

STATEMENT OF

DAVID H. MEYER

DEPUTY DIRECTOR

PERMITTING, SITING AND ANALYSIS DIVISION

OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY

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COMMITTEE ON COMMERCE

U.S. HOUSE OF REPRESENTATIVES

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Good morning, Mr. Chairman and Committee Members, I am David Meyer, Deputy Director of the Permitting, Siting, and Analysis Division in the Department of Energy's Office of Electricity Delivery and Energy Reliability. I appreciate the opportunity to testify before you today on the subject of energy corridors on Federal lands. Energy corridors are vital links for delivering energy supplies to the Nation's consumers. As you and many of your colleagues have recognized, it is of little benefit to increase domestic energy production capacity if we are not able to deliver the output to where consumers need it.

The Department of Energy (DOE) is committed to supporting the development and maintenance of a reliable and robust energy infrastructure. We appreciate your help in passing the Energy Policy Act of 2005 (EPACT) to promote reliability and enhance our reliance on domestic energy sources.

From the early days of this Administration, the President's National Energy Policy has insisted that we can meet the Nation's energy needs while also protecting the environment, and that we do not need to make painful choices between these two important objectives. The Energy Policy Act restates this view. In designating energy corridors on Federal lands, we intend to demonstrate the practicality of this perspective.

Rapid economic and population growth in many parts of the Nation have increased the demand for energy supplies and outpaced the development of new energy infrastructure. At the same time, local community opposition and environmental concerns have frequently made it more difficult to site needed new facilities. By enacting EPACT, the Congress created important new mechanisms to streamline and expedite permitting and siting processes for such facilities. My purpose today is to

report on where we stand today on one of those mechanisms: that is, designation of energy corridors in the West under section 368 of the Act.

Specifically, section 368 of the Energy Policy Act directed the Departments of Energy, Interior, Agriculture, Commerce, and Defense to designate multipurpose energy corridors on Federal lands – in the western states by August 2007 and in the rest of the Nation by August 2009. The central purpose was to perform the environmental and other analyses needed to identify areas on Federal lands suitable for use as energy corridors, and ensure that these corridors will be available for such use if needed in future years. Since the Act's enactment, the Department of Commerce has chosen to participate as a consulting agency. The other four Departments, aided by Argonne National Laboratory, have held scoping meetings in the eleven western states, gathered and integrated relevant data from numerous data bases, developed alternatives to be considered in a draft programmatic environmental impact statement (DPEIS), and developed a preliminary draft map showing potential corridors.

The four Departments created a project team consisting of DOE's Office of Electricity Delivery and Energy Reliability as the lead, the Bureau of Land Management (BLM) as a co-lead, and the USDA Forest Service and the Department of Defense as cooperating agencies. The Department of the Interior's Fish and Wildlife Service and the State of California are also cooperating entities. The Department of Commerce has participated in a consulting role.

The project team seeks to accomplish two overarching goals with this project. One is to support the planning and development of needed energy infrastructure in the West, especially electric

transmission. The other is to streamline and expedite the process for siting and permitting energy facilities on Federal lands. “Pre-approval” of corridors designated through this process will facilitate the siting of new energy infrastructure needed to meet growing energy demands while protecting the environment. The interagency project team is committed to avoiding designating corridors in sensitive areas wherever possible. Much of the environmental analysis required by the National Environmental Policy Act (NEPA) will be completed within the programmatic phase of this process. This will help to streamline the permitting and siting of energy facilities on Federal lands, without compromising the quality of our environmental decisions.

The project team has solicited and received extensive public input on the designation of section 368 corridors, and is continuing to work extensively and cooperatively with other Federal agencies, Indian Tribes, States, and local governments, and the public. Overall, DOE believes that the governors of the affected states and the majority of affected Tribes were satisfied with these procedures and with the preliminary draft map of section 368 energy corridors we released on June 9 of this year. To date no State has raised major objections or questions concerning the draft map, although the comment period on it has not yet closed. We look forward to continuing to work with the States in this process.

As required by EPACT, the project team will propose a specific centerline, width, and compatible uses for each energy corridor. The team will prepare a DPEIS that will propose for public comment corridors where transmission lines or pipelines may be built in the future. Additional environmental analysis will be done in the future when individual projects are proposed for siting in designated corridors, with opportunities for public involvement and input. This will further ensure protection of

wildlife habitat, recreation opportunities and other values of the lands within and adjacent to corridors.

The programmatic environmental impact statement (PEIS) process is critical to implementation of section 368 because it will culminate in the issuance of coordinated Records of Decision that the participating agencies will incorporate into their respective land use and resource management plans. With these changes, the plans will specify the energy corridors where transmission lines or pipelines may be built in the future. Issuing coordinated Records of Decision involving several Departments and agencies will set an important and remarkable precedent.

Since the enactment of EPACT in August 2005, a great deal of work has been done by the Agencies to implement section 368. Here, I will cite a few highlights:

- Public scoping meetings were held in each of the 11 western States from October to November 2005.
- The four Agencies agreed upon a Memorandum of Understanding (MOU) to help streamline the siting of energy facilities in designated corridors, and sent it to Congress in February 2006.
- A preliminary map of draft energy corridors on Federal lands was posted for comment on DOE's 368 website, <http://corridoreis.anl.gov>, in June 2006.
- Discussions are continuing with Tribes, States and Federal agencies regarding possible energy corridors on Federal lands

I attach below a more detailed outline of consultation and coordination activities to date, along with some key upcoming events.

The recently published map of proposed corridors was released to provide the public an early opportunity to review potential corridors that may be designated through the PEIS process. As the process continues, the Agencies will refine and adjust the map as necessary – and release an updated and more precise map when the DPEIS is released (about December 31, 2006). The DPEIS will fully explain the alternatives under consideration by the Agencies. Comments on the June 9 map are due by July 10, 2006 via DOE's 368 website, <http://corridoreis.anl.gov>, or regular mail.

As envisioned by Congress, section 368 of EPACT seeks to enhance the delivery of oil, gas, hydrogen and electricity and to strengthen the electricity transmission grids by improving reliability, decreasing congestion and enhancing transmission capability. The corridors on Federal lands will be designed to accommodate multiple infrastructure projects, including transmission lines and gas, oil, and hydrogen pipelines.

In conclusion, Mr. Chairman, the Department of Energy and the other Agencies look forward to working with you and your colleagues to expedite and coordinate the processes for permitting and siting of energy facilities in energy corridors on Federal lands. We need to do this to increase our reliance on domestic energy supplies and improve our energy infrastructure.

Thank you. I look forward to your questions.

APPENDIX

Report Development

- Public scoping meetings held in each of the 11 western states from October to November, 2005
- Summary of Public Scoping Comments posted on website, January 31, 2006
- MOU (EPACT, secs. 368/372) with the four agencies to streamline the siting process – signed and sent to Congress, February 2006
- Meeting with NEPA staff from all four agencies to discuss the outline of the PEIS and varying cultural differences of how this product should look, May, 2006
- Preliminary draft of energy corridors on Federal Lands posted on DOE's 368 website, <http://corridoreis.anl.gov>, June 9, 2006
- Ongoing updates to map (in response to comments) until field analysis for PEIS begins
- Ongoing coordination with DOE's sec. 1221 team re identification of congested areas and potentially relevant corridors
- Ongoing discussions with Tribes, States and Agencies regarding possible energy corridors on Federal Lands
- Ongoing discussions with NEPA working groups on energy corridor designation (tribal, cultural, geospatial, other)
- Ongoing work to prepare and publish DPEIS
- Publication of DPEIS by December 31, 2006
- Comments period on DPEIS, January – early March 2007
- Incorporate comments as appropriate and prepare the final PEIS (March 2007 – June 2007)

- Issue Record of Decision showing final corridors, and incorporate corridors into the land use plans and resource management plans for specific BLM areas and National Forests (August 2007).

Work on planning energy corridors on Federal lands in the rest of the U.S. (including Alaska and Hawaii) has not yet begun. A report to Congress on that subject is due August 2009.

The roles of the participating Departments and Agencies are summarized below:

- The Department of Energy's Office of Electricity Delivery and Energy Reliability has the lead for this project. The Department has experience preparing environmental impact statements both as an individual agency and in partnership with other agencies in relation to Presidential Permits for international transmission facilities and authorizations for electricity exports. The Department also provides general energy knowledge and expertise for this project.
- The Bureau of Land Management (BLM) is the co-lead and has experience preparing PEISs, both as an individual agency and in partnership with other agencies. The most recent example is the Wind Energy PEIS, prepared with the Department of Energy. The BLM is also preparing a PEIS for development of oil shale and tar sand resources on public lands.

- The Department of the Interior's Cooperating Agency Rule allows other Federal agencies as well as State, Tribal and local governments to become full partners in preparing the PEIS. This enables Interior's Fish and Wildlife Service to be a cooperating agency.
- The Department of Agriculture's Forest Service is a Cooperating Agency in the energy corridor PEIS. The Forest Service is working closely with the other agencies to ensure that proposed energy corridors are compatible with land management plans' desired conditions and objectives for the affected National Forests.
- The Department of Defense is a Cooperating Agency in the energy corridor PEIS and has extensive experience managing its training and testing lands and military installations. The Department is working closely with the other Federal agencies to ensure that proposed energy corridors are compatible with its national security mission.
- In California, the Energy Commission has led an Interagency PEIS workgroup comprised of multiple Federal and state agencies. The Interagency workgroup has assisted the Agencies by reviewing potential corridors and providing recommendations, system information, and potential environmental and land use impact information to DOE for consideration in the DPEIS.
- Argonne National Laboratory is under contract to DOE to help with the PEIS process.