

June 16, 2021

The Honorable Catherine Cortez Masto Chair Subcommittee on Public Lands, Forests, and Mining Committee on Energy and Natural Resources **United States Senate** 304 Dirksen Senate Building Washington, DC 20510

The Honorable Mike Lee Ranking Member Subcommittee on Public Lands, Forests, and Mining Committee on Energy and Natural Resources United States Senate 304 Dirksen Senate Office Building Washington, DC 20510

Dear Chair Cortez Masto and Ranking Member Lee:

Regarding the Subcommittee's legislative hearing on June 16, 2021, attached please find Western Governors' Association (WGA) Policy Resolution 2018-04, Energy in the West, and a recent letter from Western Governors to Chairman Manchin and Ranking Member Barrasso. In the letter, Western Governors communicate their support for "legislation to support states' cleanup activities on abandoned and orphaned oil and gas wells and associated sites."

WGA appreciates that the Subcommittee will review S. 1076, the REGROW Act. This legislation would help amplify state and tribal efforts to conduct oil and gas well cleanup activities and promote high-paying jobs across the West.

I request that WGA Policy Resolution 2018-04 and the attached letter be included in the permanent record of the hearing, as they articulate Western Governors' policy positions and concern on this important issue.

Please contact me if you have any questions or require further information. In the meantime, with warm regards and best wishes, I am

Respectfully.

Attachments



April 29, 2021

The Honorable Joe Manchin Chairman Committee on Energy and Natural Resources **United States Senate** 304 Dirksen Senate Building Washington, DC 20510

The Honorable John Barrasso Ranking Member Committee on Energy and Natural Resources **United States Senate** 304 Dirksen Senate Building Washington, DC 20510

Dear Chairman Manchin and Ranking Member Barrasso:

Western Governors write to communicate our support for legislation to support states' cleanup activities on abandoned and orphaned oil and gas wells and associated sites. Many western states are currently engaged in oil and gas well plugging and remediation activities, and this work could be significantly accelerated with federal assistance. Western Governors are also keenly focused on advancing employment opportunities for workers affected by energy sector transitions, and these cleanup efforts provide valuable opportunities for states across the West to promote high-paying jobs.

Western Governors' Association (WGA) Policy Resolution 2018-04, Energy in the West, communicates Western Governors' collective priorities to "[p]rotect western wildlife, natural resources, and the environment, including clean air and clean water, and strive to reduce greenhouse gas emissions." Legislation that would augment states' ability to address abandoned and orphaned oil and gas well backlogs, as well as create economic opportunity for energy sector workers, clearly meets these stated goals.

The economic effects of the COVID-19 pandemic on the energy sector have heightened the need for additional resources to address this challenge. Due to COVID-19 mitigation measures and rapid changes in global oil and gas markets, western states experienced a surge in the number of orphaned wells located within our borders. Your support of legislation to improve and expand resources available for cleaning up abandoned and orphaned oil and gas wells and associated sites will lead to measurable environmental improvements and provide needed economic support to communities still overcoming the COVID-19 pandemic.

We are prepared and eager to work with you on this important legislation. Thank you for your leadership on this matter.

Sincere

Governor of Oregon

Chair, WGA

Brad Little Governor of Idaho Vice Chair, WGA

Attachment



Western Governors' Association Policy Resolution 2018-04

Energy in the West

A. BACKGROUND

- 1. Energy policy and the development of sustainable energy resources are major priorities for every Western Governor.
- 2. Western Governors recognize that approaches to energy use and development vary among our states, territories, and flag islands. However, the Governors remain committed to the development of policies and utilization of state energy endowments that result in the maximum benefit for their citizens, the region, and the nation.
- 3. Western energy production is indispensable to meeting national energy demands. The West is the energy breadbasket of the United States:
 - a. Western states have all high-yield geothermal energy capacity in the continental United States.
 - b. Western states supply the majority of non-federal United States petroleum.
 - c. Western states are at the forefront of unconventional natural gas production.
 - d. The Pacific Northwest produces the largest output of hydropower in the nation.
 - e. Western states have the largest contiguous areas of wind power resources in the nation.
 - f. The Southwest has some of the highest-identified solar energy resource areas in the United States.
 - g. Western states produce the largest portion of coal in the United States, which is the fuel that constitutes the largest share of the national electricity generation mix.
 - h. The West has the largest contiguous areas of high-yield biomass energy resource potential in the nation.
 - i. Western states have nuclear power generation facilities and produce all domestic uranium.
- 4. Western states, Pacific territories, and flag islands have the resources to drive job creation and economic development through broad growth in the energy industry.

5. The Merchant Marine Act of 1920 has prevented certain noncontiguous states, territories, and flag islands from being supplied with domestically produced energy commodities.

B. **GOVERNORS' POLICY STATEMENT**

- 1. Western Governors recognize the following as energy policy priorities for the West:
 - a. Secure the United States' energy supply and systems, and safeguard against risks to cybersecurity and physical security.
 - b. Ensure energy is clean, affordable, and reliable by providing a balanced portfolio of renewable, non-traditional, and traditional resources.
 - c. Increase energy efficiency associated with electricity, natural gas, and other energy sources and uses to enhance energy affordability and to effectively meet environmental goals.
 - d. Advance efficient environmental review, siting, and permitting processes that facilitate energy development and the improvement and construction of necessary electric grid (transmission and distribution) and pipeline infrastructure, while ensuring environmental and natural resource protection.
 - e. Improve the United States' electric grid's reliability and resiliency.
 - f. Protect western wildlife, natural resources, and the environment, including clean air and clean water, and strive to reduce greenhouse gas emissions.
 - g. Make the West a leader in energy education, technology development, research, and innovation.
 - h. Utilize an all-of-the-above approach to energy development and use in the West, while protecting the environment, wildlife, and natural resources.
- 2. Western Governors support increasing the development and use of energy storage, alternative transportation fuels, and alternative vehicles.
- 3. Western Governors call on the federal government to lift a barrier to domestic free trade between the contiguous United States and the noncontiguous states, territories and U.S. flag islands by the Merchant Marine Act of 1920 by allowing those jurisdictions to receive energy commodities produced in the mainland but transported by foreign vessels, should those jurisdictions, and the jurisdictions whose ports are being used to ship these materials, desire it.
- 4. Redundant federal regulation of energy development, transport, and use is not required where sufficient state, territorial, or flag island regulations exist. Existing state authority should not be replaced or impeded by Congress or federal agencies.

C. GOVERNORS' MANAGEMENT DIRECTIVE

- 1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. The Governors also direct WGA staff to consult with the Western Interstate Energy Board to recommend updates to the 10-Year Energy Vision that provide detail on the Governors' energy policy objectives outlined in this resolution.
- 3. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

Western Governors enact new policy resolutions and amend existing resolutions on a biannual basis. Please consult www.westgov.org/policies for the most current copy of a resolution and a list of all current WGA policy resolutions.