

**Statement of
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Before the
Senate Committee on Energy and Natural Resources
on
The American Jobs Plan and the Discussion Draft of
The Energy Infrastructure Act
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Chairman Manchin, Ranking Member Barrasso, thank you for providing the Department of the Interior with the opportunity to testify on the discussion draft of the “Energy Infrastructure Act” (“discussion draft” or “draft”). Interior will be happy to provide the Committee with additional views and assistance as the bill moves forward.

President Biden’s American Jobs Plan

Addressing the challenges of climate change and America’s aging infrastructure have been priorities for President Biden. The American Jobs Plan, which the Administration released at the end of March, is a long-term strategy to create millions of good-paying jobs with a free and fair chance to join a union, rebuild and add resilience to our infrastructure, and position our country to out-compete others on the global stage. Similar to the discussion draft before the Committee today, the \$2 trillion American Jobs Plan (AJP) will invest in necessary brick-and-mortar infrastructure, climate response and resilience, clean energy infrastructure, and Tribal Nations. Among other things, the AJP will fix roadways and rebuild bridges; rebuild clean drinking water infrastructure, support a renewed electric grid, provide high-speed broadband to all Americans; and modernize homes and other buildings.

Key provisions of the AJP that impact Departmental programs and actions include:

Creating a Civilian Climate Corps. The AJP includes \$10 billion to mobilize the Civilian Climate Corps, or CCC, which will put Americans to work conserving our public lands and waters, bolstering community resilience, and advancing environmental justice, while placing good-paying union jobs within reach of more Americans.

Investing in Climate Resilience. The AJP includes \$50.0 billion to protect and, where necessary, restore nature-based and traditional infrastructure that will help to protect lives

and livelihoods from extreme wildfires, increase coastal resilience to sea-level rise and hurricanes, support agricultural resources management and climate-smart technologies, and better protect and repair major land and water resources like the Everglades and the Great Lakes. Examples of these investments include:

- Bureau of Reclamation's (Reclamation) water efficiency and recycling programs, Tribal water settlements, and dam safety programs, which are all investments focused on and necessary to address the current western drought crisis;
- Additional investments in federal and Tribal hazardous fuels management. The increasingly severe wildfires we are experiencing, particularly in the west, come with negative consequences for community safety and public health, property, carbon storage, and biodiversity.
- Expanded digital, high-resolution elevation collection mapping within the U.S. Geological Survey's (USGS) 3D Elevation program (3DEP), which is essential for hazard planning critical to future climate resilience actions, including informing flood and mudslide risk;

Plugging Orphaned Oil and Gas Wells and Cleaning Up Abandoned Mines. Orphaned oil and gas wells and abandoned mines pose serious safety hazards, while also causing ongoing air, water, and other environmental damage. Federal lands, particularly remote and rural locations, have a significant number of the hundreds of thousands of orphaned oil and gas wells and abandoned mines. The AJP includes an investment of \$16.0 billion to put to work hundreds of thousands of Americans plugging oil and gas wells and restoring and reclaiming abandoned coal, hardrock, and uranium mines.

Other broader investments that are part of the AJP include investments in rural and Tribal communities, including expanded broadband coverage and improved roads, bridges, and water systems and a proposed \$5 billion Rural Partnership Program to support economic development in rural regions, including Tribal Nations.

Discussion Draft Provisions

The Administration appreciates the Chairman's efforts with this significant discussion draft, which complements the Department's efforts to advance the President's initiative and addresses a number of the Department's priority goals. Below we offer a brief discussion and comment on several key provisions of the draft and provide the Administration's views on provisions of the AJP that we believe should be included or strengthened as the draft moves forward.

Title II. Supply Chains for Clean Energy Technologies.

The USGS is responsible for mapping, characterizing, and quantifying the Nation's geologic resources, and collects data on the global supply, demand, and trade of non-fuel mineral resources.

Section 2001, Earth Mapping Resources Initiative (Earth MRI), authorizes the USGS initiative of the same name. Earth MRI provides a better understanding of the subsurface and above-ground mineral resources potential of the United States. Earth MRI coordinates efforts across various USGS programs and with the Association of American State Geologists, and provides integrated topographic, geologic, geochemical, and geophysical mapping and mineral data interpretations which helps speed and enhance this understanding.

Earth MRI data are essential for delineating areas with critical mineral potential as well as for decisions on infrastructure, transportation, and land-use planning; hazard assessments for landslides, volcanoes, and floods and their mitigation; water resources management; geothermal resources and geologic carbon storage; and emergency response. The Department supports the goal of this section and would welcome the opportunity to work with the Committee on aligning these investments with other Administration priority mapping investments in the FY 2022 Budget.

Sections 2002 and 2003 address the National Cooperative Geologic Mapping Program and the National Geological and Geophysical Data Preservation Program, respectively. Section 2002 would extend the authorization of Geologic Mapping program through 2031 and would ensure that mine waste is catalogued and characterized for the occurrence of critical minerals. Section 2003 would direct the Geological and Geophysical Data Preservation Program to preserve samples to track geochemical signatures from critical minerals in order to provide for

provenance tracking. These programs, along with the 3D Elevation Program, are important components of the Earth MRI. While detailed data on geologic resources is essential to energy infrastructure development, less than 20 percent of the country has been mapped at the level of detail contemplated by the bill.

Section 2004 provides for the construction of a new USGS energy and minerals research facility. Modernizing USGS research facilities is an important priority for the Department, and we appreciate Congress's attention to this issue. We would welcome the opportunity to work with the Committee on modifications that would include a revised cost estimate for the facility.

Section 2006 requires the Bureau of Land Management (BLM) to develop and implement clear standards for the permitting of critical minerals on public lands, including timelines associated with processing critical mineral plans and applications and it directs BLM to develop performance metrics that ensure continued processing of those plans and applications. The section contains an annual reporting requirement that includes the implementation of the BLM's permitting standards and any associated results. It also requires BLM to engage with federal, state, and tribal partners and other stakeholders early and often during the critical mineral permitting process.

The Department recognizes the important role that environmentally-responsible and appropriately-sited critical mineral production from public lands can play in transitioning to a clean energy economy, and we appreciate the goal of improving the federal permitting process of critical minerals. However, the Department has significant concerns about the impacts of the provision as drafted on Tribal consultation and other important, and required, reviews and public processes. We look forward to continuing to work with the Committee to achieve the goals of advancing environmentally-responsible critical mineral projects.

Title III. Fuels and Technology Infrastructure Investments.

Sections 3301 and 3302 address the potential for the development of clean energy projects on former mine lands. Section 3301 amends the Energy Act of 2020 to require the Department of Energy to include in its strategic vision report on solar energy development the viability of siting solar energy projects on current and former mine land, as defined under the Surface Mining Control and Reclamation Act. Section 3302 would create a program within DOE to demonstrate

the viability of siting those projects on current and former mine lands. In both instances, the Secretary of Energy would be required to consult with the Department of the Interior, and others.

One of the major goals of the President's American Jobs Plan is to create jobs through clean energy development and reclamation activities. While the authority in these sections is provided to the Department of Energy, and we defer to DOE on these provisions specifically, we are supportive of the general goal as it serves to highlight and advance innovative ways that the climate crisis can be addressed while creating jobs and economic development opportunity in current and former mining communities.

Section 3007 contains provisions giving the Department the authority to permit geologic carbon sequestration on the outer Continental Shelf. The Department has been reviewing its existing authorities for carbon capture and storage and is supportive of this authority, as we seek to ensure that overburdened communities are protected from increases in cumulative pollution. Both the USGS at the Department and the Department of Energy's National Energy Technology Laboratory (NETL) have carried out studies characterizing potential offshore storage reservoirs, and NETL has studied best practices for offshore sub-seabed geologic storage.

Title VI. Methane Reduction Infrastructure.

Sec. 6001, Orphaned Well Site Plugging, Remediation, and Restoration, establishes a \$4.7 billion program to plug, remediate, and reclaim orphaned wells through grants to states, and new programs for federal and Tribal lands.

The Department recently testified before this Committee in strong support of this section's goal of remediating the thousands of orphaned oil and gas wells on federal and non-federal lands. Reclamation of oil and gas operations is an essential phase in oil and gas development as it helps to ensure that any impacts on the land and resources are not permanent and creates a foundation for community revitalization and economic diversification. Orphaned wells occur when an operator fails to properly plug and remediate an oil and gas well and no responsible party can be identified for cleanup activities.

A recent Government Accountability Office report (GAO-19-615) estimated the average cleanup costs for orphaned wells to be on average between \$20,000 and \$145,000 per well. The

Department's Fiscal Year (FY) 2022 budget request includes over \$480 million to support programs that address orphaned well remediation and abandoned mine land reclamation, more than double the FY 2021 enacted discretionary level. That investment builds on the President's American Jobs Plan calling for an immediate up-front investment of \$16 billion to clean up abandoned mines and orphaned wells. This investment would also help create 250,000 good-paying jobs with a free and fair choice to join a union.

Section 6002, NEPA Review of Certain Pipeline Placement Activities, amends Section 390 of the Energy Policy Act of 2005, which established statutory authority for the use of "categorical exclusions" from further analysis under the National Environmental Policy Act for several types of oil and gas development activities. Specifically, it amends the existing provision allowing for the use of a categorical exclusion for pipelines in an approved right-of-way corridor. The revised language would add associated pipeline infrastructure to what may be categorically excluded from further NEPA analysis. The provision also adds an extraordinary circumstance review prior to using any of the five categorical exclusions.

The President has made clear his goal to reduce emissions from federal and non-federal sources. We note that the revision provided by this section would likely result in an expanded use of this particular categorical exclusion, and could potentially reduce permitting timeframes and result in a reduction of venting and flaring that occurs while certain operators seek pipelines and pipeline infrastructure permit approvals. The Department would like to work with the Committee to clarify certain terms used in this section.

The Department also recognizes the uncertainties and related litigation associated with the application of "extraordinary circumstances" to the Section 390 categorical exclusions and appreciates the effort in the draft to provide clarity and consistency on this issue. We support the inclusion of the "extraordinary circumstances" requirement that would ensure NEPA review, where warranted, even if the activity falls into a category that is generally excluded from such review.

Title VII. Abandoned Mine Land Reclamation.

The provisions in sec. 7001, Abandoned Mine Land Reclamation Fund Direct Appropriations, would provide additional funding for the Abandoned Mine Reclamation Fund to address legacy

abandoned coal mine sites throughout the nation. This proposal is consistent with the President's American Jobs Plan which, as noted above, would spend \$16 billion on remediation of abandoned coal mines and orphaned oil and gas wells. Such projects create jobs, eliminate safety and environmental hazards, and can provide new economic opportunities for communities by cleaning up polluted sites and making new areas available for recreation or development.

The Administration also supports reauthorization of the Abandoned Mine Land fee authority before its expiration on September 30, 2021. These fees are paid by coal companies on each ton of coal mined and continue the commitment the coal industry has made to contribute to cleaning up coal mine sites left un-reclaimed prior to the passage of the Surface Mining Control and Reclamation Act in 1977. Given cost increases, the continual discovery of new abandoned mine hazards, and emergency situations that arise, even the one-time infusion of funds provided by the legislation and the existing balance in the Abandoned Mine Reclamation Fund will not be enough to address the complete inventory of work that needs to be done.

Title VIII. Natural Resources-Related Infrastructure, Wildfire Management, and Ecosystem Restoration.

Sec. 8003, Wildfire Risk Reduction, appropriates \$3,500,000,000 to the Department and to the USDA-Forest Service for wildfire risk reduction activities, including community wildfire defense grants, mechanical thinning, controlled burns, the Collaborative Forest Restoration Program, and firefighting resources. The Department supports the President's American Jobs Plan goal of maximizing the resilience of our land and water resources and to restore nature-based infrastructure, including investments in protection against extreme wildfires now common in the west.

The conditions on the ground are leading to more frequent and severe wildfires. To date this year, more than 29,000 wildfires have burned over 1.1 million acres of land, and the national preparedness level (PL) is at 4, indicating significant wildfire activity across most geographic areas and a substantial commitment of firefighting resources on a national level. The average PL for this time of the year is PL2. The fire outlook continues to reflect warmer and drier conditions leading to the high potential for severe wildfire activity throughout the western United States through the summer and into the fall.

The Administration agrees there is an urgent need to focus equally on wildfire prevention and mitigation efforts while continuing to carry out core emergency wildfire response activities. Committing substantially more resources to addressing wildfire risk supports the long-term goals of the National Cohesive Wildland Fire Management Strategy—resilient landscapes, fire adapted communities and safe and effective wildfire response. Addressing wildfire risk at this scale is an important science-based step towards a long-term solution to the current wildfire crisis.

Section 8003 provides a total of \$1.15 billion to reduce wildfire risk on Department and Tribal lands located in the wildland urban interface or areas located in drinking water source areas. Section 8004 of the draft provides \$850 million for restoration initiatives conducted jointly with partners, through grants or contracts on federal and non-federal lands.

As noted above, the Department support these provisions, but would like to work with the Committee on several technical adjustments to the draft language that we believe would facilitate implementation. With respect to section 8003(d), the Department of the Interior shares the Committee’s concerns about ensuring adequate pay for wildland firefighters and will be working with the Office of Personnel Management in seeking solutions that address those concerns. The Administration is studying the specific provisions of section 8003(d) and will be communicating its views at a later time. Additionally, the Department would like to collaborate with the USDA-Forest Service on the development of maps, reports and analyses that help inform wildfire risk. It is important that Tribal partners are equally considered in the availability of grants, particularly under the provisions of Section 8004.

The Department also notes the recurring funding needs associated with possible pay increases for employees engaged in wildland fire prevention and suppression. Maintaining this funding is key to achieving workforce success and the long-term objectives of the draft. Finally, certain additionally authorities will be necessary to maximize implementation of several provisions of this draft, including, for example, consideration of ensuring that the BIA, FWS and NPS are authorized to carry out the Good Neighbor Authority and stewardship contracting authority.

Title IX. Western Water Infrastructure.

Much of the Western United States is facing record drought. California is currently experiencing its third driest year on record; the second two consecutive driest years on record, and the driest year since 1977. In the Colorado River Basin, the period from 2000 through 2021 has been the driest 22-year period in the Basin in more than 100 years of record-keeping and one of the driest in the past 1,200 years based on paleohydrology data. The Pecos and Rio Grande Basins in New Mexico are entering their second consecutive year of extreme drought conditions in a drought cycle that has lasted more than two decades.

The Department recognizes the ongoing and future drought impacts facing the West, which we are working to address on multiple fronts. Drought resilience projects, water efficiency projects, and other water management improvements authorized by the SECURE Water Act, Cooperative Watershed Management Act, and Reclamation States Emergency Drought Relief Act provide critical funding to communities and stakeholders to prepare for and respond to drought.

But demand for these programs has increased as the West continues to be ravaged by the ongoing drought. In addition, ensuring continued progress on implementation of Indian Water Rights Settlements and the Department's rural water projects are important to the health, safety, and economic development of tribal nations and many rural communities in the West.

Section 9001 of the Energy Infrastructure Act would appropriate \$5 billion beginning in Fiscal Year 2022 through 2026 for eligible water storage projects, authorized regional rural water projects, grants authorized by the Secure Water Act, the Cooperative Watershed Management Act, 1991 Reclamation States Emergency Drought Relief Act, and the Reclamation Projects Authorization and Adjustment Act of 1992. Within the amounts provided, some additional integral programs that were included in the President's American Jobs Plan could be added when considering an infrastructure package.

The Department welcomes the opportunity to work with the Committee to clarify language in Section 9001 and identify capabilities to utilize appropriated funding.

Additional Recommendations

The Administration appreciates that the discussion draft addresses several of the key provisions of the President's American Jobs Plan. The Administration urges that a final legislative draft include the funding that President Biden has dedicated, \$10 billion, to put in place the Civilian Climate Corps, which will provide jobs and training opportunities, connect underserved communities to Federal lands, and do important work on the landscape, like restoring lands, and improving campgrounds and trails.

While the Department is one of many agencies that would receive funds through the proposal, the Department has a long history of success with public service and conservation corps programs, such as this.

In addition, a significant portion of lands under the Department's jurisdiction are in or near small, rural towns across the country, and the lands we manage are important to the local economy and the overall environmental quality of the area. The Administration believes this important program will benefit these communities in just those ways – resulting in healthier lands and waters where these citizens live and standing up new conservation jobs, providing work experience and training.

The Administration also urges that Congress include in any final bill investments proposed in the President's American Job Plan for Tribal water settlements and dam safety improvements within the provisions of Title IX, Western Water Infrastructure. We believe that funding for these programs is essential to any infrastructure package.

In many places, water resources are now either fully appropriated or over-appropriated. These situations underscore the need for cooperative management of water supplies and highlight the important role that Tribal water rights settlements can play.

The Dam Safety Program continues to be one of Reclamation's highest priorities. The program mission is to ensure Reclamation's dams do not present an unreasonable risk to people, property, and the environment. The Reclamation Dam Safety Act of 1978 and subsequent amendments provide the authority for modification of Reclamation dams, as necessary, to address dam safety risks associated with new hydrologic and seismic data as well as issues related to changes in

state-of-the art design and construction practices for dams. Two of these projects involve very high-cost modifications, with the larger of the two, B.F. Sisk Dam in California, scheduled to initiate construction in 2021.

Conclusion

Thank you for the opportunity to present the Department's views on this discussion draft. The President has made it clear that this is a top priority for him and for the nation. The draft contains a number of priority provisions for the Department, and we believe that it is a positive start to this important process. The Administration welcomes the opportunity to work with the Committee to put in place necessary and comprehensive infrastructure investments that will create millions of good jobs, address the climate crisis, and clean our environment.

This concludes my statement and I am happy to answer any questions that you may have.