

The Honorable Harry Reid
United States Senate
522 Hart Senate Office Building
Washington, DC 20510-2803



The Honorable Jon Tester
United States Senate
724 Hart Senate Office Building
Washington, DC 20510-2604

The Honorable Mark Udall
United States Senate
328 Hart Senate Office Building
Washington, DC 20510-0608

The Honorable James E. Risch
United States Senate
483 Russell Senate Office Building
Washington, DC 20510-1206

The Honorable Dean Heller
United States Senate
361-A Russell Senate Office Building
Washington, DC 20510

November 1, 2011

Dear Senator Reid, Tester, Risch, Udall, and Heller:

Taxpayers for Common Sense Action supports the process for wind and solar development contained in S. 1775, the Public Lands Renewable Energy Development Act of 2011. Establishing a system for the development of renewable energy sources on public lands has the potential to reduce our dependence on fossil fuels and protect taxpayers, if it is done in a fiscally responsible way. Congress must ensure a fair return for the use of these public lands, and not repeat costly mistakes made in the development of other taxpayer-owned energy sources. We should not give away taxpayer assets.

Potential renewable energy generation on public lands in the United States is enormous, and very aggressive targets have been set to promote its expansion. Congress has encouraged the commercial development of renewable energy on federal lands, but it has not yet enacted a statutory framework for that development. Consequently, the Bureau of Land Management (BLM) has approved renewable energy projects through rights of way authorizations originally established by the Federal Land Policy and Management Act of 1976 for locating power lines, pipelines, and communications towers and lines on federal land. The federal land to be used for wind and solar power generation, however, provides critical resource inputs that have additional value far in excess of basic rental fees charged for simply occupying the land.

The more fiscally appropriate framework for conveying authorizations for commercial development of wind and solar power generation on public land is a system of competitive leasing, similar to development of other energy sources on public lands. Geothermal and offshore wind and solar, for example, already use this competitive leasing framework. Development of wind and solar resources should also include the authority to charge royalties linked to market prices. While BLM's existing rental fee schedules for wind and solar attempt to account for resource inputs, they are unable to charge per unit of power produced, the most efficient method of capturing a fair return for taxpayers.

We believe S. 1775, the Public Lands Renewable Energy Development Act of 2011, takes us in the right direction by providing BLM with appropriate authority to ensure a fair return to taxpayers for the development and use of these publicly held resources.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Ry Alexander". The signature is fluid and cursive, with a horizontal line extending from the "Ry" part.

Ryan Alexander
President