Why is Indian Affairs hosting a listening session and consultations?

Indian Affairs (IA) values and seeks input from Tribal leadership on the IA proposal to organize the Division of Energy and Mineral Development (DEMD) as a lateral office to the Indian Energy Service Center (IESC), potentially as soon as FY 2021. In the proposal, DEMD and IESC would remain separate but they would both report to the Office of Trust Services (OTS) – Bureau of Indian Affairs (BIA). Currently, DEMD is within the Office of Indian Energy and Economic Development (IEED) and reports to the Assistant Secretary – Indian Affairs.

Why is IA proposing the realignment of DEMD back under BIA?

Through the realignment, IA seeks to improve service delivery to Indian Country and Alaska Native villages for energy development and production. The realignment will seize on opportunities to promote end-to-end planning for energy development projects, enhance the IESC function, offer Tribes a centralized office for energy questions and issues, and promote a more unified IA voice for positions on energy matters.

How would the realignment improve service delivery?

Realigning the IA energy offices would maximize resources (e.g., staff, funding, systems, expertise) under one Director under OTS-BIA. The organizational structure would facilitate better:

- accountability and management for IA’s energy programs’ deliverables and outputs;
- planning for projects starting at pre-development through post-development;
- access for Tribes and individual Indians to a centralized energy office;
- inter-office coordination and communication.

Would the realignment diminish the budget levels for IA energy development services?

No, the realignment would not diminish the overall budget for IA energy development services or programs. The budget line that funds DEMD and IESC is the Minerals and Mining budget line item.

What is the function of DEMD?

DEMD supports Indian Affairs’ trust responsibility for energy and mineral development as identified in the Indian Mineral Development Act and the Energy Policy Acts and guides Interior in assisting tribes and individual Indians in developing mineral and energy resources.
DEMD assume a hands-on, proactive approach in working with tribes to help them in the development of their resources. By keeping Indian mineral owners well informed, DEMD is able to adjust transaction terms such as royalty rates, lease bonuses, and term of lease, to ensure that both the Indian mineral owner and their potential partner operate from the same base of information. This kind of technical assistance during negotiations has achieved a nationwide average Indian oil royalty rate of 16.88 percent, far in excess of the nationwide Federal oil royalty rate of 11.29 percent. This assistance and the inclusion of rigorous work commitments as part of these negotiated agreements result in Indian lands being developed, including cases where Federal permits are not needed.

What is the function of IESC?

IESC supports and streamlines Interior's Indian energy development business process employed in the dozens of Interior field offices across the country that manage all types of Indian energy, renewable energy, and mineral leasing and development activities. These field offices operate under varying interpretations of applicable requirements and input and output complicated program information to numerous other processing offices. The Federal offices included in the IESC structure, BIA, BLM, ONRR, and OST, are those that directly manage and process all types of the Federal government’s Indian energy, renewable energy, and mineral leasing activities and within which the aforementioned Interior field offices exist.

What are the potential organizational risks involved with the realignment?

Primarily, IA leadership would work to ensure that DEMD and IESC maintain a balance of their distinct functions in the realignment, i.e., that the development, research and promotion of Indian energy resources functions of DEMD balances with the permitting and regulatory function of IESC. IA leadership would focus on effective communications between DEMD and IESC and strong executive management over the two offices.

How will the information from the listening sessions and consultations be gathered and utilized?

- Input at the listening session will be noted and input at the consultations will be recorded and transcribed.
- Comments will be collected in writing.
- Copies of the transcripts will be available at www.bia.gov.
- Comments can be submitted to consultation@bia.gov until June 1, 2020.
- Your comments, ideas, and suggestions will be used by IA in its review of the proposed realignment.

What will happen after these consultations sessions?

- Transcripts and written comments will be analyzed and recommendations reported to the Assistant Secretary – Indian Affairs.
- The Assistant Secretary – Indian Affairs will consider the input in making a final determination and communicate her final decision to Tribes by letter.