



OASA (IE&E)

Office of the Assistant Secretary of the Army
Installations, Energy and Environment



Regional Environmental and Energy Office Western Region DRAFT FINAL – FY 2013 Annual Report



Sustaining Readiness in

Partnership with States





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Executive Summary

Since its inception, the Regional Environmental and Energy Office – Western (REEO-W) has worked to preserve the full use of Army training and testing lands, sustain the Army's natural resources and to maximize the impact of Army environmental dollars. In 2013 the REEO-W continued our track record of success. Despite furloughs and cuts to our budgets and staff we have continued to meet our original goals of supporting the war fighters and being good stewards of government resources.

This report outlines the work the REEO-W does with the states' legislative and regulatory bodies in the Western United States. It also summarizes the support we provide to the installations and military operations in US Environmental Protection Agency (USEPA) Regions 8, 9, and 10.



Pfc. Jared Campbell of the 786th Quartermaster Company leads the way during training at Camp Williams, Utah. (Source: Army Spc. Alore Amott)

This document also outlines how the REEO-W has actively engaged in support of the President's goal of bringing renewable energy to Army installations. We worked with the states of Arizona, California, and Oregon in an effort to make onsite generation of renewable energy more economically viable. We have worked to allow installations to share in the benefits of renewable energy. We successfully engaged on

air regulation issues in Colorado and California, in efforts to manage natural resources affecting California and Nevada training areas, and in support of installation operations in Hawai'i.

We are most excited with our efforts in support of the war fighter. The REEO-W is working to avoid threats to the Army high altitude helicopter training in Colorado, the use of unmanned aerial systems in California, and preservation of training lands in Hawai'i.

The successes outlined in this report are due in part to our efforts to reach out to the installations and other stakeholders as well as members of the legislative and regulatory communities. Budget issues and shutdowns have significantly impacted those efforts as never before. It is imperative that the REEO-W begin to reengage with the people who are in a position to help us meet our goals. Without this continued engagement the



REEO-W will be forced into a more reactive and decidedly less effective way of doing business.

The REEO-W will not rest on past successes. We are committed to effectively integrating our legal, engineering, and scientific talent to address the environmental, energy and other challenges that arise in the Western states. Our goal remains unchanged: the protection of military readiness, training, and testing across the West.

Regional Environmental and Energy Offices

The Regional Environmental and Energy Offices (REEOs) were established in September 1995 to support Army and DoD readiness and training. Department of Defense Instruction (DoDI) 4715.02, updated in August 2009, establishes the Regional Environmental Coordinator (REC) function within the REEOs. The RECs serve as the REEOs' direct link with state regulatory and legislative bodies. RECs work as part of a multi-disciplinary team that includes legal, policy, engineering, and science experts. The team understands state regulatory and legislative climates and interacts directly with Army installations and the other Service RECs. Each REEO Director serves as the DoD lead REC in an assigned region.

In mid-2013, the Deputy Assistant Secretary of the Army (Environment, Safety and Occupational Health (DASA [ESOH])) began discussions with the US Army Corps of Engineers (USACE) to transition the REEOs to the USACE from the Army Secretariat. The transition is part of Army Headquarters Transformation efforts to reduce the workload of Headquarters Department of Army (HQDA) and its Field Operating Agencies to approximately two-thirds of its October 2010 level by the end of FY18. The effective date of the transfer continues to be discussed.

Army REEO Mission: *To fulfill responsibilities as DoD Regional Environmental Coordinators (RECs), engage with state legislators, federal and state regulators, and nongovernmental organizations, on behalf of the DoD and the Army to enable the conduct of activities on our installations required to build readiness to execute the Army's global mission. Conduct strategic communications for the purpose of promoting greater understanding of the Army's commitment to sustainable practices and energy security.*

REEO-W

The REEO-W area of responsibility (AOR) is the 18 states and territories of federal Regions 8, 9, and 10. The REEO-W serves as the DOD REC for USEPA Region 8. The REEO-W also serves as Army component REC for Regions 8, 9, and 10.

- Region 8—Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming
- Region 9—Arizona, California, Hawai'i, and Nevada
- Region 10—Alaska, Idaho, Oregon, and Washington

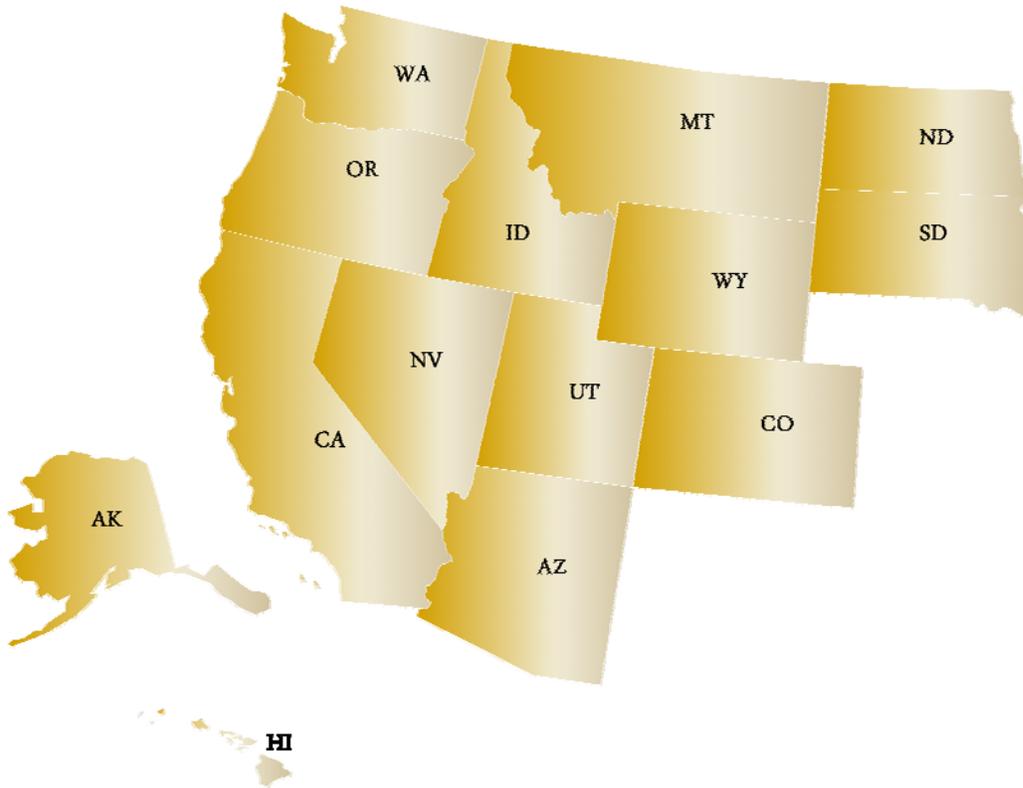


Figure 1: REEO-W Area of Responsibility

REEO-W primarily supports Army and DoD readiness and training through:

- **Legislative and Regulatory Support**

Monitoring and engaging on state regulatory and legislative activities

- **Mission Sustainment Support**

Coordinating and communicating Army/unified DoD positions, facilitating programs or projects, and addressing issues that can affect military sustainment

- **Energy Program Support**

Monitoring state legislative and regulatory efforts that affect Army's renewable energy, energy security and Net Zero programs

- **Outreach and Partnerships**

Developing cooperative partnerships and educating stakeholders on issues that support long-term sustainability of the military



Legislative and Regulatory Support

Monitoring and engaging on state regulatory and legislative activities

Through execution of the Environmental Legislative and Regulatory Analysis and Monitoring Program - State, REEO-W works to ensure state environmental laws and regulations proposed and adopted by states do not result in adverse impacts on military training or testing.

The REEO-W keeps a pulse on law and rulemaking efforts and reports these activities to military installation and commands within its area of responsibility through REC contact and the monthly *Western Review*. The *Western Review* is also used as a means to provide articles on some of the latest policies, technical issues and successes affecting Army operations.

The military friendly attitude of states, and exceptionally strong relationships and lines of communication between REEO-W and regional legislators and regulators resolve issues and concerns through informal contact before they mature into bills and regulations.

Legislative Summary

In FY 2013, all 14 states that comprise the Western Region held legislative sessions. The REEO-W screened bills regarding air, cleanup, climate change/greenhouse gases, conservation/natural resources, energy, land use, toxics/emerging contaminants, waste, water, sustainability, and other issues. In FY 2013, the REEO-W screened 1,850 bills within its area of responsibility.

Western legislators were predominantly concerned with energy-related issues, followed by water, natural resource preservation, and waste management. Nearly 25% of monitored bills addressed various energy concerns (e.g., conservation, renewable energy generation, transmission, fuels, and standards). Over 12% of bills introduced in the Western Region were related to water quality and supply. Preservation of natural resources and waste management issues rounded out the top concerns of the western legislators, collectively accounting for more than 15% of all bills screened in the west.

What People are Saying about the *Western Review*

"I just wanted to let you know that I actually read the "Western Review", and find it a necessary tool for me to keep up with regulatory and policy changes. I just now found a couple of key nuggets of information that I will be sharing with my Coast Guard colleagues across the country and here in Alaska. Thank you very much, and I'm glad you are still in business."

US Coast Guard Civil Engineering Unit
Juneau

"With 'reducing footprints' and adding missions there isn't as much time to track regulations as there used to be. Appreciate the Reviews."

DLA Disposition Services, Pacific Region

"I really appreciate getting the Region 10 Review. It adds value to my work as an installation environmental attorney. I especially appreciate the way legislative bills were tracked in this last issue. Keep up the good work."

Office of the Staff Judge Advocate

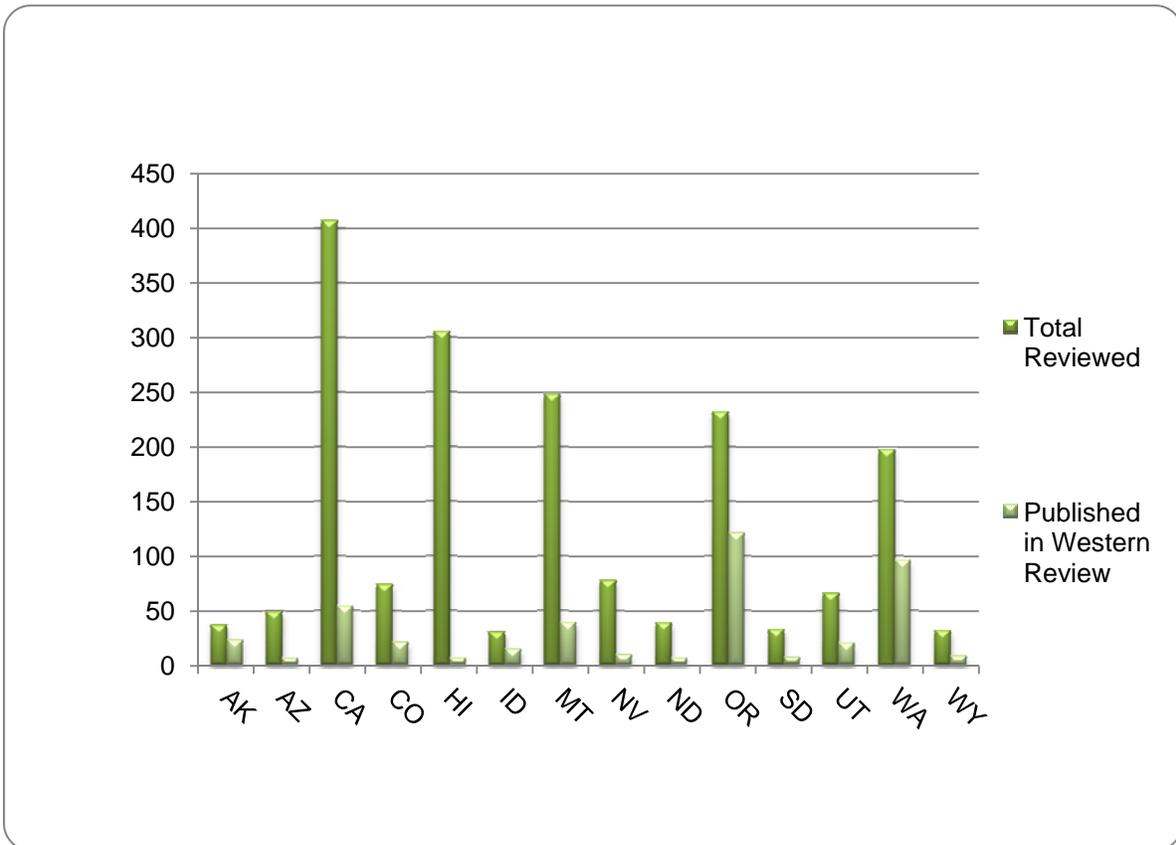


Figure 2 - Legislation Introduced by State and Reviewed by REEO-W

Of the 1,850 state bills screened and evaluated by the Western Region staff, 435 were identified as potentially applicable to Army/DoD installations, training, operations, readiness, budget, or sustainability. A total of 135 of the 435 bills became law in 2013.

Legislative Highlights

Colorado Wilderness Legislation

The REEO-W met with staff from the office of Rep. Jared Polis, 2nd congressional district of the US House of Representatives. Rep. Polis will reintroduce Colorado wilderness legislation in late 2013. The proposed wilderness lands may impact the High Altitude Aviation Training Site (HAATS). Rep. Polis first introduced legislation in 2010. Negotiations at that time resulted in a number of parcels having their designation changed from Wilderness to Special Management Areas. GIS maps of the proposed wilderness areas were reviewed to identify any possible changes from the 2010 proposal. The most significant change identified thus far is the inclusion of five additional parcels designated as the International Mountain Biking Association Wilderness Additions. Once all the data have been evaluated, the REEO-W will meet with the Colorado National Guard to identify possible impacts to operations and to develop a strategy for addressing future legislation. This data will be incorporated into



military training maps and analyzed for impact. The REEO-W will continue work with the Colorado Army National Guard to communicate any negative impacts of the proposed wilderness bill on HAATS. **Mission Sustainment Impact:** The REEO-W is working to minimize or remove any restrictions this bill will have on military training.

“Community Solar” Legislation in California

REEO-W worked closely with the Army’s Energy Initiatives Task Force (EITF) and DoD REC 9 and drafted a “Support If Amended” letter for California Senate Bill (SB) 43. Details are available in the **Energy Program Support** section of this report.

Proposed California Unmanned Aerial Systems Legislation

The military’s use of Unmanned Aerial Systems (UAS) continues to grow, as does their sophistication and importance to national security. Much of the technology is developed, tested, and trained across California’s extensive military range complexes. Legislation was proposed as part of California SB 15 that would make the addition of a weapon on a UAS a crime. The very broad language of the bill could be interpreted to include not only the operation but also the transport of a weapon-containing UAS as a crime punishable under the California penal code. Additionally, this could be the basis for future prosecution and could result in contractor reluctance to operate or transport UAS over public and private lands. The REEO-W, in concert with DoD REC 9, engaged with the California Legislature to discuss a specific exemption for the military from the prohibition to place weapons on a UAS, and the criminal penalties for doing. Currently, SB 15, along with the complementary Assembly Bill 1327, is delayed until 2014.

Mission Sustainment Impact: Although the bills were delayed, further engagement will be necessary to the military training mission (e.g., use of UAS at Fort Irwin National Training Center) from being compromised.

Hawai`i House Bill (HB) 509, Makua Valley Reserve Commission

HB 509 proposed that the Hawai`i Department of Land and Natural Resources form a commission to administer the return of Makua Military Reservation (MR) after it is presumably placed in the public trust. The bill attempted to use the Kahoolawe Island Reserve Commission as a model for the transfer of Makua MR. During the legislative session (January – May), the REEO-W engaged in

opposition to the bill by coordinating letters from the Assistant Secretary of the Army (Installations and Environment) and the Honolulu Chamber of Commerce’s Military Affairs Committee. The bill was deferred, but will automatically be reintroduced in the next legislative session. **Mission Sustainment Impact:** Makua MR is the only combined arms live fire and restricted airspace on Oahu outside of Schofield Barracks. Due to limited home station training funding, Makua MR is critically important to maintaining readiness for the Active Army, Hawai`i National Guard and the US Marine

REEO-W engagement in Hawai`i

Deferring HB 509 resulted in maintaining Makua Military Reservation as a viable company training center.



Corps. **Monetary Impact:** Loss of Makua MR would require transportation to and sustainment at Pohakuloa Training Area on the Island of Hawai'i estimated to cost \$500,000 per battalion.

Modification of Amendment to Alaska Clean Water Act

REEO-W led a multi-year engagement effort, through three legislative sessions, to amend the Alaska Clean Water Act (AK CWA). On April 9 Alaska Governor Parnell signed the legislation clarifying that the state will only regulate munitions discharges in accord with the Federal Water Pollution Control Act (FWPCA). The AK CWA had previously been amended to effectively remove a permit exception for discharges from munitions at military ranges potentially restricting the use of military ranges not required by the FWPCA. To address this concern, REEO-W proposed an amendment, sponsored by Rep. Tammie Wilson, that the state can only regulate munitions discharges in accord with the federal act. During the 2011, 2012, and 2013 legislative sessions, DoD REC 10 Army and Air Force Regional Counsel testified via telephone and in person to the House Resources Committee and the Senate Resources Committee, and met with Alaska House and Senate members to seek their support of the bill. **Mission Sustainment Impact:** The effective multi-year engagement strategy and continued coordination between Alaska Department of Military and Veterans Affairs and REEO-W resulted in the amendment passage, which supports continued operation of Alaska military ranges by requiring state permitting decisions to be consistent with federal requirements.

Regulatory Summary

In FY 2013, Western Region staff screened 912 new environmental and energy regulatory measures from the 14 western states. A total of 586 of these regulations were judged relevant to the military and were reported to DoD customers through REEO-W's monthly *Western Review* and REC contact. The Western Region screened regulatory issues regarding air, cleanup, climate change/greenhouse gases, conservation/natural resources, energy, land use, toxics/emerging contaminants, waste, water, sustainability, and other issues.

State regulators focused their attention primarily on air and water quality, with these two issues accounting for approximately 40% of state rule-making activity. Within the topic of air quality, efforts concerned implementation of state and federal requirements. As with legislative activity, water-related state regulatory efforts were primarily concerned with water quality and supply. Other top concerns for state regulatory agencies were conservation of natural resources and energy. Considering the number of energy related bills in 2013, the REEO-W anticipates energy-related rulemaking to increase in the coming years.

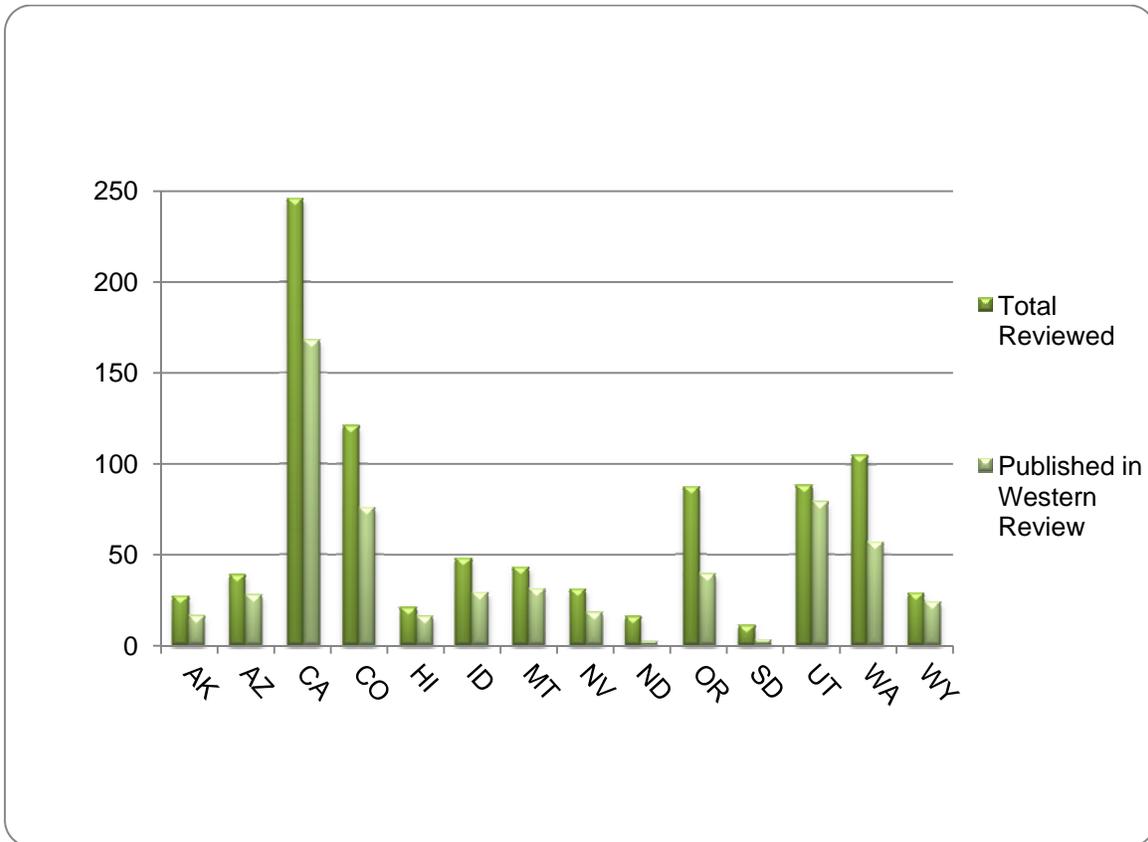


Figure 3 - Rules Introduced by State and Reviewed by REEO-W

The Western Region represented Army/DoD interests on rule-writing work groups and task forces organized by the states to develop their regulations. We also sought participation from subject matter experts on installations likely to be impacted by the new or revised rules.

Regulatory Highlights

Colorado Stationary Source Permitting

REEO-W coordinated military comments on proposed changes to Colorado Air Regulation Number 3 – Stationary Source Permitting and Air Pollutant Emission Notice (APEN) Requirements. The proposed changes raise thresholds for APEN and construction permits. In addition, permits for emergency generators will no longer be required unless the raised permitting thresholds are met. A letter of support was sent to the Colorado Department of Public Health and Environment in June. The proposed changes to the rule are pending. **Mission Sustainment Impact:** These changes will decrease the number of sources requiring permits, resulting in cost savings and less regulatory burden on military installations.



California Cap and Trade Exemption to be Made Permanent

The California Air Resources Board (CARB) has been developing cap and trade requirements that could directly affect Fort Irwin and other service installations. It is DoD's position that these regulations do not apply due to a number of fiscal and legal considerations. California does not agree with DoD's legal position, but has acknowledged that compliance with DoD's Executive Order 13514 to reduce green house

... "participation in the Cap-and-Trade Program is not the most efficient vehicle for obtaining GHG reductions from the military sector"...

**California Air Resources Board
Chairman Mary D. Nichols**

gas (GHG) emissions and development of renewable energy is providing greater GHG reductions than California's regulation would provide. As a result of on-going REEO-W and DoD REC 9 engagement, the CARB Chairman wrote a letter confirming a permanent DoD exemption to this regulation. The CARB Chairman acknowledged that "participation in the Cap-and-Trade Program is not the most efficient vehicle for obtaining GHG reductions from the military sector" and concurred that "other mechanisms already in place have the potential to achieve equivalent reductions through a broad-based approach that encompasses sources that are below the applicability thresholds for both the Mandatory Reporting Regulation and the Cap-and-Trade Program." **Mission Sustainment Impact:** Without this exemption, Fort Irwin National Training Center would be extremely close to the emissions threshold outlined in this program. In addition, the California Legislature is considering a lower emissions threshold than currently in place, which could subject Fort Irwin National Training Center to millions of dollars in cap-and-trade emission allowances. Further engagement by the REEO-W is necessary to minimize cap-and-trade emission threshold impacts to Army installations in California.

Underground Storage Tank (UST) Regulations in Hawai'i

REEO-W initiated and helped lead REC efforts to review and comment on proposed revisions to Hawai'i UST regulations that could prohibit deliveries to non-compliant military fuel tanks until tanks can be repaired. **Mission Sustainment Impact:** Although the state agency did not accept the DoD REC's revisions proposed in August, the agency responded that it recognized the unique mission of the military and that it could accommodate the military mission within the context of its regulations.

REEO-W Provides Comments on Alaska Department of Environmental Conservation (ADEC) Proposed Delivery Prohibition Rule

REEO-W initiated and led DoD Region 10 efforts to provide formal comments on proposed changes to Alaska Administrative Code 18 AAC 75.018. The proposed rules would provide the ADEC expanded discretion to impose a delivery prohibition on non-compliant USTs until such tanks are repaired. However, the proposed rule did provide that ADEC could allow deliveries to continue in emergency situations. REEO-W suggested ADEC include adverse effect on military operations as an emergency situation to allow deliveries to continue. Although ADEC did not incorporate DoD Region



10's suggested changes, ADEC did confirm that DoD could request suspension of a delivery prohibition when it would negatively impact national security or would otherwise cause more harm to the environment if deliveries were not allowed to continue. **Mission Sustainment Impact:** ADEC recognized the unique mission of the military and indicated it would accommodate the military mission within the context of its regulations. REEO-W provided ADEC's response to affected installations to ensure local environmental offices make ADEC inspectors aware of this discretion should the need arise.

Mission Sustainment Support

Coordinating and communicating Army/unified DoD positions, facilitating programs or projects, and addressing issues that can affect military sustainment

Supporting the mission of Army installations and enabling them to conduct activities required to build readiness to execute the Army's global mission is a cornerstone of the REEO operation. The Army dealt with budget constraints in 2013 in part by restricting travel for all field operating offices, including the REEOs. Inability to interact one-on-one with installation personnel limited the effectiveness REEO-W has demonstrated in the past in helping installations with specific state policy makers.

Nonetheless, the REEO-W worked within budget limitations to maintain relationships important to sustaining the mission.

Environmental Managers Meeting for DoD Installations in Colorado

The REEO-W, as DoD REC 8, hosted a meeting in Colorado Springs to bring together environmental managers from DoD installations on the Front Range to discuss water rights issues. This initial meeting is intended to act as a catalyst for future meetings of environmental managers from the installations to discuss topics of common interest. The Director of Environmental Management, Office of the Deputy Under Secretary of Defense (Installations & Environment) encouraged the meetings, stating that national conferences were a dwindling opportunity to discuss these types of issues. In addition, a listserv was created so that environmental managers could keep abreast of issues occurring on the Front Range. **Mission Sustainment Impact:** Increased communication and exchange of ideas among military installations assists in identifying best practices to address environmental issues.

Greater Sage Grouse (GSG) Memorandum of Understanding (MOU)

The decline of GSG populations is challenging the military to balance military training, testing and conservation. In early 2013, the REEO-W along with the other services directly engaged with the Nevada Bureau of Land Management to prepare a MOU between DoD and the Department of Interior for the development of Resource Management Plan Amendments and an Environmental Impact Statement for the proposed GSG National Planning Strategy. This MOU covers the Great Basin Region Nevada-Northeast California Sub-Region as part of the DoD REC 9 area of



responsibility. **Mission Sustainment:** The MOU directly affects Hawthorne Army Depot where joint training with the Marine Corps occurs in GSG habitat areas. The MOU allows training to occur while the Army ensures GSG protection.

Makua Marine Resource Study

In order to evaluate whether military activities at Makua MR (part of US Army Garrison – Hawai'i) may contribute to contamination of the marine resources near Makua, and whether proposed Army training activities at Makua MR pose a health risk to area residents who rely on these marine resources, the REEO-W consulted on the Makua Marine Resources Sampling and Analysis Plan (SAP). The DASA (ESOH) and Engineer Research and Development Center (ERDEC) also assisted the Garrison. The SAP is part of a supplemental marine resources study ordered by the Federal District Court in June 2012. Community engagement, University of Hawai'i, and local fishing expertise were all incorporated with help from the REEO-W/DASA (ESOH) team.

Mission Sustainment and Monetary Impact: Makua MR is the only combined arms live fire and restricted airspace on Oahu outside of Schofield Barracks. Due to litigation, training is restricted until supplemental work is completed. To preclude future supplementation, a quality SAP must be presented to the District Court. This is the third attempt at completing this requirement.

Depleted Uranium License

Since the 2005 discovery of residual depleted uranium (DU) on a Schofield Barracks training range (due to firing of M101 spotting rounds in the 1960s), the REEO-W has engaged and worked with the US Army Garrison-Hawai'i, Installation Management Command (IMCOM), DASA (ESOH), Hawai'i Department of Health, and the Nuclear Regulatory Commission (NRC). The NRC requires that the Army hold a possession license for the DU that remains on its ranges. Schofield Barracks is the first Army location with residual DU to receive site specific clearance and approval for a draft license. The REEO-W has worked with public stakeholder groups to communicate progress toward obtaining the license, including site specific radiation safety plans that will be included with the license. **Mission Sustainment Impact:** Securing the license will allow the operation and training to continue at Schofield Barracks and Pohakuloa Training Area with minimal limitations while ensuring the safety of soldiers and range personnel. **Monetary Impact:** Work to date with the NRC has allowed the completion of construction for both the Schofield Barracks Battle Area Complex and Pohakuloa Training Area (\$60 million MILCON).

REEO-W Municipal Stormwater Permit for Joint Base Lewis-McChord

REEO-W in conjunction with DoD REC 10 submitted formal comments on the Joint Base Lewis-McChord (JBLM) Municipal Separate Storm Sewer System (MS4) Draft Permit to EPA Region 10. The comments, which could have national significance, focused on the inclusion of Energy Independence and Security Act of 2007, Section 438 (EISA 438) requirements and provisions requiring construction of storm sewer retrofits. These provisions potentially subject JBLM to Clean Water Act (CWA) requirements that



would not apply to other entities. This MS4 permit also represents a significant deviation from previous permits in both scope and volume of new requirements. Unfortunately, the EPA disagreed with DoD arguments, ignored all substantive DoD comments, and declined to modify the permit requirements. The Army is reviewing options for challenging the MS4 permit's EISA 438 requirements. **Mission Sustainment and Monetary Impact:** Initial estimates indicated that JBLM would have to at least double manpower resources, from two full-time employees to four, in order to fully comply with all requirements in this permit. Estimating two GS-11 salaried and benefitted employees results in an additional \$160,000 per year to comply with requirements. The EPA has expressed their intent to use the JBLM MS4 permit as a template for other DoD MS4 permits throughout Region 10, and is currently in the process of drafting permits for Navy facilities in Washington State.

Energy Program Support

REEO-W's work in support of the Army's energy program is two-fold: To enhance energy security by partnering, coordinating, and facilitating opportunities for renewable energy generation through support of the Army Energy Initiatives Task Force, and to de-conflict new energy projects so that the military's training mission is not compromised.

REEO Report to EITF

The REEO tracked, highlighted and monitored state legislative and regulatory developments related to the energy mission of the EITF. The monthly REEO *Energy Report* was developed which highlighted proposed legislation or regulatory action and possible impacts on Army installations' operations and how the Army could engage. The REEO-W monitored topics including efficiency, financial incentives, permitting, renewable portfolio standards/renewable energy credits, and transmission. Through the *Energy Report*, the REEO-W was able to alert the EITF to 18 state energy actions including green tariff legislation being introduced in California (SB 43); an Arizona Corporation Commission (ACC) hearing on public utilities' renewable energy standard tariff proposals; and California's energy storage procurement requirements. **Mission Sustainment Impact:** The EITF had the opportunity to comment and participate in state



*Ribbon Cutting Ceremony of the Fort Carson Solar Array Project
Source: SunTechnics Energy Systems*



actions that would have a direct impact on their goal of developing utility scale renewable energy projects on Army installations. Specific mission impacts are highlighted below.

Region 8 Alternative Energy Initiatives

The REEO-W continued its efforts to work with states and federal agencies to accomplish compatible energy siting in Region 8. The goal is to avoid mission conflicts while advocating for alternative energy projects. Reviews of proposed alternative energy projects allow DoD to work with developers and project proponents in the early stages of a project to prevent or mitigate adverse impacts on military operations. To date, the REEO-W has coordinated with potentially impacted units and the Office of the Secretary of Defense (OSD) Siting Clearinghouse for the screening of four new wind projects, one new transmission line, follow up as needed on the 24 projects already reviewed, and ongoing input for the preliminary screening of four transmission lines. **Mission Sustainment Impact:** It is vital that REEO-W coordinate these alternative energy reviews as they can impact military training routes and military mission throughout the Western Region.

Transmission Planning with Colorado Public Utilities Commission

The Colorado Public Utilities Commission (PUC) adopted Rule 3627 governing the coordinated planning for additional electrical transmission facilities in Colorado. Ten-Year transmission planning documents are now drafted or updated every two years. As a result of a previous REEO-W briefing on the importance of deconflicting energy projects with military training mission, the REEO-W was invited to attend Colorado PUC Transmission Plan updates as a primary stakeholder. The REEO-W will continue to work with the Colorado PUC and staff on these plans, communicate with Colorado utilities and others in the transmission community regarding transmission plans, and coordinate with Colorado military installations and others in the defense community regarding potential effects of transmission plans on military operations. **Mission Sustainment Impact:** Early engagement with the Colorado PUC assists with deconflicting future energy projects with the military training mission in Colorado.

California Legislation on Distributed Energy Facilities

REEO-W worked with Army EITF and helped lead the Army effort to comment on, modify, and support California Senate and Assembly bills that would enhance the ability of California Army installations to use distributed energy facilities to meet Army renewable energy goals. One such bill, SB 43, was ultimately signed into law by Governor Brown in September. **Mission Sustainment Impact:** SB 43 will allow military installations who could not generate their own renewable energy on site, to obtain renewable energy from off-site community renewable energy facilities such as a utility scale renewable energy facility located on another military installation. This bill will assist the Army in identifying "oftakers" (i.e., other military installations) for energy produced from renewable energy projects on their own installations. SB 43 will help the



Army meet its goals for renewable energy production and reduction of greenhouse gas emissions.

Proposed Procurement Targets for Viable and Cost-Effective Energy Storage Systems

REEO-W worked closely with EITF to submit comments to California PUC in July through the Federal Executive Agencies counsel. **Mission Sustainment Impact:** The Army envisions using power storage devices as part of its energy security program. The California PUC’s proposed decision may allow the Army to access stored energy from a third party developer who has entered into an enhance use lease (EUL) on an Army installation, during times of grid failure and the utility has no access to the stored energy. This would allow energy storage devices to serve for grid and customer-side purposes and provide an extra measure of energy security to our installations in California.

Mission Impact of Proposed Development Focus Areas in Desert Renewable Energy Conservation Plan

The Desert Renewable Energy Conservation Plan (DRECP) goal is to identify and permit areas for renewable energy generation and transmission facility development and create a network of biological conservation areas providing benefits to endangered/threatened species. During 2013, REEO-W along with Fort Irwin G-3 drafted Army responses to the California DRECP’s proposed development focus areas in the Mojave and Sonoran Deserts. Proposed responses were coordinated with HQDA and subsequently transmitted to the OSD Siting Clearinghouse. **Mission Sustainment Impact:** Army’s responses included mission impacts to training and air operations at Fort Irwin from potential future wind turbine and solar tower developments. Responses assisted California in proposing a preferred focus alternative for renewable energy development that would not have mission impact on Fort Irwin operations.

EITF Testimony in Renewable Energy Standard Tariff Hearing

The REEO-W drafted DoD comments submitted in January to the Arizona Corporation Commission (ACC) to be considered during its hearing of both the Tucson Electric Power (TEP) and Arizona Public Service (APS) applications for approval of their Renewable Energy Standard and Tariff (REST) implementation plans. Both plans, including the recommendation from the ACC’s utility division staff, recommended the approval of a “Track and Record” system that would allow APS and TEP to count toward their distributed energy (DE) requirements, any new DE installation interconnected within their service territory, independent of renewable energy credit ownership. Based on the number and nature of comments filed, the ACC decided not to adopt the “Track and Record” provision but would consider “Track and

A 20 MW project at either Ft. Huachuca or Yuma Proving Ground would have a possible renewable energy credit value of at least \$43,800 annually.



Record” at a subsequent hearing. REEO-W assisted in drafting the EITF testimony for the hearing in June, which emphasized the value of renewable energy credits in making utility scale renewable energy projects on Army installations financially viable. **Mission Sustainment and Monetary Impact:** The development of utility scale renewable energy projects on Army installations provides enhanced energy security enabling the Army to execute its mission even at times of grid failure. Renewable energy credits are crucial to the financial viability of renewable energy projects, particularly when the Army works with private sector developers. Renewable energy credits play a key role in helping such developers to secure third party financing by providing an extra source of revenue. A renewable energy credit represents one megawatt hour (MWh) of renewable-generated energy. Prices for renewable energy credits in Arizona currently range from \$1 to \$3 per MWh produced. (Credit value data gathered from Tucson Electric Power and Karbone, a renewable energy credit brokerage firm.) A 20 MW project at either Fort Huachuca or Yuma Proving Ground would have a possible renewable energy credit value in the range of \$43,800 to \$131,400 annually.

Schofield Barracks Bio-Diesel Generation Plant

The EITF is working with Hawai`ian Electric Company (HECO) to develop a bio-diesel powered 50 MW power plant, referred to as the Schofield Generating Station Project (SGSP). This project is designed to provide energy security to Schofield Barracks while ensuring the power plant uses a domestic renewable fuel source. HECO would benefit by having a quick cycling plant to enhance grid stability. The Army proposes to award the HECO a real estate lease under title 10 United States Code (USC) Section 2667 for the use of a 10.3-acre parcel of land on the South Range portion of Schofield Barracks, Hawai`i. HECO would use that parcel for constructing, operating, and maintaining a biofuel-fired power plant. In addition to the 10.3-acre leased parcel, the Army proposes to provide HECO an easement for the siting and construction of the 46kV sub-transmission line that would be required to connect the Schofield Generating Station to the HECO grid. A MOU was signed by the Army and HECO in October 2012, which defines the intent of both parties to pursue the project. REEO-W has assisted in providing local contacts, informing stakeholders, advising on community engagement, reviewing project documents, and is part of the project team. **Mission Sustainment and Monetary Impact:** This partnership is using private capital (\$250 million to \$300 million) to enhance the Army’s energy security, modernize portions of the Army’s grid, and advance renewable energy in exchange for a long term lease on just over 10 acres of land.

Outreach and Partnerships

Developing cooperative partnerships and educating stakeholders on issues that support long-term sustainability of the military

A core mission of REEO-W is to communicate the Army’s/DoD’s message to stakeholders in the region through a variety of forums, in-person meetings, and publications. In turn, REEO-W staff reports input from stakeholders to senior policy officials at HQDA and OSD. Western Region efforts to inform, educate, and partner with government



officials and other centers of influence in the region promotes greater understanding and builds trust that aids in sustaining the military mission while protecting the environment in responsible and cost-effective manner.

Successful collaboration is fundamental to the partnering concept. By cultivating communication and trust among participants, teams have the opportunity to shape more effective compliance and restoration projects, thus saving time and taxpayer dollars.

Maintaining robust partnering programs in the face of strict budgetary restraints and travel restrictions challenge the effectiveness of the partnering concept itself. It is technically possible to address concerns remotely, but the depth and breadth of concerns are often best conveyed in person. Relationships based solely upon remote communication can become strained when difficult issues arise.

The REEO-W continued active participation in partnering efforts in 2013, despite budget challenges and travel constraints. Selected highlights of participation follow.

Outreach Meeting to Western Governors Association

REEO-W met with new leadership staff from the Western Governors Association (WGA). The staff briefed the REEO-W on their energy, water, and wildlife initiatives. REEO-W discussed how they could interact with WGA on policy initiatives. The REEO-W and WGA also discussed possible collaboration on draft model legislative language related to renewable energy in the West. The WGA will be rolling out a new Crucial Habitat Assessment Tool (CHAT) in December 2013 that will create a continually updated picture of crucial wildlife habitat across the West. The tool can be used to map lands with minimal wildlife value for proposed renewable energy development areas and lands sensitive to Greater Sage Grouse, a candidate species under the Endangered Species Act. **Mission Sustainment Impact:** Maintaining ties with the WGA provides an opportunity for the REEO-W to promote the training mission and to highlight environmental issues facing the military in the West.

Joint Military Affairs Committee

JMAC is a biannual meeting for Nevada Commanders to discuss joint military related impacts to their bases. As most military installations border or utilize Bureau of Land Management land, the Nevada BLM is invited to provide input. The JMAC was last held in August 2013. Discussions included greater Sage Grouse Planning Strategy, renewable energy planning and implementation. **Mission Sustainment Impact:** Because the Army REC has been unable to attend these meetings due to travel restrictions, we are missing personal interaction that informs our bases of cross-military priorities and unique base issues. We continue to communicate with our installations, military, and state partners to preserve our Army goals in Nevada.

Military Advisor to the California Governor

A meeting with the Military Advisor to the California Governor is held at least three times per year to troubleshoot major legislative and regulatory efforts affecting environmental,



water resource, and renewable energy issues. Wade Crowfoot, Governor Brown's Military Advisor in California, chairs the quarterly DoD coordination meetings. Senior executives from California state agencies also participate. The last meeting, held in July, focused on above ground storage tank regulations and UAS legislation. **Mission Sustainment Impact:** Due to travel restrictions and budgetary concerns, we solicited the California Army National Guard to attend the meeting in lieu of the Army REC. The Guard representative was able to provide important input on state and federal regulatory and legislative initiatives affecting DoD activities and installations in California.

Tribal Meetings in California

The Army and other services attend Tribal related meetings in California to engage our military interests with Tribal lands in a mutually beneficial fashion. In April 2013, DoD REC 9 attended the 2013 California Tribal Water Summit in Sacramento. DoD committed to support Tribal rights and collaborate Government-to-Government Consultation on cooperative water resource projects. These projects are of significant concern to Fort Irwin as our water resources continue to deplete in the Mojave Desert. **Mission Sustainment Impact:** Water resources are one of the most important issues for Fort Irwin. Limited supply of water creates a mission imperative issue at Fort Irwin for future training. The Army REC and all stakeholders—state, local, and federal—must work together to sustain future water reserves and projects.

Mojave Desert Managers Group and Desert Landscape Conservation Cooperative

Regular meetings are held for the Mojave Desert Managers Group (DMG) and Desert Landscape Conservation Cooperative (DLCC) to discuss specific desert related issues regarding habitat, encroachment and military interests. The last meeting was held with BLM in April in Palm Desert, California. The DMG coordinates efforts in California and Nevada and encompasses two national parks, one national preserve, six military bases, 72 wilderness areas, 14 state parks, and extensive holdings of public lands managed by the BLM. Of significant interest to the Army are the habitats of the desert tortoise and solar development on Fort Irwin. Personnel contracted by Fort Irwin attended the meeting on behalf of all military services. **Mission Sustainment Impact:** Along with the water issue impacts above, other sensitive species and encroachment issues are far reaching. The Army REC's involvement with other federal agencies and local NGO's provides consistent input regarding impacts currently and with future developments, especially in the water resource and renewable energy forums.

Federal Water Rights Analysis

REEO-W coordinated with policy/program and legal representatives of each of the Services and OSD to develop a DoD response to the WestFAST/Western States Water Council (WSWC) request for input to the Non-Tribal Federal Water Claims Subcommittee initiative. While the response did not offer specific suggestions for the water right claims process due to DoD's many different installations throughout the western states, we did offer insight on DoD's water management ethic, to include the



sheer scope of DoD's footprint and the importance of water to our national security mission. **Mission Sustainment Impact:** Working with WSWC allows DoD to present the military perspective on water rights and uses as state water officials enact and implement water resource policies and initiatives. Furthermore we hope the recommendations will encourage the states to involve DoD in state/local water conservation and water allocation planning and legislative efforts, with the aim of gaining water rights program provisions that recognize and reward past and ongoing conservation measures to credit and encourage conservation and sustainability.

Army Compatible Use Buffer at Galbraith Estate

In December 2012, a partnership facilitated by the Trust for Public Land, a non-profit land conservation organization, closed on the \$25 million acquisition of the former Galbraith Estate adjacent to Schofield Barracks. The deal results in the Hawai'i Department of Agriculture acquiring 1,207 acres and the Office of Hawai'i Affairs acquiring the remaining 495 acres, including culturally significant land. This is the fifth successful Army Compatible Use Buffer (ACUB) project on Oahu conserving 12,039 acres. This project has taken seven years with REEO-W planning, participating, and encouraging the partnership. **Mission Sustainment Impact:** The ACUB further establishes buffer areas around Schofield Barracks to limit effects of encroachment and maximize land inside the installation that can be used to support the installation's mission. Hawai'i is also home to a large number of threatened and endangered species. Buffers increase the land base the Army uses to achieve Endangered Species Act requirements while conducting mission. **Monetary Impact:** This project leveraged a \$4.5 million Army contribution to buffer a \$20 million parcel. To date, the Army has conserved over 20,000 acres on Oahu at a cost of \$14.9 million for a total value of nearly \$42 million.

REEO-W Supports Alaska Forum on the Environment

The annual Alaska Forum on the Environment (AFE) provides an opportunity for REEO-W to share ideas, collaborate, and create partnerships to meet and achieve environmental and sustainability objectives across the government and the community throughout Alaska. As part of the AFE steering committee, REEO-W organized the Federal Government Track, which consisted of five separate 1.5-hour sessions. The Environmental Roundtable session, which focuses on Alaskan Native issues, underwent a format change this year in an attempt to attract more Alaskan Natives. Traditionally the session was based on a facilitated "talking circle" to collect input on how best to address Alaskan Native concerns. In recent years the session drew few participants from the community. This year, to promote discussion, the Army, Coast Guard, Air Force, EPA, Alaska National Guard, and USACE each briefed their respective Alaska Native outreach programs and concluded the session with a talking circle. The new format produced the desired results—of the 80 attendees over 70% were from the community and meaningful dialog was achieved. All the federal government tracks received positive reviews from participants, Alaska natives, and others with a stake in federal site cleanup and other environmental activities. **Mission Sustainment Impact:**



The AFE provides an excellent opportunity for the DoD to engage with the public and federal and state agencies to promote the training mission in Alaska.

REEO-W Spearheads Production of DoD-State Brochures for REEO Program

The REEO-W developed and maintained a series of DoD-State brochures for the REEO Program. The brochures are provided to state legislators, regulators, local governments, non-governmental organizations, academics and other interested individuals. They describe key military installations as well as outline financial, employment and other benefits DoD brings to a state. In the first quarter of FY 2013, five brochures were updated and printed. In the second quarter of FY 2013, the REEO discovered that the report that cites civilian and military personnel by military branch, payroll and other expenditures such as contracts for supplies, services, and construction would no longer be available. Therefore new data resources were evaluated to report latest DoD assets within a state. Eight brochures will be updated with new data, point of contact information, and relevant text by the first quarter of 2014.

REEO-W Secondary Partnerships

The REEO-W participation in partnerships varies due to the applicability of the forums and degrees of activity of the partnerships. However, resource and budget constraints have resulted in a reduction of meeting frequency and REEO-W participation. The REEO-W continues to track and regularly participate in the following forums:

- Arizona Commanders Summit
- Arizona and Hawai'i Sustainability and Pollution Prevention Partnership (P3)
- Arizona DoD Installation Environmental Round Table
- California Military Liaison Office
- Conference of Western Attorneys General (CWAG)
- Council of State Governments (CSG) West
- Desert Renewable Energy Management Group
- Environmental Council of the States (ECOS)
- Hawai'i Clean Energy Initiative
- Hawai'i Conservation Alliance
- Hawai'i Environmental Forum
- Hawai'i Fresh Water Initiative
- Landscape Conservation Cooperatives



- Mojave Desert Managers Group
- National Conference of State Legislatures (NCSL)
- Nature Conservancy
- PACOM Energy Partnership and Strategy Council (PEPSC)
- Tank Automotive Research Development and Engineering Center (TARDEC)
- Region 9 Multi-Service Meetings
- Region 10 Multi-Service Meetings
- Renewable Energy Action Team (California)
- Southwest Energy Working Group
- Southwest Strategy Forum
- Sustainable Northwest
- Western Governors' Association (WGA)
- Western Interstate Region of the National Association of Counties (NACO)
- Western Regional Partnership
- Western Regional Pollution Prevention Network
- Western Resource Advocates

Goals and Outlook for 2014

The efforts of the REEO-W were significantly constrained by the budget cuts and sequester during 2013. Despite an uncertain FY14 budget, the REEO stands ready to eagerly support the SecArmy charge to 1) tell the Army story, 2) adapt to a smaller Army and 3) contribute to more effective energy solutions. Additionally, the REEO-W outreach efforts will continue to focus on critical categories:

- Support OASA(IE&E) policy, strategic and communications plans;
- Preserve full use of Army training and testing assets;
- Sustain the Army's natural resources;
- Maximize use of Army environmental dollars; and
- Cultivate an innovative and capable workforce that continuously seeks improvement.



The REEOs execute the Army's State Government Affairs mission on behalf of the ASA(IE&E). Often state legislative and rule writing initiatives are unpredictable both in the type of initiatives introduced or in how the state plans their implementation of new requirements. To be effective in this capacity, the REEOs must quickly identify evolving state initiatives, develop an engagement strategy with Army and other DoD stakeholders, and engage with state officials as early in the process as possible. Despite the level of uncertainty associated with this work, our prior experience allows us to anticipate some of what we will likely see in the coming year. The following issues may be a significant part of state regulatory or legislative agendas in 2014.

Greenhouse Gas Laws and Rules

REEO-W experience with state GHG legislation will allow us to work closely with state rule-writers as they draft new or expand existing regulations. The REEO-W will work with installations where applicable to 1) calculate their current GHG footprint; 2) address the impacts that GHG regulations may have on Army operations; and 3) make legislators/regulators aware of the Army's reduction in GHG emissions and get credit for those reductions.

Energy Issues

EITF - The REEO-W will continue to support the EITF efforts to bring renewable energy projects to Army installations. The REEOs are uniquely situated to assist EITF team efforts to meet the Army's aggressive renewable energy goals. The REEO-W will continue to assist the EITF's effort to assess installation suitability for utility scale renewable energy projects. The REEOs will also be able to assist with EITF outreach by building on our existing relationships with state regulatory agencies, private developers, and industry groups.

Energy Development Monitoring - Monitor energy, environmental, and land use aspects of energy development projects, and engage as appropriate.

Conflict Avoidance

- **BLM Wind Energy Protocol** – The REEO-W will continue to track notices of proposed energy projects in the region and evaluate proposed projects from impacts to military mission. Solar siting is also a concern and may be included under the wind protocol.
- **Utility Corridors** – The creation of energy corridors on, near, or between DoD lands could negatively impact the ability of an installation to meet its mission. The REEO-W will work to reduce or eliminate the impact of energy corridor development on installations' ability to meet their training and testing mission.

Environmental/Natural Resources

Wilderness Designation - Bills were introduced in Congress to designate wilderness areas in California, Alaska, Washington, Oregon, Idaho, and Colorado. These



designations, particularly near the High-Altitude Army Aviation Training Site (HAATS) in Colorado, could have a negative impact on current and future testing and training operations and preclude installation growth. The REEO-W will track similar efforts across the region, educate the legislators on the possible impacts to military activities from wilderness designations, and offer military protective language for inclusion in the bills.

Environmental Incentives - Pursue rewards for installations for "beyond compliance" performance. The REEO-W will work to encourage states to create and enhance Army participation in programs that reward good management practices.

Alaska CWA Primacy - Alaska previously modified its CWA and changed a military munitions exception to receive USEPA approval of and primacy for its CWA program. The REEO-W will work so that the change in regulatory authority will not adversely impact Army training.

Land Use Planning

Promote creation and use of legislation that provides notice regarding land-use changes. The REEO-W will 1) monitor state legislation to identify and support proposed bills that require notice to the military about changes in land use; and 2) promote Army installations use of existing state land planning laws.

State Budget Shortfalls

States are still recovering from a slowed economy and state tax revenues have also fallen. When states are faced with budget shortfalls in the past they have often compensated by increasing fees. When fees are out of line with the state services provided, the fee could be considered a non-payable tax. Another possible outcome is an across the board cut in state services resulting in an increase in the time a state takes to process applications and other environmental documentation, thus delaying installations' efforts.

Water Supply

As populations in the Western states grow, one of the limiting factors of that growth is the supply of fresh water. Recognition of a growing shortage of water will likely impact the potential for an installation to grow, will result in pressure being placed on the installation to conserve for the benefit of neighboring communities, and may preclude the introduction of water intensive development associated with renewable energy. The REEO-W will monitor states' efforts to address water supply issues and participate as opportunities arise.

Outreach

Sustainability Partnerships - The REEO-W will evaluate partnerships with existing advocacy groups (Short-grass Prairie Partnership, Colorado Renewables and Conservation Collaborative, Western Resource Advocates, Front Range Renewable



Energy Consortium, Washington Military Sustainability Partnership) and coordinate accordingly.

Alaska and Hawai`i Environmental Forums - These annual events bring together DoD, other federal agencies, states, legislators, and the public. The REEO-W will use these forums to better understand issues, visions, and concerns, and establish and maintain working relationships.

Outreach to Regional State Policy Groups - Engage with the Council of State Governments - West (CSG-W), Western Governors Association (WGA), and other regional groups regarding environmental, energy and related issues important to the military.

State Brochures - The State-DoD brochures highlight the presence and economic impact of DoD on the states. The REEO-W will continue to update existing or create new brochures.

Monthly *Western Review* – The *Western Review* continues to be the REEO-W's primary means of conveying to installations information about the states' law and rule making efforts. The *Review* also provides articles on some of the latest regulatory initiatives, technical issues, and successes affecting Army operations.



Appendices

DoD Installations in the REEO-W AOR

ARMY INSTALLATIONS WITHIN THE WESTERN US ¹		
Region 8	Region 9	Region 10
Colorado	Arizona	Alaska
Fort Carson ²	Fort Huachuca	Fort Greeley
Pueblo Chemical Depot ²	Yuma Army Proving Ground	Joint Base Elmendorf Richardson ²
Rocky Mountain Arsenal ⁴	Camp Navajo	Fort Wainwright
Pinon Canyon Maneuver Site	Western ARNG Aviation Training Site	
High Altitude Aviation Training Site		
Montana	California	Idaho
Fort Harrison Training Site	Camp Parks	Orchard Training Area
Limestone Hills Training Site	Camp Roberts	
	Camp San Luis Obispo	Oregon
North Dakota	Fort Hunter Liggett	Umatilla Chemical Depot ³
Camp Grafton	Fort Irwin	
Fraine Barracks	Presidio of Monterey	Washington
	Los Alamitos Armed Forces	Fort Lawton ³
South Dakota	Sierra Army Depot	Joint Base Lewis McChord ²
Camp Rapid		Madigan Army Medical Center
	Hawai'i	Yakima Training Center
Utah	Fort Shafter	
Camp Williams Training Site	Kilauea Military Camp	
Tooele Army Depot South Area ³	Schofield Barracks	
Dugway Proving Ground	Tripler Army Medical Center	
Tooele Army Depot ²	Wheeler Army Air Field	
Fort Douglas ²	Pohakuloa Training Area	
Wyoming	Nevada	
Camp Guernsey Trng. Site	Hawthorne Army Depot	

Notes:
 1. National Guard Bases and Army Reserve Commands are present in each state.
 2. Installations realigned under BRAC
 3. Installation closed under BRAC.
 4. Excess Property