

MEMORANDUM TO: Tristan [REDACTED]

FROM: Allison M. Bailey, Executive Vice President of Asset Optimization, [REDACTED]

SUBJECT: Expansion Planning for Renewable Energy Projects Amid Proposed NEPA Amendment and DRECP Halt

Background:

In 2016, BLM approved the Desert Renewable Energy Conservation Plan (DRECP) after an extensive 8-year review by a coalition of stakeholders including conservationists, renewable energy developers, mining companies, off-road vehicle groups, and county officials.¹ The DRECP maintained strict process adherence in accordance with the National Environmental Protection Act (NEPA) directives established in 1969.² The DRECP limits renewable energy projects to specified locations over a 10.9-million-acre allotment expanding across seven desert counties in California. Due to Trump Administration's proposed amendment to deregulate NEPA, DRECP has been on hold. Currently, NEPA is open for public comment prior to approval.

Analysis:

The Trump Administration's aggressive efforts in cutting environmental regulations are presumably to spark growth within the energy industry and a quest for energy independence. The fossil-fuel sector has applauded the efforts to allow for a swift project approval process. Although NEPA deregulation is beneficial to the renewable energy market, taking a positive stance on environmental deregulations may garner negative public opinion.³ NEPA deregulation may entail an override to required processes of environmental reviews, tribal considerations, and public commentary on energy projects. Democrat representatives, affected constituents, tribal nations, and environmental organizations will continue to lobby and impart political pressure to protect NEPA legacy. Based on recent wins in landmark lawsuit cases against the Trump Administration's push for environmental deregulation, such as the proposal for a size-reduction of Bears Ears and Grand Staircase monuments, the plausibility that NEPA deregulation will fail is possible. Regarding the DRECP, deregulating NEPA may mean a complete overhaul to agreements made at the local, state, and federal levels. Albeit beneficial to California's renewable energy initiative to achieve 100% renewable energy status by 2045, local constituents and environmental organizations will continue to lobby and put political pressure on representatives to salvage the DRECP regardless of NEPA deregulation.

Recommendation:

Recommend maintaining neutrality until NEPA and DRECP review become finalized over the next several months. However, we should continue to develop project expansion courses of action in the event project site acquisitions are broadened. As always, it is imperative to maintain strict environmental compliance while planning for operational expansion.

¹ Something New Under The Sun: The DRECP and Utility-Scale Solar On The New Energy Frontier, Jan. 2018, Brent Resh, 18 Nev.L.J.-Nevada Law Journal

² Bureau of Land Management (2011). Memorandum For: *National Environmental Policy Act Compliance for Utility-Scale Renewable Energy Right-of-Way Authorizations* Washington, D.C: U.S. DOI.

³ Does Power Sector Deregulation Promote or Discourage Renewable Energy Policy? Evidence from the States, 1991-2012
Sung Kim-Joonseok Yang-Johannes Urpelainen - Review of Policy Research - 2016