CHAIRMAN MANCHIN'S OPENING STATEMENT DURING <u>A FULL COMMITTEE HEARING TO CONDUCT</u> OVERSIGHT OF THE BUREAU OF LAND MANAGEMENT

- The Committee will come to order.
- This morning, the Committee is convening to conduct oversight over the Bureau of Land Management – also known as the "BLM" – which is situated within the Department of the Interior.
- I'd like to welcome Director Stone-Manning back to the Committee.
- Thank you for joining us this morning.
- I also sit on the Armed Service Committee, and we're engaged in a markup of the National Defense Authorization Act this morning, so I'm going to give my opening statement and then Senator Heinrich will sit in as Chairman.
- Though West Virginia has very little BLM-managed lands as compared to other states, as Chairman of this Committee and as an American I'm always astonished at how much land in the United States is managed by the Federal government, especially in western states.
- In total, the BLM is responsible for more than 1 in every 10 acres of land in the U.S., and approximately 30 percent of the nation's minerals that's approximately 245 million acres of surface land and 700 million acres of subsurface mineral estate.
- This land, together with all its natural resources and beauty, is owned by the American people, and it has been entrusted to the BLM to

"sustain its health, diversity, and productivity for the use and enjoyment of present and future generations."

- This includes managing wildfires and drought and protecting and restoring watersheds; native and recreational fisheries; and ecosystems across BLM-managed lands.
- BLM also plays a significant role in providing for our nation's energy and mineral security.
- Roughly 10% of U.S. oil and gas production occurs on BLMmanaged lands. In FY 2023, we produced 516 million barrels of oil from Federal onshore lands and 3.7 trillion cubic feet of natural gas.
- This is why it is so important that the Inflation Reduction Act ensured onshore oil and gas leasing will continue by tying BLM's authority to issue rights-of-way for solar and wind projects to whether substantial oil and gas lease sales are also occurring on public lands.
- And we're producing this energy more cleanly than ever while also addressing the legacy impact on our energy communities through initiatives like the \$4.7 billion Congress provided in the Infrastructure Law for the Orphaned Well Program, which is managed by the BLM.
- I was also pleased to see the Ninth Circuit Court of Appeals earlier this year finally overturn the Executive Branch's decade-long moratorium on new federal coal leasing, given that nearly 40% of our nation's coal comes the Powder River Basin in Wyoming and Montana, much of it on BLM-managed lands.

- But unfortunately, the BLM quickly followed that up by choosing "no more coal leasing" as their preferred option on those federal lands.
- I guess when you look at the regulations this Administration is putting out, it's clear they think that coal won't be needed anymore.
- But I'm here to tell you what it's actually doing: putting our grid reliability at risk.
- And the problems aren't limited to fossil fuels the administration doesn't care for.
- There is a nearly 300-mile transmission project across Oregon and Idaho that has been trying for over 18 years to get permitted and constructed.
- When complete, the 500-kilovolt line would deliver badly needed energy and increase reliability to the nation's electric grid.
- But just when the developer thought they were about to cross the finish line, BLM decided to <u>restart</u> the previously completed cultural and historical surveys.
- I've heard similar challenges with geothermal developers, where nearly 30% of their capital is tied to just the environmental reviews.
- They simply cannot afford to be stuck in an endless permitting nightmare while their remaining financial support rides on whether they can ever obtain a permit to start their commercial operations to produce geothermal energy.

- To show how bad the problem is, the chart behind me is based on work from Stanford University that looked at every single Environmental Impact Statement completed from 2010-2018 across the entire federal government.
- The BLM led more of these EISs than any other agency.
- Stanford found that solar is the most frequently litigated <u>and</u> cancelled project type, with wind a close second in terms of cancellation.
- In almost all of these cases, the litigants were environmental groups.
- As evidenced by this research from Stanford, comments submitted to BLM's regulations, and feedback I've heard directly from developers, it is clear there remains a major challenge permitting energy projects on BLM-managed lands, regardless of the type of energy that will be produced.
- Unfortunately, the situation for critical minerals mining on public lands is just as bad.
- Some estimates say that more than 300 new mines will be needed in order to meet projected demand for critical minerals.
- According to the International Energy Agency, demand for electric vehicle batteries will increase from around 340 gigawatt hours today to over 3,500 gigawatt hours by 2030, requiring as many as 50 new lithium mines, 41 new nickel mines, and 11 new cobalt mines.
- This demand simply <u>cannot</u> be met through recycling alone and new mines must be built in the U.S. and on BLM-managed lands.

- We directed the BLM in the Bipartisan Infrastructure Law to provide us with a report on how we can do that, and how we can improve and expedite the permitting around our domestic critical minerals supply chain.
- The report we received, which was many months late, recognized the "hard truth" that demand for critical minerals will at least double by 2040, but then it clearly failed to meet the requirements set by Congress.
- It barely contained any concrete recommendations to actually accelerate mine permitting.
- Instead, it calls for more regulations, more staff, more funding, less mining wherever <u>BLM believes</u> permitting will take longer, and a multi-year effort to completely overhaul the entire mining regulatory system.
- The report was so bad, in fact, that Interior's own Inspector General found the Department failed to meet Congress' direction and instructed Interior to provide the additional, legally required information.
- We need you to do better.
- Director Stone-Manning, I fully appreciate your responsibility to manage our nation's precious resources.
- I also implore you not to forget your role in our nation's economic and energy security.
- Now I will recognize Senator Barrasso for his opening statement.