

Chairman Joe Manchin's Opening Statement

April 27, 2021

Full Committee Hearing On The Department Of The Interior's Onshore Oil And Gas Leasing Program

- Thank you everyone for being here today to discuss the status of energy development on our public lands and our federal oil and gas leasing program.
- In January, the administration announced a pause on new leasing while they conducted a review of the onshore and offshore leasing programs.
- During this review, only new leases sales have been paused, but oil and gas production has not been stopped. In fact, I understand that BLM approved over 500 new permits to drill in February and March.
- I'd like to acknowledge that this is an issue that brings a lot of passion and has very real impacts on many of the states represented on this Committee.
- Just as the administration is conducting an evaluation of the Department of the Interior's oil and gas leasing program, our committee needs to have a fact-based discussion to set a baseline from which we can work to improve the Federal energy programs for all Americans.
- I feel strongly that we need to maintain our energy independence, use our abundant natural resources in the cleanest way possible, and ensure a fair return for the taxpayer when it comes to federal resources.

- Our public lands are used for multiple purposes, including energy development, recreation, hunting and fishing, and conservation.
- We absolutely need to be mindful of balancing these uses and be aware that the decisions we make impact many people in the local communities surrounding our public lands.
- Onshore energy production on our federal lands also plays a significant role in our national energy profile, providing 8 percent of our oil and natural gas; more than 40 percent of our coal and geothermal energy; and considerable wind and solar energy.
- This energy development produced an average of \$3.25 billion annually in revenue for host states and the federal government over the last 5 years through royalties, rents, bonuses, and other fees.
- How and where that energy production takes place is a key part of our jurisdiction on this Committee.
- This development has wide-ranging impacts; from the revenue it provides for both states and the federal government and the jobs it provides, as well its environmental impacts, and the way it interacts with the other potential uses for those lands.
- We need to take all of that into account as we take a hard look at how the oil and gas programs are functioning and what reforms might be appropriate, especially given that we'll be relying on fossil energy in some fashion for the foreseeable future.
- I hope that the Administration will do the same and take some of the discussion we have today into account as they develop their report on this topic.

- One area where I believe more work needs to be done is to reduce damaging methane venting and flaring on federal lands.
- Limiting this wasteful practice will mitigate the environmental impact of this extremely potent greenhouse gas and also ensure the taxpayers receive a fair return for their resources.
- In 2019, oil and gas operations on onshore federal lands vented or flared 74 billion cubic feet of methane, an 83 percent increase from 2015.
- I look forward hearing about the steps responsible producers are taking to reduce venting and flaring – as well as what bottlenecks exist that keep this gas from getting to market.
- Now, as I've said before, I'm all for innovation, not elimination, and an all-of-the-above energy policy.
- And while the focus of our hearing today is on the oil and gas leasing program, one thing that I think makes all the sense in the world is increasing deployment of renewable energy on federally managed lands where it makes sense.
- Unfortunately, our agencies have not prioritized renewables or dedicated appropriate resources to their development.
- The permitting process is slow, and there is not enough economic and regulatory certainty for the renewable energy industry operating on federal lands.
- The Energy Act of 2020 included several provisions to aid renewable development, geothermal innovation, and appropriate deployment on public lands.

- I look forward to hearing from BLM about how we might work together to pursue renewable energy development on public lands.
- Let me close with my belief that we are all entitled to our own opinions, but we are not entitled to our own facts to support those opinions.
- It's not productive to be unrealistic when faced with these difficult issues.
- We are certain to have a wide range of views on what reforms might be appropriate for our public lands, but it is my hope that today we can have a robust discussion about the current state of play for energy development on our federal lands, and set a baseline of facts from which to discuss reforms in the Congress and that the administration will consider going forward.
- With that, I'll turn it over to Ranking Member Barrasso to give his opening remarks and to introduce one of today's witnesses, Governor Gordon of Wyoming.