

## Rocky Mountain Energy Council

### **Proposal:**

The Rocky Mountain Energy Council is a Presidential priority that will allow a more effective management strategy for energy development and energy policy issues on Federal and State public lands in the Rocky Mountains. It is proposed that the Council include the States of Utah, Wyoming, Colorado, Montana, New Mexico and those Federal and State Agencies with responsibilities for managing energy projects within these States. The Council will be responsible for fostering Federal/State partnerships and early collaboration for Federal and State Government decision-making on energy issues facing the region and the Nation. It is intended that the Council will take a long-term perspective on managing renewable and nonrenewable public energy resources, including their identification, production, and transmission to the market. The responsibility of the Council will be to address and resolve issues affecting the environmentally responsible development of the valuable public energy resources that are needed for the energy security, economic stimulation, and social well-being of the American Public.

### **Background:**

The Rocky Mountain area is anticipated to be a significant contributor to this Nation's increasing demand for energy, especially natural gas. Natural gas is not only used extensively by many Americans for familiar uses such as heating homes and providing hot water, but increasingly the electricity flowing from wall outlets and to light switches is being generated by natural gas fired electrical plants. In addition, approximately 20 percent of the natural gas produced in this country is used to manufacture the fertilizer that is used to keep fresh vegetables, fruit, and bread on our kitchen tables year-round. Affordable and dependable supplies of natural gas and other energy form the cornerstone of the daily life of all Americans.

The Energy Information Agency (EIA), in its 2002 report titled the Annual Energy Outlook forecasts that U.S. consumption of natural gas to meet the demand for fresh food, warm homes, hot water, and affordable electricity would grow by 60 percent by 2020, to a consumption level of 34 trillion cubic feet (Tcf).

The EIA reports that "A substantial portion of this increase is expected to originate in the Rocky Mountains, where production is forecasted to increase by 93 percent to 5.5 Tcf. There is no question that the resources are more than adequate to meet the expected increase in demand. According to Colorado School of Mines geologist Fred F. Meissner, "The Rocky Mountains are a Persian Gulf of Gas." The statistics support this view. According to the Annual Energy Outlook, the region has over 165 Tcf of technically recoverable resources."

Because a large proportion of these resources are on Federal land, the Federal Government can—and should—play a leadership role in the environmentally responsible management of

these important energy resources. Each and every federal agency that has a role in the decisions made by the Federal Government on development of public energy resources should be part of the process from the beginning, helping to define concerns, to identify information needs, and to craft solutions to help meet the energy, economic, and environmental needs of this Nation.

It is also important that federal decisions on public land not be made in a vacuum and that effective institutional partnerships be formed with the States so that policies and regulations on energy development, project oversight, and environmental protection be made in concert, for the benefit of local, regional, and national populations.

To that end, the President has proposed implementing a Rocky Mountain Energy Council to build a broad coalition of decision makers to develop an integrated process for effective management of public energy resources in the Rocky Mountains.

### **Goals of the Rocky Mountain Energy Council:**

- 1) To reduce the conflict, uncertainty, and time involved in making decisions on energy resource management in the Rocky Mountains.
- 2) To take a long-term and regional view on managing energy resources in the Rocky Mountains.
- 3) To establish a mechanism to coordinate top-level federal and state policy guidance regarding the development of regional energy resources and their transmission to markets.
- 4) Institutionalize early collaboration and participation of all parties involved in regional decisions on environmental, economic, and energy issues.

In the case of federal decisions, many federal or delegated state agencies have a hand in permitting, reviewing, or commenting on energy projects. Many of the agencies are not involved early enough in the process to define potential concerns or problems and only become involved in the regulatory process where they “have to” review or comment. This sets up a circumstance where a lot of work may need to be redone or refocused to satisfy an information need or concern of the reviewing or commenting agency, causing delays and additional expenditure of already tight resources.

In addition, the agencies responsible for managing onshore energy resources generally do not take a long-term or regional view on developing energy resources for the Nation. Energy planning is done on a forest-by-forest, field office-by-field office, or—at best—State-by-State basis. Most energy resources that are developed are not used locally, but need to be moved to areas of use. The overall planning efforts do not link the development of energy resources with the transmission of these resources to the end users.

### **Benefits of the Rocky Mountain Energy Council:**

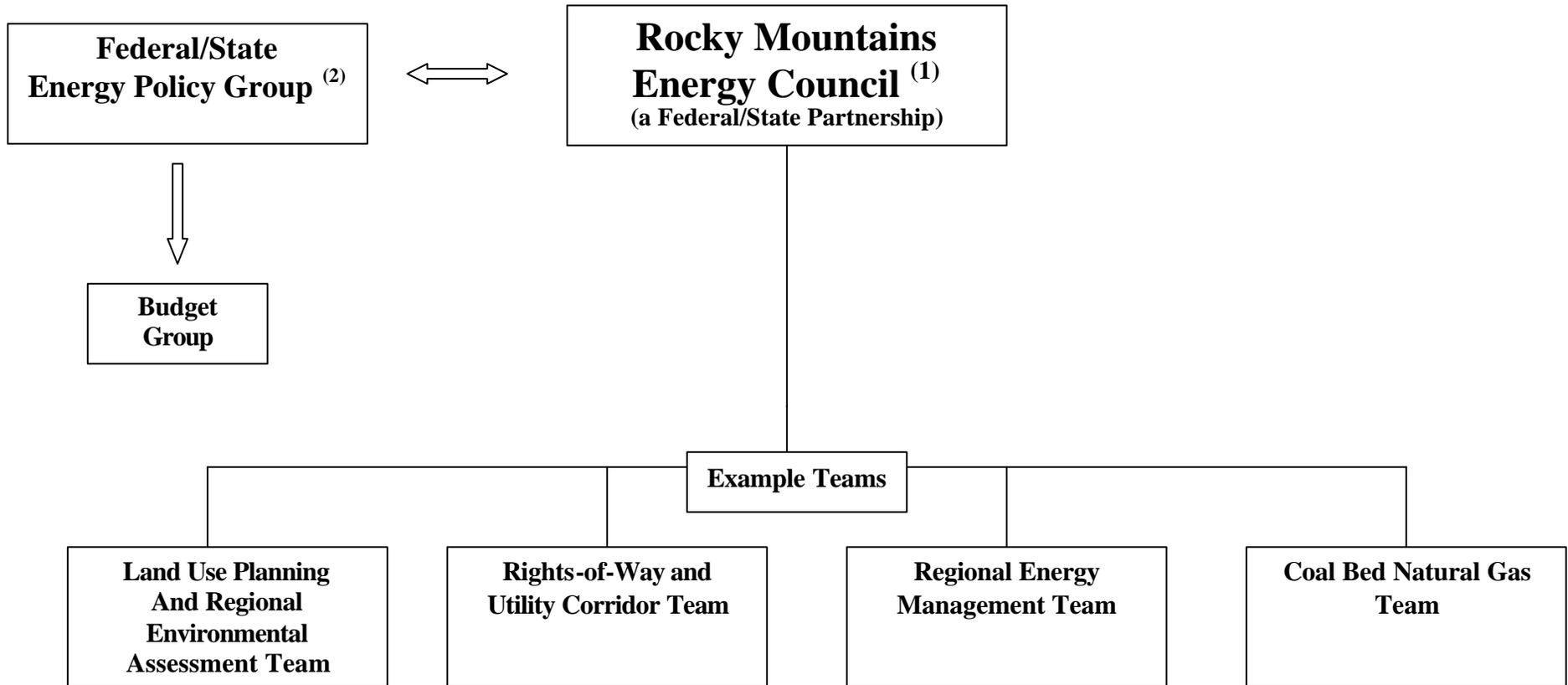
The intent of the Council is not to just be reactive to energy projects and issues that come up, but to be proactive in identifying energy issues that will face the region in the future. The

resulting plan would form a roadmap for State and federal agencies to use in a logical and streamlined energy development program for the Rocky Mountains.

Specific benefits would also include:

- Provide an early warning system to identify any critical environmental and State/Federal permit issues associated with energy projects early in the process.
- Provide a mechanism to coordinate environmental review across agencies and authorities.
- Develop a resource program database to provide strategic environmental information to State/Federal decision-makers.
- Allow the Federal Government to streamline the permitting process by increasing communication and bringing predictability to the system.
- Initiate environmental planning before a NEPA analysis is begun, and reduce the irrelevant factors to be considered, aiding any subsequent NEPA analyses.
- Provide initial analytical work and data that can be incorporated by reference in the subsequent, formal NEPA process.
- Provide mitigation measures to reduce the time required to reach final decisions.
- Develop consistent, transparent, and more effective mechanisms for involving the public in energy decisions on public lands.
- Inform all stakeholders of potential issues that could significantly affect the management of energy resources and identify solutions to address these issues..
- Reach early agreement regarding the authorities of the federal, state, and local agencies.

## Organization



*(1) Initially Meets monthly. Made up of top-level regional federal managers as well as top-level managers from the appropriate State organizations.*

*(2) Initially meets Quarterly. Made up of Federal Administration and Governors' Office energy policy representatives.*

## Management Levels:

- **Rocky Mountain Energy Council**

This level is made up of the BLM State Directors, the Regional Administrators for the Fish and Wildlife Service; the Regional Foresters for the Forest Service; the Regional Administrators for the Environmental Protection Agency; the appropriate District Engineers from the U.S. Army Corps of Engineers; Appropriate regional representatives from the Department of Energy, Head of the Denver Office of the Advisory Council on Historic Preservation; and the Director of the FERC Office of Energy Projects. It is suggested that the State Representatives be the heads of the appropriate State Agencies responsible for energy development issues (e.g.; Energy, Environment, Natural Resources).

- **Federal/State Energy Policy Group**

This group is made up of policy-level representatives from the Federal Government and State Governors' Offices. Federal participation is anticipated to include the Office of the President, Council on Environmental Quality; Department of the Interior; U.S. Forest Service; Department of Energy, Federal Energy Regulatory Commission; Advisory Council on Historic Preservation; U.S. Army Corps of Engineers; and the U.S. Environmental Protection Agency.

## Possible Teams

**(These teams will be selected and prioritized by the RMEC itself. Teams may be added to or deleted from the current list, depending on current issues, existing efforts, or available staff and fiscal resources.)**

- **Land Use Planning And Regional Assessment Team**

This team will focus on developing a strategy to prioritize Resources Management Plans and Forest Plans as well as completing a regional assessment that can be used as foundation information for future development of NEPA documents for federal and state decision-making on energy development issues. Deliverables will include

- 1) A short- and long-term strategy to prioritize federal and State land-use initiatives that are linked in an umbrella energy management plan for the Rocky Mountains.
- 2) A regional assessment of environmental, social, and economic issues regarding the responsible development of Rocky Mountain energy resources.
- 3) Development of an E-government initiative to use information technology to capture, share, and disseminate environmental, social, and economic information regarding assessments, projects, regulation development, and regulation implementation.

- **Rights-of-Way and Utility Corridor Team**

This Team will work with the existing partnership among the BLM, USFS, Western Governors Association, Western Utility Group, and Western Electric Coordinating Council. This partnership has developed over 26 years and has identified, mapped and designated appropriate utility corridors throughout the western U.S. Deliverables will include a proposal that identifies and recommends long-distance utility corridors to move any energy production from the Rocky mountain area to anticipated market areas. The team will work proactively with the Land-Use Planning team to help develop initiatives for resource management plan and forest plan amendments and revisions.

- **Regional Energy Management Team**

This team will develop a regional process and supporting policy guidance for the effective and synergistic federal and State management of regional public energy resources in a free-market economy. Deliverables include:

- 1) Implementation of a strategy to establish and institutionalize close and early collaboration procedures among federal agencies on federal decisions related to environmentally responsible energy development of Rocky Mountains resources.
- 2) Development of good-government initiatives through MOU's, policy guidance, and regulatory development to foster federal/State partnerships to manage leasing, development, inspection, and enforcement of public energy resources in the Rocky Mountain States.
- 3) Development of a long-term strategy to make Rocky Mountains energy resources available to the American public in a step-wise, logical, and environmentally responsible manner.

- **Coal Bed Natural Gas Team**

This team will specifically focus on the unique issues surrounding environmentally responsible development of the valuable coal bed methane natural gas resources in the Rocky Mountain States. Deliverables include:

- 1) A strategy to identify and manage environmental issues regarding CBM development.
- 2) A process to foster and institutionalize early collaboration on joint federal/state decisions on CBM development.
- 3) A strategic plan to develop federal and State CBM resources to minimize drainage from private development, which results in monetary losses to national and state citizens.