



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR



# Audit

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**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

SEP 16 2025

Memorandum

To: Bill Groffy  
Acting Director, Bureau of Land Management

From: Nicki Miller *Nicki Miller*  
Assistant Inspector General for Audits, Inspections, and Evaluations

Subject: Final Audit Report – *Weaknesses in BLM's Management of Solar and Wind Rights of Way Applications Creates Risks for Federal Lands*  
Report No. 2023-ER-017

This memorandum transmits our audit report on the Bureau of Land Management's (BLM's) controls to effectively manage applications for wind and solar energy development on public lands.

We will track open recommendations for resolution and implementation. We will notify Congress about our findings, and we will report semiannually, as required by law, on actions you have taken to implement the recommendations and on recommendations that have not been implemented. We will also post a public version of this report on our website.

If you have any questions about this report, please contact me at [aie\\_reports@doioig.gov](mailto:aie_reports@doioig.gov).

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# Results in Brief

## Objective

The U.S. Department of the Interior's (DOI) Bureau of Land Management (BLM) offers its public lands for solar and wind renewable energy development via Rights-of-Way<sup>1</sup> (ROW) applications. The objective of our audit was to determine whether BLM processed ROW applications for solar and wind renewable energy development on BLM-administered public lands in accordance with Federal regulations and BLM policy. Our scope included 258 ROW applications for solar and wind renewable energy development from fiscal year (FY) 2017 through FY 2023.

## Findings

We found that BLM did not process applications for solar and wind renewable energy development on BLM-administered public lands in accordance with Federal regulations and BLM policy. Specifically, BLM did not ensure applicants were qualified to hold a ROW. For example, overall, 84 percent of the applications we reviewed did not contain evidence that BLM assessed applicants' technical and financial capabilities to execute renewable energy development projects. Additionally, we found that 28 percent of the ROW applications that BLM approved contained deficiencies. Furthermore, BLM did not maintain complete application files; we found that at least half of the applications on file were missing some component of required documentation. For example, we found applications that lacked a plan of development and applications that lacked evidence that the applicants submitted application filing fees. Finally, BLM did not initially screen<sup>2</sup> applications within 30 days of receipt, as BLM policy required, or establish a reasonable screening timeframe after this requirement expired. For instance, as of April 4, 2025, we found no evidence that BLM has screened one ROW application received in July 2022. These deficiencies resulted from insufficient management oversight, outdated and absent policies and procedures, and insufficient training of BLM staff responsible for processing ROW applications.

## Impact

The lack of adequate internal controls places BLM at risk of awarding or issuing<sup>3</sup> ROWs to unqualified entities, which in turn may expose Federal lands to waste and abuse. Furthermore, delays by BLM in meeting requirements for initial application screening create inefficiencies in BLM's ROW application processing, potentially leading to missed opportunities to collect revenue in the form of rents and fees.<sup>4</sup> From FY 2017 to FY 2023, revenue from solar and wind renewable energy development increased six-fold, from \$21 million to \$129 million annually. Due to the significant increase in ROW grants and leases, BLM should implement strong internal controls to ensure that it is efficiently and effectively processing ROW solar and wind renewable energy applications.

We note that the recent Presidential Memorandum, *Temporary Withdrawal of All Areas on the Outer Continental Shelf From Offshore Wind Leasing and Review of the Federal Government's Leasing and*

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<sup>1</sup> Rights-of-way are public lands that BLM authorizes a holder to use or occupy under a particular grant or lease.

<sup>2</sup> To initially screen an application, BLM (1) determines if the applicant met the qualifications to hold a ROW, (2) ensures all elements of the ROW application are completed, and (3) ensures all required documentation has been provided. Our sample selection included reviewing applications associated with \$1.5 million in filing fees.

<sup>3</sup> The BLM uses the term "award" when referring to leases offered after a competitive process. BLM uses the term "issue" for non-competitive grants or leases. See the "BLM Processes for Awarding and Issuing ROW Grants and Leases for Solar and Wind Energy" section of this report for more detailed information on competitive and non-competitive grants and leases.

<sup>4</sup> For FYs 2017 through 2023, BLM collected approximately \$247 million in ROW rents and fees related to solar and wind renewable energy.

*Permitting Practices for Wind Projects*,<sup>5</sup> requires the DOI to conduct a comprehensive assessment and review of Federal wind leasing and permitting practices. On July 15, 2025, DOI issued a memorandum, *Departmental Review Procedures for Decisions, Actions, Consultations, and Other Undertakings Related to Wind and Solar Energy Facilities*, which states all decisions, actions, consultations, and other undertakings related to wind and solar energy facilities require submission to the Office of the Executive Secretariat and Regulatory Affairs, subsequent review by the Office of the Deputy Secretary, and final review by the Office of the Secretary. While our work was initiated prior to the issuance of the two memorandums, the findings and recommendations in this report may assist the DOI both in assessing past practices and in developing effective new processes in the future.

## Recommendations

We make 10 recommendations to address BLM's deficiencies related to processing ROW applications and strengthening internal controls to ensure it adheres to Federal regulations.

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<sup>5</sup> Presidential Memorandum, *Temporary Withdrawal of All Areas on the Outer Continental Shelf From Offshore Wind Leasing and Review of the Federal Government's Leasing and Permitting Practices for Wind Projects*, January 20, 2025.



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# Introduction

## Objective

The objective of our audit was to determine whether the Bureau of Land Management (BLM) processed Rights-of-Way (ROW) applications for solar and wind renewable energy development on BLM-administered public lands in accordance with Federal regulations and BLM policy.

See Appendix 1 for our audit scope and methodology.

## Background

BLM manages 1 in every 10 acres of land in the United States and approximately 30 percent of the Nation's minerals. These resources are located in every State and encompass forests, mountains, rangelands, arctic tundra, and deserts. Across the 245 million acres of BLM-administered public lands, BLM has designated approximately 870,000 acres as suitable for solar renewable energy development (see Figure 1 for an example). In addition to these areas, BLM has identified more than 19 million acres as potential solar renewable energy development areas.

**Figure 1: Solar Renewable Energy Development on BLM-Administered Land in California**



Source: DOI OIG.

BLM has also identified more than 20 million acres of its public lands as areas with wind renewable energy development potential (see Figure 2).

**Figure 2: Wind Renewable Energy Development on BLM-Administered lands in California**



Source: DOI OIG.

The Energy Act of 2020<sup>6</sup> addresses solar and wind renewable energy development on public lands.<sup>7</sup> Specifically, Title III of the Energy Act of 2020 allows reduction of acreage rental rates and capacity fees, or both, for existing and new wind and solar authorizations on Federal land.<sup>8</sup> Additionally, it set mandates for renewable energy production on public lands via geothermal, solar, or wind no later than 2025. BLM implemented ROW application processes to identify, prioritize, and accelerate decision making for renewable energy development projects with the greatest technical and financial feasibility and the least anticipated natural and cultural resource conflicts.

## **Authorities for ROW Solar and Wind Renewable Energy Development**

Title V of the Federal Land Policy and Management Act of 1976 (FLPMA) and DOI regulations authorize BLM to issue ROWs for utility-scale generation, transmission, and distribution of electric energy on BLM-administered public lands. Federal regulations establish additional requirements for issuing ROWs under the FLPMA.<sup>9</sup> Under the authority of the Secretary of the Interior to establish ROWs through the establishment of resource management plans, BLM identified and categorized its public lands into areas that can and cannot be used for the generation, transmission, and distribution of electric energy produced by solar and wind renewable energy development.

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<sup>6</sup> Pub. L. 116-260, Division Z, Title III applies to renewable energy production on public lands and is codified at 43 U.S.C. Chapter 48.

<sup>7</sup> Executive Order (EO) 14008, *Tackling the Climate Crisis at Home and Abroad*, January 27, 2021, in effect during the scope of our audit, was issued for domestic clean energy development. The order was revoked on January 20, 2025, by Executive Order 14148, *Initial Rescissions of Harmful Executive Orders and Actions*. On January 20, 2025, Executive Order *Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government's Leasing and Permitting Practices for Wind Projects* was issued. Accordingly, this report does not analyze BLM's compliance with or otherwise rely on the requirements of Executive Order No. 14008 and instead considers Federal regulations.

<sup>8</sup> 43 U.S.C. § 3003(b) states the Secretary may reduce rates if "the Secretary determines (1) that the existing rates—(A) exceed fair market value; (B) impose economic hardships; (C) limit commercial interest in a competitive lease sale or right-of-way grant; or (D) are not competitively priced compared to other available land; or (2) that a reduced rental rate or capacity fee is necessary to promote the greatest use of wind and solar energy resources."

<sup>9</sup> 43 C.F.R. Part 2800, *Rights-of-Way Under the Federal Land Policy and Management Act*.

For example, BLM's 2012 Western Solar Plan<sup>10</sup> is used for solar renewable energy development on BLM-administered public lands in six States: Arizona, California, Colorado, Nevada, New Mexico, and Utah. It identifies and categorizes lands in the aforementioned locations into:

- *Solar energy zones*, also referred to as “designated leasing areas,” which are well-suited and preferred locations for solar energy production;
- *Variance areas*, which are outside solar energy zones but not excluded from solar energy development; and
- *Exclusion areas*, which are excluded from solar energy development.

Additionally, BLM's 2016 Desert Renewable Energy Conservation Plan is used for solar and wind renewable energy development on BLM-administered public lands within California's West Mojave, Imperial Valley, East Riverside, Barstow, and southern portions of Owens Valley. It identifies and categorizes lands in the aforementioned locations into:

- *Development focus areas*, lands with substantial energy generation potential, access to existing or planned transmission, and low resource conflicts;
- *Variance process lands*, lands where renewable energy development may be considered and could be approved;
- *General public lands*, extensive recreation management areas where renewable energy development may be considered; and
- *Legislatively and legally protected areas*, lands that are prohibited from renewable energy development.

In addition to the requirements of 43 C.F.R. Part 2800,<sup>11</sup> these variance areas, development focus areas, and variance process lands are subject to additional processes and procedures outlined within their respective land use plans.

## Eligibility Requirements for ROW Grants and Leases

ROW grants (issued for lands outside of designated leasing areas) are instruments issued pursuant to Title V of the FLPMA authorizing the use of a ROW over, upon, under, or through public lands for construction, operation, maintenance, and termination of a project. ROW leases are competitively issued instruments for solar or wind energy development in an area classified or allocated for solar or wind energy (designated leasing area) in a resource management plan. To hold a grant or lease, the applicant must be: (1) an individual, association, corporation, partnership, or similar business entity, or a Federal agency or State, Tribal, or local government; (2) technically and financially able to construct, operate, maintain, and terminate the use of the public lands the applicant is applying for; and (3) of legal age and authorized to do business in the State or States where the right-of-way the applicant seeks is located.<sup>12</sup> Additionally, 43 C.F.R. § 2804.25(b)(1) and (2) provide that BLM should not process an application if the applicant has outstanding unpaid debts owed to the Federal Government or trespass actions pending against it for any activity on BLM-administered lands. Figure 3 details the number of applications, by development type, BLM received during the scope of our audit.

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<sup>10</sup> BLM implemented updates to its 2012 Western Solar Plan on December 20, 2024. As part of the update, BLM removed the *variance areas* land category and eliminated the variance process from its evaluation of renewable energy development ROW applications. These changes were outside the scope of our audit. See Appendix 2 for additional information on the processes BLM uses to evaluate renewable energy development ROW applications.

<sup>11</sup> Revised renewable energy regulations (43 C.F.R. Part 2800) were implemented on July 1, 2024. The changes consist of reduced annual acreage rents and megawatt capacity fees. Additionally, BLM is authorized to make lands identified and categorized as “designated leasing areas” available for leasing without competitively offering the land. These changes were outside the scope of our audit.

<sup>12</sup> 43 C.F.R. § 2803.10.



**Figure 3: Solar and Wind ROW Applications Received for FYs 2017-2023**

ROW Category	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Solar Grant	1	5	3	26	54	76	50
Solar Lease	—	—	—	1	3	8	—
Wind Grant	5	—	4	7	4	8	3
<b>Totals</b>	<b>6</b>	<b>5</b>	<b>7</b>	<b>34</b>	<b>61</b>	<b>92</b>	<b>53</b>

Source: BLM.

Figure 4 details the amounts BLM received in application filing fees,<sup>13</sup> cost recovery,<sup>14</sup> rents,<sup>15</sup> and megawatt capacity fees<sup>16</sup> for the grants and leases during the scope of our audit. From FY 2017 to FY 2023, revenue from solar and wind renewable energy development increased six-fold, from \$21 million to \$129 million. We note that in FY 2023, BLM collected \$105 million in bonus bids (optional monetary offers that are only to be submitted if a bidder wishes to bid in addition to the minimum bid).

**Figure 4: ROW Payments BLM Collected for FYs 2017-2023 for Solar and Wind**

FYs	Application Filing Fees	Cost Recovery	Rents/Megawatt Capacity Fees	Totals
2017	\$433,755	\$566,402	\$20,764,915	\$21,765,072
2018	\$140,027	\$914,788	\$21,315,720	\$22,370,535
2019	\$22,050	\$1,123,070	\$1,123,354	\$2,268,474
2020	\$993,388	\$1,099,583	\$41,809,299	\$43,902,270
2021	\$4,168,771	\$2,077,666	\$33,707,335	\$39,953,772
2022	\$5,403,064	-\$851,917*	\$4,484,016	\$9,035,163
2023	\$3,369,802	\$3,011,720	\$123,426,353 <sup>†</sup>	\$129,807,875
<b>Totals</b>	<b>\$14,530,857</b>	<b>\$7,941,312</b>	<b>\$246,630,992</b>	<b>\$269,103,161</b>

\* Amount consists of refunds to customers and transfers to a different BLM account.

<sup>†</sup> BLM collected approximately \$105 million in bonus bids (optional monetary offers from interested entities in addition to the minimum bid for lands competitively offered). See Appendix 2 for more detailed information on bids and competitive offers.

Source: BLM.

<sup>13</sup> The application filing fee is “specific to solar and wind energy applications; this fee is an initial payment for the reasonable costs for processing, inspecting, and monitoring a right-of-way.” 43 C.F.R. § 2801.5(b).

<sup>14</sup> Cost recovery is “a fee charged to an applicant or holder to pay the United States for processing and monitoring costs that concern applications and other documents relating to the public land or that are incurred when processing, inspecting, or monitoring any proposed or authorized rights-of-way located on the public lands.” 43 C.F.R. § 2801.5(b).

<sup>15</sup> Rents are “assessed for solar and wind energy development grants and leases that [are] determined by the number of acres authorized for the grant or lease.” 43 C.F.R. § 2801.5(b).

<sup>16</sup> Megawatt capacity fees are “charged to right-of-way holders once energy production commences that are based on the production of energy on public lands from solar and wind energy generating facilities.” 43 C.F.R. § 2801.5(b).

## BLM Roles and Responsibilities in the ROW Application Process

In each western State where BLM is present, the Bureau's operations are generally organized into three tiers (State office, district offices, and field offices); however, each State and its offices are unique and have differing organizational structures based on the public needs and the resources BLM administers. BLM's State, district, and field offices, along with their staff, have roles and responsibilities in processing ROW applications for solar and wind renewable energy development.

The field and district offices handle most activities pertaining to evaluating applications submitted for solar and wind renewable energy development, while also performing other assigned duties<sup>17</sup> outside of processing ROW applications for renewable energy development. BLM's field staff perform the following duties related to processing ROW applications for renewable energy development:

- Realty specialists assign each application a serial number and complete the initial screening of the applications. Realty specialists also determine if applicants are technically and financially capable to construct, operate, maintain, and terminate a renewable energy development project; if the applicant has any outstanding unpaid debts owed to the Federal Government; and if the applicant has pending trespass actions against it for any activity on BLM-administered lands.
- An interdisciplinary team of specialists (for example, wildlife biologists, archeologists, and soil-water-air specialists) performs a National Environmental Policy Act (NEPA) evaluation and prepares the required report. The NEPA evaluation includes assessing environmental studies and reviews.
- Project managers oversee the processing of ROW applications. This includes communicating with the applicant, facilitating outreach among Tribes and interagency partners, coordinating public meetings and the NEPA evaluation, and briefing management on the status of the application.
- The field manager is the authorized officer (AO), responsible for making decisions regarding approving ROW applications and issuing ROWs for solar and wind renewable energy development. The field manager signs all correspondence from BLM to the applicant, such as the application acknowledgement letter, NEPA report, and denial letters, and signs the ROW grant or lease if they approve the application.

Completing BLM's application evaluation process can take several years. For instance, NEPA provides that it may take from one to two years to complete the NEPA evaluation. ROW application processing times can fluctuate depending on the quality of applicants' documentation and the timeliness of responses to BLM's requests for additional information during the evaluation process.

## BLM Processes for Issuing ROW Grants and Awarding ROW Leases for Solar and Wind Energy

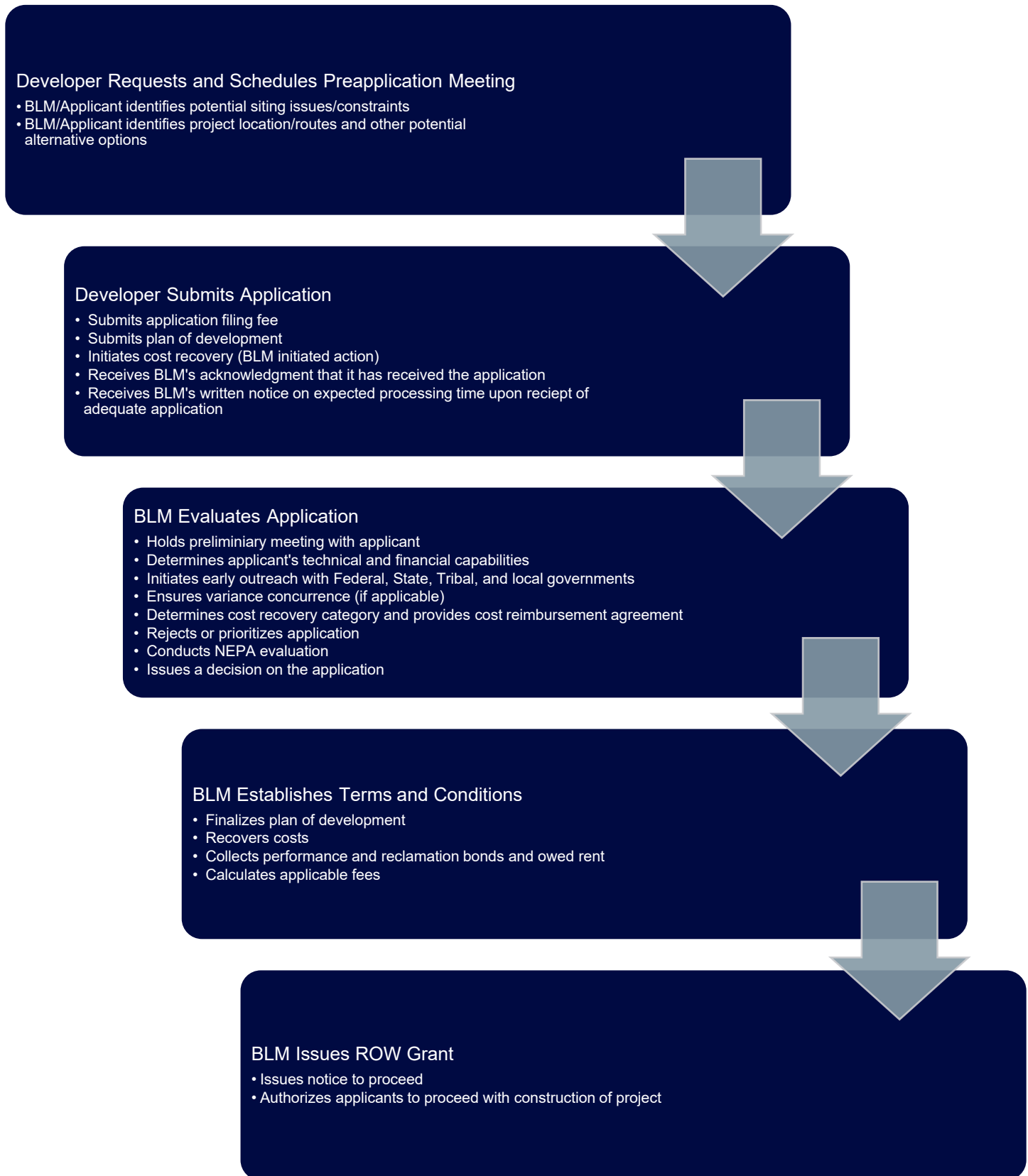
BLM is authorized to issue grants or leases and award leases for wind and solar renewable energy development. While the processes are generally similar for both solar and wind, we found that BLM uses a competitive process for solar leases but generally issues noncompetitive grants for both solar and wind energy development. See Appendix 2 for detailed information on the processes BLM uses for issuing non-competitive grants and awarding competitive leases.

BLM's process for issuing ROW grants for solar renewable energy development begins when an individual or entity submits an SF-299, a plan of development, and an application filing fee and ends when BLM issues a ROW grant. Figure 5 summarizes BLM's solar grant process flow.

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<sup>17</sup> Field and district office staff perform a variety of multiyear, multijurisdictional projects that cover multiple program areas to support BLM's mission. For example, in addition to processing renewable energy ROW applications, staff are also assigned duties involving land use authorizations, land tenure adjustments, land withdrawals, easement and fee acquisitions, and trespass abatements.

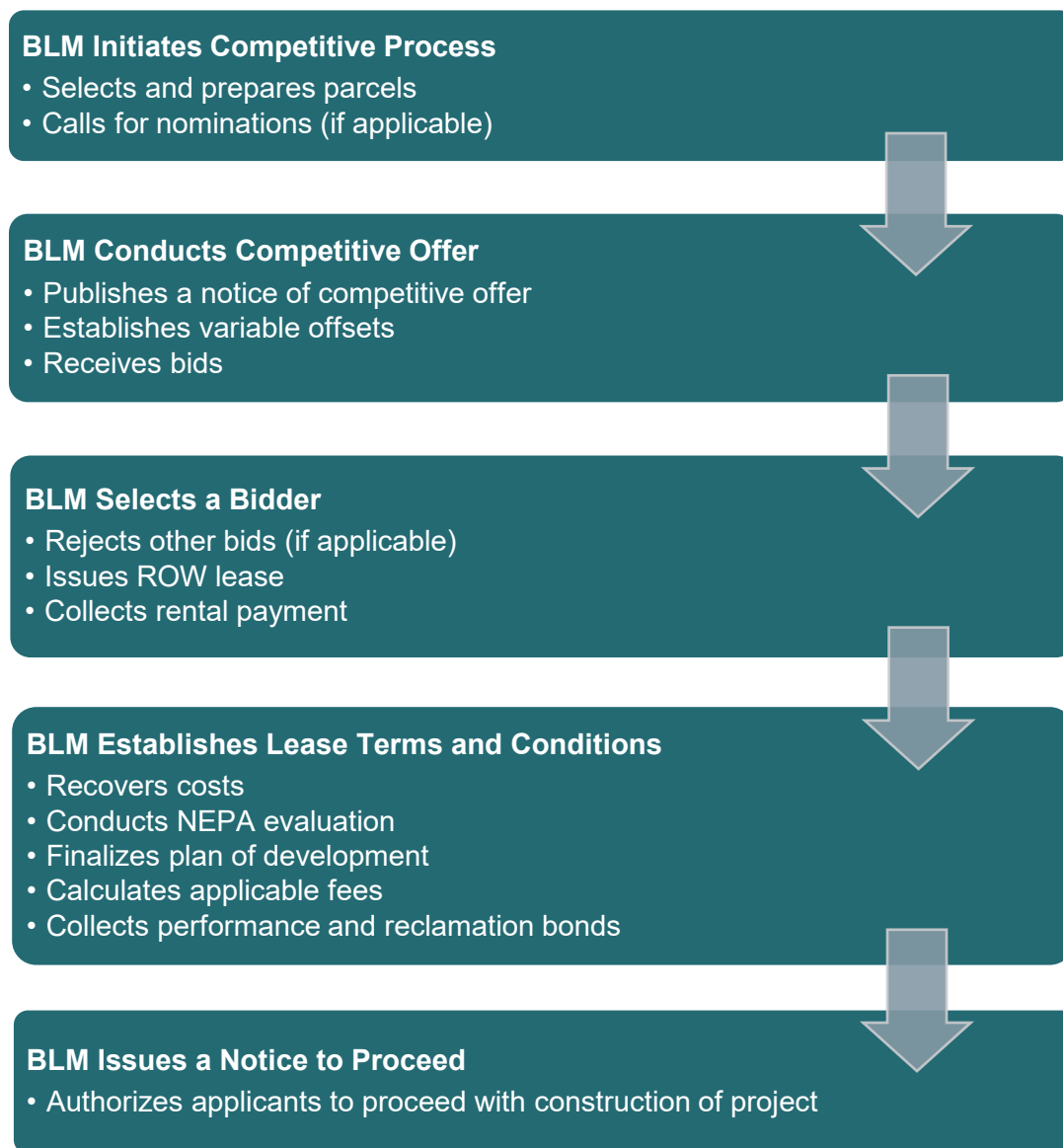
**Figure 5: BLM's Process for Issuing ROW Grants for Solar Renewable Energy Development**



Source: OIG created with BLM information from "Non-Competitive Procedures for Issuing Solar Energy ROW Grants" (<https://blmsolar.anl.gov>) and "Obtaining a Right-of-Way" (<https://www.blm.gov>).

BLM awards leases for solar renewable energy development using a competitive process, as shown in Figure 6. The ROW lease process can be initiated three ways: at BLM's own discretion; through a BLM solicitation for nominations for the lands; or by BLM's consideration that entities' informal expressions of interest should be competitively offered.

**Figure 6: BLM's Process for Awarding ROW Leases for Solar Renewable Energy Development**



Source: OIG created with BLM information from “[Competitive Leasing of Solar Energy ROWs](https://blmsolar.anl.gov)” (<https://blmsolar.anl.gov>).

Similar to the solar application and approval process, BLM is authorized to award leases or issue grants and leases for wind renewable energy development. However, as previously noted, we found that BLM primarily issues noncompetitive grants for wind renewable energy development. Like BLM's process for issuing ROW grants for solar renewable energy development, this process begins when an individual or entity submits the proper paperwork and culminates in a notice to proceed.

## **Applicants' Appeal Option**

Federal regulations set forth at 43 C.F.R. § 2801.10 provide that an applicant can appeal any BLM decision pertaining to its ROW application(s) for solar and/or wind renewable energy development to the Department's Office of Hearing and Appeals. The Office of Hearings and Appeals exercises the delegated authority of the Secretary of Interior to conduct hearings and decide appeals from decisions of the bureaus and offices of the Department of the Interior. It provides an impartial forum for parties who are affected by the decisions of the Department's bureaus and offices to obtain independent review of those decisions.

## **Information Systems Used in Processing ROW Applications**

BLM uses an electronic data system<sup>18</sup> to assist in its evaluation and processing of ROW applications for solar and wind renewable energy development. Upon receipt of a ROW application, BLM uses the system to generate serial numbers<sup>19</sup> for the application and assign a "product type" to the application (for example, 283103-Solar Development Grant or 283003-Wind Development Grant). As the application moves through the various evaluation and processing steps, BLM updates the application records by creating a "case action" and changing the application status<sup>20</sup> as necessary. BLM also uses this system to identify any trespass actions an applicant may have for activity on BLM-administered lands. Additionally, BLM uses a collections and billings system to identify any outstanding unpaid debt owed to BLM.

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<sup>18</sup> This system provides a searchable database for reports on BLM land use authorizations, such as ROWs for solar and wind renewable energy development. The information housed in the system includes customer data, land location, ROW date of issuance, and actions that have taken place regarding the ROW. In June 2023, BLM switched to a new electronic information system.

<sup>19</sup> A number assigned to an application as a means for identification.

<sup>20</sup> BLM has four different application statuses: (1) "Authorized" reflects an issued ROW; (2) "Pending" reflects an application awaiting BLM's decision on ROW issuance; (3) "Rejected" reflects an application determined to be unacceptable; and (4) "Withdrawn" represents an application no longer pursued, as requested by the applicant.



# Results of Audit

We found that BLM did not comply with Federal regulations and BLM policy in processing solar and wind ROW grant and lease applications. Our review of applications found that:

- BLM did not ensure applicants were qualified to hold a ROW. Specifically, ROW applications lacked evidence that BLM assessed whether applicants were eligible for a ROW under 43 C.F.R. Part 2800.
- BLM did not maintain complete application files, and ROW application files were missing one or more components of required documentation.
- BLM did not screen all ROW applications within 30 days of receipt in keeping with relevant guidance in place at the time. After the guidance expired on July 26, 2024, it did not have a defined timeline for screening ROW applications. For example, as of April 4, 2025, we found no evidence that BLM screened one ROW application it received in July 2022.

We found these issues occurred due to insufficient internal controls, which included lack of management oversight, absent and outdated policies, and insufficient training. The lack of adequate internal controls places BLM at risk of awarding or issuing ROWs to unqualified entities, which in turn may expose Federal lands to waste and abuse. Furthermore, because BLM is not screening applications in a timely manner, delays will occur in ROW application processing, which in turn prevents BLM from collecting required rents and fees.

We statistically sampled and reviewed 54 of 258 ROW applications received by BLM from FY 2017 through FY 2023. We also judgmentally sampled and reviewed an additional two applications<sup>21</sup> from this timeframe. Our sample consisted of a mixture of ROW grant and ROW lease applications for solar and wind renewable energy development (see Figure 7). Our findings reflect the deficiencies of all the applications we reviewed, regardless of the type. The narrative below describes the deficiencies that we found due to internal control weaknesses. See Appendix 1 for more details on the ROW applications.

**Figure 7: Sampled Applications by ROW Category and Status**

ROW Category	Authorized	Pending	Rejected	Withdrawn	Totals
Solar Grant	11	36	–	2	49
Solar Lease	–	2	–	–	2
Wind Grant	2	2	1	–	5
<b>Totals</b>	<b>13</b>	<b>40</b>	<b>1</b>	<b>2</b>	<b>56</b>

Source: DOI OIG.

## BLM Did Not Ensure Applicants Were Qualified To Hold a ROW

43 C.F.R. § 2803.10 states that, to be qualified to hold a ROW, applicants must be technically and financially capable of constructing, operating, maintaining, and terminating the project. Furthermore, 43 C.F.R. § 2804.26(a)(5) states that applications may be denied if applicants do not have or cannot demonstrate their technical or financial capability. Additional Federal regulation provisions<sup>22</sup> state that BLM should not process ROW applications if applicants have: (1) outstanding unpaid debts owed to the Federal Government, and/or (2) trespass actions pending against the applicant for any activity on BLM-administered lands. To ensure that

<sup>21</sup> Because our statistical sample did not include “Withdrawn” ROW applications, we judgmentally selected two. See Appendix 1 for our sample methodology.  
<sup>22</sup> 43 C.F.R. § 2804.25(b)(1) and (2).

applicants have technical and financial capabilities, BLM issued Instruction Memorandum (IM) 2017-099, *Technical and Financial Evaluations for Solar and Wind Energy Rights-of-Way Grants and Leases*. The memorandum required BLM staff to document their determinations, including their rationale of the technical and financial capabilities of the applicants, in the application files. The IM was issued September 14, 2017, and expired September 30, 2020. Sixteen ROW applications in our sample were received by BLM during the time IM 2017-099 was in effect and 40 were received either before September 14, 2017, or after September 30, 2020. However, 43 C.F.R. § 2803.10 requires that applicants be technically and financially capable of executing these projects. Therefore, the requirement applied to all ROW applications in our sample, even with the expiration of the memorandum.

We found that BLM lacked sufficient evidence that it assessed applicants for (1) technical and financial capabilities to construct, operate, maintain, and terminate the project; (2) outstanding unpaid debts owed to the Federal Government; and (3) trespass actions pending against the applicant for any activity on BLM-administered land. In BLM's response to our request for evidence of the elements, it stated that it did not have supporting documentation for these requirements. We found that approximately 84 percent (47 of 56) of the applications reviewed:<sup>23</sup>

- Did not contain evidence that BLM assessed applicants' technical and financial capabilities to execute applicable energy development projects;
- Did not contain evidence that BLM assessed applicants for outstanding unpaid debts owed to the Federal Government; and
- Did not contain evidence that BLM assessed applicants for trespass actions on BLM-administered lands.

The remaining nine ROW applications were not included in the results above for the following reasons.

1. During our audit, we discovered that two applications<sup>24</sup> were erroneously coded in BLM's data system as renewable energy development projects. Therefore, we determined that the requirements were not applicable to these two applications.
2. Four applications<sup>25</sup> were closed by BLM or withdrawn by the applicant before BLM could begin evaluating and processing the ROW application. Thus, BLM did not have an opportunity to perform the requirements.
3. Three applications<sup>26</sup> were not initially screened. That is, during the time of our audit, BLM had not begun evaluating and processing those ROW applications even though one was more than a year old.

Furthermore, we concluded that, of the 47 applications with deficiencies, 13 applications<sup>27</sup> (approximately 28 percent) had been approved (authorized) and issued a ROW by BLM field managers who had no assurance that the applicants were qualified to hold a ROW. The remaining 34 applications with deficiencies were either pending (32 applications), rejected (1 application), or withdrawn (1 application) and therefore were not issued a ROW at the time of our audit (See Figure 8).<sup>28</sup>

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<sup>23</sup> For this analysis, we reviewed 56 ROW applications in our sample and reported the results. We did not project to the population. See Appendix 1 for our sample methodology.

<sup>24</sup> Samples 2 and 50.

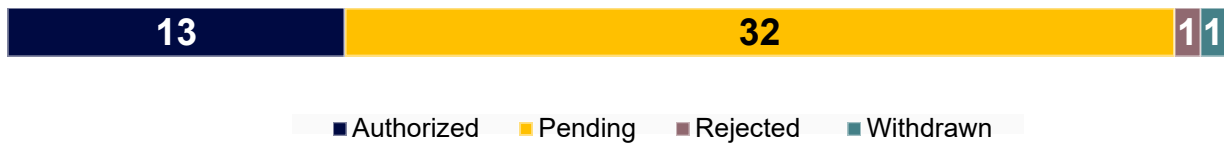
<sup>25</sup> Samples 7, 25, 40, and 47.

<sup>26</sup> Samples 10, 20, and 24.

<sup>27</sup> Samples 1, 6, 11, 12, 13, 14, 17, 18, 19, 30, 33, 55, and 56.

<sup>28</sup> Appendix 4 (columns G through I) provides a more detailed list of ROW applications and the relevant missing components.

**Figure 8: Status of 47 Applications with Deficiencies**



Source: DOI OIG.

For the 13 authorized applications that had been issued a ROW, we requested that BLM search for outstanding debts owed to the Federal Government as well as possible trespass actions. BLM provided evidence that showed the applicants for the 13 authorized applications within our sample did not have any trespass actions. Additionally, we found that, while outstanding debts were not owed to BLM, the bureau did not provide evidence that applicants had no unpaid debts to the Federal Government, as required by 43 C.F.R. § 2804.25(b)(1) and (2). BLM officials told us that they do not have a way to identify unpaid debts outside of BLM.

We found that these deficiencies occurred because BLM does not have sufficient management oversight of its ROW application processing pursuant to 43 C.F.R. Part 2800 and related BLM policies. BLM's leadership that oversees its renewable energy program stated in a response that BLM "does not perform formal internal control reviews, evaluations, or reviews of its renewable energy application processes."

Furthermore, in a December 2015 inspection report<sup>29</sup> of BLM's determination process for wind energy projects, we recommended that BLM develop written procedures on when and how to evaluate an applicant's technical and financial capability. In response to this recommendation, BLM issued IM 2017-099, *Technical and Financial Evaluations for Solar and Wind Energy Rights-of-Way Grants and Leases*. We did not receive any evidence, however, that the IM was implemented at the field offices. On the contrary, our audit showed that, although 12 out of 56 ROW applications in our sample were submitted to and received by BLM during the time that IM 2017-099 was in effect, none of the 12 application files documented BLM's determination or rationale on the applicants' technical and financial capabilities as required by the IM.

Additionally, BLM did not have any written guidance on how to conduct and document checks for outstanding debts and trespass actions. Due to the lack of documented policies and procedures, we identified inconsistencies and reports of confusion amongst various BLM field staff responsible for assessing if applicants had outstanding unpaid debts owed to the Federal Government and trespass actions pending for any activity on BLM-administered lands. For example, when asked about assessing unpaid debts, one person reported using the Department's collections and billings system while other BLM field staff stated that they were unaware of what database they should use to assess if applicants had outstanding debts. When asked about assessing pending trespass actions, a BLM field staff member reported using BLM's electronic data system to determine if applicants had any trespass actions for activity on BLM-administered lands. Another person reported running reports to see if there are any existing structures on the land listed in the ROW application rather than specifically looking for trespasses.

We asked BLM's leadership that oversees the processing of ROW applications for solar and wind renewable energy how staff should assess unpaid debts and pending trespass actions. Their written response stated that BLM's collections and billings system is the correct system to identify any outstanding unpaid debts an applicant may owe to BLM and that all staff processing ROW applications for solar and wind renewable energy development have access to the collections and billings system's reporting on unpaid debts. However, this

<sup>29</sup> *The Bureau of Land Management's Determination Processes for Wind Energy Projects Proposed on Public Lands* (Report No. 2015-EAU-037), issued December 2015, <https://www.doi.gov/reports/inspection/blms-determination-processes-wind-energy-projects-proposed-public-lands>.

system only reports debts owed to BLM, not the whole Federal Government as 43 C.F.R. § 2804.25(b)(1) requires. The same response stated:

There is currently no system within the BLM or DOI to provide comprehensive information on all outstanding unpaid debts owed to agencies outside of BLM at this time. Within the executive branch, we understand that only the Treasury Department tracks delinquent debts owed to the federal government which have been reported by other agencies to the Treasury Cross-Servicing (TCS) and Treasury Offset Program (TOP). Treasury's TCS and TOP information technology systems only allow a user to view data for their own agency/bureau. The only current viable option to check for Federal debts outside of BLM would be to utilize the Department of Treasury's Do Not Pay Program. Due to the sensitive nature of the data within this database, the BLM has not extended access to this program beyond our Acquisitions community.

A separate written response confirmed that BLM's electronic data system is the correct system to identify any trespass actions that an applicant may have for activity on BLM-administered lands.

Moreover, we found that BLM staff responsible for processing ROW applications for solar and wind renewable energy development are not sufficiently trained on how to evaluate an applicant's technical and financial capability and conduct document checks for outstanding debts and trespass actions. While BLM has a training program for processing ROWs, this program does not include training on these specific responsibilities.

Without ensuring that applicants (1) are technically and financially capable to construct, operate, maintain, and terminate a renewable energy development project; (2) do not have unpaid outstanding debts owed to the Federal Government; and (3) do not have pending trespass actions for activities on BLM-administered lands, BLM could be issuing ROWs to applicants that are not qualified to hold a ROW. Unqualified applicants increase the risk associated with waste and abuse as well as increase the risk of underdevelopment of Federal lands for their intended purposes. In addition, if an applicant receives a ROW and is not technically and financially capable of undertaking the project, there is a risk that BLM would be responsible for the clean-up of the project.

## Recommendations

We recommend that BLM:

1. Develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document applicants' technical and financial capabilities.
2. Develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document checks for outstanding unpaid debts owed to the Federal Government.
3. Develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document checks for trespass actions pending for activity on BLM-administered lands.
4. Develop a plan to identify potential methods for accessing information to ensure checks for outstanding unpaid debts owed to the Federal Government are completed and documented as required by 43 C.F.R Part 2800.

## Recommendations

5. Train BLM staff on 43 C.F.R Part 2800 requirements and policies and procedures pertaining to processing renewable energy applications, including those for assessing and documenting applicants' technical and financial capabilities, assessing and documenting checks for outstanding unpaid debts owed to the Federal Government, and assessing and documenting checks for trespass actions pending for activity on BLM-administered lands.
6. Verify that staff assesses and documents applicants' technical and financial capabilities, checks for outstanding unpaid debts owed to the Federal Government, and checks for trespass actions pending for activity on BLM-administered lands for all pending ROW applications identified in Appendix 4 of this report.

## BLM Did Not Maintain Complete Application Files

BLM did not comply with additional Federal regulations and BLM policy for documentation of application materials. The U.S. Government Accountability Office's *Standards for Internal Control in the Federal Government* (the "Green Book") provides managers with criteria for designing, implementing, and operating an effective internal control system. Principle 10 provides that management should document all transactions and other significant events in a manner that allows the documentation to be readily available for examination. Furthermore, the documentation and records should be properly managed and maintained. BLM's lack of oversight may lead to nonpayment of required fees and incomplete submission of plans by ROW holders, increasing the financial and operational risk to Federal lands.

Federal regulations<sup>30</sup> require that, when applying for a ROW, an applicant must in part submit (1) a signed SF-299 application, (2) a Plan of Development, (3) formal documents showing the creation of the entity, and (4) an application filing fee. Additionally, regulations state that BLM must notify applicants in writing when applications are received and that BLM will send a written response to applicants when it has made a decision on their applications.<sup>31</sup>

For our statistical sample,<sup>32</sup> we determined that 57.4 percent (31 of 54) of the application files we reviewed were missing one or more component of documentation required by Federal regulations.<sup>33</sup> Based on our statistical sample, we were able to project across the population that 148 of the 258 ROW application files were missing one or more component of required documentation. For the judgmentally selected ROW applications, 50 percent (1 of 2) of the application files were missing at least one component of required documentation (see Figure 9). For example, our review revealed that three applications lacked a plan of development. The plan of development is an important part of the application because it describes the proposed project and assists BLM in evaluating the suitability of the project for solar or wind renewable energy development. Our review also showed that five application files lacked evidence that the applicant submitted the required application filing fee. This fee covers BLM's expenses for processing the application. Evidence reflecting the receipt of the application filing fee provides BLM and its staff with assurance that its costs will be recovered. Appendix 1 provides more details on our sample and projections. Appendix 4 provides a more detailed list of ROW applications and the relevant missing documentation.

<sup>30</sup> 43 C.F.R. § 2804.12.

<sup>31</sup> 43 C.F.R. §§ 2804.25(a) and 2805.10.

<sup>32</sup> The statistical sample projection is only applicable to this finding.

<sup>33</sup> 43 C.F.R. §§ 2804.12, 2804.25, and 2805.10.



**Figure 9: Total Number of Deficiencies Identified in ROW Application Samples**

<b>Missing Documentation</b>	<b>Statistical Sample</b>	<b>Judgmental Sample</b>
Application signature	6	—
Plan of Development	3	—
Documentation showing entity creation	13	—
Evidence of application filing fee submission	5	—
Correspondence to applicant acknowledging BLM's receipt of application	25	1
Correspondence notifying applicant of BLM's decision on application	1	—

Source: DOI OIG.

BLM maintains records for each application in a paper filing system (referred to as application files) as well as in an electronic system. During interviews, BLM field staff explained that, in some cases, the application files contain a large volume of documents and that there was a high probability that some documentation may not have been scanned and provided to us. We attempted to obtain the missing documentation on multiple occasions (for example, in our initial data call and during and after our site visits) and ultimately concluded that BLM did not have complete files.

Out of the 56 ROW applications we reviewed, we identified two inaccuracies within BLM's electronic data system. Specifically, BLM field staff incorrectly assigned a serial number and product type associated with a renewable energy development project to an application that was unrelated to renewable energy development (Sample 50). When we inquired about the application, BLM staff notified us that this application was for an energy storage project and not for a renewable energy development project. We found that this application and its data were received and entered into the electronic data system on March 9, 2023. During the same month, the application and its accompanying documentation were reviewed by a BLM Assistant Field Manager who signed and issued a letter to the applicant acknowledging receipt of the application. Despite BLM's managerial review, the error remained undetected until our audit inquiry.

These issues occurred because BLM did not have sufficient management oversight of its ROW application processing for solar and wind renewable energy development to ensure that application files were complete and accurate.

Additionally, BLM staff responsible for processing ROW applications for solar and wind renewable energy development are not sufficiently trained on how to maintain complete and accurate documentation. While BLM has a training program for processing ROWs, this program does not include training on these specific responsibilities. BLM field staff told us that they rely heavily on each other when learning how to process ROW applications for solar and wind development. This was further confirmed by a BLM supervisor who told us that newly hired staff are directed to seek informal training from more experienced staff.

Without an effective data system and complete records, BLM cannot effectively and efficiently evaluate ROW applications for solar and wind renewable energy development. This may increase BLM's risk of litigation as well as the potential that ROW holders may not pay fees or comply with their plan of development.

## Recommendations

We recommend that BLM:

7. Develop and implement internal control policies and procedures, including assigning management oversight, to ensure ROW application files for renewable energy development are complete, data system information pertaining to ROW applications for renewable energy development is accurate, and staff are compliant with BLM's policies for renewable energy development applications.
8. Train BLM staff on policies and procedures that ensure ROW application files for renewable energy development are complete and data system information pertaining to ROW applications for renewable energy development is accurate.

## BLM Did Not Screen Applications Within 30 Days of Receipt

BLM issued IM 2022-027, *Initial Screening and Prioritization for Solar and Wind Energy Applications and Nominations/Expressions of Interests*, on March 17, 2022, to provide consistency, reduce workloads for BLM staff and management, and facilitate accelerated decision making for solar and wind projects with the greatest technical and financial feasibility.<sup>34</sup> Specifically, IM 2022-027 stated that when an application is submitted and all required fees are paid, an authorized officer (AO) will determine if the application meets the initial screening requirements, which includes: (1) determining if the applicant meets the qualifications to hold a ROW, (2) ensuring that all elements of the ROW application are completed, and (3) ensuring that required documentation has been provided. If the applicant fails to provide the information needed or if the application is missing contents, the AO is required to notify the applicant of deficiencies, via a Notice of Deficiency letter, within 30 days of receipt of the application. After all deficiencies have been addressed, the application will then be prioritized.

On July 26, 2024, BLM rescinded IM 2022-027 due to updates made in 43 C.F.R Part 2800. On May 1, 2024, a new renewable energy rule was published that changed how applications are prioritized. However, the new rule did not provide guidance related to timeframes for processing solar and wind energy applications, and BLM did not develop internal guidance on this issue.

Despite BLM rescinding IM 2022-027, the IM still applied to 15 ROW applications in our audit because of the timeframe in which they were submitted. We found that 80 percent (12 of 15) of the ROW applications we reviewed exceeded the 30-day timeframe for initial screening. Approximately 67 percent (8) of the 12 ROW applications that were screened but found to be deficient exceeded the 30-day timeframe from 23 to 420 days<sup>35</sup> (see Figure 10). The remaining 33 percent (4) of the ROW applications that should have been initially screened in 2022 and 2023 had still not been screened as of April 4, 2025, approximately two to three years after the 30-day timeframe.

By exceeding screening timeframes, applicants' monies are being held for long periods of time without any progress being made on their applications. For example, in our sample selection, BLM collected over \$1.5 million in application filing fees. Of the \$1.5 million, at least \$268,760 are from applications (Sample 10, 20, and 24) that should have been initially screened in 2022 and 2023 but still had not been screened as of April 2025 (See Figure 10). One way of addressing these concerns is by re-establishing reasonable internal expectations for reviewing applications, as was the case before IM 2022-027 was rescinded. Therefore, BLM should reconsider establishing a reasonable timeframe for initially screening applications.

<sup>34</sup> Only 15 ROW applications in our sample (Samples 5, 8, 9, 10, 20, 21, 22, 24, 29, 44, 45, 46, 48, 49, and 51) were directly affected by this instruction memorandum.

<sup>35</sup> For this analysis, we reviewed all 56 applications in our sample and reported the results. We did not project to the population. See Appendix 1 for our sample methodology.

**Figure 10: Applications That Exceeded 30-day Timeframe for Initial Screening as of April 4, 2025**

Sample Number	Date Received	Screening Due Date	Screening Completion Date	No. of Days Late	Application Filing Fee Paid
5	04/20/2023	05/20/2023	06/12/2023	23	\$246,880
8	05/03/2022	06/02/2022	*	—	\$81,750
10	04/03/2023	05/03/2023	†	702†	\$141,165
20	07/28/2022	08/27/2022	†	951†	\$83,595
22	04/14/2023	05/14/2023	02/16/2024	278	‡
24	05/19/2022	06/18/2022	†	1021†	\$44,000
29	10/25/2022	11/24/2022	08/08/2023	257	\$481,455
44	04/25/2022	05/25/2022	07/19/2023	420	\$96,677
45	08/03/2022	09/02/2022	01/23/2023	143	\$64,799
46	08/22/2022	09/21/2022	11/14/2023	419	\$15,300
48	10/11/2022	11/10/2022	04/12/2023	153	\$249,230
49	02/06/2023	03/08/2023	06/15/2023	99	\$86,500
<b>Total</b>					<b>\$1,591,351</b>

\* Application moved on to variance concurrence without evidence that initial screening was completed.

† As of April 4, 2025, we received no evidence that the initial screening was completed.

‡ The applicant did not submit the application filing fee.

Source: DOI OIG.

During interviews, BLM staff explained that there are limited BLM personnel available for initial screening and processing of ROW applications. Additionally, staff have multiple responsibilities besides processing ROW applications. Therefore, ROW applications are processed as resources are available. This in turn affects the amount of time it takes to initially screen and process ROW applications. Statements made by BLM staff during our interviews were further confirmed when we reviewed BLM's analysis of its staffing and vacancies for its renewable energy program. In its analysis, BLM identified hiring, retention, and training as staffing challenges. While we agree that staffing challenges affect the initial screening and processing of ROW applications, these challenges are compounded by various factors. These include BLM's (1) lack of sufficient management oversight of its ROW application processing for solar and wind renewable energy development; (2) insufficient training of BLM staff responsible for processing ROW applications for solar and wind renewable energy development; and (3) lack of developed training on how to initially screen applications.

For the period of time in which IM 2022-027 was in place, the lack of compliance with the 30-day initial screening timeframe created inefficiencies in BLM's ROW application processing. Moreover, the current absence of any timeframe for reviewing and approving applications will likely exacerbate these issues going forward.

## Recommendations

We recommend that BLM:

9. Immediately complete a screening of existing applications Sample 10 (AZA 038824), Sample 20 (CACA 059767), and Sample 24 (IDI 039522).
10. Complete an analysis to determine an appropriate timeframe for initially screening ROW applications and develop and implement policies and procedures that include the timeframe determined for initially screening applications.

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# Conclusion and Recommendations

## Conclusion

We found that BLM did not process ROW applications for solar and wind renewable energy development on BLM-administered public lands in accordance with Federal regulations and BLM policy. Specifically, due to a lack of management oversight, outdated and absent policies and procedures, and insufficient training, BLM (1) did not ensure applicants were qualified to hold a ROW, (2) did not maintain complete application files, and (3) did not screen applications within 30 days of receipt, per IM 2022-027, or establish a reasonable timeframe after this requirement expired. As a result, BLM risks exposing Federal lands to waste and abuse. From FY 2017 to FY 2023, revenue from solar and wind renewable energy development increased six-fold, from \$21 million to \$129 million annually. Due to the significant increase in ROW grants and leases, BLM should implement strong internal controls to ensure that it is efficiently and effectively processing ROW solar and wind renewable energy applications.

We make 10 recommendations to help BLM improve its processing of solar and wind renewable energy applications and strengthen its internal controls to ensure it adheres to Federal regulations and BLM policies.

## Recommendations Summary

We provided a draft of this report to BLM for review. BLM concurred with nine recommendations and did not concur with one recommendation. We designated five of the recommendations as unresolved because we determined that BLM's proposed corrective actions will not satisfy the intent of the recommendations. Therefore, we consider Recommendations 4, 5, 7, 8, and 9 resolved and Recommendations 1, 2, 3, 6, and 10 unresolved. We determined that Recommendations 1, 2, 3, and 4 are significant and will be reported as such in our semiannual report to Congress in accordance with the Inspector General Act.<sup>36</sup>

Below we summarize BLM's response to our recommendations, as well as our comments on its response. BLM's response also included technical comments, which included what it described as "technical and factual errors" in the draft report. We evaluated these comments and included clarifying information as appropriate; we did not, however, modify our overall findings or conclusions, which accurately recount the state of BLM's policies and processes at the time of our review. See Appendix 5 for the full text of BLM's response; Appendix 6 lists the status of each recommendation.

We recommend that BLM:

1. Develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document applicants' technical and financial capabilities.

**BLM Response:** BLM concurred with our recommendation. BLM stated that it will "update its ROW procedural checklist." It stated that the checklist is an "existing BLM process tool that supports the field staff in completing each step of the application process, including for solar and wind energy projects."

BLM provided an October 31, 2025 target implementation date.

**OIG Comment:** Based on BLM's response, we consider this recommendation unresolved. We acknowledge BLM's planned corrective action and agree that this step will be beneficial. However, through our audit work, we found that there was no requirement to use a "ROW procedural checklist" and the actual usage of any such checklist by staff was inconsistent. For instance, a "Case Processing

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<sup>36</sup> The Inspector General Act of 1978, 5 U.S.C. § 405(b), requires inspectors general to prepare semiannual reports summarizing OIG activities during the immediately preceding 6-month periods ending March 31 and September 30. It also states that these semiannual reports should include an identification of each "significant recommendation" described in previous semiannual reports on which corrective action has not been completed.



Checklist” can be found in BLM Manual 2804, *Applying for FLPMA Grants*. However, the manual does not explicitly require the use of the checklist or provide any additional information or context; the checklist is presented as an “illustration” (a templated tool). In addition, only 7 out of the 56 ROW application files we reviewed included checklists. Accordingly, adding additional detail to the “Case Processing Checklist” should be accompanied by the development and implementation of documented policies and additional procedures that include assigned management oversight to ensure staff assess and document applicants’ technical and financial capabilities. Adding this requirement to a procedural checklist that is not itself required does not guide staff on when and how to complete the assessment, nor does it explain what to do with the results. Without these steps, the risks described in the report will remain. We will consider the recommendation resolved when BLM agrees to develop and implement policies and additional procedures and assigns management oversight to ensure staff assess and document applicants’ technical and financial capabilities. We will consider it implemented when BLM provides the policies and procedures as well as support documentation reflecting that management has been assigned an oversight role.

2. Develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document checks for outstanding unpaid debts owed to the Federal Government.

**BLM Response:** BLM concurred with our recommendation. BLM stated that it will “update its ROW procedural checklist to include a management review of staff assessment and documentation of outstanding unpaid debt checks.” It stated that the “checklist is an existing BLM process tool that supports the field staff in completing each step of the application process, including for solar and wind energy projects.”

BLM provided a March 31, 2026 target implementation date.

**OIG Comment:** Based on BLM’s response, we consider this recommendation unresolved. We acknowledge BLM’s planned corrective action and agree that this step will be beneficial. However, as stated in our comments related to Recommendation 1, this step should be accompanied by the development and implementation of documented policies and additional procedures to ensure that staff assess and document checks for outstanding unpaid debts owed to the Federal Government. Adding this requirement to a procedural checklist that is not itself required does not guide staff on when and how to complete this assessment, nor does it explain what to do with the results. Without these steps, the risks that we described will remain. We will consider the recommendation resolved when BLM agrees to develop and implement policies and additional procedures and assigns management oversight to ensure that staff assess and document checks for outstanding unpaid debts owed to the Federal Government. We will consider it implemented when BLM provides the policies and procedures as well as support documentation reflecting that management has been assigned an oversight role.

3. Develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document checks for trespass actions pending for activity on BLM-administered lands.

**BLM Response:** BLM concurred with our recommendation. BLM stated that it will “update its ROW procedural checklist to include a management review of staff assessment and documentation of unresolved trespass actions by an applicant.” It stated that the “checklist is an existing BLM process tool that supports the field staff in completing each step of the application process, including for solar and wind energy projects.”

BLM provided an October 31, 2025 target implementation date.

**OIG Comment:** Based on BLM’s response, we consider this recommendation unresolved. We acknowledge BLM’s planned corrective action and agree that this step will be beneficial. However, as stated in our comments related to Recommendations 1 and 2, this step should be accompanied by the development and implementation of documented policies and additional procedures to ensure staff assess and document checks for trespass actions pending for activity on BLM-administered lands. Adding this requirement to a procedural checklist that is not itself required does not guide staff on when

and how to complete this assessment, nor does it explain what to do with the results. Without these steps, the risks described in the report will remain. Furthermore, while BLM stated it would ensure that unresolved trespass actions by an applicant are documented, our recommendation is that BLM's full assessment of trespass actions should be documented regardless of the trespass status. We will consider the recommendation resolved when BLM agrees to develop and implement policies and additional procedures and assigns management oversight to ensure staff assess and document checks for trespass actions pending for activity on BLM-administered lands. We will consider it implemented when BLM provides the policies and procedures as well as support documentation reflecting that management has been assigned an oversight role.

4. Develop a plan to identify potential methods for accessing information to ensure checks for outstanding unpaid debts owed to the Federal Government are completed and documented as required by 43 C.F.R Part 2800.

**BLM Response:** BLM concurred with our recommendation. BLM stated that it will “coordinate with the Department of Treasury to explore mechanisms and processes for identifying unpaid outstanding debts to the Federal Government, and work towards implementing any identified approach.”

BLM provided a March 31, 2026 target implementation date.

**OIG Comment:** Based on BLM's response, we consider this recommendation resolved. We will consider the recommendation implemented when BLM provides documentation demonstrating potential methods for accessing information to ensure that checks for outstanding unpaid debts owed to the Federal Government are completed and documented as required by 43 C.F.R. Part 2800.

5. Train BLM staff on 43 C.F.R Part 2800 requirements and policies and procedures pertaining to processing renewable energy applications, including those for assessing and documenting applicants' technical and financial capabilities, assessing and documenting checks for outstanding unpaid debts owed to the Federal Government, and assessing and documenting checks for trespass actions pending for activity on BLM-administered lands.

**BLM Response:** BLM concurred with this recommendation and stated:

The BLM will develop and provide additional learning opportunities specific to solar and wind via live and recorded webinars, including an annual refresher course for continued education and to ensure program staff has the necessary resources to complete required training regarding 43 CFR Part 2800, policies, and procedures for ROWs. This includes training on renewable energy applications, assessing and documenting the review of an applicant's technical and financial capabilities, checking for outstanding unpaid debts owed to the Federal Government, and identifying unresolved trespass actions.

BLM provided a March 31, 2026 target implementation date.

**OIG Comment:** Based on BLM's response, we consider this recommendation resolved. We acknowledge BLM's planned corrective action and agree that the steps will be beneficial in training staff on 43 CFR Part 2800 requirements. We note, however, staff cannot be trained on policies and procedures for assessing and documenting applicants' technical and financial capabilities, outstanding unpaid debts owed to the Federal Government, and trespass actions pending for activity on BLM-administered lands until those policies and procedures are developed and implemented (see Recommendations 1-4 of this report). We will consider this recommendation implemented when BLM provides documentation demonstrating that its training curriculum includes 43 CFR Part 2800 requirements and the related policies and procedures pertaining to processing renewable energy applications. This includes policies and procedures for: (1) assessing and documenting applicants' technical and financial capabilities, (2) assessing and documenting checks for outstanding unpaid debts owed to the Federal Government, and (3) assessing and documenting checks for trespass actions pending for

activity on BLM-administered lands. Additionally, BLM must provide documentation demonstrating that staff has completed the training.

6. Verify that staff assesses and documents applicants' technical and financial capabilities, checks for outstanding unpaid debts owed to the Federal Government, and checks for trespass actions pending for activity on BLM-administered lands for all pending ROW applications identified in Appendix 4 of this report.

**BLM Response:** BLM concurred with our recommendation. BLM stated that it will “develop a renewable energy ROW internal control review and monitoring program. This review will include periodic assessments to ensure compliance with procedures requiring confirmation that an applicant is technically and financially capable, has no outstanding unpaid debts owed to the Federal Government, and has no pending trespass actions.”

BLM provided a January 30, 2026 target implementation date.

**OIG Comment:** Based on BLM's response, we consider this recommendation unresolved. We acknowledge BLM's planned corrective action and agree that these steps will be beneficial for managing ROW applications going forward. While BLM notes it will implement a process to perform periodic assessments of ROWs, its response did not explicitly address performing assessments of the ROWs listed in Appendix 4 (as stated in our recommendation). We will consider the recommendation resolved when BLM agrees to assess and documents applicants' technical and financial capabilities, checks for outstanding unpaid debts owed to the Federal Government, and checks for trespass actions pending for activity on BLM-administered lands for all pending ROW applications identified in Appendix 4 of this report. We will consider it implemented when BLM provides support documentation that the assessments were completed.

7. Develop and implement internal control policies and procedures, including assigning management oversight, to ensure ROW application files for renewable energy development are complete, data system information pertaining to ROW applications for renewable energy development is accurate, and staff are compliant with BLM's policies for renewable energy development applications.

**BLM Response:** BLM concurred with our recommendation. BLM stated that it will “develop a renewable energy ROW internal control review and monitoring program.” It stated the “review will include periodic assessments to ensure the completeness and accuracy of electronic case file data entry and overall case file completeness, including review by the management officials responsible for this program area.”

BLM provided a March 31, 2026 target implementation date.

**OIG Comment:** Based on BLM's response, we consider this recommendation resolved. We will consider this recommendation implemented when BLM provides documentation demonstrating that policies and procedures have been developed and that management oversight has been assigned regarding maintaining complete application files and an accurate data system.

8. Train BLM staff on policies and procedures that ensure ROW application files for renewable energy development are complete and data system information pertaining to ROW applications for renewable energy development is accurate.

**BLM Response:** BLM concurred with our recommendation. BLM stated that it will “offer annual refresher training to ensure program staff receive sufficient training on the electronic data system, including how to enter data and review it for accuracy.”

BLM provided a January 30, 2026 target implementation date.

**OIG Comment:** Based on BLM's response, we consider this recommendation resolved. We will consider the recommendation implemented when BLM provides documentation demonstrating that its

training curriculum includes guidance on maintaining complete application files and an accurate data system and confirms that staff have completed the training.

9. Immediately complete a screening of existing applications Sample 10 (AZA-038824), Sample 20 (CACA-059767), and Sample 24 (IDI-039522).

**BLM Response:** BLM did not concur with this recommendation and stated:

Application IDI-039522 is for battery storage, not a solar or wind energy development application, and is therefore not subject to the screening process. The case type for the electronic record has been corrected. The BLM Headquarters is coordinating with the respective state offices on the completeness of solar applications AZA-038824 and CACA-059767. The BLM is preparing acknowledgement and deficiency notices to address these incomplete applications. The BLM will provide a written response to the applicants regarding their application completeness within 60 days of the applicant submitting the BLM-requested data and update MLRS accordingly. Once each application is complete, the BLM will notify the applicant in writing and prioritize the application to commence review under the National Environmental Policy Act.

**OIG Comment:** Although BLM did not concur with this recommendation, based on the information provided in BLM's response, we consider this recommendation resolved. We will consider it implemented when BLM provides documentation demonstrating that application IDI-039522 has been updated to reflect a battery storage project within its data system and applications AZA-038824 and CACA-059767 have been screened.

10. Complete an analysis to determine an appropriate timeframe for initially screening ROW applications and develop and implement policies and procedures that include the timeframe determined for initially screening applications.

**BLM Response:** BLM concurred with our recommendation. BLM stated that it will "review available data on the time for completion of initial screening, the expected workload, and staffing availability to determine an appropriate timeframe for initial screening."

BLM provided a March 31, 2026 target implementation date.

**OIG Comment:** Based on BLM's response, we consider this recommendation unresolved. We acknowledge BLM's planned corrective action and agree that these steps will be beneficial. However, BLM did not address the recommendation fully because it omitted mention of developing and implementing documented policies and procedures to ensure that ROW applications are screened within BLM's established timeframe. We will consider the recommendation resolved when BLM agrees to complete an analysis and develops policies and procedures related to screening ROW applications. We will consider it implemented when BLM provides support documentation for the analysis and the policies and procedures.

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# Appendix 1: Scope and Methodology

## Scope

We audited the Bureau of Land Management's (BLM) internal controls over processing right-of-way (ROW) applications.

The scope included 258 ROW applications for solar and wind renewable energy development from fiscal year (FY) 2017 through FY 2023.

## Methodology

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We assessed whether internal control was significant to the audit objective. We determined that BLM's control activities and the following related principles were significant to the audit objective:

- Management should design control activities to achieve objectives and respond to risks.
- Management should implement control activities through policies.
- Management should use quality information to achieve the bureau's objectives.

We tested the operation and reliability of internal controls over activities related to our audit objective. Our tests and procedures included:

- Gathering background information on how BLM processes ROW applications for solar and wind renewable energy development.
- Interviewing BLM management and staff with ROW application processing responsibilities.
- Obtaining and reviewing applicable laws and regulations.
- Obtaining and reviewing BLM's policies and procedures related to ROW application processing for solar and wind renewable energy development.
- Analyzing selected ROW applications with supporting documentation to determine compliance with Federal regulations and BLM policies.
- Conducting site visits (See Appendix 3 for a list of sites visited).

We found deficiencies in internal control resulting in our three findings regarding BLM processing applications without ensuring applicants were qualified to hold a ROW, incomplete application files, and exceeding timelines for initial screening of applications.

We did not rely on computer-generated data; instead, we received an electronic list of ROW applications (with application identifiers) for solar and wind renewable energy development from FYs 2017 through 2023, which formed the basis of the sample pool of 258 applications. We performed limited verification tests of the ROW applications listed to ensure their existence. We based our analysis on the ROW applications list and documents provided and determined this data to be sufficient for this audit's purpose.



Based on the results of our initial assessments, we assigned a level of risk and selected a statistical sample. Using auditor’s judgment, we assigned a 90-percent level of confidence, a maximum allowable margin of error of 10 percent, and an expected compliance testing rate of 50 percent. With those parameters and a population size of 258 ROW applications for solar and wind renewable energy development, we selected 54 applications using a simple random sample. The sample consisted of ROW applications in the following status: 40 pending, 13 authorized, and 1 rejected. All projections to the total population of transactions only use information from our statistical sample. We also judgmentally selected two additional “withdrawn” applications because this status did not show up in our statistical sample. Specifically:

- We reviewed all ROW applications in our sample (56 applications) and assessed whether BLM properly processed applications ensuring that applicants were qualified to hold a ROW. For this analysis, we report summary counts of the findings from all the applications we reviewed. A population-wide projection on this metric was not possible within the required margin of error because an insufficient number of applications from our statistical sample were at a stage where this test would have been applicable.
- Our statistical sample comprised 54 applications, which we used to determine whether ROW application files contained required documentation. From this random sample of 54 applications, we were able to project across the population of 258 ROW application files and determine a population-wide estimate with a +/-9.9 percent margin of error. Apart from the statistical sample, we reviewed two additional withdrawn applications in a judgmental sample to better understand that specific application status.
- BLM created an instruction memorandum that required applications submitted after March 17, 2022, to be screened within a 30-day timeframe.<sup>37</sup> This memorandum applied to 15 of the applications we reviewed, and we report summary counts for the number of applications that met this criterion. A population-wide projection on this metric was not possible within the required margin of error because an insufficient number of applications from our statistical sample were submitted after this test would have been applicable.

**Figure 11: Applications by ROW Category and Status for FYs 2017-2023**

<b>ROW Category</b>	<b>Authorized</b>	<b>Pending</b>	<b>Rejected</b>	<b>Withdrawn</b>	<b>Totals</b>
Solar Grant	38	172	1	4	215
Solar Lease	5	7	–	–	12
Wind Grant	14	14	1	–	31
<b>Totals</b>	<b>57</b>	<b>193</b>	<b>2</b>	<b>6</b>	<b>258</b>

Source: DOI OIG.

<sup>37</sup> This instruction memorandum was rescinded on July 26, 2024.

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# Appendix 2: BLM Processes for ROW Solar and Wind Renewable Energy Development

BLM processes solar and wind renewable energy applications under either a grant or a lease. The processes for both solar and wind application are similar, with some small variances.

## ***Process for Issuing ROW Grants for Solar Renewable Energy Development***

BLM's process for issuing ROW grants for solar renewable energy development begins when an individual or entity submits an SF-299, plan of development, and application filing fee. Once the application is received, BLM: (1) notifies the applicant, in writing, that it has received the application and application filing fee; (2) initiates cost recovery;<sup>38</sup> (3) initially screens the application to determine if the applicant is qualified<sup>39</sup> to hold a ROW and has provided all required documentation;<sup>40</sup> and (4) begins an evaluation process to determine whether to proceed with processing the ROW grant application for solar renewable energy development.

Based on 43 C.F.R. Part 2800 and its land use plans, BLM's evaluation consists of:

- Conducting two preliminary application review meetings: One to discuss the proposal, the status of the land that the applicant applied for, potential concerns, potential alternative site locations, and the ROW grant application process with the applicant and the other to discuss with necessary Federal, State, Tribal, and local governments potential environmental issues and timelines for the proposed project (after BLM has determined it will continue processing the application).
- Determining applicants' technical and financial capabilities: BLM reviews and evaluates evidence of applicants' previous experience related to the type of development and the availability of sufficient financial capital or other funding to carry out all aspects of the project.
- Initiating early Tribal and interagency outreach: Early consultation with Tribes provides the opportunity to identify traditional cultural properties and sacred sites, and early outreach to Federal partners (such as the U.S. Department of Energy and the U.S. Environmental Protection Agency) and State and local governments allows BLM to determine compatibility with plans, policies, and permit requirements.
- Obtaining variance concurrence (if applicable): This is applicable to variance lands applied for in ROW grant applications for solar renewable energy development. Guided by processes and procedures listed in BLM's 2012 Western Solar Plan and 2016 Desert Renewable Energy Conservation Plan, BLM evaluates the information provided by the applicant. Based on its evaluation and input from Tribes, the public, and Federal, State and local government agencies, BLM determines whether it is appropriate to deny or continue processing the ROW grant application.
- Rejecting or prioritizing the application: Based on its evaluation of the application, supporting documentation, and input from other parties such as Federal, State, and local government agencies, BLM will either deny<sup>41</sup> or prioritize and continue processing the application.<sup>42</sup>

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<sup>38</sup> A cost recovery account, funded by the applicant, is established to cover all governmental costs associated with accepting, reviewing, and processing the application. The application filing fee initially funds the cost recovery account. After reviewing the application, BLM establishes a cost recovery agreement with the applicant.

<sup>39</sup> 43 C.F.R. § 2803.10.

<sup>40</sup> BLM's Instruction Memorandum (IM) 2022-027, *Initial Screening and Prioritization for Solar and Wind Energy Applications and Nominations/Expressions of Interests*, March 17, 2022, describes the requirements for initial screening of an application.

<sup>41</sup> 43 C.F.R. § 2804.26 describes the circumstances under which BLM may deny an application.

<sup>42</sup> 43 C.F.R. § 2804.35 describes how BLM prioritizes applications.

- Conducting a NEPA evaluation: BLM must evaluate the environmental and related social and economic effects of the proposed renewable energy development. In most cases, BLM requires the preparation of an Environmental Impact Statement report. Under NEPA, BLM has two years to complete the report.

Once BLM completes the NEPA evaluation, it sends the applicant a written response detailing its decision regarding the application. If BLM approves the application and plans to issue a ROW grant, it establishes the terms and conditions for the ROW grant, which include: (1) working with the applicant to finalize the plan of development, (2) recovering any cost owed to BLM, and (3) collecting from the applicant a performance and reclamation bond<sup>43</sup> and owed rent,<sup>44</sup> and (4) calculating applicable fees.<sup>45</sup> BLM then sends the unsigned grant to the applicant for their review and signature.

When all the steps have been completed, BLM issues a notice to proceed. If BLM rejects the application, it will refund the remaining balance in the cost recovery account and send the applicant a written notice on the reason(s) for denial.

### ***Process for Awarding ROW Leases for Solar Renewable Energy Development***

BLM uses a competitive process for awarding ROW leases for solar renewable energy development. The ROW lease process can be distinguished from ROW grants by the three ways they are initiated:

- BLM, at its own discretion, includes lands in a competitive offer;
- BLM solicits nominations for the lands; or
- BLM considers entities' informal expressions of interest as a suggestion that lands should be competitively offered.

Before receiving offers, BLM publishes a notice of competitive offer in the Federal Register that includes the date, time, and location of the competitive offer; the minimum bid required; the bidder qualifications (such as technical and financial ability to construct, operate, maintain, and terminate the use of the public lands being offered); and any variable offsets.<sup>46</sup> BLM can choose the competitive process (such as an oral auction) and method (such as the internet) it will use to competitively offer its land.

After initiating the competitive process, BLM accepts bids from entities qualified<sup>47</sup> to hold a lease and interested in leasing the land. BLM next selects a successful bidder, the entity with the highest bid prior to any variable offset. The successful bidder will be offered a ROW lease for solar renewable energy development.<sup>48</sup>

However, BLM has the authority to reject bids regardless of the amounts offered. BLM corresponds with bidders to notify them and provide the reason or reasons why it is rejecting their bids. BLM also sets the terms and conditions for the lease and initiates cost recovery to collect reasonable costs for BLM or other Federal agencies to review and approve the plan of development and to monitor the lease. Additionally, a NEPA

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<sup>43</sup> Performance and reclamation bonds ensure that entities provide the appropriate financial guarantees, including cash, to cover potential liabilities or specific requirements identified by BLM for the construction, operation, decommissioning, and reclamation of a ROW.

<sup>44</sup> The annual acreage rent that must be paid prior to issuing the ROW grant.

<sup>45</sup> A phased-in megawatt capacity fee that is calculated based on the size of the renewable energy project. Payment of this fee begins when energy generation starts.

<sup>46</sup> Based on the factors identified in BLM's notification of competitive offer, the successful bidder may be eligible for a discount (offset) on the bonus bid.

<sup>47</sup> 43 C.F.R. § 2803.10.

<sup>48</sup> After being selected, the successful bidder will submit a plan of development.

evaluation is conducted, the plan of development is finalized, applicable fees<sup>49</sup> are calculated, and a performance and reclamation bond is collected from the successful bidder.

When all the steps have been completed, BLM issues a notice to proceed.

### ***Process for Issuing ROW Grants for Wind Renewable Energy Development***

BLM is authorized to award leases or issue grants and leases for wind renewable energy development; however, we found that BLM primarily uses grants that it issues noncompetitively. Like BLM's process for issuing ROW grants for solar renewable energy development, this process begins when an individual or entity submits an SF-299, plan of development, and application filing fee.

BLM notifies the applicant upon receipt of the application. BLM then initiates cost recovery and screens the application to determine if the applicant is qualified to hold a ROW and has provided all required documentation. BLM then begins an evaluation process to determine whether to proceed with processing the ROW grant application.

Like the ROW grant process for solar renewable energy development, BLM conducts preliminary meetings, determines the applicant's technical and financial capabilities, initiates early Tribal and interagency outreach, and either rejects or prioritizes the application. If BLM prioritizes the application, it initiates a NEPA evaluation. Once the NEPA evaluation is complete, BLM sends the applicant a written response detailing its decision on the application. If BLM decides to approve the application and issue a ROW grant, BLM will establish the terms and conditions for the ROW grant and send an unsigned grant to the applicant to review.

When all steps have been completed, BLM issues a notice to proceed. If BLM decides to reject the application, it sends the applicant a written notice on the reason(s) for denial.

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<sup>49</sup> Phased-in megawatt capacity fee.

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## Appendix 3: Site Visits

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Palm Springs-South Coast Field Office	Palm Springs, California
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Southern Nevada District Office	Las Vegas, Nevada
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## Appendix 4: ROW Application Deficiencies

We reviewed 56 ROW applications for solar and wind renewable energy development for FYs 2017 through 2023. This figure shows the deficiencies we identified for each application.

Sample Number	ROW Type	Serial Number*	Application Status	A	B	C	D	E	F	G	H	I
1	Solar Grant	AZA 036809	Authorized					X	X	X	X	X
2 <sup>‡</sup>	Solar Grant	AZA 038083	Pending									
3	Solar Lease	AZA 038084	Pending							X	X	X
4	Solar Lease	AZA 038371	Pending							X	X	X
5	Solar Grant	AZA 038471	Pending					X		X	X	X
6	Solar Grant	AZA 03847101	Authorized					X		X	X	X
7	Solar Grant	AZA 038493	Pending									
8	Solar Grant	AZA 038533	Pending					X		X	X	X
9	Solar Grant	AZA 038790	Pending					X		X	X	X
10	Solar Grant	AZA 038824	Pending	X		X		X				
11	Wind Grant	CACA 042139	Authorized					X		X	X	X
12	Solar Grant	CACA 048810	Authorized					X		X	X	X
13	Solar Grant	CACA 049491A	Authorized				X	X		X	X	X
14	Solar Grant	CACA 056898	Authorized			X				X	X	X
15	Wind Grant	CACA 057992	Rejected			X		X		X	X	X
16	Solar Grant	CACA 05853905	Pending			X	X	X		X	X	X
17	Solar Grant	CACA 059162	Authorized					X		X	X	X
18	Solar Grant	CACA 059164	Authorized					X		X	X	X

### Column Key

- A Missing signed application
- B Missing plan of development
- C Missing documentation, creation of the business entity
- D Missing application filing fee documentation
- E Missing correspondence to the applicant, acknowledging BLM's receipt of the application
- F Missing correspondence related to BLM's decision
- G Missing assessment of outstanding unpaid debts owed to the Federal Government
- H Missing assessment of pending trespass actions on BLM-administered land
- I Missing assessment of the applicant's technical and financial capability

Sample Number	ROW Type	Serial Number*	Application Status	A	B	C	D	E	F	G	H	I
19	Solar Grant	CACA 059285	Authorized							X	X	X
20	Solar Grant	CACA 059767	Pending					X				
21	Solar Grant	CACA 059943	Pending							X	X	X
22	Solar Grant	CACA 060032	Pending					X		X	X	X
23	Wind Grant	IDI 039174	Pending					X		X	X	X
24	Solar Grant	IDI 039522	Pending	X			X	X				
25	Solar Grant	MTM 112608	Pending									
26	Solar Grant	NMNM 139766	Pending			X				X	X	X
27	Solar Grant	NMNM 143277	Pending							X	X	X
28	Solar Grant	NMNM 143278	Pending	X	X	X	X	X		X	X	X
29	Solar Grant	NMNM 145189	Pending			X				X	X	X
30	Solar Grant	NVN 09078802	Authorized			X		X		X	X	X
31	Solar Grant	NVN 097775	Pending							X	X	X
32	Solar Grant	NVN 099406	Pending	X	X	X				X	X	X
33	Solar Grant	NVN 099679	Authorized	X	X	X	X	X		X	X	X
34	Solar Grant	NVN 099846	Pending	X				X		X	X	X
35	Solar Grant	NVN 100104	Pending					X		X	X	X
36	Solar Grant	NVN 100105	Pending			X		X		X	X	X
37	Solar Grant	NVN 100225	Pending							X	X	X
38	Wind Grant	NVN 100347	Pending							X	X	X
39	Solar Grant	NVN 100361	Pending							X	X	X
40 <sup>†</sup>	Solar Grant	NVN 100537	Withdrawn					X				

### Column Key

- A Missing signed application
- B Missing plan of development
- C Missing documentation, creation of the business entity
- D Missing application filing fee documentation
- E Missing correspondence to the applicant, acknowledging BLM's receipt of the application
- F Missing correspondence related to BLM's decision
- G Missing assessment of outstanding unpaid debts owed to the Federal Government
- H Missing assessment of pending trespass actions on BLM-administered land
- I Missing assessment of the applicant's technical and financial capability

Sample Number	ROW Type	Serial Number*	Application Status	A	B	C	D	E	F	G	H	I
41	Solar Grant	NVN 100612	Pending			X				X	X	X
42	Solar Grant	NVN 100723	Pending							X	X	X
43 <sup>†</sup>	Solar Grant	NVN 101059	Withdrawn							X	X	X
44	Solar Grant	NVN 101269	Pending			X				X	X	X
45	Solar Grant	NVN 101400	Pending							X	X	X
46	Solar Grant	NVN 101473	Pending							X	X	X
47	Solar Grant	NVN 101484	Pending									
48	Solar Grant	NVN 101571	Pending							X	X	X
49	Solar Grant	NVN 101734	Pending							X	X	X
50 <sup>‡</sup>	Solar Grant	NVN 101790	Pending									
51	Solar Grant	NVN 101917	Pending							X	X	X
52	Solar Grant	OROR 070934	Pending							X	X	X
53	Solar Grant	OROR 070986	Pending							X	X	X
54	Solar Grant	OROR 071335	Pending							X	X	X
55	Wind Grant	WYW 167155	Authorized					X		X	X	X
56	Solar Grant	WYW 185530	Authorized					X		X	X	X
<b>Totals</b>				<b>6</b>	<b>3</b>	<b>13</b>	<b>5</b>	<b>26</b>	<b>1</b>	<b>47</b>	<b>47</b>	<b>47</b>

### Column Key

- A Missing signed application
- B Missing plan of development
- C Missing documentation, creation of the business entity
- D Missing application filing fee documentation
- E Missing correspondence to the applicant, acknowledging BLM's receipt of the application
- F Missing correspondence related to BLM's decision
- G Missing assessment of outstanding unpaid debts owed to the Federal Government
- H Missing assessment of pending trespass actions on BLM-administered land
- I Missing assessment of the applicant's technical and financial capability

\* A number assigned to an application as a means of identification.

<sup>†</sup> Judgmentally selected.

<sup>‡</sup> Incorrectly assigned a serial number and product type associated with renewable energy development.

Source: DOI OIG.



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## **Appendix 5: Response to Draft Report**

The Bureau of Land Management's response to our draft report follows on page 35.



United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
National Headquarters  
Washington, DC 20240  
<https://www.blm.gov>



In Reply Refer To:  
1245/2800 (750/330)

To: Kathleen Sedney  
Assistant Inspector General for Audits, Inspections, and Evaluations

Through: Adam G. Suess  
Acting Assistant Secretary, Land and Minerals Management

ADAM G.  
SUESS

Digitally signed by ADAM  
G. SUESS  
Date: 2025.07.01  
16:45:00 -04'00'

From: Bill Groffy  
Acting Director, Bureau of Land Management

WILLIAM  
GROFFY

Digitally signed by  
WILLIAM GROFFY  
Date: 2025.06.24  
18:13:36 -04'00'

Subject: Office of Inspector General Draft Audit Report, "BLM's Mismanagement of  
Solar and Wind Rights-of-Way Applications Create Risks for Federal Lands"  
(2023-ER-017)

Thank you for the opportunity to review and comment on the Office of Inspector (OIG) Draft Audit Report. The Bureau of Land Management (BLM) appreciates the OIG's work in reviewing the BLM's processing of rights-of-way (ROW) applications for solar and wind energy development on BLM-administered public lands.

The report identifies and evaluates deficiencies concerning the BLM's processing of ROW applications and whether they adhere to procedural and regulatory requirements. The BLM found several technical and factual errors in the report that are described in more detail in the attachments. Additionally, the BLM agrees with nine of the ten recommendations, understanding that when implemented, they are intended to strengthen protocols for the BLM's solar and wind ROW application process.

The following are the recommendations and actions planned by the BLM to address each recommendation.

**Recommendation 1:** We recommend that BLM develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document applicants' technical and financial capabilities.

**Response:** The BLM concurs with Recommendation 1 and will update its ROW procedural checklist. This checklist is an existing BLM process tool that supports the field staff in completing each step of the application process, including for solar and wind energy projects.

**Target date:** October 31, 2025

**Recommendation 2:** We recommend that BLM develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document checks for outstanding unpaid debts owed to the Federal Government.

**Response:** The BLM concurs with Recommendation 2. The BLM will update its ROW procedural checklist to include a management review of staff assessment and documentation of outstanding unpaid debt checks. This checklist is an existing BLM process tool that supports the field staff in completing each step of the application process, including for solar and wind energy projects.

**Target date:** March 31, 2026

**Recommendation 3:** We recommend that BLM develop and implement policies and procedures, including assigning management oversight, to ensure staff are assessing and documenting checks for trespass actions pending for activity on BLM-administered lands.

**Response:** The BLM concurs with Recommendation 3. The BLM will update its ROW procedural checklist to include a management review of staff assessment and documentation of unresolved trespass actions by an applicant. This checklist is an existing BLM process tool that supports the field staff in completing each step of the application process, including for solar and wind energy projects.

**Target date:** October 31, 2025

**Recommendation 4:** We recommend that BLM develop a plan to identify potential methods for accessing information to ensure checks for outstanding unpaid debts owed to the Federal Government are completed and documented as required by 43 CFR Part 2800.

**Response:** The BLM concurs with Recommendation 4. The BLM will coordinate with the Department of Treasury to explore mechanisms and processes for identifying unpaid outstanding debts to the Federal Government, and work towards implementing any identified approach.

**Target date:** March 31, 2026

**Recommendation 5:** We recommend that BLM train BLM staff on 43 CFR Part 2800 requirements and policies and procedures pertaining to processing renewable energy applications, including those for assessing and documenting applicants' technical and financial capabilities, assessing and documenting checks for outstanding unpaid debts owed to the Federal Government, and assessing and documenting checks for trespass actions pending for activity on BLM-administered lands.

**Response:** The BLM concurs with Recommendation 5. The BLM will develop and provide additional learning opportunities specific to solar and wind via live and recorded webinars, including an annual refresher course for continued education and to ensure program staff has the necessary resources to complete required training regarding 43 CFR Part 2800, policies, and procedures for ROWs. This includes training on renewable energy applications, assessing and documenting the review of an applicant's technical and financial capabilities, checking for outstanding unpaid debts owed to the Federal Government, and identifying unresolved trespass actions.

**Target date:** March 31, 2026

**Recommendation 6:** We recommend that BLM verify that staff assesses and documents applicants' technical and financial capabilities, checks for outstanding unpaid debts owed to the Federal Government, and checks for trespass actions pending for activity on BLM-administered lands for all pending ROW applications identified in Appendix 4 of this report.

**Response:** The BLM concurs with Recommendation 6. The BLM will develop a renewable energy ROW internal control review and monitoring program. This review will include periodic assessments to ensure compliance with procedures requiring confirmation that an applicant is technically and financially capable, has no outstanding unpaid debts owed to the Federal Government, and has no pending trespass actions.

**Target date:** January 30, 2026

**Recommendation 7:** We recommend that BLM develop and implement internal control policies and procedures, including assigning management oversight, to ensure ROW application files for renewable energy development are complete, data system information pertaining to ROW applications for renewable energy development is accurate, and staff are compliant with BLM's policies for renewable energy development applications.

**Response:** The BLM concurs with Recommendation 7. The BLM will develop a renewable energy ROW internal control review and monitoring program. This review will include periodic assessments to ensure the completeness and accuracy of electronic case file data entry and overall case file completeness, including review by the management officials responsible for this program area.

**Target date:** March 31, 2026

**Recommendation 8:** We recommend that BLM train BLM staff on policies and procedures that ensure ROW application files for renewable energy development are complete and data system information pertaining to ROW applications for renewable energy development is accurate.

**Response:** The BLM concurs with Recommendation 8. The BLM will offer annual refresher training to ensure program staff receive sufficient training on the electronic data system, including how to enter data and review it for accuracy.

**Target date:** January 30, 2026

**Recommendation 9:** We recommend that BLM immediately complete a screening of existing applications Sample 10 (AZA 038824), Sample 20 (CACA 059767), and Sample 24 (IDI 039522).

**Response:** The BLM does not concur with Recommendation 9. Application IDI-039522 is for battery storage, not a solar or wind energy development application, and is therefore not subject to the screening process. The case type for the electronic record has been corrected. The BLM Headquarters is coordinating with the respective state offices on the completeness of solar applications AZA-038824 and CACA-059767. The BLM is preparing acknowledgement and deficiency notices to address these incomplete applications. The BLM will provide a written response to the applicants regarding their application completeness within 60 days of the applicant submitting the BLM-requested data and update MLRS accordingly. Once each application is complete, the BLM will notify the applicant in writing and prioritize the application to commence review under the National Environmental Policy Act.

**Target Date:** Not Applicable

**Recommendation 10:** We recommend that BLM complete an analysis to determine an appropriate timeframe for initially screening ROW applications and develop and implement policies and procedures that include the timeframe determined for initially screening applications.

**Response 10:** The BLM concurs with Recommendation 10. The BLM will review available data on the time for completion of initial screening, the expected workload, and staffing availability to determine an appropriate timeframe for initial screening.

**Target date:** March 31, 2026

If you should have any questions about this response, please contact If you should have any questions about this response, please contact Mark Chatterton, Acting Chief, Division of Business, Engineering, and Evaluations, at 202-774-6334; or LaVanna Stevenson, Audit Liaison Officer, at 202-568-0274.

Attachments:

- 1 - Technical and Factual Discrepancies
- 2 - BLM Suggestions for Corrections to Figure 5 of the Audit Report

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## Appendix 6: Status of Recommendations

Recommendation	Status	Action Required
<b>2023-ER-017-01</b> We recommend that BLM develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document applicants' technical and financial capabilities.	<b>Unresolved:</b> pending additional information.	We will meet with BLM to further discuss resolution of this recommendation.
<b>2023-ER-017-02</b> We recommend that BLM develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document checks for outstanding unpaid debts owed to the Federal Government.	<b>Unresolved:</b> pending additional information.	We will meet with BLM to further discuss resolution of this recommendation.
<b>2023-ER-017-03</b> We recommend that BLM develop and implement policies and procedures, including assigning management oversight, to ensure staff assess and document checks for trespass actions pending for activity on BLM administered lands.	<b>Unresolved:</b> pending additional information.	We will meet with BLM to further discuss resolution of this recommendation.
<b>2023-ER-017-04</b> We recommend that BLM develop a plan to identify potential methods for accessing information to ensure checks for outstanding unpaid debts owed to the Federal Government are completed and documented as required by 43 C.F.R Part 2800.	<b>Resolved</b>	We will track implementation.
<b>2023-ER-017-05</b> We recommend that BLM train staff on 43 C.F.R Part 2800 requirements and policies and procedures pertaining to processing renewable energy applications, including those for assessing and documenting applicants' technical and financial capabilities, assessing and documenting checks for outstanding unpaid debts owed to the Federal Government, and assessing and documenting checks for trespass actions pending for activity on BLM administered lands.	<b>Resolved</b>	We will track implementation.

Recommendation	Status	Action Required
<b>2023-ER-017-06</b>		
We recommend that BLM verify that staff assesses and documents applicants' technical and financial capabilities, checks for outstanding unpaid debts owed to the Federal Government, and checks for trespass actions pending for activity on BLM-administered lands for all pending ROW applications identified in Appendix 4 of this report.	<b>Unresolved:</b> pending additional information.	We will meet with BLM to further discuss resolution of this recommendation.
<b>2023-ER-017-07</b>		
We recommend that BLM develop and implement internal control policies and procedures, including assigning management oversight, to ensure ROW application files for renewable energy development are complete, data system information pertaining to ROW applications for renewable energy development is accurate, and staff are compliant with BLM's policies for renewable energy development applications.	<b>Resolved</b>	We will track implementation.
<b>2023-ER-017-08</b>		
We recommend that BLM train staff on policies and procedures that ensure ROW application files for renewable energy development are complete and data system information pertaining to ROW applications for renewable energy development is accurate.	<b>Resolved</b>	We will track implementation.
<b>2023-ER-017-09</b>		
We recommend that BLM immediately complete a screening of existing applications Sample 10 (AZA 038824), Sample 20 (CACA 059767), and Sample 24 (IDI 039522).	<b>Resolved</b>	We will track implementation.
<b>2023-ER-017-10</b>		
We recommend that BLM complete an analysis to determine an appropriate timeframe for initially screening ROW applications and develop and implement policies and procedures that include the timeframe determined for initially screening applications.	<b>Unresolved:</b> pending additional information.	We will meet with BLM to further discuss resolution of this recommendation.



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

## **REPORT FRAUD, WASTE, ABUSE, AND MISMANAGEMENT**

The Office of Inspector General (OIG) provides independent oversight and promotes integrity and accountability in the programs and operations of the U.S. Department of the Interior (DOI). One way we achieve this mission is by working with the people who contact us through our hotline.

### **WHO CAN REPORT?**

Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement involving DOI should contact the OIG hotline. This includes knowledge of potential misuse involving DOI grants and contracts.

### **HOW DOES IT HELP?**

Every day, DOI employees and non-employees alike contact OIG, and the information they share can lead to reviews and investigations that result in accountability and positive change for DOI, its employees, and the public.

### **WHO IS PROTECTED?**

Anyone may request confidentiality. The Privacy Act, the Inspector General Act, and other applicable laws protect complainants. Specifically, 5 U.S.C. § 407(b) states that the Inspector General shall not disclose the identity of a DOI employee who reports an allegation or provides information without the employee's consent, unless the Inspector General determines that disclosure is unavoidable during the course of the investigation. By law, Federal employees may not take or threaten to take a personnel action because of whistleblowing or the exercise of a lawful appeal, complaint, or grievance right. Non-DOI employees who report allegations may also specifically request confidentiality.

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