STATEMENT OF KEN SALAZAR
SECRETARY OF THE INTERIOR
ON
S. 1733,
THE CLEAN ENERGY JOBS AND AMERICAN POWER ACT
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE

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Chairman Boxer, Ranking Member Inhofe and Members of the Committee, I am pleased to appear before you today to discuss S. 1733, The Clean Energy Jobs and American Power Act, and the Department of the Interior's role in building a new energy future. Let me first thank you for your time, interest, and leadership on the important issues of energy security and climate.

The Administration supports enactment of comprehensive legislation that will make America more energy independent, create clean energy jobs here at home, and protect our children and planet from the dangers of pollution. Under President Obama's leadership, the Department of the Interior is committed to helping our country build a comprehensive energy and climate change plan.

Introduction
The Department of the Interior serves as the steward of the nation's resources, heritage, and cultures.

We have jurisdiction over 20 percent of the land mass of the United States and 1.75 billion acres of the Outer Continental Shelf (OCS). Interior-managed public lands and the Outer Continental Shelf account for nearly 30 percent of domestic natural gas production, over 30 percent of our oil production, and over 40 percent of our coal production.

Through Interior's Bureau of Reclamation we provide water to farmers, power to homes and businesses from hydroelectric facilities, and recreational opportunities to boaters, anglers, and others who love the outdoors.

The Fish and Wildlife Service – also under Interior - manages over 550 wildlife refuges and other units of the Refuge System, encompassing more than 150 million acres of important wildlife habitat, shorelines, and wetlands.

The National Park Service oversees our 391 National Parks, 84 million acres of treasured landscapes and historic places, and introduces 300 million visitors each year to the wonders and joys of America's natural and cultural legacies.

The Bureau of Land Management manages approximately 258 million acres of public lands, from the Arctic tundra and coastal forests to the vast mountains, deserts, and rangelands of the American West. These lands provide water resources, wildlife habitat, recreational opportunities, forest products, livestock forage, and mineral and energy resources.

Moreover, the Department, through the Bureau of Indian Affairs, manages over 56 million acres of tribal land and land owned by individual Indians. These lands, held in trust, are managed for farming, grazing, and energy production. Some of these lands are a rich source of conventional fossil fuels, and many have major renewable energy potential.

The breadth of the Department's responsibilities are perhaps most visible in Alaska, where we manage tens of millions of acres of public land, parks, and refuges. But the truth is, Interior has responsibilities in all 50 states, in insular areas, and with tribal nations. The resources we manage are economic engines for communities everywhere. As a nation, we must recognize how vital the wise stewardship of our landscapes is to our economic well-being.

Creating Energy Independence

But just as our landscapes and outdoor amenities create jobs and fuel local economies, the energy potential on our public lands offers great promise for a clean energy economy.

Every year, we spend hundreds of billions of dollars to import much of the oil we need to power our country. We have fallen behind the world in developing many of the energy technologies that will shape our economic future. The rising costs of the failed energy policies of the past have been unchecked for too long. As the President has said, there is a choice before us: we can remain the world's leading importer of oil, or we can become the world's leading exporter of clean energy technology.

As part of our comprehensive energy strategy, the Department of the Interior is proceeding with oil, gas and coal development in a thoughtful, responsible way that allows for development and also protects the environment. We reject the notion that every piece of land or submerged lands should be explored or developed for oil and gas. But we embrace the reality that oil, gas, and coal are part of our energy portfolio.

A comprehensive energy strategy cannot be limited to conventional energy sources alone. America, after all, has vast clean, renewable energy potential on our public lands. Interior oversees lands with great solar potential in the Southwest; wind potential in the Atlantic, on the Great Plains and in the West; and geothermal potential in the West.

The great promise of these resources has led us at the Department of the Interior to change how we do business. In the last nine months, we have used existing authorities to launch a new renewable energy frontier for America that embraces environmentally responsible renewable energy projects on public lands.

Since coming into office, we have prioritized the development of renewable energy on our public lands and our offshore waters. American business is responding. Companies are investing in solar facilities in the Southwest, wind farms off the Atlantic seacoast, and geothermal energy projects throughout the west. These new energy sources produce no greenhouse gases and, once installed, they harness abundant, renewable energy that nature itself provides.

With regard to solar energy development, we have set aside 1,000 square miles of public lands in twenty-four "Solar Energy Study Areas" and are evaluating these for environmentally appropriate solar energy development across the West. These two dozen areas have the technical potential to generate nearly 100,000 megawatts of solar electricity, enough to power millions of American homes. We believe that of the solar projects currently proposed, more than 4,500 megawatts of new capacity – mostly in California, Arizona, and New Mexico - will be permitted for construction by the end of 2010. If all of these projects came to fruition, they could potentially generate enough energy to power roughly 1.4 million homes.

In that same timeframe, we believe that more than 800 megawatts of new capacity will be available from wind energy projects currently proposed on BLM lands. If this capacity is realized, these projects could provide enough energy to power around 240,000 homes. According to a recent Department of Energy report, "20% Wind Energy by 2030," it is feasible that wind could generate as much as 20 percent of the Nation's electricity by 2030.

We are creating Renewable Energy Coordination Offices in our western states to help speed completion of reviews on the most ready-to-go solar, wind, geothermal, and biomass projects on public lands.

We also recognize the continued value of hydropower. It is a low cost source of energy that emits a fraction of the greenhouse gases generated by fossil-based energy sources. It constitutes approximately 70 percent of the current total portfolio of renewable energy generation. The Bureau of Reclamation's 58 hydroelectric power plants provide enough energy to meet the residential needs of 3.6 million households, the equivalent of 80 million barrels of oil. Reclamation is the nation's second largest hydropower producer. Reclamation is evaluating new capacity and efficiency increases at existing projects that could help realize undeveloped power potential.

Interior's vast land ownership also gives us an important role in siting the new transmission lines needed to build a transmission grid for the 21st Century and bring stranded domestic renewable energy assets to load centers and to American homes and businesses. Working with the Department of Energy, the Department of Agriculture, the Federal Energy Regulatory Commission, and the Council on Environmental Quality we are helping to develop a coordinated permitting process that can review and approve permit applications that cross federal agency jurisdictions, and we are also and mapping out electric transmission corridors that meet the needs of this new energy economy. We

are also working to improve coordination on transmission with Indian tribes on their lands, which carry great energy potential.

Climate Impacts

At the Department of the Interior, we recognize first hand that greenhouse gas emissions are affecting our climate. The change in climate is impacting water supplies for cities, towns, and farms; leading to more severe droughts, hurricanes, and floods; contributing to more intense forest fires; putting coastal communities at risk; and shifting wildlife habitat and migration patterns.

Our land and wildlife managers are already confronting the impacts of climate change. Reduced snowpack – particularly in the Northwest and Mountain-West – is leading to decreased recharge of groundwater systems, increasing stress on public water systems and reducing river flows that impact temperature, depth, and other characteristics of spawning environments for fish. Our Arctic parks and refuges are seeing some of the earliest impacts of possible climate change – melting sea ice threatens marine mammals as well as coastal communities, while thawing permafrost can destabilize buildings, roads, and facilities and disrupt the structural basis of large regions of interior lands.

The BLM is seeing increased desertification of public lands, the result of an increase in the frequency and duration of drought. Vegetation in some places has converted to more drought-hardy species and, in some instances, species numbers have been reduced or lost.

Our scientists are also noting changes in abundance and distribution of species, including changes to migration patterns; the expansion of pests and invasive species; increased vulnerability to wildland fire and erosion; and an overall reduction in carrying capacity. Many of the iconic wildlife species that the Department manages from the Arctic to the Everglades will see their habitat threatened by global climate change.

Other significant changes associated with increased warming include rising sea levels and water temperatures that pose threats to marine habitats, coastal wetlands, and estuaries which are part of more than 74 units of the National Park System and 160 National Wildlife Refuges managed along the Nation's coastline.

The Department's 70,000 employees – with their scientific and land management expertise -- are already documenting these impacts and developing systems to respond to them across the Nation. The development of successful adaptation and mitigation strategies that address the impacts of climate change will be critical to the health of the land, water, and wildlife resources we manage.

The Department's developing experience with adaptive management strategies for resource management can provide a template for future efforts. U.S. Geological Survey stream gages, for example, are showing snowpack declines and earlier annual peaks in river run-off in the Northwest and Mountain-West. As a result, land managers are analyzing potentially substantial changes in management requirements for fish and wildlife and water resources.

Interior managers are also learning to be strategic in rebuilding facilities that are lost to natural disasters like Hurricanes Katrina and Rita. The Fish and Wildlife Service has repaired or replaced dozens of facilities at refuges along the coast damaged by these storms. In the process of rebuilding facilities across the region, the Service decided not to replace some facilities judged to be too vulnerable and relocated others to more secure locations.

In all of these activities, the Department is putting a premium on integrating our dual science and land management roles. Scientists at the USGS, the Fish and Wildlife Service, Bureau of Reclamation, the Bureau of Land Management, and the National Park Service are working hand-in-glove with our land, wildlife, and water managers who are responsible for the more than 500 million acres of public lands and the water that the Department oversees. The focus is to ensure that our scientists are collecting and analyzing data that provide relevant scientific information about natural resource conditions, issues, and problems to decision-makers in the Department, at all levels of government, and to the general public.

Realizing this vision is an interactive process, as our land, wildlife and water managers work with our scientists and help focus the nature of their research and analysis on the reality of on-the-ground changes. In this context, the information they provide – baseline natural resources scientific information, trends detection, modeling and forecasting, together with the effective dissemination of information and decision support tools – is key to understanding and addressing climate change and its effects.
Given its scientific expertise, the Department also plays a role in the development of domestic carbon offset programs. For example, for the past 10 years the Fish and Wildlife Service has been working with partners in its Southeast Region to increase biological sequestration – through reforestation with native hardwoods – in refuges there. Under authority provided in the Energy Independence and Security Act of 2007, USGS is developing methodology to assess carbon sequestration and will use this methodology to conduct national assessments on geological and biological carbon sequestration.

Conclusion
Problems as complex as climate change and as large-scale as the development of a real new energy economy demand the coordinated efforts of the executive and legislative branches of our government and all the governments of the world. I look forward to working with you and the United States Senate as we move toward enactment of comprehensive legislation. The Department and its bureaus stand ready with our shoulder to the wheel to contribute our experiences, successes, and expertise to this effort.

Thank you. I look forward to answering your questions.