



March 8, 2021

The Honorable Alan Lowenthal
Chairman
Committee on Natural Resources
Subcommittee on Energy & Mineral
Resources
U.S. House of Representatives
Washington, DC 20515

The Honorable Pete Stauber
Ranking Member
Committee on Natural Resources
Subcommittee on Energy & Mineral
Resources
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Lowenthal, Ranking Member Stauber, and Members of the Subcommittee:

On behalf of our more than one million members and supporters, The Wilderness Society (TWS) writes to express views on the bills being heard before the Subcommittee on Energy & Mineral Resources on March 9, 2021. We respectfully request that this letter be included in the hearing record.

H.R. 1492, Methane Waste Prevention Act of 2021

TWS supports H.R. 1492, the Methane Waste Prevention Act, sponsored by Representative DeGette. H.R. 1492 will prevent the flaring, venting, and leaking of methane by reinstating and updating the methane waste and pollution prevention standards established by the Bureau of Land Management (BLM) in 2016, establishing nationwide methane emission reduction targets, and requiring the Environmental Protection Agency (EPA) to develop regulations to achieve these nationwide targets.

Over the last decade, as U.S. oil and gas production has dramatically increased, so too have emissions of methane and other air pollutants associated with fossil fuel development. Methane, the primary ingredient of natural gas, is a powerful greenhouse gas when released into the atmosphere, but a valuable resource when captured – a resource that belongs to the public when extracted from public lands. Natural gas venting that releases methane from oil and gas operations also releases volatile organic compounds (VOCs), important precursors to ground-level ozone, as well as other hazardous air pollutants, including the carcinogen benzene. Methane and the other air pollutants can lead to respiratory damage, cancer, birth defects, and nervous system damage. Methane flaring also contributes to climate change, wastes a valuable resource, and damages the health of local communities. This bill would benefit the health and economic wellbeing of communities, and TWS supports these efforts.

H.R. 1503, Restoring Community Input and Public Protections in Oil and Gas Leasing Act of 2021

TWS supports H.R. 1503, the Restoring Community Input and Public Protections in Oil and Gas Leasing Act, sponsored by Representative Levin. This legislation would help to fix a broken oil and gas leasing system by providing transparency, protecting taxpayers, prioritizing stakeholders' voices, and safeguarding our public lands, waters, and wildlife for future generations.

Specifically, H.R. 1503 would help ensure fair return for public resources by raising onshore oil and gas royalty rates, rental fees, and minimum bids, while eliminating the questionable practice of noncompetitive leasing. Additionally, the bill requires greater transparency about companies nominating lands for leasing, improves landowner notification requirements, and enhances groundwater protection.

Because oil and gas leasing on public lands has an impact on farmers, ranchers, recreationists, residents, businesses, and many other stakeholders, it is imperative that each of these groups are able to participate in the management and decision-making processes surrounding oil and gas development. This legislation includes provisions that allot reasonable time for public input, make certain that other uses are considered for the land in question, and require shorter lease terms to ensure the leasing agent is working with the most current information.

For too long, oil and gas development has been prioritized over other uses of public lands, such as conservation, recreation and even renewable energy development, while climate change and other environmental impacts have been ignored. H.R. 1503 is a step towards more balanced management of public lands and prioritizing the public's interests.

H.R. 1505, Bonding Reform and Taxpayer Protection Act of 2021

TWS supports H.R. 1505, the Bonding Reform and Taxpayer Protection Act, sponsored by Representative Lowenthal. H.R. 1505 increases bonding amounts to ensure complete and timely reclamation of oil and gas wells, updates minimum bond amounts for individual, statewide, and national bonds, and also requires submission of interim and final reclamation plans with each drilling permit application.

The BLM established the current minimum bond amounts for statewide and nationwide bonds in 1951 and for lease-specific bonds in 1960, well before the technological advances that have allowed companies to drill wells that are thousands of feet deeper than before and with horizontal wellbores several miles long. These advances have created additional risk and reclamation costs. The BLM's average per-well bond is barely \$2,000, while the cost of reclaiming an abandoned well today is often more than \$100,000. H.R. 1505 eliminates the nationwide single-bond lease, increases the minimum bond amount to \$150,000 for an individual lease, \$500,000 for a statewide lease, and requires adjustment at least every three years for inflation. The Bonding Reform and Taxpayer Protection Act ensures that the public receives a fair return on investment.

H.R. 1517, Ending Taxpayer Welfare for Oil and Gas Companies Act of 2021

TWS supports H.R. 1517, the Taxpayer Fairness for Resource Development Act, sponsored by Representative Porter. H.R. 1517 seeks to modernize the federal onshore program's fiscal policies by updating the archaic rates from decades ago. These updates are likely to generate millions in additional revenues for American taxpayers each year, according to the [Government Accountability Office](#) and the [Congressional Budget Office](#).

Over the past 15 years, oil and gas production on public lands has boomed – yet the industry is asked to pay the same royalty rate that was in effect when the Model T Ford

was in production. These decades-old rates simply haven't kept pace with inflation, let alone technological change in the industry, and must be modernized. Public lands should be managed for the benefit of all – not just a few. Oil and gas companies should be paying a fair price for public land and resources. H.R. 1517 would help ensure the American public is compensated more fairly for private use of our shared goods, and TWS supports the Taxpayer Fairness for Resource Development Act for these reasons.

H.R. 1506, Transparency in Energy Production Act of 2021

TWS supports H.R. 1506, the Transparency in Energy Production Act sponsored by Representative Lowenthal. Countless provisions of the Mineral Leasing Act of 1920 (MLA) and related laws retain antiquated language that cuts the public out of opaque leasing procedures and allows for abuse and mismanagement of the leasing process. Congress must adopt policies that provide for public accountability of the energy projects and their emissions on federal lands. H.R. 1506 ensures the public has insight on federal energy projects. The legislation will require companies holding or seeking a lease for energy development on federal public lands to annually submit a public report that complies with the disclosure and accountability metrics released by the Sustainability Accounting Standards Board. Companies would be required to disclose greenhouse gas emissions, air quality pollutants, impacts on water resources, biodiversity impacts, and a variety of other impacts. The purpose of the bill is to ensure that the Interior Department and the public are fully informed of the variety of impacts that come from energy production on public lands.

Thank you for considering our views.

Sincerely,



Drew McConville
Senior Managing Director, Government Relations
The Wilderness Society