

# DOE and Interior Publish Notice of Intent to Prepare Programmatic EIS on Designating Energy Corridors on Federal Land in 11 Western States

September 30, 2005

On September 28, a notice of Intent was published by the U.S. Departments of Energy (DOE) and the Interior (DOI) announcing a series of actions to implement Section 368 of the Energy Policy Act of 2005 (EPAcT). Section 368 directs the Secretaries of Agriculture, Commerce, Defense, Energy and the Interior (Agencies) to designate corridors for oil, gas, and hydrogen pipelines and electric transmission and distribution facilities on federal lands under their control in 11 Western states. DOE and DOI are acting for all the Agencies in starting this process.

Agency actions that will be taken to initiate energy corridor designations will be to:

- Prepare a programmatic environmental impact statement (PEIS), including conducting public scoping meetings;
- Amend relevant agency land use plans; and
- Conduct floodplain assessments and study wetlands involvement.

Once designated, these energy corridors could potentially reshape energy facility siting practices, land use, and market opportunities in those Western states with large federal landholdings: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming. When Section 368 is implemented, projects in federal energy corridors should benefit from streamlined permitting and siting practices. Further, projects outside of corridors could be stranded in conventional case-by-case reviews, not streamlined, and forced to compete for scarce federal resources to review and manage their permits. Experience tells us that the first steps in shaping the debate over energy corridors will be most important. The Act requires the Agencies to designate energy corridors in other states within four years and, significantly, requires DOE to designate *national interest energy corridors*. While those activities have not started, there certainly will be overlap between the 11 Western state efforts and national interest corridor development. **The Agencies will kick off their efforts with public scoping meetings beginning on October 25 in Denver and continuing through all 11 states, concluding in Seattle on November 3, 2005. Public comments may be submitted until November 28, 2005.**

## Overview

Each year, the federal government processes thousands of applications to use or occupy public lands for pipelines, as well as transmission and distribution facilities. At present, federal agencies administer thousands of right-of-way authorizations and process tens of thousands of new and renewal applications annually. The new *Programmatic* EIS would analyze more than 330 million acres of federal land in the 11 Western states – an area three times larger than California – affecting hundreds of forests, rangelands, mountains, wetlands, and floodplains.

Until now, each right-of-way authorization and its potential environmental impacts has been examined and reviewed separately by the affected Agencies. Congress intended that EPAcT and Section 368 would shift the role of the Agencies from reactive to proactive, by having them explore opportunities for moving energy across federal lands.

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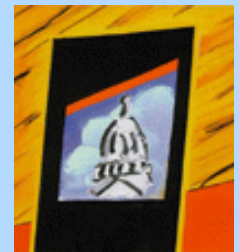
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As envisioned by Section 368, the Agencies are expected to streamline federal permitting and siting practices using a multi-agency mechanism specifically charged with *designating* energy corridors on federal lands and developing a comprehensive National Environmental Policy Act (NEPA) document that can be used and relied upon by all Agency field-level staffs. The Act also requires that the Agencies implement corridor planning and expedite applications to construct or modify pipelines and facilities within new corridors.

### **Two Years to *Jointly* Designate Energy Corridors on Federal Lands in 11 Contiguous Western States First Affected**

Section 368 of the Act gives the Agencies just two years after enactment of the Act to *jointly* designate corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on federal land in the 11 contiguous Western States, perform environmental reviews for such designations, and then incorporate the designated corridors into the relevant agency land use and resource management plans. Within four years, the Agencies must jointly identify corridors for transmission corridors on federal lands in states other than the 11 contiguous Western States and schedule prompt action to identify, designate, and incorporate the corridors into the applicable land use plans. The PEIS, however, relates solely to energy corridors in the Western states.

Given the size and scope of the tasks ahead, the Agencies likely will require most of the next two years to complete the first designations. There is precedent for completing these tasks on time: recently the Bureau of Land Management (BLM) published its Final PEIS to implement a Wind Energy Development Program. In less than two years, BLM established policies and best management practices for wind energy right-of-way authorizations, and published amendments to 52 BLM land use plans in Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

### **Need for Action**

The Notice of Intent is the first step in a process envisioned in the Act that focuses on the development of transmission corridors over federal lands. Among other things, Section 368(d) of the Act identifies the “need for upgraded and new electricity transmission and distribution facilities” in order to “improve reliability” and “enhance the capability of the national grid to deliver electricity” as justification for new energy corridors. Although backlogs in siting electric transmission lines on federal lands have been well documented, this Notice of Intent applies to corridors for oil, gas, and hydrogen pipelines, as well as electric transmission and distribution facilities.

Further, the Act also allows the DOE Secretary to designate national interest electric transmission corridors where capacity or congestion constraints are present and grants the Federal Energy Regulatory Commission (FERC) “backstop” siting authority within such designated corridors. Further, eminent domain authority is granted to entities receiving permits under FERC’s backstop siting program.

### **Proposed Action and Alternatives**

The Notice of Intent identifies the Proposed Action in the PEIS as the designation of corridors on federal land in the 11 Western States for oil, gas, and hydrogen pipelines as well as electric transmission and distribution facilities. Based on the information and analyses in the PEIS, each Agency would then amend its respective land use plans by designating a series of energy corridors that would become effective when the Record of Decision (ROD) for the PEIS is signed.

The Notice of Intent identifies four alternatives for consideration in the PEIS: a no action alternative (required by NEPA in any EIS); increased utilization of existing corridors; designation of new corridors, based upon information obtained through scoping and from the energy transport industry; and a combination of new corridors and increased utilization. The “New Corridor Alternative” contemplates the development of a preliminary set of new corridors based, in part, on information provided by the Western Utility Group; the Seams Steering Group-Western Interconnection; Colorado Coordinating Planning Group, the Northwest Transmission Assessment Committee; the Southwest Area Transmission Study; the Southwest Transmission Expansion Plan; and the Rocky Mountain Area

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Transmission Study. The scoping process will allow other stakeholders to propose new corridors and new issues and concerns for study as well.

Interested parties may participate by providing written comments or through public meetings. DOE and DOI are inviting comments on possible corridors, PEIS alternatives for review and the environmental issues to be analyzed in the PEIS. The Draft PEIS is scheduled to be issued in early 2006.

#### **For Additional Information**

For additional information on these new requirements, please contact Steve Richardson, Sam Kalen, or Kay Henry at (202) 298-1800.

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