

To: Stewart, Shannon[scstewar@blm.gov]
Cc: Timothy Spisak[tspisak@blm.gov]; Lonny Bagley[lbagley@blm.gov]; Kristin Bail[kbail@blm.gov]; mike nedd[mnedd@blm.gov]; Peter Mali[pmali@blm.gov]; John Ruhs[jruhs@blm.gov]
From: McGinnis, Shelley
Sent: 2017-05-11T09:46:16-04:00
Importance: Normal
Subject: Re: Procedural Guidance on Section 2 of Executive Order 13783, "Promoting Energy Independence and Economic Growth"
Received: 2017-05-11T09:46:26-04:00
AgencyName_Sec2_EO13783_WO300_v3.xlsx

Shannon,
Attached is the WO-300 response. Please let us know if we need to make any adjustments.
Thanks, Shelley

On Wed, May 10, 2017 at 10:00 AM, Stewart, Shannon <scstewar@blm.gov> wrote:

Hi All

We have received a new, short turnaround request from ASLM - see below. I have added the items from our memo on SO 3349 Section C to the spreadsheet to get us started. Rich is clear below that if an entry does not lend itself to the information requested, we should simply put N/A. This is due back to ASLM tomorrow mid-day. Happy to discuss further after you have sometime to digest.

Shannon

Begin forwarded message:

From: "Cardinale, Richard" <richard_cardinale@ios.doi.gov>
Date: May 9, 2017 at 6:31:31 PM EDT
To: Walter Cruickshank <walter.cruickshank@boem.gov>, Glenda Owens <gowens@osmre.gov>, Margaret Schneider <margaret.schneider@bsee.gov>, "Nedd, Mike" <mnedd@blm.gov>
Cc: Katharine Macgregor <kate_macgregor@ios.doi.gov>
Subject: Fwd: Procedural Guidance on Section 2 of Executive Order 13783, "Promoting Energy Independence and Economic Growth"

All,
Attached please find an Excel template that OMB sent to Exec. Sec. late yesterday seeking information in connection with Section 2(a) of Executive Order 13783, which requires the head of each Executive Department and Agency to review all of that agency's existing regulations, orders, guidance documents, policies, and any other similar agency actions that potentially burden the

development or use of domestically produced energy resources, with particular attention to oil, natural gas, coal, and nuclear energy resources.

This data that is request for the attached Excel spreadsheet is based on the information that your bureaus previously provided to Jim Cason. Unfortunately, it took quite a while for OMB to develop this template and before I sent it out I wanted to ensure that Julie had an opportunity to discuss it with the front office.

In populating the spreadsheet, if a particular item that you are including does not lend itself to the information requested in one (or more) of the data columns, simply put N/A.

We apologize for the short turn around on this assignment. Per the attached Memorandum from Acting OIRA Administrator Dominic Mancini, each Department is required to submit its plan for responding to the EO by this Friday, March 12. Accordingly, please have your bureaus send me their respective spreadsheets by Noon on Thursday, May 11.

Thank you in advance for your assistance and, again, our apologies for the quick turn around.

Rich

----- Forwarded message -----

From: **Lillie, Juliette** <juliette_lillie@ios.doi.gov>

Date: Tue, May 9, 2017 at 7:10 AM

Subject: Fwd: Procedural Guidance on Section 2 of Executive Order 13783, "Promoting Energy Independence and Economic Growth"

To: Richard Cardinale <Richard_Cardinale@ios.doi.gov>, Maureen Foster <maureen_foster@ios.doi.gov>, Sarah Walters <sarah_walters@ios.doi.gov>, Kerry Rae <kerry_rae@ios.doi.gov>, Amy Holley <amy_holley@ios.doi.gov>

Good morning: We received guidance from OMB on the report due for EO 12783 Promoting Energy Independence and Economic Growth. I wanted to pass it on to you because I believe a report is due this week. We did send a copy of this information to Jim Cason.

Julie

Juliette Lillie

Director Executive Secretariat and Regulatory Affairs

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Agency	Sub-agency	RIN/Agency Identifier (if applicable)	Referenced Recommendation Number	Agency Action Title	Type of Agency Action	Preliminary Summary	Timeframe	
							Expected Start Date (XX/20XX)	Expected Finalization (XX/20XX)
XXXX	YYY	AAAA-AA00	1	000000	Guidance Document	A/E/C/D/E		
BLM				Oil and Gas, Hydraulic Fracturing on Federal and Indian Lands, 80 Fed. Reg. 16128	Regulation	The BLM final rule on hydraulic fracturing serves as a complement to update existing regulations designed to ensure the environmentally responsible development of oil and gas resources and protection of other downhole zones on federal and Indian lands. The BLM initiated the rule in response to the increasing use and complexity of hydraulic fracturing coupled with advanced horizontal drilling technology. This technology has opened large portions of federal and Indian lands to oil and gas development. The hydraulic fracturing rule addresses various safety concerns which should improve the confidence level of the public as industry explores and opens larger and newer areas of federal and Indian lands to oil and gas development.	10/2017	04/2018
BLM				Waste Prevention, Production Subject to Royalties, and Resource Conservation, 81 Fed. Reg. 83008	Regulation	The "Venting & Flaring Rule" is formally the Waste Prevention, Production Subject to Royalties, and Resource Conservation rulemaking that replaced the requirements related to venting, flaring, and royalty-free use of gas contained in the 1979 Notice to Lessees and Operators of Onshore Federal and Indian Oil and Gas Leases, Royalty or Compensation for Oil and Gas Lost (NLT-4A). These regulations are codified at new 43 CFR subparts 3178 and 3179. The recent rulemaking also includes provisions to make regulatory and statutory authority consistent with respect to royalty rates that may be levied on competitively offered oil and gas leases on Federal lands. Effects some provisions of the rule add regulatory burdens that unnecessarily encumber energy production, constrain economic growth, and prevent job creation. Portions of the rule also overlap with current Environmental Protection Agency provisions.	03/2017	12/2017
BLM				IM 2010-117, Oil and Gas Leasing Reform – Land Use Planning and Lease Parcel Reviews	Policy	Description The purpose of this IM was to establish a process for ensuring orderly, effective, timely, and environmentally responsible leasing of oil and gas resources on Federal lands. The leasing process established in this IM was intended to create more certainty and predictability, protect multiple-use values when the BLM makes leasing decisions, provide for consideration of natural and cultural resources as well as public involvement with an awareness of the surrounding land ownership. The IM was also intended to reduce the backlog of unissued leases. Effects The IM has resulted in longer time frames to provide analysis and responses to protests and appeals, as well as longer lead times for districts to clear parcels for sale. It has also resulted in increased workload and staffing needs to conduct additional upfront environmental analysis.	05/2017 TBD	06/2018 TBD
BLM				IM 2013-101, Oil and Gas Leasing Reform – Master Leasing Plans (MLPs)	Policy	Description This IM announces the incorporation of Master Leasing Plans (MLP), Chapter V, into H-1624-1 – Planning for Fluid Mineral Resources and establishes a process for integrating an MLP into the land use planning process Effects The effect of this IM has been extended lead times for leasing while the BLM completes the public scoping and analysis for Master Leasing Plans. In addition, many areas have also been removed from leasing in recent years through the MLP process.	TBD	TBD
BLM				IM 2013-177, National Environmental Policy Act (NEPA) Compliance for Oil and Gas Lease Reinstatement Petitions	Policy	Description This IM directs all oil and gas leasing offices to 1) ensure Resource Management Plan conformance; 2) evaluate the adequacy of existing NEPA analysis and documentation; and 3) complete any necessary new or supplemental NEPA analysis and documentation before approving a Class I or Class II oil and gas lease reinstatement petition. Effects This IM has resulted in additional analysis and review time that often involves another Surface Management Agency and, in some instances, has led to adding new lease stipulations prior to lease reinstatement.	TBD	TBD
BLM				IM 2016-140, Implementation of Greater sage-grouse Resource Management Plan Revisions or Amendments – Oil & Gas Leasing and Development Sequential Prioritization	Policy	Description This IM provides guidance on prioritizing implementation decisions for BLM oil and gas leasing and development, to be consistent with Approved Resource Management Plan Amendments for the Rocky Mountain and Great Basin Greater sage-grouse Regions and nine Approved Resource Management Plans in the Rocky Mountain Greater sage-grouse Region (collectively referred to as the Greater sage-grouse Plan). This IM applies to activities in the areas covered by both the Rocky Mountain and Great Basin Regions Records of Decision, issued by the BLM in September 2015. This IM also contains reporting requirements for communication between State Offices and the Washington Office. Effects This IM requires additional analysis and staff time to screen parcels and weigh potential impacts to the Greater sage-grouse before the parcels are offered for leasing. It also requires additional analysis and staff time to process drilling permit approvals near Greater sage-grouse areas.	TBD	TBD
				Onshore Orders Nos. 3, 4 and 5	Regulation	Description These three concurrent rulemakings updated and replaced Onshore Orders for site security, oil measurement, and gas measurement regulations that had been in place since 1989. The recent rulemakings resulted in new site security, oil measurement, and gas measurement regulations for Onshore Federal and Indian oil and gas production and are codified in the Code of Federal Regulations at 43 C.F.R. part 3170. These rulemakings were prompted by external and internal oversight reviews which found many of the BLM's production measurement and accountability policies to be outdated and inconsistently applied. The new rules also address some of the Government Accountability Office concerns for High Risk with regards to the Department's production accountability. Effects Combined, the new regulations improve the ability of the BLM to ensure accurate measurement, accountability, and proper reporting of oil and gas produced from Federal and Indian land in order to ensure that taxpayers and Indian tribes receive their fair share of royalty due. The new regulations also provide a process for approving new technology that meets defined performance goals. However, the regulations impose new cost burdens on operators. The cost estimates for each individual rule are as follows · Order 3 \$31.2 million in one-time costs, plus a \$11.7 million increase in annual operating costs. The average compliance cost per entity (operator) for this rule is under \$6,000 per year for the first three years after the rule becomes effective, and just over \$3,000 per year thereafter. · Order 4 \$3.3 million in one-time costs, plus a \$4.6 million increase in annual operating costs. The average compliance cost per entity (operator) for this rule is just over \$1,500 per year for the first three years after the rule becomes effective, and just over \$1,200 per year thereafter. · Order 5 \$23.3 million one-time cost, plus \$12.1 million increase in annual operating costs. The average compliance cost per entity (operator) for this rule is just over \$5,300 per year for the first three years after the rule becomes effective, and just under \$3,300 per year after that.	TBD	TBD
BLM				IM 2014-156, Supplemental Guidance on Processing Royalty Rate Reduction Applications	Policy	Description This IM informs State Directors that they must provide the BLM Washington Office with a justification when seeking a royalty rate reduction (RRR). A copy of their draft decision must accompany the justification when requesting Washington Office concurrence. Further, this IM augments and reiterates the existing policy for processing RRR applications. Effects This policy has resulted in a delay to the processing of RRR applications as it has imposed an additional level of review of the BLM State Directors' decisions. However, assuring that all RRRs meet the necessary regulatory standards is imperative considering the public and Congressional scrutiny surrounding these actions.	TBD	TBD
BLM				IM 2017-035, Publicly-Accessible Bureau of Land Management Websites for Information Regarding Federal Coal Program Leasing, Exploration Licensing, and Royalty Rate Reductions	Policy	Description This IM responds to stakeholder suggestions for improved access to information on the Federal coal program, and replaces the policy and guidance previously provided in WO-IM-2014-159, Publicly-Accessible Bureau of Land Management Websites for Coal Leasing Information. This IM directs BLM offices to post and update specified Federal coal program information on BLM publicly-accessible websites, including (1) information about Federal coal lease applications and leases, lease modification applications, and lease modifications; (2) information about exploration licensing applications and exploration licenses; (3) information about royalty rate reduction applications; and (4) summary information on the Federal coal program. Effects Initially, BLM coal specialists will need to devote time to gathering existing coal leasing data for compilation and posting to the web; however, the BLM does not anticipate that the time involved will have a long-term measurable impact on the specialists' regular job functions related to maintenance and processing of coal leases and applications.	TBD	TBD
BLM				IM 2017-037, Waste Mine Methane Policy	Policy	Description Establishes national policies and processes for voluntary activities by operators to capture waste mine methane from underground coal or other solid mineral mines. These policies will allow waste mine methane to be put to productive use, including offering it for sale, instead of venting it to the atmosphere. Effects All of the activities outlined in the policy are voluntary and will only be implemented if both the BLM and the mine operator agree. If the BLM and operator agree to implement the activities, additional costs could be incurred by the operator. However, it is assumed that the operator would only choose to implement the activities if the benefits outweigh the costs.	TBD	TBD

Energy Industry Affected	Identified in EO 13771 and/or EO 13777	Costs or Cost Savings (Present Value Monetized Millions/year in 2016 dollars)						Length of Time that Cost Savings Occur (in years)	How Implementation will be Tracked	Mandated by Law	Necessary for the Public Interest	Consistent with the Policy Set Forth in Section 1 of EO 13783	Required to be Reviewed
		Primary Estimate		Range, if available									
		7 percent	3 percent	Low Estimate		High Estimate							
		7 percent	3 percent	7 percent	3 percent								
Natural Gas	EO 13771	\$75	\$30	\$10	\$5	\$150	\$50	5	AAAAEEE	Yes	Yes	No	Yes
Oil	No	-\$20	-\$24	-\$12	-\$14	-\$27	-\$32	10	Implementation will be tracked internally by the Bureau of Land Management. The point of contact will be Timothy Spizak.	No	Yes	No	Yes
Oil	No	N/A	N/A	-\$69	-\$101	-\$79	-\$115	10	Implementation will be tracked internally by the Bureau of Land Management. The point of contact will be Timothy Spizak.	No	Yes	No	Yes
Oil	No	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	No	Yes	No	Yes
Oil	No	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	No	Yes	No	Yes
Oil	No	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	No	Yes	No	Yes
Oil	No	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	No	Yes	No	Yes
Coal	No	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	No	Yes	No	Yes
Coal	No	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	No	Yes	No	Yes
Coal	No	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	No	Yes	No	Yes