

**Statement of
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**House Committee on Natural Resources
Subcommittee on Energy and Mineral Resources**

H.R. 8954, Public Land Renewable Energy Development Act

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Thank you for the opportunity to testify on H.R. 8954, the Public Land Renewable Energy Development Act (PLREDA). H.R. 8954 seeks to promote and expedite the development of renewable energy projects on Federal lands through the distribution of revenues collected from wind and solar projects in the regions in which projects are located. The bill also establishes a special account in the U.S. Treasury as a vehicle to deliver additional conservation and recreational access funding to Federal agencies, Tribes, states, and counties.

H.R. 8954 aligns with the Biden-Harris Administration’s goal to promote and expedite the responsible development of renewable energy projects, and we appreciate the work of the Sponsor and the Subcommittee in advancing legislation that supports this goal.

Background

The BLM manages approximately 245 million surface acres, located primarily in 12 western states, and approximately 700 million acres of subsurface mineral estate. The Federal Land Policy and Management Act (FLPMA) sets forth the BLM’s multiple-use mission, directing that public lands generally be managed for a broad range of uses, such as renewable and conventional energy development, livestock grazing, timber production, hunting and fishing, recreation, wilderness, and conservation – including protecting cultural and historic resources. FLPMA also requires the BLM to manage public land resources on a sustained-yield basis for the benefit of current and future generations.

BLM-managed public lands provide excellent solar, wind, and geothermal energy potential and are an important component of the Administration’s broader strategy to rapidly reduce U.S. greenhouse gas emissions by at least 50 percent by 2030 and achieve a carbon pollution-free electricity sector by 2035. Consistent with the Energy Act of 2020, the BLM continues to accelerate responsible permitting of renewable energy projects on public lands. Since January 21, 2021, the BLM has permitted projects that are expected to provide over 7.3 gigawatts of clean energy – enough to power nearly 2.4 million homes. These efforts contributed to the Administration recently surpassing the goal of permitting 25 gigawatts of clean energy projects on BLM-administered public lands by 2025. In addition to specific project approvals, the BLM has also leased eight new areas in Solar Energy Zones with the capacity to generate nearly 2.5 gigawatts of additional clean energy.

Moreover, on May 1, 2024, the BLM finalized its *Rights-of-Way, Leasing, and Operations for*

Renewable Energy Rule, which will lower the cost of developing solar and wind projects, improve renewable energy project application processes, and incentivize developers to continue to responsibly develop solar and wind projects on public lands. These changes are expected to translate, over time, to a reduction in the average cost of wind and solar energy, which will stabilize or even reduce the cost of energy to consumers, even as the cost of other energy sources may experience increased volatility.

H.R. 8954, Public Land Renewable Energy Development Act

H.R. 8954 would establish a new revenue distribution structure for receipts from solar and wind development on public lands. Under the bill, beginning January 1, 2025, 25 percent of receipts would be allocated to the state within the boundary of which the revenue is derived; 25 percent to the counties within the boundaries of which the revenue is derived, split based on the percentage of land used in each county; 25 percent to the Secretary of the Interior (Secretary) to administer BLM's renewable energy program, including actions to facilitate the processing of renewable energy permits on Federal land; and 25 percent would be deposited in a new Renewable Energy Resource Conservation Fund (Fund).

The Secretary would be permitted to make amounts in the Fund available to Federal and state agencies and Tribes to protect and restore important fish and wildlife habitat and water resources, as well as to secure recreational access to Federal lands. The bill also provides an exception for revenue received from section 504(g) of FLPMA used for processing right-of-way (ROW) applications, which gives the Department of the Interior (Department) the authority to collect cost recovery revenue for the processing and monitoring of ROW applications.

Analysis

The BLM recognizes the interests of states and counties in receiving additional revenue from local wind and solar projects. Currently, states and local governments receive revenue generated by a variety of other activities on public lands – such as states receiving roughly half of the revenues generated by oil, gas, and coal development within their borders – and this revenue sharing can help pay for public services associated with projects on public lands. However, all revenues from renewable energy development currently go to the U.S. Treasury. The BLM appreciates the Subcommittee's interest in providing local communities with benefits from development on public lands in their jurisdictions. The BLM also appreciates the potential benefits that could come from the Fund established by the bill, which would enhance outdoor recreation opportunities and support state and Tribal wildlife conservation efforts to mitigate potential impacts from renewable energy development.

Similarly, the BLM appreciates that H.R. 8954 provides an exception to its revenue allocation for revenue received from section 504(g) of FLPMA. If enacted, this exception would help ensure continued support for prioritization of renewable energy and energy transmission permit processing by retaining revenues received from local ROW grants. Currently, these funds are placed into a special account in the U.S. Treasury that the BLM uses to process thousands of ROW applications.

Conclusion

The Department and the BLM are committed to responsibly mobilizing the tremendous

renewable energy resources of our nation's public lands. We share the Sponsor's and the Subcommittee's interest in supporting the development of those resources, consistent with environmental protections and public involvement in agency decision-making. The Department and the BLM look forward to continuing to work with the Subcommittee and Congress on these important issues.