



MANAGING AMERICA'S PUBLIC LANDS

We Americans can conserve our environment and benefit from it, too.

Secretary Gale A. Norton, February 16, 2001

The Department of the Interior manages many of America's most inspiring places that provide important opportunities for the public to experience the Nation's natural heritage. Federal lands administered by Interior also play an important role in meeting domestic needs for energy and water. As steward of the Nation's public lands and natural resources, the Department works closely with citizens and communities to balance access to lands and resources for recreation and resource use, while protecting natural and cultural resources.

NATIONAL LANDSCAPE CONSERVATION SYSTEM

The public lands of the American West present spectacular landscapes to be managed and preserved by the Bureau of Land Management for generations yet to come. Among the greatest of these natural treasures are the 14 congressionally designated national conservation areas and 15 national monuments, which are components of the national landscape conservation system. These landscapes offer a wealth of possibilities for all that see them. They are havens of solitude and peacefulness, places where one can absorb the vistas seen by Native Americans for thousands of years, retrace the steps of the Lewis and Clark expedition, or follow in the wagon tracks of the pioneers who traveled west in search of freedom and prosperity. Learning about our heritage, the natural and cultural resources, and the scientific values these areas offer, is a tremendous benefit to the American people as they visit these public land. These lands also support traditional public land uses such as livestock grazing, hunting, and rights-of-way.

The budget request includes a \$2.0 million increase to provide start-up funding for some of the newest additions to the NLCS, including Las Cienegas National Conservation Area in Arizona, Canyon of the Ancients National Monument in Colorado, Craters of the Moon National Monument in Idaho, and Black Rock Desert High Rock Canyon Emigrant Trail in Nevada.

The BLM will use the increased funding to collaborate with local communities to protect resources, educate visitors about the resources, and add to community efforts to protect these public treasures.



Cultural, archaeological, historical, and paleontological resources will be protected from theft and destruction through cooperative public safety and law enforcement agreements with State and local agencies. Opportunities for environmentally responsible outdoor recreation will be enhanced and environmental education and resource interpretation programs will be developed.

LAND USE PLANNING

The BLM employs a sophisticated approach to public land use planning. Land use plans blend environmental, commercial, community, and economic goals together in determining how BLM will manage the public lands it administers.

The BLM has 162 land use plans that are the primary tool for guiding resource management decisions through consensus building and providing opportunities for public participation in BLM's land and resource management programs. Many of BLM's land use plans were completed prior to 1989 and are scheduled to be updated to reflect current conditions, as well as new statutory, regulatory, and policy requirements. In addition, new land use plans are required for 27

recently designated administrative units. Updated plans will address changes in the use and condition of public lands and lead to better decisions on sustainable use, the processing of expanded use requests, and the collaborative resolution of land use conflicts without costly and time-consuming litigation. These planning actions will address important national issues such as energy development, urban growth, wildfire mitigation, use of specially designated areas, and collaborative efforts with States, tribal organizations, and local communities.

The budget proposes a \$14.0 million increase to accelerate the development of 37 land use plans currently underway and to initiate development of 12 additional land use plans. Thirteen of these plans are for nationally significant energy development areas and congressionally mandated conservation areas. The BLM's goal is to complete eight land use plans in 2003. The BLM will accelerate the timelines for completion of plans for Colorado Canyon National Conservation Area and Gunnison Gorge National Conservation Area in Colorado; Santa Rosa-San Jacinto National Monument in California; El Camino National Historic Trail and Socorro area in New Mexico; Lakeview and Upper Deschutes areas in Oregon; and Snake River area in Wyoming.

The BLM will also work closely with the U.S. Geological Survey to ensure that as land use plans are developed they incorporate up-to-date science and information.



HARNESSING OUR NATURAL RESOURCES

The Interior Department is the Nation's leading land management agency, responsible for managing and protecting one out of every five acres of the United States. The 2003 budget supports Interior's commitment to partnering with States, private landowners, and industry to maintain our public lands while using its resources to build a brighter future for generations to come.

We must explore ways to better capture the sun's light, the sky's winds, the land's bounty, and the earth's heat to provide energy security for America's families.

Secretary Gale A. Norton, November 2001

NATIONAL ENERGY POLICY

The President's National Energy Policy recognizes that Interior's programs are a key component to addressing critical energy supply issues while preserving environmental quality. Oil and gas resources on Federal lands are administered by BLM (onshore) and the Minerals Management Service (offshore), with USGS providing geological and geophysical data to support planning. The BLM also regulates coal leases and related activities on Federal and Indian lands. These bureaus jointly are responsible for assessing likely resource availability and making public lands available for energy production where appropriate. The BLM and MMS hold lease sales on tracts of Federal land, administer inspection programs, audit production, and oversee retirement of wells.

The 2003 budget proposes program increases totaling \$17.9 million for Interior's bureaus to continue to make progress in implementing the President's energy policy.

BLM ENERGY AND MINERALS PROGRAM

The BLM energy and minerals program covers leasing and development on 700 million acres of onshore Federal lands, including lands no longer owned by the government, but for which the United States retains mineral rights. In 2001, BLM administered 50,000 oil and gas leases, of which

21,000 were producing, as well as 311 coal leases. Anticipated growth in onshore production of natural gas will increase the demand for BLM's services. In 2001, production from BLM-administered lands was about five percent of domestic oil production, 11 percent of domestic gas production, and 35 percent of domestic coal production. In 2003, BLM expects to offer 4,000 parcels at 35 lease sales.

At the Interior Department, we're working to change the tone in which we talk about conserving and protecting our environment. We're fostering a new culture of communication and cooperation...a culture of consultation - all to serve the cause of conservation. It's what the Administration believes is needed to reach a national energy policy that includes both energy development and conservation.

Secretary Gale A. Norton, December 6, 2001

Secretary Norton is committed to maintaining environmental protections while removing unnecessary barriers to energy production and streamlining Interior policies and practices that inhibit the reasonable use of energy resources on public lands. The 2003 budget request features several initiatives that will enable the Department to modify its policies and procedures to respond effectively to the increasing demand for energy while protecting natural values of the lands and the environment.

The 2003 request includes a \$10.2 million increase for BLM to increase its energy-related activities, including \$1.6 million to expand rights-of-way processing. In 2003, BLM's renewable energy budget will more than double, with an increase of \$750,000 for geothermal, hydropower, and wind energy resource projects.

The increases for energy-related activities would enable BLM to significantly improve its responsiveness to America's energy needs in 2003. Four



hundred more oil and gas leases will be approved. Over 1,600 more Federal and Indian oil and gas applications to permit drilling will be issued. Federal and Indian oil and gas compliance inspections will increase to 18,200 from the 15,000 planned in 2002. In 2003, geothermal leasing will nearly double, and four additional post-lease actions for coal production will be processed. The increase for rights-of-way processing will allow BLM to process 6,900 rights-of-way cases in 2003, an increase of 900 cases, or 15 percent.

Oil and Gas Potential - The BLM is conducting a study of oil and gas resource potential in five priority areas within the Rocky Mountain region this year. The 2003 budget includes an increase of \$1.0 million for BLM to comply with the Energy Policy and Conservation Act. The BLM will conduct an inventory of oil and gas resources and reserves on public lands and issue guidance on any exceptions to current lease stipulations. All changes will be considered with full public consultation. The study will result in a better basis to ensure timely planning on Federal lands and allow for development of oil and gas resources, while ensuring environmental protection.

North Slope of Alaska - The President and the Secretary are committed to increasing domestic energy supplies from a variety of sources in an environmentally acceptable manner, including oil and gas on Federal lands. The energy resources of the northeast corner and the rest of Alaska's North Slope are national assets that can contribute significantly to the Nation's energy security. The expected production from this region will increase domestic petroleum production and lessen U.S. dependence on foreign oil. The 2003 budget includes an increase of \$3.0 million for activities on

the North Slope, for a total of \$5 million. The increase will support planning for 2004 sales in National Petroleum Reserve -Alaska and the Arctic National Wildlife Refuge. Congressional authorization will be required for a lease sale to be conducted in ANWR.

The budget assumes a lease sale in ANWR in 2004 that will generate \$2.4 billion in anticipated bonus bids. Of this amount, the Federal government's \$1.2 billion share will be dedicated to research and development projects on solar power, wind energy, biomass power and fuels, geothermal energy, and other alternative energy technologies.

MINERALS MANAGEMENT SERVICE

To help meet the challenge of increasing energy production from Federal lands, the 2003 budget includes an increase of \$5.0 million to support MMS energy programs on the Outer Continental Shelf. These additional funds will ensure that the MMS leasing and regulatory programs in the Gulf of Mexico keep pace with public demand for energy, industry requests for services in processing permits, and the need to review development plans and conduct inspections at offshore operations. This increase will also support environmen-



tal assessment activities in the Gulf of Mexico for energy-related facilities that will provide additional energy supplies or reduce industry operating costs. These assessments will address areas such as the permitting of liquid natural gas facilities offshore; the establishment of support bases 50 or more miles offshore; and the review of drilling and production plans to ensure that all activities take place in accordance with National Environmental Policy Act requirements.

In 2003, MMS will continue its commitment to exploring innovative mechanisms to improve efficiency and service to American citizens and to industry by taking advantage of electronic technology in its offshore and minerals revenue management operations. The MMS will invest \$6.0 million to acquire management systems necessary to support taking some Federal royalties on oil production in-kind, rather than in-value. The MMS will also begin a multi-year effort to transform its offshore program business processes with the goal of increasing efficiency and responsiveness to customers. Working with State and Federal agencies, industry, and citizens, MMS will seek to design and implement an integrated corporate database to support new business processes and provide web-based, paperless transactions in near real-time; \$8.7 million is included in the budget to begin this effort.

Beginning in 2002, MMS will assist in the Administration's initiative to fill the Strategic Petroleum Reserve to its 700 million-barrel capacity. The MMS will transfer royalty oil taken in-kind from Federal leases in the Gulf of Mexico. Using royalty-in-kind to help fill the reserve is an important component of the Administration's overall strategy to improve the Nation's long-term energy security.

U.S. GEOLOGICAL SURVEY

In support of the National Energy Plan, the USGS request includes an increase of \$1.2 million to conduct estimates of undiscovered oil and natural gas resources on Federal lands in the continental

U. S., as required by Section 604 of the Energy Act of 2000. The USGS is also proposing a \$1.0 million increase to produce digital base maps in Alaska focused on potential lease areas of the NPR-A that will provide resource managers with information needed to support timely and environmentally sound resource management decisions. Finally, the USGS budget request includes \$500,000 to update the national geothermal resource assessment last published in 1979. With the funding requested in 2003, USGS will begin the process of updating these assessments, initially focusing on the Great Basin region, a growing area of the country with increasing energy requirements.

BUREAU OF RECLAMATION

The Bureau of Reclamation is the largest supplier and manager of water in the 17 western States, delivering water to one of every five western farmers and irrigating about 10 million acres, where more than 60 percent of the Nation's vegetables and 25 percent of its fruits and nuts are produced. More than 31 million people look to BOR for water for municipal, rural, and industrial uses.

The BOR is also the Nation's second largest producer of hydroelectric power, providing electricity to more than 14 million people. Its facilities generate more than 42 billion-kilowatt hours of energy each year from 58 power plants. The BOR's 348 reservoirs have the capacity to store 245 million acre-feet of water; provide substantial flood control, and fish and wildlife benefits; and provide recreation for more than 90 million people each year.

In support of sound water resource management and public safety, increases are proposed in the 2003 budget request. These include \$81.0 million for the Safety of Dams program, an increase of \$11.0 million to continue modification work on several dams and ensure the safety of the public downstream while providing continued water and power benefits. The budget also includes an increase of \$26.6 million for enhanced security at BOR facilities.