senators with a pro-leasing package that he would like to attach to major legislation. Ironically, he has helped deny himself some recent opportunities for using energy tax bills as vehicles by voting against bringing those bills to the floor. Another new Republican package also deals with offshore production among other issues.

Extending Production Tax Credits (PTC)

The extension for renewable energy PTCs, which expire at the end of this year, has been stalled for months because the House has insisted on offsets and there is no agreement on the revenue sources. The House has also passed legislation that it knows will provoke a White House veto.

In February the House passed H.R. 5351, the *Renewable Energy and Energy Conservation Tax Act*, which would extend the PTC, however the White House viewed this bill as veto bait, since it would have removed certain tax benefits for oil companies that were being used as budget offsets. Again in May the House passed the *Renewable Energy and Job Creation Act*, H.R. 6049; however, in June the Senate failed to invoke cloture to obtain a vote on this bill. The Senate also used housing finance reform legislation, H. R. 3221, as a vehicle to extend energy tax incentives, but these provisions are not part of the current Senate housing package.

Improving the Electrical Transmission System

Hearings and briefings on the Hill have stressed the need to resolve issues dealing with cost allocation for new projects and network upgrades, plus upfront funding and return on investment. A major problem in expanding transmission systems derives from production sources that are distant from load centers and transmission lines that need to cross areas that may use none of the power and so may not benefit. Regional power authorities are likely to have a major role in a solution that integrates renewable sources into the grid. Key bills have been sponsored by Senate Majority Leader Harry Reid (D-NV), S. 2076, and Rep. Jay Inslee (D-WA), H.R. 4059, which call on the President to designate National Renewable Energy Zones and require federal agencies to assist in transmission if that power generated reaches a certain threshold.

Requiring Diligent Development

On June 26, though a majority approved, the House failed to pass the *Responsible Federal Oil and Gas Lease Act*, H.R.6251, by a ratio of two-thirds of those voting as required under suspension of the rules. This bill would prohibit the Secretary of the Interior from issuing new Federal oil and natural gas leases to holders of existing leases who do not either diligently develop or relinquish lands under existing leases.

Trade press notes that Senate Energy Committee Chairman Jeff Bingaman (D-N.M.) said he might attempt to increase production from existing leases through a “production incentive fee.” Rep. Edward Markey (D-MA) has proposed a fee unless development is diligent.

More Effectively Regulating Futures Markets

On June 26 the House overwhelmingly passed the *Energy Markets Emergency Act*, H.R. 6377, to direct the Commodity Futures Trading Commission (CFTC) to utilize all its authority, including its emergency powers, to curb excessive speculation in energy futures or swaps. It is also directed to use its powers to eliminate excessive speculation, price distortion, sudden or unreasonable fluctuations or unwarranted changes in prices. The House may also consider further measures to address foreign exchanges, disclosure, swap loopholes, limits on institutional investors and regulation of electronic markets, as well as margins or collateral requirements for trades that do not involve producers or buyers of petroleum products.

Senators Richard Durbin (D-IL) and Carl Levin (D-MI) are among those who have introduced bills (S. 3130 and S. 3129, respectively) with provisions that seek reforms such as more transparency in markets, oversight of price manipulation in overseas markets and meaningful data collection by the CFTC.

Suspending Filling the Strategic Petroleum Reserve (SPR)

Members of Congress have advocated against filling the SPR during times of high prices, since this further restricts market supplies and raises prices. On May 19 H.R. 6022 became law (P.L. 110-232), suspending acquisitions for the Reserve for the rest of 2008 until after the weighted average U.S. price of oil is at or below \$75 per barrel for at least 90 days. In early July the Reserve held 706 million barrels of oil.

Taxing and Regulating Profits

The sponsors of the Consumer-First Energy Act, S. 3044, could not muster enough votes on June 10 to end debate on the bill. This legislation includes measures on windfall profits, price gouging, sovereign immunity for oil cartels and market speculation.

Developing Oil Shale Regulations

The 2009 Interior Appropriations marked up in House Subcommittee would continue the provision in the 2008 omnibus appropriations to prohibit BLM from issuing the final regulations for commercial-scale leasing or offering any commercial leases for oil shale, based on the belief that additional information is needed. An attempt to amend the Senate supplemental appropriations to remove this moratorium failed. The Interior Appropriations bill may be another vehicle for this amendment. The 2005 Energy Policy Act required an oil shale environmental study to occur simultaneously with research development leases and grants for oil shale and tar sands on public lands. In 2007 BLM authorized six oil shale projects on public lands in Colorado and Utah to address technological and environmental issues.

CLIMATE CHANGE

Climate change legislation will clearly not be enacted this year. Next year climate change bills in the House may emerge from a variety of committees. These bills would then be assembled into a package by the leadership, who would negotiate with the Senate and

Administration as was the case with last year's energy bill. The tax writing committees are likely to have a stronger role next time.

Climate change legislation will be important to land commissioners because it can have a profound effect on the economy and there may be credits from land use practices, such as reforestation and low till or no till agriculture, as well as mitigation credits. There may be opportunities to produce electricity from wind, solar, geothermal, wave, current or dams or to grow biofuels, particularly from cellulosic sources, on State trust lands. In addition, trust land offices may gain from conservation practices.

A substitute version for the Lieberman-Warner *Climate Security Act*, S. 3036, fell 12 votes short of the 60 votes needed to close debate on June 6 due to concerns about its economic impact. As originally introduced, this cap-and-trade bill would have directed EPA to establish: (1) a federal greenhouse gas (GHG) registry, for which certain facilities must report information regarding fossil fuels and GHGs produced and consumed; and (2) specified quantities of GHG emission allowances, which decline for each year from 2012 to 2050. Ten senators who did not support S. 3036, but who want to see climate change legislation enacted, named issues that need to be addressed in future climate legislation. They called for a bill that expands the use of agriculture and forestry offsets, treats States equitably, integrates State climate laws into the federal system, protects U.S. jobs and ensures technologies are available to meet the program's early emission requirements.

Rep. Lloyd Doggett (D-TX) introduced the *Climate MATTERS Act*, H.R. 6316, on June 19 which takes another approach than other climate change bills. This bill would give the Treasury Department primary authority instead of EPA, which makes the main committee of jurisdiction Ways and Means. Despite the fact that it has been referred to 9 committees, including Energy and Commerce, it is seen as a deliberate end run around Energy and Commerce Committee Chairman John Dingell, who has been very deliberate in his consideration of climate change in this Congress -- holding a series of hearings and producing white papers. As described by E&ENews PM (6/16/08) this cap-and-trade bill would set a U.S. emissions limit of 80 percent below 1990 levels by 2050. Under this bill, 85 percent of the emission credits will be auctioned off at the start of the program, scaling up to a 100 percent auction in 2020. Auction revenue would be dedicated to a variety of areas, including energy technologies, health care and adaptation.

In a speech April 16, President George Bush called for a new national goal to stop the growth of greenhouse gases (GHGs) by 2025 — a timetable far slower than many scientists say is required. The highly respected former Chief Economist for the World Bank, Lord Nicholas Stern, who produced the *Stern Review on the Economics of Climate Change* for the UK, differs greatly. He speaks of irreversible environmental damage from delaying action until concentrations are higher and advocates significant work on stopping deforestation, increasing energy efficiency, and achieving carbon sequestration.

Stern urges that the level of carbon dioxide equivalent in the atmosphere, which is now 430 parts per million (ppm) be kept from exceeding 500 ppm. *Stern Review* models show

that at 500 ppm there is a 3 percent chance of a 9 degree F temperature increase as opposed to a nearly 50 percent chance if current carbon dioxide equivalent stocks in the atmosphere continue to rise at current rates for the next century. Stern predicts that stabilizing at 500 ppm can be accomplished by spending 1 to 2 percent of Gross Domestic Product (GDP) in 2050. This is "compatible with roughly halving all GHG emissions by 2050 with respect to 1990." His June 26 testimony before a House Energy and Commerce subcommittee is posted at http://energycommerce.house.gov/cmte_mtgs/110-eaq-hrg.062608.ClimateChange.shtml . Reports of the Intergovernmental Panel on Climate Change (IPCC), a scientific body established by the World Meteorological Organization and by the United Nations Environment Programme, are posted at <http://www.ipcc.ch/> .

SECURE RURAL SCHOOLS

Congress enacted the *Secure Rural School and Community Self Determination Act of 2000* (SRS), P.L. 106-393, to provide 6 years of transitional assistance to timber-dependent rural communities affected by the decline in harvests on federal lands. The program was extended for 1 year through P.L. 110-28, the Iraq Accountability Appropriations. Title I funds for States and counties have supported schools, roads public safety and law enforcement. Title II projects recommended by Resource Advisory Councils (RACS) and approved by USDA pay for road maintenance and ecosystem restoration on federal lands. Title III funds cover county projects for community forestry, conservation and recreation easements, fire prevention, county planning and community service work camps.

Title I funds grew from \$311 million in 2002 to \$345 million in 2008. The most recent funds were allocated in December 2007 to 39 States, but the program is mainly targeted at the Pacific Northwest. In that allocation the three largest recipients (Oregon, California and Washington) absorbed more than two-thirds of Title I and the five largest recipients (adding Idaho and Montana) represented more than three-quarters of those funds. Title II and III funds together have generally totaled a little over \$60 million.

Among the various attempts to extend SRS, some have been linked to permanent funding for Payments-in-Lieu-of-Taxes (PILT), which compensates counties for their inability to tax federal lands. In recent years (2004-2008) PILT appropriations have been about \$228 million per year, plus or minus \$4 million. Several members of the Oregon delegation have signaled that they will continue to work on the SRS extension. They include Representatives Peter DeFazio and Greg Walden and Senator Ron Wyden. The Administration's Office of Management and Budget (OMB) supports phasing out the Secure Rural Schools program and opposes shifting PILT from discretionary to mandatory spending.

The fate of recent vehicles for extending SRS or making PILT permanent law includes the following:

- On June 5 the House failed to pass Rep. DeFazio's *Public Land Communities Transition Act*, H.R. 3058, with a two-thirds majority of those voting, the ratio required under suspension of the rules. However, a majority of those voting approved the bill and it could be reconsidered later under regular rules. The bill originally extended both SRS and PILT for several years, but PILT was removed before House floor action.

The bill contained a budget offset that was controversial. It would have assessed fees on certain leases in the Gulf of Mexico that continued to suspend royalties on oil and natural gas even when prices were high. These lessees could amend their leases to avoid the fees by agreeing to pay royalties when prices reach or exceed a given level. The bill would have also assessed a fee when leases were not producing.

The Administration opposed mandatory funding for PILT and the budget offset, but "remains prepared to work with Congress to identify agreeable alternative offsets that could be used to fund an appropriately targeted extension... with a realistic phase-out of payments by 2012."

- Another potential legislative vehicle included a Senate energy bill, S. 6049 that did not survive a filibuster on June 10. The *Supplemental Appropriations Act*, H.R. 2642, providing emergency spending bill for the war in Iraq, became law on June 30 without SRS or PILT provisions. Republican proposals have offered to use politically controversial sources, including revenues generated by oil drilling in the Arctic National Wildlife Refuge and new offshore production.

ENVIRONMENTAL AND ENERGY STUDIES

Programmatic Environmental Impact Statements (PEIS)

Programmatic Environmental Impact Statements for renewable energy and energy corridors are being prepared that are intended to alter federal land use plans. The assumptions in those plans could have an impact on increasing capacity of existing transmission corridors or creating new ones that might enable or discourage marketing of renewable energy projects on State lands.

"West-wide" Energy Corridors PEIS

Staff working on the West-wide Energy Corridor Programmatic Environmental Impact Statement (PEIS) are reviewing public comments on a draft on potential corridors on federal land in 11 Western States (Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming). The corridors are intended for oil, gas and hydrogen pipelines and electricity transmission and distribution facilities. The final EIS is expected to be completed by mid-November. For more details, see: <http://corridoreis.anl.gov/>. A parallel effort will address corridors in some of the remaining States. DOE will begin holding scoping meetings in the fall targeting corridor designations and a final EIS by the end of 2009.

A separate DOE process generates a report on transmission congestion every 3 years and the next one is due to be completed in August 2009. This report is designed to help the Federal Energy Regulatory Commission (FERC) identify new National Interest Electric Transmission Corridors.

Solar PEIS

BLM and the DOE are working on a joint PEIS to assess the environmental, social, and economic impacts associated with solar energy development on BLM-managed lands in the states of Arizona, California, Colorado, Nevada, New Mexico, and Utah. BLM has received numerous utility-scale solar energy rights-of-way applications that it is reviewing under its April 2007 Solar Energy Policy. The existing policy includes measures to discourage speculation through due diligence requirements and phases in rents. Current users and permittees do not need additional authorizations to install solar energy devices on existing authorized facilities.

On July 2 BLM announced that it would continue accepting applications for future potential solar projects on public lands, though it had earlier decided to suspend taking new applications while it worked on the PEIS and the first 125 projects that it had received. BLM will also continue to take comments concerning the scope of the PEIS online at <http://solareis.anl.gov/involve/comments> and by mail through July 15. Related documents are available at <http://solareis.anl.gov/documents/index.cfm> .

Geothermal PEIS

The federal government could open as much as 75 million acres of national forest land and 117 million acres of BLM lands in 12 Western states to geothermal leasing, according to a draft environmental study released by the BLM for public comment. BLM projects that 5,500 megawatts of capacity could be built on federal lands by 2015. The affected States are Alaska, Arizona, California, Colorado, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington and Wyoming. Public meetings will continue through the end of July. Comments are due by September 11 and may be sent to geothermal_EIS@blm.gov, among other ways. BLM aims to complete the EIS in October and to have a record of decision as early as December. The BLM-Forest Service Federal Register notice of availability for the draft EIS is posted at http://www.blm.gov/wo/st/en/info/newsroom/2008/june/NR_06132008.html on a link on the BLM press release at the same address. The Draft EIS is available at http://www.blm.gov/wo/st/en/prog/energy/geothermal/geothermal_nationwide/Documents/draft_programmatic.html .

Offshore Alternative Energy Projects

MMS announced in April that it designated 5 States (California, Delaware, Florida, Georgia and New Jersey) for limited, temporary 5-year leases for data collection and technology testing for wind, wave and current energy projects. Comments on the draft proposed regulations are due 60 days after the publication date of July 9. Developers will be able to pursue commercial leases under final regulations for the program, which MMS expects to publish by the end of this year.

Western Governors Association (WGA)'s Western Renewable Energy Zones (WREZ) Initiative

The Department of Energy (DOE) and WGA will pursue WREZ under a cooperative agreement. According to DOE, this project will (1) identify Renewable Energy Zones in the Western Interconnection; (2) develop regional transmission plans to enhance access for renewable resources in these zones; (3) develop a transparent process for bringing together buyers and sellers of electricity generated from renewable sources and (4) build interstate cooperation to address permitting and multi-state cost-allocation issues. This initiative involves 11 States (Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming) and parts of Canada and Mexico. According to WGA, the goal is to (1) generate reliable information for decision-makers that supports cost-effective and environmentally sensitive development of renewable energy in specified zones, and (2) develop transmission plans to deliver energy to load centers. Information on this project is posted at www.westgov.org/wga/initiatives/wrez/briefing5-28.htm.

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