



THE
WILDERNESS
SOCIETY



DEPT. OF INTERIOR LAUNCHES INVESTIGATION INTO OIL SHALE LEASES Moves to reform program following Bush-era cronyism

For Immediate Release October 20, 2009

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(Washington D.C.) - The Department of the Interior announced today it is calling on the Inspector General to conduct an investigation into an unprecedented deal on oil shale research, development and demonstration (RD&D) leases for a select few companies during the final days of the Bush administration. The Wilderness Society, Natural Resources Defense Council, and Western Resource Advocates are encouraged by this announcement that should improve the process and accountability of decisions on land leases.

"Apparently the Obama administration is taking a more careful approach to potential oil shale development on our public lands than we've seen in the past," said Chase Huntley, an energy policy analyst with The Wilderness Society. "It is very encouraging that Secretary Salazar has asked the Interior Department's Inspector General to look into the circumstances of the 11th hour "lease addenda" attached to the research leases obtained by oil companies, including Shell."

Today's announcement also opened an additional opportunity for companies seeking federal lands for research, development, and demonstration of oil shale technologies. Although conservation organizations and local officials have questioned the necessity of making additional public lands open to oil shale development given the significant oil shale resources already under private control, the new solicitation reflects a commitment to science-based decision-making not political favoritism, according to policy experts.

"The history of oil shale has been plagued with scandal and cronyism, and today's announcement shows why we need a better approach to America's energy," said Bobby McEnaney, lands advocate for the Natural Resources Defense Council, "We are encouraged that Secretary Salazar is looking to make decisions based on an open and accountable system that will protect our land, not the corporate favoritism of the previous administration."

According to land advocates, there are many technological, economic and environmental questions that need to be resolved before oil shale development can make a significant contribution to America's energy needs. The Bureau of Land Management has called the technology rudimentary, and companies have asserted that decisions about technological viability is still years away.

As research from Western Resource Advocates has shown, (Water on the Rocks <http://www.westernresourceadvocates.org/land/wotrreport/index.php>), oil shale will have profound effects on western water that have not yet been addressed.

“Washington must consider the effects of oil shale development in the West,” said Karin P. Sheldon, President of Western Resource Advocates. “Impacts to our natural resources and landscapes would be very real. Oil shale development would diminish already limited water supplies, harm wildlife, and increase the threat of catastrophic climate change.”

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OIL SHALE CHRONOLOGY

- June 9, 2005: Call for nominations on first round of RD&D lease issued.
- Aug. 8, 2005: Energy Policy Act becomes law, directs Interior to establish regulations for a commercial leasing program.
- Jan.1, 2007: 5 Colorado RD&D leases issued.
- July 1, 2007: Utah RD&D lease issued.
- July 23, 2008: Proposed commercial regulations (draft rule) released.
- Sept. 22, 2008: Comment period on draft rule closes.
- Nov. 17, 2008: Record of Decision issued, approving amendments to 12 resource management plans and making 2 million acres of public land open to oil shale leasing.
- Nov. 18, 2008: Commercial regulations finalized and published.
- Jan. 15, 2009: Call for nominations on second round of RD&D leases issued.
- Jan. 16, 2009: Addenda on the 6 commercial leases issued.
- Jan. 17, 2009: Commercial rule goes into effect.
- Feb. 25, 2009: Secretary Salazar withdraws Bush Administration’s call for second round of RD&D leases. Asks for “public comment on the terms and conditions of any future oil shale RD&D leases” that the Department may issue.
- Oct. 20, 2009 (Ongoing) Obama administration reviewing of second round of RD&D leases. [See <http://www.latimes.com/news/nationworld/nation/la-na-oil-leases16-2009oct16,0,6712422.story>]