



# 2011 REPORT

## U.S. DEPARTMENT OF THE INTERIOR



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*Photos courtesy of Tami A. Heilemann (Interior), USFWS, BOR, NPS, USGS, BLM and the White House*

*\*Cover Photo: President Obama visits Grand Canyon National Park in August 2009. In 2011, Secretary Salazar announced his intent to protect the iconic Grand Canyon and its vital watershed from the potential adverse effects of additional uranium and other hardrock mining on over 1 million acres of federal land for the next 20 years. Secretary Salazar formalized the action in a Record of Decision in January 2012.*



Everglades National Park, Florida



## LETTER FROM THE SECRETARY

In his 2011 State of the Union Address, President Barack Obama issued a challenge to rebuild people's faith in the institution of government.

"We shouldn't just give our people a government that's more affordable. We should give them a government that's more competent and more efficient," he said. "We can't win the future with a government of the past."

With a vast and diverse mandate – ranging from managing public lands to overseeing energy production to empowering tribal nations – the Department of the Interior is, to many Americans, the face of their government. I am proud to issue our 2011 Annual Report which illustrates how Interior and its 70,000 dedicated employees are working to uphold our important stewardship responsibilities and respond to the President's challenge.



On the energy front, we continued to take an all-of-the-above approach to produce more energy at home in ways that are safer, more affordable, and creating jobs for Americans.

Since 2009, Interior has approved 29 renewable energy projects, or the transmission facilities associated with them, on public lands in the West. This includes 16 utility-scale solar projects that, when built, will be the first ever on public lands and will generate enough energy to power up to 1.5 million homes. Interior is making progress on developing a blueprint for offshore wind energy development and could be in a position to hold the Nation's first offshore wind lease sale by the end of 2012.

Meanwhile, we have made great strides to expand domestic oil and gas production while doing a better job of protecting our land, water, and wildlife. Overall, U.S. oil and natural gas production has increased, while imports of foreign oil have decreased.

After conducting a historic overhaul of the regulatory system for offshore oil and gas operations in the wake of Deepwater Horizon, Interior offered millions of offshore acres in the Gulf of Mexico for safe and responsible exploration and production. And we issued an improved strategy for development on the Outer Continental Shelf that makes available more than 75 percent of our Nation's undiscovered, technically recoverable oil and gas reserves.

Under President Obama's America's Great Outdoors Initiative, Interior joined with the Agriculture Department, the Environmental Protection Agency, and the Council on Environmental Quality to issue a report outlining more than 100 recommendations and action items to build a 21<sup>st</sup> century approach to conservation. We followed this with a 50-state report outlining specific, community-driven projects in each state, from revitalizing urban parks to building trails to restoring rivers.

Likewise, we made tremendous progress in conserving working landscapes, from the Crown of the Continent in Montana to the prairie grasslands of Kansas to the Everglades in Florida. We are partnering with landowners, farmers, and ranchers to preserve their way of life and the irreplaceable land and wildlife that together we cherish.

Across the country, we are using sound science to respond to the conservation challenges of today, including conducting cutting-edge research on the effects of climate change, restoring river basins, and finding ways to improve conservation and sustainable use of our Nation's water.

In 2011, we continued to revitalize our iconic national parks, such as the Statue of Liberty, while dedicating new ones, including the Martin Luther King Jr. Memorial on our National Mall and Fort Monroe National Monument in Virginia. We are seeking ways to include chapters of our Nation's history that have yet to be properly recognized in our National Park System, such as centuries of the contributions Latinos have made.

The steps we are taking are not only helping conserve our Nation's historical, cultural, and natural heritage, but they are boosting our economy by promoting tourism and outdoor recreation. Activities associated with Interior lands support an estimated \$363 billion and 2.2 million jobs annually in the United States. Recreation in national parks, refuges, and other public lands alone led to nearly \$55 billion in economic contribution and 440,000 jobs in 2009.

In 2011, we continued to work closely with tribal nations to build safer, stronger, and more prosperous communities. We developed a new consultation framework to ensure tribes have a greater role in federal decisions affecting Indian Country. We announced a sweeping reform – the first in 50 years - of federal surface leasing regulations for American Indian lands that will streamline the approval process for home ownership, expedite economic development, and spur renewable energy development in Indian Country. In addition, after seeing a combined 35 percent reduction in violent crime on four reservations where we implemented a targeted, community-policing program, we are looking to expand the successful pilot program.

Finally, we continued to engage the Nation's next generation of conservationists, scientists, and policy-makers. Interior's agencies and offices employed a total of 20,064 youth and young adults in 2011, increasing youth employment by 24 percent over 2009. Initiatives across Interior are connecting young Americans to the great outdoors.

President Obama challenged us to aim high, to do better, and to be more responsive to the needs and hopes of the American people. As this report shows, the Department of the Interior is rising to the challenge.

Respectfully,

Ken Salazar  
Secretary of the Interior

## CELEBRATING AMERICA'S GREAT OUTDOORS

### Protecting, Promoting, and Restoring America's Treasured Landscapes



*Secretary Salazar fishes at Creston National Fish Hatchery in Montana*

#### Implementing America's Great Outdoors Initiative

Launched by President Obama in 2010, the America's Great Outdoors Initiative is designed to foster a 21<sup>st</sup> century approach to conservation that is designed by and accomplished in partnership with the American people. Hand in hand with communities across the country, the administration is working to achieve lasting conservation of the places that power the nation's economy and shape its culture.

In 2011, the Department of the Interior reached significant milestones in translating the America's Great Outdoors vision into on-the-ground action.

#### Creating and Enhancing Great Urban Parks

- **New York City Great Urban Park Initiative.** Secretary Salazar, National Park Service Director Jon Jarvis, and New York City Mayor Michael Bloomberg launched the "Great Urban Park" initiative for New York City. Interior and New York City will join forces to restore and manage the 10,000 acre Jamaica Bay parkland across city-federal boundaries – including what would be the largest urban campground in America; improve access and transportation to park lands around Jamaica Bay; and strengthen outreach programs to New York City's youth.
- **St Louis's Jefferson National Expansion Memorial.** Plans are underway to revitalize the Jefferson National Expansion Memorial by improving connections to the city and the Mississippi River. \$20 million in federal funding will help connect the Arch with the historic Dred Scott Courthouse and better link the National Park System area with downtown St. Louis to form a larger urban park and provide increased opportunities for outdoor recreation.
- **Denver Metro Greenway Project.** Interior and other federal agencies are working with the state of Colorado and other partners to enhance the Denver metropolitan area parks, open spaces and trails. The Rocky Mountain Greenway would form an uninterrupted trails/transportation link between the three National Wildlife Refuges in the metro region, the Rocky Mountain National Park, and the Denver metro area's existing trail systems.
- **Middle Rio Grande National Wildlife Refuge.** A former dairy farm outside Albuquerque will become New Mexico's first urban wildlife refuge. The U.S. Fish and Wildlife Service, local government officials and non-profit organizations will acquire the land from willing sellers to establish the 570-acre Middle Rio Grande National Wildlife Refuge.

## Conserving Rural Landscapes

- **Dakota Grasslands Conservation Area.** Interior formally established the conservation area to sustain the area's ranching heritage and accelerate the conservation of native prairies within the Prairie Pothole Region of eastern North Dakota and South Dakota. Conservation easements bought from willing sellers could ultimately protect up to 240,000 acres of wetland and 1.7 million acres of grassland habitats.
- **Crown of the Continent Conservation Area.** Secretary Salazar proposed the creation of a conservation area in Montana to preserve one of the premier mountain eco-regions in the world. Approximately 40 percent of the area is protected public land, with the remainder in private ownership. Strategic use of conservation easements will link together existing protected areas to conserve wildlife corridors and significant habitat and preserve the area's ranching heritage.
- **Everglades Headwaters National Wildlife Refuge and Conservation Area.** The U.S. Fish and Wildlife Service is partnering with private landowners, conservation groups and federal, tribal, state and local agencies to conserve approximately 150,000 acres in the Kissimmee River Valley, south of Orlando, Florida, safeguarding one of the last remaining grassland and longleaf pine savanna landscapes and ensuring the continuation of the area's unique ranching heritage.

## Renewing and Restoring Rivers

- **Elwha River Restoration Project (Washington).** Secretary Salazar joined federal and state officials to celebrate the demolition of Elwha Dam, the largest dam removal in the nation's history. The demolition launches the Elwha River Restoration Project, designed to help restore the Olympic National Park river to its more natural state, increase salmon populations, uphold commitments to the Lower Elwha Klallam Tribe, and create new opportunities for economic growth and regional vitality.
- **Los Angeles River Watershed (California).** Secretary Salazar joined Mayor Antonio Villaraigosa and other leaders to highlight progress made to restore the Los Angeles River Watershed and call attention to projects underway to transform it into a model urban waterway and park.
- **San Joaquin River Restoration Project (California).** This project marked its third year of interim restoration flows on the San Joaquin River in October 2011. The goal is to restore 153 miles of the San Joaquin River below the Friant Dam, reintroduce Chinook salmon and recapture and recirculate restoration flows. A draft program environmental analysis was published in 2011, and environmental compliance is also underway for the reconstruction of Sack Dam and screening of the Arroyo Canal.



*Secretary Salazar speaks at the official ceremony marking the beginning of the removal of the Elwha Dam.*

- **Battle Creek Salmon and Steelhead Restoration Project (California).** Progress continued on work to reestablish 42 miles of prime salmon and steelhead habitat on Battle Creek, plus an additional six miles on its tributaries in California. In the fall of 2011, more than four times the number of spring-run Chinook salmon redds (nests built by fish) were seen upstream, where the Wildcat Diversion Dam once stood, than in previous years.
- **Trinity River Restoration Program (California).** In 2011, the program made additional progress by: conducting a managed release of the highest restoration flow release in 37 years, completing a channel restoration project on private land, improving fish habitat, and conducting six watershed projects to reduce sediment and to remove fish barriers.
- **Lower Colorado River Multi-Species Conservation Program (Arizona, California, Nevada).** The six-year-old program is a multi-stakeholder partnership to balance the use of lower Colorado River water resources and the conservation of native species and their habitats. Approximately 3,300 acres of land and 15,000 acre-feet of water have been secured by the program to date; a total of 2,200 acres have been converted to suitable habitat.
- **Klamath River Basin (California and Oregon).** Interior completed numerous scientific and technical studies providing new and detailed information about the potential environmental and economic impacts of removing four Klamath River hydroelectric dams. The studies represent the most complete body of information to date on the potential Klamath Dam removal, as well as the project's potential to strengthen the health and economic prosperity of the region.

#### Building on "America's Best Idea"- Our National Park System



*President Obama and his family tour the MLK Jr. National Memorial before the dedication ceremony in Washington, D.C.*

dedicate the Martin Luther King, Jr. Memorial on the National Mall as America's 395<sup>th</sup> national park. Secretary Salazar signed the construction permit for the memorial honoring the civil rights leader in 2009 after resolving issues that had delayed the project for 11 years.

- **Fort Monroe National Monument.** President Obama established Fort Monroe National Monument as the nation's 396<sup>th</sup> national park. Fort Monroe was the third-oldest Army post in continuous active service, and is integral to the history of slavery, the Civil War, and the U.S. military.

- **Flight 93 Memorial.** Secretary Salazar honored the 40 passengers and crew of United Flight 93 at the Flight 93 National Memorial dedication ceremony in Shanksville, Pennsylvania. Joined by United States Vice President Joe Biden, former United States Presidents George W. Bush and Bill Clinton, Secretary Salazar thanked the Families of Flight 93 and all those involved for their leadership and vision in making the Flight 93 National Memorial a reality as the 389<sup>th</sup> unit of the National Park System.

- **Martin Luther King, Jr. Memorial.**

Secretary Salazar joined President Obama to



- **Paterson Great Falls National Historical Park.** The nation's 397<sup>th</sup> national park tells the story of Paterson, New Jersey and how the town and its waterfalls played a significant role in the industrial growth of the nation.



*Paterson Great Falls National Historical Park in New Jersey*

- **Manhattan Project National Park Proposal.** Secretary Salazar recommended to Congress the establishment of a national historical park to commemorate the Manhattan Project, the top-secret effort to create an atomic bomb during World War II. Three potential sites are Los Alamos, New Mexico; Hanford, Washington; and Oak Ridge, Tennessee.
- **Grand Canyon National Park.** Secretary Salazar announced his intent to protect the iconic Grand Canyon and its vital watershed from the potential adverse effects of additional uranium and other hardrock mining on over 1 million acres of federal land for the next 20 years. Secretary Salazar formalized the action in a Record of Decision in January 2012.
- **Wind Cave National Park Expansion.** The National Park Service added 5,555 acres of former ranchland, including a 1,000-year-old buffalo jump and a historic homestead, to South Dakota's Wind Cave National Park. President Theodore Roosevelt set aside Wind Cave as the nation's eighth national park in 1903.
- **Gettysburg National Military Park Expansion.** The National Park Service added 95 acres to the Gettysburg National Military Park in Pennsylvania. The historic Emanuel Harman Farm was the location of major fighting on the first day of battle, July 1, 1863.

### Recognizing Places of National Significance

- **National Natural Landmarks.** The National Park Service designated six new national natural landmarks in four Western states: Barfoot Park, Arizona; Golden Fossil Areas, Colorado; Hanging Lake, Colorado; Kahlotus Ridgetop, Washington; Round Top Butte, Oregon; and The Island, Oregon. They are all home to unique natural treasures including hanging gardens, fossil footprints, and rare Palouse Prairie.
- **National Historic Landmarks.** The National Park Service designated 18 new national historic landmarks in 14 states and the District of Columbia. Among the new landmarks are Grand Mound in International Falls, Minnesota; the Mountain Meadows Massacre Site in Washington County, Utah; and the Kuerner Farm in Delaware County, Pennsylvania.
- **National Recreation Trails.** The National Park Service designated 41 trails in 17 states as National Recreation Trails, adding almost 650 miles of trails to the National Trails System. Among the new trails are the Lake Michigan Water Trail—Chicago to New Buffalo Section (Illinois, Indiana, Michigan), which is the first leg of an ambitious shoreline trail around the entire lake; the Sand Creek Trail (Kansas); and the Sandtown Nature Trail (Oklahoma).

## Restoring the Everglades

Interior continues to play a leadership role in the Administration's efforts to restore the Everglades. In 2011, the Congress, in response to a plan submitted by Secretary Salazar, authorized the National Park Service to implement an additional 5.5 miles of bridging in the Tamiami Trail. The additional bridging builds upon the one-mile bridge now underway and provides the opportunity to restore up to 100% of historic water volume and flow to Everglades National Park. In addition, Interior chaired several meetings of the intergovernmental South Florida Ecosystem Restoration Task Force and secured agreement from the State of Florida and other federal Task Force members to join with the U.S. Army Corps of Engineers to launch a fast-track planning effort for several Comprehensive Everglades Restoration Plan projects that will, when authorized and implemented, put more fresh and clean water into the "River of Grass." The planning process responds directly to the National Academy of Sciences' 2010 recommendations that water quality and unnatural water levels present the biggest challenges for restoration managers and achieving success. The progress made during 2011 builds on three years of unprecedented progress with groundbreakings for six Comprehensive Everglades Restoration Plan projects, as well as the Tamiami Trail bridging, that will, when complete, restore habitat and increase more natural water flow to Everglades and Biscayne National Parks.



*Secretary Salazar at the Tamiami Trail Bridge Project site in Miami-Dade County, Fla.*

## Restoring the Gulf of Mexico

Interior has land management responsibility for nearly 4.2 million acres in the Gulf Coast region, including national seashores, wildlife refuges and other important habitat for a host of wildlife. The tragic Deepwater Horizon oil spill of 2010 presented the Gulf states and the federal government with the opportunity to focus attention and resources on comprehensive, collaborative efforts to better protect and restore the region. Interior and its agencies are leading partners in this effort. Restoration initiatives in 2011 include:

- **Early Gulf Coast Restoration Program.** Under an unprecedented agreement with the Natural Resource Trustees for the Deepwater Horizon oil spill, BP agreed to provide \$1 billion toward early restoration projects in the Gulf of Mexico to address injuries to natural resources caused by the spill. This early restoration agreement is the largest ever of its kind, and it represents a first step toward fulfilling BP's obligation to fund a complete restoration.
- **Gulf Coast Ecosystem Task Force Strategy.** President Obama created The Gulf Coast Ecosystem Restoration Task Force to address the decline of the Gulf ecosystem. The task force, composed of five Gulf states and 11 federal agencies including Interior, released in December its final strategy, a comprehensive blueprint for conservation and restoration investments that will support the environment as well as the local industries.
- **Gulf Coast National Wildlife Refuges Expansion.** The U.S. Fish and Wildlife Service has identified high priority expansions in five of the 41 national wildlife refuges located in the five Gulf Coast states, for a total of more than 160,000 additional acres across the region.

## Funding Natural Restoration, Conservation and Recreation Projects

- A mix of competitive and non-competitive grants distributed by Interior and its bureaus help support local restoration and conservation initiatives, as well as community-driven efforts to increase access to outdoor recreation. The grants are creating jobs, and contributing to healthy land, water, wildlife and economies. Interior awarded \$37.4 million in state grants from the **Land and Water Conservation Fund** to establish and renovate parks and open spaces throughout all 50 states, the territories and the District of Columbia. The funds enable state and local governments to establish urban parks and community green spaces; to restore and provide public access to rivers, lakes and other water resources; and to conserve natural landscapes for public outdoor recreational use.
- The National Park Service awarded \$340,000 to eight projects in 10 states and the District of Columbia as part of its annual **“Connect Trails to Parks”** program to link existing national historic and scenic trails to national parks and other federal facilities.
- The Bureau of Ocean Energy Management (BOEM) awarded more than \$92 million in **Coastal Impact Assistance Program** funds to Mississippi, Alabama, Alaska, California, Louisiana and Texas to conserve and protect the coastal environment.
- Interior distributed \$43.1 million for a variety of restoration, conservation and recreation improvement projects in Nevada and Lake Tahoe as part of the ongoing sale of federal land in Clark County, Nevada, as mandated by the **Southern Nevada Public Land Management Act**.
- Interior’s Office of Surface Mining, Reclamation and Enforcement awarded \$485 million in grants to 28 coal-producing states and tribes to eliminate health and safety hazards caused by past coal mining. The highest amount ever awarded, the funding will generate more than \$1 billion in economic activity and support thousands of jobs across the nation.

## Creating Blueprints for Action

- **America’s Great Outdoors Action Plan.** The Department of the Interior, the Department of Agriculture, the Environmental Protection Agency, and the Council on Environmental Quality presented their America’s Great Outdoors (AGO) report to President Obama in February. The plan makes 35 recommendations and identifies 75 action items focusing on: (1) accessible parks and green spaces for our children; (2) a new generation of great urban parks and community green spaces; (3) river restorations and recreational “blueways” that power economic revitalization in communities; (4) stronger support for farmers, ranchers, and private landowners who help protect rural landscapes and provide access for outdoor recreation; and (5) reinvestment of



*Secretary Salazar makes remarks with Blackfoot Valley Landowner Jim Stone in Montana*

revenues from oil and gas extraction into the permanent protection of parks, open spaces, wildlife habitat, and access for recreational activities.

- **50-State Report.** Building upon the AGO action plan, Secretary Salazar created a 50-State America's Great Outdoors Initiative Report highlighting more than 100 projects, two per state, designed to protect special places and increase access to outdoor spaces. The report was created with additional outreach by Secretary Salazar and other senior Interior officials to governors and state leaders to solicit ideas on the best ways to implement AGO in their states.



*Secretary Salazar and New York City Mayor Michael Bloomberg discuss the great urban park initiative*

- **Backcountry Areas Report to Congress.** In November, Secretary Salazar provided a report to Congress highlighting 18 backcountry areas in nine states for possible designation by Congress as national conservation areas or wilderness areas. The recommendations were based on input from Congress, state and county officials, tribal communities, and other interested parties.
- **Urban Waters Strategy.** As part of AGO, the Environmental Protection Agency and the Departments of the Interior and Agriculture established the Urban Waters Federal Partnership to stimulate regional and local economies, create local jobs, improve quality of life, and protect America's health by revitalizing urban waterways in under-served communities across the country. The Partnership's initial focus is on seven pilot projects across the country where strong restoration efforts, spearheaded by local governments and community organizations, are already underway. Lessons learned from these sites will be applied to other cities.
- **National Park Service Second Century Stewardship Plan.** The National Park Service developed a plan, *A Call to Action: Preparing a Second Century of Stewardship and Engagement*, that identifies 36 actions for National Park Service employees and partners under four broad themes: (1) Connecting People to Parks; (2) Advancing the National Park Service Education Mission; (3) Preserving America's Special Places; and (4) Enhancing Professional and Organizational Excellence.
- **Roadmap for National Wildlife Refuge System.** The U.S. Fish and Wildlife Service developed a 10-year blueprint for the growth and management of the National Wildlife Refuge System. Recommendations in *Conserving the Future: Wildlife Refuges and the Next Generation* include launching an urban refuge initiative to connect Americans with their natural heritage; working with state fish and wildlife agencies to increase quality hunting and fishing opportunities – especially for youth and people with disabilities; and helping refuges assess potential climate change impacts on wildlife and its habitat.



- **National Landscape Conservation System Strategy.** The Bureau of Land Management (BLM) developed a 15-year strategy for management of the 27 million-acre National Landscape Conservation System that focuses on conservation of natural resources and their compatible uses.
- **Innovative Coalition-Based Conservation Program.** Secretary Salazar launched the Landscape Stewards program, a partnership with the National Fish and Wildlife Foundation to spur collaborative efforts to protect vital wildlife habitat through community-based coalitions of private landowners, conservation groups, and state and federal agencies. The partnership will leverage up to \$200,000, along with matching grants, to support these efforts beginning in 2012.
- **A Smarter, Collaborative Approach to Utilizing Conservation Funds.** The Departments of the Interior and Agriculture developed a new strategic vision for the Land and Water Conservation Fund to enable the federal government to work more collaboratively to achieve landscape level conservation. This collaboration will provide incentives for strategic planning across departmental boundaries at the landscape scale.

## Promoting America’s Unique Heritage and Culture

Through the National Park Service and a great network of public lands, Interior has a unique ability and responsibility to tell the full story of our nation’s rich and diverse history.

### Preserving and Promoting America’s Historic and Diverse Cultural Heritages

- **Lady Liberty Restoration.** The National Park Service began a \$27.25 million renovation to implement long-planned safety and other critical renovations at the Statue of Liberty National Monument and Ellis Island. The year-long renovation will increase access for visitors who can learn the stories of millions of immigrants that came to American in hope of a better future.
- **Toward a More Perfect Union.** From Fort Monroe – the site where Dutch traders brought enslaved Africans to this nation, to the Civil War battlefields, to the steps of the Lincoln Memorial where Martin Luther King, Jr., delivered his “I Have a Dream” speech, the National Park Service is telling the story of nation’s arc from Civil War to civil rights. In addition to this year’s historic additions to the National Park System of the Fort Monroe National Monument and the Martin Luther King, Jr Memorial, Interior commemorated the:
  - **Civil War Sesquicentennial.** The National Park Service began a five-year program to commemorate the sesquicentennial of the Civil War with a 13-day reenactment of President Lincoln’s inaugural journey. The event revisited 16 cities and towns at which President-elect Lincoln made remarks during his train’s journey to Washington, D.C., in 1861.



- **Historic Ebenezer Baptist Church Restoration.** Secretary Salazar joined members of the King family to celebrate the completed restoration of Historic Ebenezer Baptist Church’s Heritage Sanctuary and Fellowship Hall in Atlanta, Georgia. The church, where Dr. King served as co-pastor, was a focal point of the civil rights movement.
- **American Latino Heritage.** Interior is working to celebrate the past and ongoing contributions of American Latinos who have helped shape America. The initiative will explore how the legacy of American Latinos can be recognized, preserved and interpreted for future generations. Actions in 2011 include:
  - The **White House Forum on American Latino Heritage**, hosted by President Obama;
  - Establishment of the National Park Service **American Latino Heritage Initiative** and associated theme study in conjunction with the National Park Foundation to identify sites worthy of recognition and preservation;
  - Launch of a study to evaluate the potential of sites significant to the life of **Cesar Chavez** and the farm labor movement to be designated as part of the National Park System, and the addition of **Nuestra Senora Reina de la Paz**, the place where Chavez lived during his last 22 years, to the National Register of Historic Places; and
  - Advancement of the **National Museum of the American Latino** on the National Mall with the Commission’s issuance of a final report and the introduction of legislation in Congress.
- **World Heritage Site Nominations.** Interior proposed the pre-historic earthworks of Poverty Point in Louisiana and a collection of Frank Lloyd Wright buildings to be considered as U.S. nominations for the United Nations’ World Heritage List.



*Secretary Salazar at the White House Forum on American Latino Heritage*

**Funding Historic Restoration and Conservation Projects.**

In 2011, the National Park Service awarded:

- \$46.4 million in grants from the **Historic Preservation Fund** to the 50 states, the District of Columbia, and the U.S. territories and \$7.5 million to 117 American Indian tribes to preserve historic and cultural sites.
- \$1.4 million in grants through the **Land and Water Conservation Fund** to help with land acquisition at five Civil War battlefields: Gettysburg, PA; Wilson’s Creek, MO; Bentonville, NC; Cedar Creek, VA; and Chancellorsville, VA. The National Park Service awarded another \$1.2 million in grants Service to help preserve and protect 76 other significant battlefields, including sites from the Revolutionary War, War of 1812, Civil War, World War II and various Indian wars.

- 24 grants totaling \$2.9 million to preserve and interpret sites where Japanese Americans were confined during World War II.
- \$1.5 million in grants to assist American Indian tribes, Alaska Native villages, and museums with implementation of the **Native American Graves Protection and Repatriation Act**. Another \$4.4 million in grants from the National Park Service's **Historic Preservation Fund** were awarded to 117 American Indian tribes to assist with the preservation of important historic and cultural sites and to promote education and interpretation programs.
- \$14.3 million in federal competitive **Save America's Treasures** grants to 61 organizations and agencies, along with the President's Committee on the Arts and the Humanities. The grants will help conserve nationally significant cultural and historic sites, buildings, and documents.

## Protecting Wildlife and Its Habitat

### Assessing and Improving Habitat in the United States

- **State of the Birds.** The Departments of the Interior and Agriculture released the *2011 State of the Birds Report*, a comprehensive assessment of birds on lands and waters owned by the American people. The report shows that one out of four bird species on the nation's public lands are in peril.



*Red Bluff Fish Passage Improvement Project*

- **State of the Fish.** The U.S. Fish and Wildlife Service issued the first-of-its-kind assessment, *Through a Fish's Eye: The Status of Fish Habitats in the United States 2010*, of the human effects on fish habitat in the rivers and estuaries of the United States.
- **Wetlands Status.** The Fish and Wildlife Service issued its wetlands status report, the *Status and Trends of Wetlands in the Conterminous United States 2004-2009*, the latest of five reports to Congress since the 1950's. The report shows a continuous but diminishing decline in wetlands habitat from 2004-2009, underscoring the need for continued conservation and restoration efforts.
- **Fish Habitat.** The Bureau of Reclamation is building a fish screen and pumping station as part of the **Red Bluff Fish Passage Improvement Project** along the Sacramento River. Additionally, Reclamation the **Contra Costa Fish Screen Project** at Rock Slough and awarded a \$9.6 million contract for the construction of a fish barrier to assist in the protection and restoration of native fishes in the **Blue River Drainage** area of Arizona.

### Expanding Hunting and Fishing on National Wildlife Refuges

The U.S. Fish and Wildlife Service opened Crane Meadows National Wildlife Refuge in Minnesota to big-game hunting of deer and upland game hunting of turkey for the first time, and expanded hunting and fishing activities at nine other national wildlife refuges across the nation.

## Promoting Giant Panda Conservation and Research

In a breakthrough agreement spearheaded by the efforts of the U.S. Fish and Wildlife Service, the United States and China announced in January 2011 that the National Zoo's two giant pandas will remain at the zoo another five years as part of a new agreement between the two countries to support breeding, research and conservation efforts of the increasingly rare and endangered iconic species.

## Promoting Sustainable Wolf Management

The U.S. Fish and Wildlife Service reached an agreement with the state of Wyoming that will result in revisions to that state's management plan for the gray wolf to promote a stable, sustainable population of wolves and paves the way for the Service to return wolf management to Wyoming. The Service also determined that the gray wolf populations in the Great Lakes region have recovered and removed this wolf population from the list of threatened and endangered species. The recovery reflects the value of the Endangered Species Act as a tool to protect and bring back species from the brink of extinction.

**Funding Wildlife Habitat and Recreation.** In 2011, the U.S. Fish and Wildlife Service distributed:

- More than \$749 million in excise tax revenues, generated by outdoor sportsmen and recreational boaters, to state fish and wildlife agencies. The funds support fish and wildlife management and conservation, recreational boating access, and hunter and aquatic education programs.
- \$13.5 million in competitive grants to 11 states for boating infrastructure projects to support recreational boating. Another \$2.7 million from the **Sport Fish Restoration and Boating Trust Fund** was awarded to 27 states, commonwealths and territories in non-competitive grants.
- More than \$53 million in **Cooperative Endangered Species Conservation Fund** grants to 17 states to support public-private conservation planning and acquisition of vital habitat for threatened and endangered fish, wildlife, and plants.
- More than \$3.4 million to support 84 fish habitat projects in 38 states under the **National Fish Habitat Protection Plan** to restore and enhance stream, lake and coastal habitat, as well as to improve recreational fishing and help endangered species.
- \$20.7 million in funding for grants to conserve nearly 100,000 acres of wetlands and associated habitats in 16 states through the **North American Wetlands Conservation Act**.



*Flock of waterfowl fly from wetland at Chincoteague National Wildlife Refuge in Virginia*



- More than \$9 million, as approved by the **Migratory Bird Conservation Commission**, to purchase an estimated 5,550 acres of waterfowl habitat to add to five units of the National Wildlife Refuge System, including, notably, almost 2,800 acres of wetland and grassland easements for the newly established Dakota Grasslands Conservation Area in South Dakota.
- \$7 million in **Tribal Wildlife Grants** to 37 Native American tribes in 16 states to fund a wide range of conservation projects.

### **Improving Endangered Species Act Implementation**

- **Finding Efficiencies.** The U.S. Fish and Wildlife Service launched a joint effort with National Oceanic and Atmospheric Administration's Fisheries Service to improve the efficiency and effectiveness of the Endangered Species Act (ESA), identifying areas where changes in implementing regulations and policies may reduce burdens, redundancy, and conflict, as well as promote predictability and innovation.
- **Implementing a Work Plan.** The U.S. Fish and Wildlife Service developed a work plan to restore biological priorities and certainty to the endangered species listing process, allowing the agency to focus its resources on species most in need of protection. Over a period of six years, the agency will systematically review more than 250 species on the list of candidates for protection to determine if they should be added to the federal list of threatened and endangered species.

## **BUILDING A SAFE, SECURE ENERGY FUTURE**



In May 2011, President Obama put forth a *Blueprint for a Secure Energy Future*, a broad effort to secure America's energy future by safely and responsibly developing our nation's domestic energy resources. The comprehensive, all-of-the-above approach means using cleaner, alternative fuels to power our homes and economies, producing more oil and gas at home, and improving energy efficiency.

As manager of one-fifth of the nation's landmass and 1.7 billion acres off its shores, Interior has the resources to help America produce more energy at home. Already, these resources provide 30 percent of our nation's domestically-produced energy, but we can do more.

Responsible energy development on our public lands is a significant economic engine, creating jobs and boosting local economies. In fiscal year 2011, Interior collected \$11.16 billion from energy production on public lands and offshore areas—a \$2 billion increase over the previous year—and disbursed those revenues among federal, state and tribal governments, while funding reclamation, conservation and preservation accounts. Billions went directly to the U.S. Treasury to fund programs for all Americans, making Interior's mineral revenue disbursements one of the nation's largest sources of non-tax revenue.

### **Standing Up a Renewable Energy Economy**

#### **Promoting Onshore Solar, Wind and Geothermal Energy Development**

In his 2011 State of the Union address, President proposed an ambitious but achievable clean energy standard that by 2035, we will generate 80 percent of our nation's electricity from a diverse set of clean energy sources—including renewable energy sources like wind, solar, biomass, and hydropower; nuclear power; efficient natural gas; and clean coal. On the renewable energy front, Interior is taking an all-hands-on-deck approach to developing this American energy resource.

- **Priority Projects.** As part of its ongoing, unprecedented approach to processing applications for renewable energy development on public lands, in 2011 Interior approved 15 projects that will produce or transmit renewable energy.
- **Historic Milestones.** Since 2009, Interior has authorized 29 solar, wind, and geothermal projects—more than 6,600 megawatts of renewable energy which is enough to power about 2.1 million homes when the projects are built and fully operational. The projects include:
  - **Solar:** Sixteen commercial-scale solar energy plants were green-lighted by the Secretary for construction that, when built, will provide more than 5,600 megawatts of power—enough to power more than 1.5 million homes. These projects are located in Arizona, California and Nevada and are the first solar projects ever to be permitted on public lands.

- **Wind:** Five wind projects in California, Nevada, and Oregon have been approved that, when built, will provide more than 500 megawatts of power—enough to power more than 180,000 homes.
- **Geothermal:** Eight geothermal projects were approved in Nevada, which together will produce about 424 megawatts of energy and generate enough energy to power about 424,000 homes. Three of the geothermal projects are already providing electricity to the grid, and in 2012, a 50-megawatt solar plant in Nevada is expected to be the first solar project located on public lands to begin powering the grid.

- **Solar Roadmap.** Interior is finalizing a comprehensive roadmap for solar energy development in the west, identifying for the first time ever public lands most suitable for utility-scale solar energy projects. The draft plan identifies 17 solar energy zones in six southwestern states encompassing 285,000 acres. The roadmap also establishes a process to allow development of well-sited projects outside of solar energy zones on an additional 20 million acres of public land. The Solar programmatic environmental impact statement will provide a solid foundation for an enduring, sustainable solar energy future for our nation.



*Secretary Salazar examines a solar energy project under construction on public lands in Nevada*

- **Standing Up Transmission.** The administration selected seven electric transmission projects across 12 states in a pilot effort to streamline the federal permitting and federal, state and tribal coordination process to accelerate the construction of transmission lines. These pilot projects, five in the West and two in the East, are estimated to generate more than 11,000 construction and operations jobs while helping transform the nation's electric system into a 21<sup>st</sup> century grid that is safer, more secure, and will help deliver significant but otherwise stranded renewable energy resources to customers.

### Promoting Offshore Wind Energy Development

- **National Offshore Wind Strategy.** Working with the Department of Energy, Interior developed the National Offshore Wind Strategy, the first-ever interagency plan to expeditiously develop a sustainable, world-class offshore wind industry. The plan focuses on overcoming three key challenges: (1) the relatively high cost of offshore wind energy; (2) technical challenges surrounding installation, operations and grid connection; and (3) the lack of site data and experience with project permitting processes. The plan sets an ambitious goal of deploying 10 gigawatts of offshore wind generating capacity by 2020 and 54 gigawatts by 2030.



- **Wind Energy Areas.** BOEM designated five first-ever Wind Energy Areas along the Atlantic Outer Continental Shelf, offshore of six states (Rhode Island and Massachusetts, Delaware, Maryland, New Jersey and Virginia). The designation is part of the Interior's "Smart from the Start" Atlantic Offshore Wind Initiative launched in late 2010 to spur efficient and environmentally responsible renewable energy development offshore. BOEM also initiated the leasing process to establish the first commercial wind leases off the coasts of Delaware, Maryland, Virginia, Massachusetts, New Jersey, and Rhode Island. The work is closely coordinated with the newly-established intergovernmental state task forces.
- **Streamlined Regulations.** BOEM established a new rule to eliminate a redundant step in the non-competitive leasing process for commercial wind energy development on the Outer Continental Shelf, streamlining and providing more efficiency in the regulatory process. The rule could reduce the leasing process by six to 12 months.
- **Mid-Atlantic Wind Energy Transmission Line.** BOEM launched a process to review a proposed offshore high voltage direct current line. The line would serve as "backbone" for an offshore electrical transmission system to collect up to 7,000 megawatts of power generated by wind turbine facilities off the Atlantic Coast from New York to Virginia.
- **Cape Wind Construction Approval.** Interior approved the construction and operations plan for the Cape Wind Energy Project, the next step toward construction of the nation's first-ever offshore commercial wind operation. The plan is required before construction may begin on the generation facility planned in Nantucket Sound, offshore of Massachusetts.

### Promoting Hydropower Development

- **Hydropower Resources Assessment.** As part of President Obama's initiative to develop a comprehensive renewable energy portfolio and meet 80% of our energy needs with clean sources by 2035, the Bureau of Reclamation issued a report, *Hydropower Resource Assessment at Existing Reclamation Facilities*, demonstrating that Interior could generate up to 1 million megawatt hours of electricity annually and create jobs by adding hydropower capacity at 70 of its existing non-powered facilities.
- **Hydropower Assessment Tool.** In conjunction with release of the *Hydropower Resource Assessment*, Reclamation issued its Hydropower Assessment Tool that was used in the report to analyze the 530 sites. The tool can be applied to any potential hydropower site to provide valuable information on potential hydropower production and economic viability.
- **Funds to Advance Hydropower Technology.** The Departments of the Interior and Energy awarded \$17 million (funded over the next three years) to 16 projects in 11 states for research and development projects to advance hydropower technology.
- **Overhaul of Grand Coulee Dam's Third Power Plant.** Reclamation awarded a \$102 million construction contract to help overhaul the generators in the third power plant at Grand Coulee Dam on the Columbia River in Washington state. The dam provides about one-quarter of the total generation of hydroelectric power for the Federal Columbia River Power System.



- **Overhaul of Palisades Dam Power Generation.** Reclamation awarded a \$25 million contract for a five-year project to rehabilitate all four of the 54-year old power turbines at Palisades Dam on the Snake River in Idaho, which could generate a 30 percent increase in efficiency during the winter season and 3.8 percent increase in summer.

## Responsibly Developing Conventional Energy Sources

### OFFSHORE

With stewardship responsibility for more than 1.7 billion acres in our nation’s Outer Continental Shelf, Interior has a critical role to play in the safe and responsible development of our nation’s offshore oil and gas resources.



*Oil Platform in the Gulf of Mexico*

### **Overhauling Interior’s Regulatory Framework**

In 2011, Interior completed the historic overhaul of the regulatory system for offshore oil and gas operations in order to address institutional conflicts of interest in the regulatory structure as highlighted by the *Deepwater Horizon* tragedy. The Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE), established by Secretary Salazar in June 2010 as an interim agency to replace the old Minerals Management Service (MMS), was divided into two separate agencies with independent missions: the Bureau of Safety and Environmental Enforcement (permitting, inspection, investigation, and enforcement operations) and the Bureau of Ocean Energy Management (leasing, plan administration, environmental studies, National Environmental Policy Act analysis, resource evaluation, economic analysis, and offshore renewable energy). Secretary Salazar created the Office of Natural Resources Revenue in 2010 to take over the third function of the old MMS, revenue collection from resource development onshore and offshore, revenue distribution and auditing functions.

### **Strengthening Safety Standards for Offshore Exploration and Development**

In the wake of the Deepwater Horizon oil spill, Interior launched the most aggressive and comprehensive reforms to offshore oil and gas regulation and oversight in U.S. history. Begun in 2010, the reforms strengthen requirements for everything from well design to workplace safety to corporate accountability.

In 2011, Interior implemented or proposed additional offshore safety reforms, including:

- New drilling rig workplace safety requirements for offshore operations for the **Safety and Environmental Management Systems** rule, which was first published in October 2010. The new proposals include employee training and in safety management and strengthening auditing procedures by requiring them to be completed by independent third parties;

- Stronger offshore oil and gas inspections programs and the use of inspection teams in the place of individual inspectors, allowing teams to inspect multiple operations simultaneously and enhancing the quality of inspections on larger facilities; and
- Expanded training and recruitment programs, including the establishment of the **National Offshore Training and Learning Center**, which is developing BSEE's first formal training curriculum, and has been piloted with new inspectors and a nationwide recruitment campaign to fill critical engineering position vacancies.
- **Ocean Energy Safety Advisory Committee.** BSEE established the committee to spur collaboration and coordination among government, industry, and academia on issues related to offshore drilling and workplace safety, well intervention and oil spill prevention, blowout containment, and oil spill response.

Interior also looked beyond its borders in 2011 to establish best practices and a gold standard for safe and responsible offshore oil and gas development:

- **Brazil and Mexico.** In late March and early April, Secretary Salazar traveled to Brazil and to Mexico to discuss with government officials and the leading oil and gas companies the need for safer development of offshore oil and gas resources, including the lessons learned from the *Deepwater Horizon* oil spill. In Mexico City, Secretary Salazar pursued efforts to reach agreement between the United States and Mexico on oil and gas boundary issues in the Gulf of Mexico, and to promote the development of a common set of safety and environmental standards for drilling in the Gulf.
- **Ministerial Forum on Offshore Drilling Containment.** In April, Secretary Salazar brought together ministers and senior officials from 12 offshore oil and gas producing countries and the European Union, as well as representatives from industry, academia, and non-governmental organizations for a Ministerial Forum on Offshore Drilling Containment to share lessons learned from the Deepwater Horizon oil spill and other major spills.
- **Arctic Council Ministerial Meeting.** In May, Secretary Salazar joined Secretary of State Hillary Clinton in Nuuk, Greenland for the Arctic Council Ministerial Meeting, a biannual forum of eight Arctic nations and their Arctic indigenous peoples. The meeting addressed common issues of concern among the Arctic nations, including energy development, the environment and indigenous peoples' rights and protections.

#### Encouraging Production of Offshore Oil and Gas Resources

- **Making Significant Resources Available.** In 2011, Interior offered up millions of offshore acres in the Gulf of Mexico for oil and gas exploration and production. BOEM conducted the Western Gulf of Mexico Sale 218 in December, offering about 3,900 unleased blocks covering more than 21 million acres. The Central Gulf of Mexico lease sale (216 and 222 lease areas) will occur in June 2012.



*Secretary Salazar announces the results of the Western Gulf of Mexico Lease in New Orleans, Louisiana*

- **Developing a comprehensive offshore strategy.** An improved offshore strategy for oil and gas exploration and development on the Outer Continental Shelf includes a proposed five-year leasing program that makes more than 75 percent of undiscovered, technically recoverable oil and gas on the Outer Continental Shelf available for development. The proposed five-year plan schedules 15 potential lease sales for the 2012-2017 period tailored to specific regions: 12 in the Gulf of Mexico and three off the coast of Alaska.
- **Expediently and judiciously processing permits.** Since an applicant first successfully demonstrated compliance with the new safety and environmental standards in February 2011, BSEE had approved 216 deepwater permits for 60 unique wells that require subsea containment, and 53 permits for deepwater activities not requiring subsea containment by mid-December 2011. In addition, 97 new shallow water well permits had been issued.
- **Extending certain Gulf of Mexico deepwater leases.** In May 2011, President Obama called on then-BOEMRE to extend deepwater leases in the Gulf of Mexico that were impacted by the deepwater moratorium following the Deepwater Horizon oil spill. In a process laid out by Secretary Salazar in a secretarial order, operators had the opportunity to request the extension, with 1,413 companies responding. After a review by BSEE, 97.7 percent (1,381) of the 1,413 company requests to extend their offshore leases in the Gulf of Mexico were granted.
- **Encouraging offshore exploration and development.** Fifty-six offshore exploration plans and nine offshore development plans were approved as of mid-December, following completion of new site-specific environmental assessments after stronger, heightened standards were implemented in June 2010.
- **Implementing offshore lease terms to encourage diligent development.**

BOEM has implemented administrative reforms to ensure fair return to taxpayers and encourage diligent development. These include escalating rental rates to encourage prompt exploration and development of leases, as well as time under the lease if the operator demonstrates a commitment to exploration by drilling a well during the base period. The durational terms of leases are graduated by water depth to account for differences in operating at various water depths. In addition, BOEM recently increased the minimum bid for deepwater, providing leaseholders with additional impetus to invest in leases that they are more likely to develop.



*Workers in Alaska conduct Arctic oil spill research*

- **Expediting the search for resources in the Mid- and South-Atlantic.** Ensuring that development takes place in the right ways and the right places is critical to the success of both renewable and conventional energy strategies. BOEM is taking steps to expedite the process to understand oil and gas resources by moving forward with the environmental review process for seismic studies in the Mid- and South- Atlantic.
- **Cautious exploration in the Arctic.** BOEMRE completed a supplemental environmental analysis resulting in its reaffirmation of the Chukchi Lease sale offshore of Alaska, which includes 487 leases covering 2.8 million acres. BOEM gave conditional approval of Shell’s proposals in both the Chukchi and Beaufort seas to drill up to six and four shallow water exploration wells respectively. These approvals are conditioned upon important measures to protect communities and the environment, including the requirement to obtain necessary approvals from other agencies prior to initiating any activity.
- **Coordinating Alaska permitting.** Chaired by Deputy Secretary of the Interior David J. Hayes, a new, high-level interagency working group is facilitating a more efficient permitting process for Alaska while ensuring that all safety and environmental protections are fully met.

#### **Investigating Root Causes of Deepwater Horizon, Enhancing Enforcement of Regulatory Violations**

- The BOEMRE/U.S. Coast Guard Joint Investigation Team released its final investigative report in September 2011 on the causes of the April 2010 Deepwater Horizon explosion and the consequent loss of life and resulting oil spill, the largest in the nation’s history.
- BSEE issued multiple citations for violations of federal law to BP, Transocean and Halliburton. The citations issued to Transocean and Halliburton were the first time ever that Interior exercised its longstanding authority to cite drilling contractors for violations.
- BOEMRE increased the maximum civil penalty amounts for Outer Continental Shelf Lands Act violations from \$35,000 to \$40,000 per day, and for Oil Pollution Act financial responsibility violations from \$25,000 to \$30,000 per day. This adjustment for inflation is the limit of its administrative authority to change penalty amounts, and the administration has requested that Congress pass legislation to further raise the maximum civil penalty rates.

## **ONSHORE**

The Bureau of Land Management manages more public lands than any other agency – approximately 245 million surface acres, as well as 700 million sub-surface acres of mineral estate. Efforts to develop oil, gas and mineral resources on public lands safely and responsibly; harness renewable energy sources while protecting our land, water and wildlife; and build the transmission facilities needed to deliver power to consumers are creating job and strengthening local communities.



## **Making Oil and Gas, Coal Resources Available**

During calendar year 2011, the BLM held 32 onshore oil and gas lease sales, offering 1,755 parcels of land covering nearly 4.4 million acres. 1,296 parcels of land were sold – nearly three-quarters of those offered – generating about \$256 million in revenue for American taxpayers, a nearly 20 percent increase in lease sale revenue over 2010 levels. Additionally, in 2011 BLM processed more than 5,600 applications for permits to drill on federal and Indian lands.

Following a strong 2011 in which leasing reform helped to lower protests and increase revenue from onshore oil and gas lease sales on public lands, Interior will hold 32 additional sales in 2012.

These oil and natural gas lease sales will offer thousands of parcels in California, Colorado, the Eastern states, Montana, New Mexico, Nevada, Utah, and Wyoming. The BLM conducts sales based on nominations received from industry that are evaluated to determine eligibility and availability for leasing before being delineated into individual parcels.

In fiscal year 2011, the BLM administered 306 coal leases, producing 451 million tons of coal and generating \$774 million in royalties. The BLM also held four coal lease sales in FY2011 and collected \$701 million in bonus bids. Total program receipts for FY 2011 were \$963 million, comprising royalties and bonus bids. Over the past decade (FY 2002-2011), coal leasing activities on BLM-administered leases have remained steady, annually averaging 301 leases, 459 million tons of coal produced, \$567 million in royalties, four coal lease sales and \$335.5 million in bonus bids.

## **Increasing Certainty in Leasing**

With more boots on the ground and individual parcel reviews, the BLM has implemented leasing reforms to provide the public with increased opportunity for participation and to require a more thorough environmental review and documentation process. The reforms enhanced the BLM's ability to resolve protests prior to lease sales by engaging the public in the development of master leasing plans prior to leasing in certain areas where significant new oil and gas development is anticipated.



*Oil rig in Wyoming*

The BLM's oil and gas leasing reforms are effectively making oil and gas leasing more predictable, increasing certainty for industry, and restoring needed balance with comprehensive front-end analysis.

Between FY 1998 and FY 2009, the percentage of leases protested jumped from one percent to nearly 50 percent, leading the BLM to invest vast amounts of staff time and attention in defending time-consuming and costly lawsuits and in revisiting the leasing process after receiving direction from the courts. Since the reforms' implementation, the number of protests has declined and the protests that are received can now be resolved more quickly. In FY 2011, 36 percent of BLM's oil and gas leases were protested – down from 47 percent in 2009.

## Ensuring Fair Return to Taxpayers on Oil and Gas Development on Public Lands

Secretary Salazar launched an evaluation of the potential streamlining of regulations that govern the calculation of billions of dollars in royalties owed to the U.S. government from oil and gas produced offshore and on onshore federal lands. These proposed changes could dramatically improve compliance and reduce administrative costs for industry and the government, as well as better ensure that the American taxpayer is properly compensated for the use of the nation's public resources.



*Oil pumpjack in California*

## Moving forward in Alaska's National Petroleum Reserve (NPR-A)

Upholding President Obama's commitment to hold annual lease sales in the NPR-A, in December, the BLM offered approximately 3 million acres for lease, an area larger than Rhode Island and Delaware combined – generating winning bids totaling \$3,637,477 and covering 17 tracts on about 141,739 acres. Additionally, federal agencies reached an agreement in principle with ConocoPhillips on the company's proposed plan to construct a pipeline and bridge over the Colville River, a key access point for developing existing and future oil and gas leases in the NPR-A. The agreement includes substantial environmental protection conditions and mitigation features. This agreement – facilitated by the President's Interagency Working Group on Coordination of Domestic Energy Development and Permitting in Alaska, chaired by Interior Deputy Secretary Hayes – helped pave the way for a decision by the U.S. Army Corps of Engineers to permit the pipeline and bridge construction project and allow it to move forward.

## Promoting Air Quality in Oil and Gas Development

The Departments of the Interior and Agriculture and the Environmental Protection Agency established an interagency approach to address air quality associated with onshore oil and gas development on public lands. A new agreement establishes a common process for the agencies to follow in analyzing the potential air quality impacts of proposed oil and gas activities to increase efficiency, certainty and transparency in the process, benefiting industry, states, federal agencies, and tribes.

## Promoting Responsible Oil Shale Development

Interior launched a review of the 2008 commercial oil shale regulations and resource management plan amendments, with plans to update them based upon the latest research and extraction technologies if necessary. The review will account for expected water demands in the arid West and ensure the rules and plans provide a fair return to taxpayers. As recommended by the Government Accountability Office, the U.S. Geological Survey will also undertake an analysis of baseline water resources conditions to improve the understanding of groundwater and surface water systems that could potentially be affected by commercial-scale oil shale development.

## Updating Potential Oil and Gas Reserve Estimates

- **Bakken Formation.** Prompted by new scientific information, Interior's U.S. Geological Survey (USGS) initiated a review and update of its 2008 estimate of undiscovered, technically recoverable oil and gas in the U.S. portion of the Bakken Formation, an important domestic petroleum resource located in North Dakota and Montana. A 2008 USGS assessment estimated 3 billion to 4.3 billion barrels of undiscovered, technically recoverable oil; the new assessment is likely to show even greater amounts.
- **Marcellus Shale.** USGS released a new assessment of natural gas resources in the Marcellus Shale of the Appalachian Basin (eastern United States), indicating the shale contains about 84 trillion cubic feet of undiscovered technically recoverable natural gas and 3.4 billion barrels of undiscovered technically recoverable natural gas liquids – significantly higher estimates than the last USGS assessment in 2002
- **Outer Continental Shelf.** BOEM updated its assessment of undiscovered technically recoverable oil and gas resources on the nation's Outer Continental Shelf to a mean of 88.6 billion barrels of oil and mean of 398.4 trillion cubic feet of natural gas.
- **National Petroleum Reserve-Alaska.** USGS updated its 2003 economic analysis and 2002 resource assessment of the NPR-A, estimating that about 273 million barrels of undiscovered oil are economically recoverable at a price of \$72 per barrel and about 500 million barrels of undiscovered oil are economically recoverable at \$90 per barrel, significantly less than the 2003 analysis concluded.

## EMPOWERING NATIVE AMERICAN, ALASKA NATIVE, AND ISLAND COMMUNITIES

### Moving Forward on Indian Trust Administration and Reform

- **Commission on Trust Reform.** Secretary Salazar established a new Secretarial Commission on Indian Trust Administration and Reform that will conduct a comprehensive evaluation of Interior's trust management and provide recommendations on how to improve performance. The commission fulfills one of the actions Secretary Salazar outlined in a 2009 secretarial order regarding steps to be taken following the federal court approval of the historic *Cobell* settlement.



*President Obama listens to his Native American "adoptive parents," Crow Tribe members Sonny and Mary Black Eagle of Montana, during the 2011 White House Tribal Nations Conference*

- **Osage Tribe Trust Management Settlement.** In October 2011, the U.S. government reached a final settlement on the Osage Nation's a long-running lawsuit regarding the U.S. accounting and management of the tribe's trust funds and other assets. The \$380 million settlement reflects the administration's priority for resolving pending tribal trust accounting and trust management cases in an expedited, fair and just manner and demonstrates its commitment to reconciliation and empowerment for American Indian nations.

### Continuing Restoration of Tribal Lands

As part of Interior's commitment to breaking the logjam on taking land into trust to restore tribal homelands, the department has undertaken the most substantial overhaul of the federal fee-to-trust process in 50 years. As a result, between 2009 and 2011 Interior has processed 697 applications, resulting in the acquisition of more than 157,000 acres of land into trust on behalf of tribes and individual Indians, a 736 percent net increase from the last three years of the preceding administration.

### Building Safer Indian Communities

In 2010, Interior launched a targeted, intense community-safety pilot program on four reservations with high violent crime rates with the goal to reduce violent crime by more than five percent by the end of 2011. The successful pilot program resulted in a combined reduction in violent crime of 35 percent. Two additional reservations with high crime rates will be added to this initiative in 2012.

## Creating a More Effective Consultation Policy

Interior created a new framework, providing a greater role for tribes in federal decisions affecting Indian Country. This initiative was in response to President Obama's November 2009 directive to all federal agencies to develop tribal consultation policies that strengthen the government-to-government relationship between the United States and tribal nations.

## Overhauling Antiquated Leasing Regulations Hindering Economic and Energy Development

Interior's Bureau of Indian Affairs proposed a sweeping reform of federal surface leasing regulation for American Indian lands. The reform initiative will streamline the approval process for home ownership, expedite economic development, and spur renewable energy development in Indian Country. The proposed rule, the most comprehensive reform of Indian land leasing regulations in more than 50 years, eliminates the "one size fits all" approach to processing all surface leases and establishes separate, simplified processes for residential, business, and renewable energy development.



*Secretary Salazar discusses the Tribal Consultation Policy with Robert Tippiconnie of the Comanche Tribe, after signing a Secretarial Order implementing the policy.*

## Promoting Indian Water Rights

- **Navajo-Gallup Water Supply Project.** The project will provide a reliable water supply to the eastern section of the Navajo Nation, southwestern portion of the Jicarilla Apache Nation, and the city of Gallup, New Mexico. The initiative, selected by President Obama as one of 14 national infrastructure projects to leverage expedited permitting and environmental review processes, is expected to begin construction in spring, 2012. Reclamation has made significant progress on the pre-construction activities, including cultural resource investigations. The project will generate hundreds of jobs in the region and will implement a settlement agreement resolving contentious litigation between the state of New Mexico, the United States, and the Navajo Nation.
- **Major Water Rights Settlements.** Reclamation began design and environmental compliance work on four Indian water rights settlements enacted in the Claims Resolution Act: the Taos Pueblo and Aamodt case pueblos in New Mexico; the Crow Tribe of Montana; and the White Mountain Apache Tribe in Arizona. The agreements will build and improve reservation water systems, rehabilitate irrigation projects, construct a regional multi-pueblo water system, and codify water-sharing arrangements between Indian and neighboring communities.
- **White Mountain Apache.** As part of a self-determination construction cooperative agreement, \$11.8 million was awarded to the White Mountain Apache Tribe to greatly expand the current water delivery system to meet the critical needs of the tribe.



- **Crow Tribe of Montana.** \$74 million in settlement funds were delivered to the Crow Tribe of Montana as part of the 2010 Crow Tribe Water Rights Settlement; construction has begun on the rehabilitation and improvement of the irrigation project on the reservation.
- **Soboba Band of Luiseno Indians.** Interior finalized the Soboba Tribal Water Rights Settlement, triggering release of \$21 million benefiting the reservation and California’s San Jacinto River Basin communities, bringing certainty in water supplies for districts serving more than 18.5 million people. Secretary Salazar’s action brings to a close more than 150 years of conflicts and decades of litigation between the Soboba Band of Luiseno Indians and neighboring communities over the San Jacinto Basin’s limited water resources.

### **Fighting Tribal Alcohol and Substance Abuse**

A new federal partnership between the Departments of the Interior, Health and Human Services and Justice will help American Indian and Alaska Native communities to prevent, intervene, and treat alcohol and substance abuse. The initiative was established as part of the implementation of the Tribal Law and Order Act.

### **Promoting Fair Return on Oil Development on Tribal Lands**

Interior established a stakeholder rulemaking committee to replace 1988 regulations governing the valuation of oil produced on American Indian lands, helping to encourage responsible exploration and development on tribal and allotted lands. The project will better ensure tribal owners receive fair market value for oil production and provide greater certainty and consistency in valuating oil resources.

## **SUPPORTING OUR ISLAND COMMUNITIES**

### **Preparing for Guam’s Military Relocation**

Interior’s Office of Insular Affairs (OIA) continues to remain engaged with the Department of Defense in its relocation of U.S. military personnel and dependents from Okinawa, Japan, to Guam. Consistent with the administration’s “One Guam” approach, OIA has worked to ensure that resources are available to address civilian needs related to the buildup, such as participating in the Guam project needs assessment led by Defense’s Economic Advisory Committee.



*War in the Pacific National Historic Park in Guam*

### **Promoting Renewable, Alternative, and Efficient Energy in Island Communities**

Following up on successful efforts in 2010 to build a working relationship between OIA, the National Renewable Energy Laboratory, and each of the U.S. Territories, there is now a strategic renewable energy plan and goals for all the islands. Each plan is tailored to reflect the unique circumstances and indigenous energy sources found for the respective islands. Island leaders are now prepared to deploy renewable/alternative energy technologies and efficiency; leveraging both Recovery Act and OIA funding.

### **Turning Gross Domestic Product Estimates into Sound Public Policy**

OIA's collaboration with the Department of Commerce's Bureau of Economic Analysis (BEA) to produce the first official estimates of Gross Domestic Product for the territories of American Samoa, the Northern Mariana Islands, Guam and the U.S. Virgin Islands has been successful. Now, island leaders are armed with "gold standard" statistical data which is on par with the 50 states, a first for our nation. Working with OIA and its partnership with the BEA, island leaders can begin to craft public policies aimed at strengthening weaknesses in their economies' based on reliable economic data.

### **Promoting Small Businesses and Niche Market Development**

In 2011, OIA partnered with the Council for Native Hawaiian Advancement to further its Pacific Business Partnership Initiative (PBPI). PBPI partners also include island chambers of commerce, educational institutions, and other native organizations all with an aim to promote a prosperous environment for locally-owned small businesses. Additionally, OIA led efforts to promote the use of alternative dispute resolution methods for local island judiciaries; sponsoring a conference comprised of experts from the Ninth Circuit Court of Appeals and from internationally recognized practitioners.

### **Raising Island Profiles and Advancing Community Engagement**

Working with the State Department, OIA assisted in Secretary Clinton's decision to grant "observer status" to US territories wishing to participate in the Pacific Islands Forum. The status is the first of its type and recognizes the importance of participation, from all Pacific islands, in international forums.

# TACKLING AMERICA'S WATER CHALLENGES

## Increasing Available Water Supply



*Cooper River Delta in Alaska*

In February 2010, Secretary Salazar created the WaterSMART Program to pursue a sustainable water supply for the United States. The initiative focuses on identifying strategies to improve water conservation and sustainability and to help water resource managers make sound decisions about water use. The WaterSMART Program has provided more than \$85 million in funding to non-federal partners, including tribes, water districts and universities, including \$33 million for 82 WaterSMART grant projects in FY 2011 that helped save 233,331 acre-feet of water.

WaterSMART projects include:

- **Reclaiming and Reusing Water.** The Bureau of Reclamation directed approximately \$20 million in funding toward 12 construction projects to reduce existing diversions and to address specific water supply issues in a cost-effective manner. Reclamation awarded another \$1.2 million to develop nine new water recycling and reuse feasibility studies in California, Oklahoma, and Texas.
- **Water and Energy Efficiency Grants.** Reclamation selected 58 new projects in Western states to receive a total of \$25 million in WaterSMART Water and Energy Efficiency grants. Once funded and completed, these projects will save more than 100,000 acre-feet of water, enough water for more than 400,000 people. The annual energy savings expected from these projects is more than 15,000,000 kilowatt hours, enough electricity to power more than 1,300 households.
- **Bay-Delta Agricultural Water Conservation and Efficiency Grants.** Reclamation awarded \$4.1 million to five projects under the WaterSMART Bay-Delta Agricultural Water Conservation and Efficiency Grants Program. The projects will increase district-level efficiencies and facilitate water conservation and/or water use efficiency on farms.
- **Alternative Water Treatment Pilots.** Reclamation awarded \$1.5 million to seven new projects under the Desalination and Water Purification Research Program to support alternative water treatment technology research that will stretch the nation's current water supply, use less energy and reduce impacts to the environment. Reclamation awarded another \$2 million to four projects in California and Texas to accelerate the adoption of advanced water treatment technologies.

- **Basin Studies.** Reclamation selected four comprehensive basin studies and three plans of study, totaling \$2.7 million in federal cost-share. The Colorado River Basin Study team prepared a comprehensive interim snapshot of efforts to date to define current and future imbalances on the Colorado River; the final report is on track for completion in July 2012. The Yakima River Basin Study team in Washington state completed their work in April 2011 with the publication of the *Proposed Integrated Water Resource Management Plan*.
- **Colorado Irrigation Improvement and Salinity Reduction Grants.** Reclamation provided \$20 million in cost-share awards to four irrigation districts in western Colorado to improve irrigation delivery systems by reducing the amount of salinity in Colorado River water. Damages caused by salinity in the U.S. portion of the Colorado River Basin top \$400 million. The projects are expected to prevent more than 23,000 tons of salt from entering the Colorado River every year.
- **Landscape Conservation Cooperatives.** Reclamation and the U.S. Fish and Wildlife Service prepared governance documents and established steering committees as part of the implementation of Landscape Conservation Cooperatives in the desert and southern Rockies regions of the nation. Reclamation awarded \$1.2 million in WaterSMART funding for nine applied science projects to assist management decisions for the two Landscape Conservation Cooperatives, which encompass Arizona, California, Colorado, Nevada, New Mexico, Texas, Utah and Wyoming, as well as a substantial portion of Northern Mexico.



*Colorado River in Arizona*

### **Promoting Rural Water Supplies**

Reclamation awarded \$2.3 million for the study of eight water supply projects in six Western states with the goal of improving water supplies for rural communities. Authorized by Congress in 2006, the Rural Water Supply Program allows Reclamation to work with communities with a population of less than 50,000 to ensure safe and adequate water supplies for domestic, municipal, and industrial use.

### **Developing Long-Term Management Plan for Glen Canyon and Grand Canyon**

Reclamation and the National Park Service launched the development of a long-term experimental and management plan for Glen Canyon Dam on the Colorado River, the first comprehensive review of Glen Canyon Dam operations in 15 years. The plan will ensure that flow regimes on the Colorado River meet the goals of supplying water for communities, agriculture, and industry, while providing clean hydropower and protecting habitat.

### **Successfully Completing Yuma Desalting Plant Pilot Run**

Ahead of schedule and under budget, in March 2011 Reclamation successfully completed the year-long pilot run of the Yuma Desalting Plant in Arizona to demonstrate its potential to augment Lower Colorado River supplies with desalinated water. Over the run, the plant produced the amount of water used by about 116,000 people in a year and recycled about 30,000 acre-feet of irrigation return flow water, which was included in obligated Colorado River water deliveries to Mexico. Reclamation and its partners will evaluate the potential for long-term and sustained operation of the desalting plant.

### **Pursuing U.S.-Mexico Water Treaty Agreements**

Following the completion of “Minute 318” to the United States’ 1944 water treaty with Mexico in late December 2010, Reclamation continued its work on water issues impacting both nations during 2011. Although formal negotiations have not begun for the next session, “Minute 319,” the parties are exploring concepts for cooperative actions including supply-sharing during shortages, joint conservation and augmentation projects, temporary storage in and delivery from U.S. reservoirs, and desalinization.

### **Working Together to Support Water Resources Management**

To address the nation’s growing water challenges and guide critical water management decisions, the USGS, U.S. Army Corps of Engineers, and National Oceanic and Atmospheric Administration formed an innovative federal partnership that will unify and leverage each agency’s resources and capabilities to improve water resources forecasts and streamline access to water information.



## PUTTING SCIENCE TO WORK

Interior relies on the best science available as the foundation for land management decisions and to inform policy. Interior and its bureaus employ thousands of scientists in many disciplines, including through the U.S. Geological Survey, the government's premiere scientific agency. Science is increasing in demand as new energy supplies are developed, competition for water grows, and the cost of natural disasters mounts.

### Assessing U.S. Water Resources

- **Western River Basins.** In April 2011, the Bureau of Reclamation issued a report to Congress assessing climate change risks and how these risks could impact water operations, hydropower, flood control, and fish and wildlife in the Western United States. The report represents the first consistent and coordinated assessment of risks to future water supplies across eight major river basins, including the Colorado, Rio Grande and Missouri river basins.
- **Fresh Water Resources.** In October, a federal interagency panel led by USGS issued a report that assesses the status of scientific information available to help understand the impacts of climate change and other stressors on U.S. freshwater resources and calls for modernization of systems to help monitor and sustain water supplies. This report built upon Reclamation's April 2011 SECURE Water Act Report on assessing the risks and impacts of climate change on Western water resources.
- **The Southwest.** Scientists with USGS and University of California, Los Angeles studying the impacts of climate change predict that drier conditions resulting in the Southwest will likely reduce perennial vegetation cover and result in increased dust storm activity.
- **Rocky Mountains Snowpack.** USGS issued a report with findings suggesting that snowpack declines in the Rocky Mountains over the past 30 years are unusual compared to the past few centuries. Previous studies by USGS and other institutions attribute the decline to unusual springtime warming, more precipitation currently falling in the form of rain rather than snow, and earlier snowmelt. The report projects that the warming and snowpack decline will worsen through the 21<sup>st</sup> century, foreshadowing a strain on water supplies in a region where runoff from winter snowpack accounts for 60-80 percent of the annual water supply for more than 70 million people.



*Sacramento-San Joaquin Delta in California*

- **California’s Bay-Delta System.** USGS scientists investigated how California’s interconnected San Francisco Bay and Sacramento-San Joaquin Delta region is expected to change from 2010 to 2099 in response to scenarios with varying rates of climate warming, both rapid and moderate. Results indicate that impacts will be felt in the next century, with shifts in biological communities, rising sea levels and modified water supplies.
- **Climate Analysis Tools.** Reclamation awarded \$1.2 million to seven projects for the enhancement of water resource management in a changing climate. This funding will be leveraged to fund more than \$2.7 million in applied science projects in Arizona, California, Nevada, and Utah.

### Promoting Climate Change Science Research

USGS completed setting up the network of eight Interior regional Climate Science Centers (CSCs) initiated by Secretary Salazar in 2009. The CSCs bring managers of parks, refuges, and other lands together with regional, private, and public-sector scientists to better understand and prepare for landscape stressors, such as climate change.

Interior selected locations and directors for three of the CSCs in the Northeast (University of Massachusetts); South Central (University of Oklahoma); and Pacific Islands (University of Hawaii-Hilo) regions. The CSCs announced before 2011 were Alaska (University of Alaska-Fairbanks); Southeast (North Carolina State University); Northwest (Oregon State University); Southwest (University of Arizona-Tucson); and North Central (Colorado State University). The Alaska CSC was the first of the eight to open its doors in February 2011.

### Studying Coastal Erosion

After the U.S. West Coast was battered during the 2009-10 winter by the El Niño climatic pattern, USGS scientists pieced together a San Diego-to-Seattle assessment of the damage wrought by that winter’s extreme waves and higher-than-usual water levels. Additionally, USGS assessed East Coast beaches over the past 150 years to find that 68 percent in the New England and Mid-Atlantic regions are eroding. This historical evaluation is helpful in informing decisions about future land use, transportation corridors, and restoration projects.

### Exploring Science in the Arctic

At the direction of Secretary Salazar, USGS developed and issued a “science gap and sufficiency” report evaluating science needed to better inform decisions regarding oil and gas exploration and development in Alaska’s Beaufort and Chukchi seas. The report summarizes the large volume of existing scientific information, identifies where knowledge gaps exist; and provides initial guidance on new and continuing research that could improve decision-making.



*Sunset over sea ice on the Arctic Ocean.*

## **Developing Future Oil Spill Assessment Capabilities**

The U.S. scientific team charged with generating a 2010 preliminary estimate of the oil discharge rate of the Deepwater Horizon oil spill issued their final report in 2011 assessing the methodologies considered or used in connection with the flow rate estimates to determine each technique's strengths and limitations. The report's analysis provides useful information about how to assess oil spill flow rates in any future deepwater oil spill incidents and how to better inform oil spill response.

## **Assessing Carbon Storage in U.S. Ecosystems**

USGS issued the first of five regional studies measuring the amount of carbon stored in U.S. ecosystems. The first study examines the current and projected future carbon storage in the Great Plains region. For the first time, the research takes a landscape-level look at how our lands naturally store carbon and explores how this capability can be encouraged in ways that enhance the stewardship of natural resources.

## **Studying Hydraulic Fracturing**

USGS conducted a number of studies related to hydraulic fracturing in 2011. These studies assessed technically recoverable, undiscovered gas resources in a number of basins such as the Marcellus Shale of the Appalachian Basin and the Woodford Shale of the midcontinent Anadarko Basin. The assessments help indicate the potential targeted locations and magnitude of future shale gas development, which will most likely use hydraulic fracturing (or "fracking"). The agency initiated studies of surface water quality and quantity to measure the potential impact of water withdrawals for hydraulic fracturing and disposal of produced fluids in basins of the central and eastern United States. USGS also initiated studies focused on understanding induced seismicity and energy production, including the linkage between underground injection of fluids related to hydraulic fracturing. USGS has deployed seismometers at sites of known or possible injection-induced earthquakes in Arkansas, southern Colorado, Oklahoma and Ohio.

## **Evaluating Rare Earth Elements Supply**

A broad range of existing and emerging technologies used by developed and rapidly developing economies are generating unprecedented demand for critical mineral commodities, such as rare earth elements (REE). USGS scientists began studies of the nation's three most promising REE districts, Mountain Pass, California; Bokan Mountain, Alaska; and Bear Lodge, Wyoming. Geologic, geochemical, and geophysical characterization of these known REE resources will be used to define criteria for the domestic assessment of undiscovered REE resources for potential future supply.

## **Making Science More Accessible**

- **WaterALERT.** USGS created WaterALERT, an online notification service that allows the public to receive notifications by text message or email about water levels from any of the 7,600 USGS real-time streamgages around the country that monitor thousands of American rivers. This new tool is important for traditional consumptive water users such as water districts and utilities and agriculture, but also for outdoor water recreationists—from fishermen, to kayakers and boaters.

- **“Change Matters” Website.** Interior’s satellite imagery of the world is now more easily accessible to the public through the creation of a new geospatial website, “Change Matters.” The site allows users to view the Global Land Survey Landsat data developed by USGS and NASA. Spanning the time period from 1975 to 2005, the data allows users to monitor and map change between epochs resulting from events such as forest harvesting, urban growth, wildfires, floods, and drought.
- **Accessible Maps.** Over its history, USGS has produced more than 200,000 paper topographic maps. USGS is now scanning these historic maps for electronic distribution. To date, nearly 124,000 of the maps have been scanned and made available to the public, some dating as far back as 1884.
- **Geospatial Platform.** A new, public website provides user-friendly, integrated, federal data collections on common geographic maps. The platform combines map-based data and tools with the latest internet technologies to deliver geospatial data in a simple, understandable package.
- **Landsat Celebrates 40 Years of Earth Observation in 2012.** Since the launch of Landsat 1 in 1972, this continuous series of remote-sensing satellites has enabled researchers around the world to objectively investigate many aspects of our planet, particularly by evaluating the dynamic changes caused by both natural processes and human practices. Landsat provides moderate-resolution digital imagery of the land surfaces of the globe at no cost to anyone via the Internet. Having distributed more than 2.8 million Landsat scenes in FY 2011, USGS has distributed a cumulative 7 million scenes since opening the Landsat archive in 2008.



*Secretary Salazar visits the Ball Aerospace facility in Boulder, CO. The company produces components to the Landsat satellite series.*

## Creating Opportunities For America's Youth In The Great Outdoors



*Secretary Salazar tours Great Bay National Wildlife Refuge in New Hampshire with youth volunteers*

### **Developing 21<sup>st</sup> Century Conservation Service Corps**

President Obama's America's Great Outdoors report recommended a 21<sup>st</sup> Century Conservation Corps (21CSC) to engage young Americans in outdoor experiences that provide in-service and job training opportunities on public lands. Secretary Salazar and Agriculture Secretary Vilsack established a federal advisory committee in 2011 to provide recommendations on how to build on the important ongoing work of local, state, federal, and non-profit youth conservation programs.

### **Engaging and Employing Youth**

Interior's agencies and offices employed a total of 20,064 youth and young adults in 2011, increasing youth employment by 24 percent over the Interior's 2009 baseline. The opportunities include more than 3,000 positions with the Bureau of Land Management, 9,000 with the National Park Service, and 3,000 with the Fish and Wildlife Service. The U.S. Geological Survey employed 2,179 youth in Fiscal Year 2011, an 88% increase from the 2009 baseline.

### **Leveraging Federal Family Partnerships**

Federal Family partnerships launched a grant opportunity managed by the National Fish and Wildlife Foundation to expand meaningful work and learning opportunities for low-income youth and young adults on federally managed public lands. Thirty youth, service, and conservation corps received funding from Interior to engage and employ 12,500 young people between the ages of 18 and 25 during the summer of 2011.

### **Promoting Youth Employment and Activity in the Great Outdoors**

Interior established YouthGO.gov, a web-site for youth, to serve as a one-stop shop for information on job and internship opportunities, upcoming outdoor events, educational resources, and more. YouthGO features links to a wide variety of internships, as well as seasonal and permanent job opportunities with Interior, ranging from working concessions in national parks to building trails on public lands.



### **Promoting Indian Youth Health**

Interior teamed up with the First Lady's *Let's Move!* Initiative and three other federal agencies to launch *Let's Move! in Indian Country*, a targeted initiative to support and advance the work of improving the health of American Indian and Alaska Native children. Interior also facilitated the participation of more than 8,000 native youth in the Presidential Active Lifestyle Award Challenge.



*First Lady Michelle Obama joins students during a Let's Move! event on the South Lawn of the White House*

### **Engaging Youth in Climate Change Studies in National Parks**

In the second season of its George Menendez Wright Climate Change Youth Initiative, the National Park Service employed 12 interns and 11 graduate students from 14 states to conduct a variety of research and applied projects, such as surveys of marine animal species to find populations resistant to climate change; use of field data to model where and when park visitors are most at risk of diseases transmitted by ticks; and development of exhibits, lesson plans, and podcasts and other new media to help visitors understand how climate change affects national parks.

### **Enjoying the Great Outdoors**

In 2011, Reclamation sponsored 19 Catch a Special Thrill (C.A.S.T.) events providing 772 disabled or disadvantaged youth fishing experiences. Eleven of the C.A.S.T. events were designed as *Let's Move Outside!* by providing healthy lifestyle and healthy nutrition tips to the attendees and volunteers. The 19 C.A.S.T. events drew 1,349 volunteers, 443 boaters and 313 cooperators.

## **BUILDING A DEPARTMENT FOR THE 21<sup>ST</sup>**

### **Quantifying Interior's Jobs and Economic Contributions**

- **Interior Economic Contributions Report.** Interior issued its second-ever consecutive report quantifying the impact of Interior programs on the nation's economy. Interior's wide range of recreational, conservation, energy, land, and water management programs and activities supported more than two million American jobs and contributed about \$363 billion to the nation's economic activity in FY 2010. Among the report's major highlights:
  - The 437 million recreational visits to Interior-managed lands in 2010 supported more than 388,000 jobs nationwide and contributed more than \$44 billion in economic activity. Many of the jobs were located in rural communities, including 15,000 jobs in Utah, 14,000 jobs in Wyoming, 9,000 in Colorado, and 8,000 in Arizona.
  - Energy development and mining on Interior-managed lands and water supported about 1.3 million jobs and \$246 billion in economic activity, most of the jobs in Wyoming, New Mexico, Louisiana, and Texas.
- **BLM Economic Contributions Report.** In an ongoing initiative launched by Secretary Salazar in 2009 to better inform the public on the Interior's economic contributions to the American economy, BLM released a report, including a state-by-state breakdown, that found the BLM's management of public lands contributed more than \$112 billion to the national economy and supported more than 500,000 American jobs.
- **Fisheries Conservation Economic Report.** The U.S. Fish and Wildlife Service economic report – the first of its kind – shows that its fisheries programs and projects, in association with state agencies and other conservation organizations, contribute \$3.6 billion to the nation's economy and support 68,000 jobs across the country. The report shows that each dollar invested in the Service's Fisheries Program, combined with its partners, generates about \$28 in economic contributions and value.

### **Promoting Veterans' Employment**

Continuing its commitment to implementing the President's Veterans Employment Initiative, Interior again exceeded previous year hiring totals. In FY 2011, 12 percent of all hires were veterans and 3 percent were disabled veterans. Veterans made up 29 percent of the permanent hires in FY 2011. Hiring disabled veterans into permanent appointments also showed improvement in FY 2011, with 11 percent hiring, reflecting gains of 3 percent over FY 2009 and 1 percent over FY 2010.



*President Obama greets National Park Service employee Kimberly David in Arlington, VA.*

### **Increasing Information Technology Efficiency and Savings**

Interior issued its Information Technology Transformation Strategic Plan to overhaul its IT operations for the 21<sup>st</sup> century and save up to \$500 million in taxpayer dollars by 2020. The transformation plan will be self-funded, in part by capturing savings that are realized through IT efficiencies and reinvesting those funds into subsequent phases of transformation. The plan will help leverage technology to strengthen and streamline service and make government work better for the American people.

### **Continuing Sound Financial Management**

For the 14<sup>th</sup> consecutive year, Interior received a favorable audit opinion from Interior's external auditor, the private, independently certified public accounting firm KPMG. The FY 2010 audit included all of Interior's bureaus and reporting components, consolidating the audit at the department level, reducing audit costs and achieving improved integration. Additionally, the Association of Government Accountants (AGA) awarded Interior their Certificate of Excellence in Accountability Reporting, the group's highest form of recognition in federal government management reporting. Of particular interest to the AGA was Interior's comprehensive, yet concise, high-level discussions of key performance measures, goals, results, reasons for shortfalls and costs, as well as the high level of cooperation among the Department and its bureaus and its the external auditor KPMG.