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HEARING TO EXAMINE THE FEDERAL ENVIRONMENTAL REVIEW AND PERMITTING PROCESSES, PART II

HEARING

BEFORE THE

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

UNITED STATES SENATE

ONE HUNDRED NINETEENTH CONGRESS

SECOND SESSION

JANUARY 28, 2026

Printed for the use of the Committee on Environment and Public Works

Available via the World Wide Web: http://www.govinfo.gov

U.S. GOVERNMENT PUBLISHING OFFICE

63–732 WASHINGTON : 2026

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

ONE HUNDRED NINETEENTH CONGRESS

SECOND SESSION

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HEARING TO EXAMINE THE FEDERAL ENVIRONMENTAL REVIEW AND PERMITTING PROCESSES, PART II

WEDNESDAY, JANUARY 28, 2026

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
Washington, DC.

The committee met, pursuant to notice, at 10 a.m. in room 562, Dirksen Senate Office Building, Hon. Shelley Moore Capito (chairman of the committee) presiding.

Present: Senators Capito, Whitehouse, Cramer, Lummis, Curtis, Sullivan, Ricketts, Boozman, Husted, Markey, Kelly, Padilla, Schiff, Blunt Rochester, Alsobrooks.

OPENING STATEMENT OF HON. SHELLEY MOORE CAPITO, U.S. SENATOR FROM THE STATE OF WEST VIRGINIA

Senator CAPITO. Good morning, everybody. Thanks to everybody for being here. I hope everybody is staying warm and coping with the elements. I am not sure snow removal on the sidewalks is one of D.C.'s best-known skills, from what my experience is. But so far, I have not fallen yet, so I am glad about that.

So, today we will continue our discussion on the need to modernize our Federal environmental review and permitting process. I would like to begin by thanking my colleagues who are here with me, and in particular Ranking Member Whitehouse, for their drive to elevate problems in our current permitting regime and to work constructively together. It is what we need to do.

Over the past year, we have all discussed how the existing structure pits uncertainty and the misapplication and abuse of our laws against American prosperity. We have had fruitful discussions, yet we are now a year older. This is sometimes the never-ending story on permitting, but we are going to get an end to that story, I hope. We are still seeking common ground on practical and durable solutions.

If Congress can deliver these critical solutions, we will unleash the investment required to build American infrastructure, unlock the supply of essential commodities and materials, grow our manufacturing, improve affordability by lowering prices, and create economic opportunity across our entire Country.

Without congressional action, we will continue to see the pattern of the last two decades. Each new administration will reverse the policies of the last, eroding trust of American businesses and work-

ers and ensuring we cannot plan or build for either the present or for our future.

This is not just speculation. We have all had communities we represent impacted by projects that were delayed or outright canceled by new administrations. I know West Virginia families have experienced this deep disappointment on multiple occasions.

So, I say to all my colleagues today, I know your pain, all the way around, and I want Congress to address it now. Let's remove the politics from permitting once and for all.

To do that, we need to think creatively, learn from the existing system's failures and craft solutions to align our permitting laws with what the Americans want and need: affordability, predictability and opportunity. We will do so by protecting the air that we breathe, the water that we drink and the land that we love.

We all know that EPW's long tradition of bipartisan legislation is true on tough issues. This is an important reason that I joined this committee when I was first elected to the Senate over a decade ago and how I approach my role as Chairman.

I called this hearing with the Ranking Member with the intent to get us back on the path to fruitful compromise through identifying both the urgent need to act on reform and the scope of priorities we must address.

Turning to the policies for permitting reform, my priorities remain largely the same. This legislation must be bipartisan to be successful and durable. This legislation must be project neutral. This legislation must create predictability, consistency and finality in securing a permit.

This legislation must bring accountability to every stage of the process. This legislation must go beyond NEPA to address issues with our core permitting laws and processes. This legislation must include provisions that address judicial review of fully permitted projects.

Finally, this legislation must be written in collaboration with our colleagues on the Energy and Natural Resources Committee to address issues within their jurisdiction, and we have been working steadily with them.

I have spent the last year listening to the Ranking Member and my Democrat colleagues as well as the priorities of the current Administration in order to understand what legislative policies would meet each of their stated goals and concerns. I think our goals share more in common than most would admit, and there are many sensible compromises that are in the best interest of the American people to unlock our development, grow our economy, increase supply and decrease prices in our States and communities. This growing consensus demands action now or we are likely to miss this once-in-a-lifetime opportunity.

The House acted last month by passing bipartisan reforms to NEPA and the Clean Water Act. It is now time for the Senate to act, so we invited these witnesses here today for two main reasons.

First, they can share with us the pressing need to act this year on reforms and what we will leave on the table if we are unsuccessful. Second, they can share their invaluable perspectives on the most important reforms to truly unleash America's potential and

relieve the economic pressure Americans are facing across the Nation.

I look forward to making progress with all of you and hearing your insights. Thank you all so much for coming.

With that, I will turn it over to Ranking Member Whitehouse for his opening statement.

OPENING STATEMENT OF HON. SHELDON WHITEHOUSE, U.S. SENATOR FROM THE STATE OF RHODE ISLAND

Senator WHITEHOUSE. Thank you, Madam Chair. I appreciate your convening today's hearing, a bipartisan hearing on permitting reform.

Colleagues have heard me repeatedly State that I want a strong bipartisan permitting reform, and that there was a trust problem with the administration's behavior that would need to be solved. Trump's initial executive order declaring an energy emergency but not defining solar or wind even as energy, was a bad, and irrational, start. But we were still willing to work.

Then began the unlawful and irrational blockade of offshore wind, leading to a stop-work order on the Empire Wind project off New York, quickly lifted after the Governor expressed "willingness to move forward on critical pipeline capacity." This all stank, but I remained willing to work on a permitting bill.

In August, "Stop Work" Trump struck again, against Revolution Wind off Rhode Island, a project over 80 percent complete, with $4 billion invested, based on supposed "national security" concerns. That order was instantly thrown out in court as "arbitrary and capricious," in part because the Trump administration had been making the opposite arguments about that same project, in the same courthouse, just weeks earlier.

Our New England grid operator warned back then: "Unpredictable risks and threats to resources that have made significant capital investments, secured necessary permits, and are close to completion will stifle future investments, increase costs to consumers, and undermine the power grid's reliability and the region's economy now and in the future." Consumer cost, grid reliability, and economic security were all put arbitrarily and capriciously at risk. Still, we kept working in permitting negotiations.

On land, the Interior Secretary wrapped solar and wind projects up in red tape with dozens of new layers of political review, including a stop at his own desk, where things have stopped. Since then, only one solar project has received approval.

The U.S. Army Corps of Engineers and multiple other Federal agencies adopted a made-up and nonsensical "energy density" metric to prioritize fossil fuel. Still, we kept working on permitting reform.

The administration's offshore defeat in court was such a pasting that they did not appeal. That appeals period lapsed in November. Everyone was back to work. We thought the nonsense was over. But, no.

Thirty days later, days before Christmas, they dropped a new stop-work order on five offshore wind projects, including Empire and Revolution. The new pretext was national security risks that had supposedly emerged in the previous 30 days. That has been re-

viewed now by four Federal judges, and the administration went zero for four. Not one judge believed them.

All along, the Energy and Interior secretaries were lying nonstop that these projects would raise costs. That is demonstrably false. Grid operators put these projects before fossil fuel in the generation stack because they are less expensive.

Revolution Wind by contract will put 9-cent per kilowatt-hour energy into an 18-cent per kilowatt-hour grid. Court filings and affidavits asserted hundreds of millions in consumer cost savings that the administration chose not to deny in court, but they kept lying in public.

When Federal judges do not believe executive branch pretexts about national security, repeatedly, and cabinet secretaries demonstrably lie, repeatedly, enough is enough. So Senator Heinrich and I have paused permitting reform negotiations.

Let me be clear. We find no fault with Senate Republicans. Chair Capito has been an excellent partner, and I am grateful both to her and to her team for the quality and tone of the work that has been accomplished. I am grateful to Whip Barrasso and Leader Thune for how they have responded.

This is not Democrat versus Republican. This is legislative versus executive, an age-old drama, in this case with an executive that will not honor its constitutional duty to faithfully execute the law, or, by the way, tell the truth.

Make no mistake: the Trump administration's lawless, irrational, and unpredictable attacks loom over every industry. None of it is good for business. The nonsense must stop.

I still want to pass bipartisan Senate permitting reform. I know we can expedite the permitting process with sound bipartisan ideas like frontloading stakeholder engagement and discipline an executive inter-agency process run amok.

We can add jobs and electrons and reduce emissions and waste. But it makes no sense to pass a bipartisan permitting reform that will be illegally butchered by a lawless executive branch, vindictively, irrationally, and dishonestly.

The responsibility for resuscitating permitting reform rests now upon the executive branch, upon credible confidence that the nonsense will stop.

Plenty of powerful interests need electrons, lots of electrons, and want the low-cost electrons and the abundant electrons that clean energy provides. If that is you, you need to direct your efforts toward ending the lawless nonsense from the administration. If you are fossil fuel, and you want this lawless nonsense stopped because you could be next, you had better tell them so.

Proceeding with this bipartisan hearing is our demonstration of hope that the nonsense can be stopped, and of trust in our Republican colleagues to get to a good bill, a confidence that I hope is not unjustified.

I will close once again with my appreciation to the Chair and to her staff for the helpful, responsible and honorable way in which they have conducted themselves through all of this.

Thank you.

Senator CAPITO. Thank you, Senator Whitehouse.

So, we will now turn to our witnesses for their opening remarks. Our first witness is Brendan Bechtel. He is Chairman and CEO of Bechtel, testifying this morning on behalf of the Business Roundtable. Mr. Bechtel is a member of the board of directors of the Business Roundtable and serves as chair of the Smart Regulation Committee.

He is also CEO of Bechtel Corporation, which by the way, gave my dad his first job in the late 1930's, and is the fifth generation of the Bechtel family to lead the company.

Mr. Bechtel, you are recognized for 5 minutes for your opening statement.

STATEMENT OF BRENDAN BECHTEL, CHAIR OF THE SMART REGULATION COMMITTEE, BUSINESS ROUNDTABLE

Mr. BECHTEL. Good morning, Chairman Capito, Ranking Member Whitehouse, members of the committee. Thank you for having me today.

I am Brendan Bechtel, Chairman and CEO of Bechtel, one of America's largest engineering and construction firms and one of the Nation's largest employers of both union and non-union craft labor. Over the past 2 years here in the U.S., Bechtel has hired more than 28,000 skilled craft professionals. We anticipate hiring at least 10,000 more this year.

Today I am here in my capacity as the Chair of the Business Roundtable Smart Regulation Committee. The Business Roundtable is an association of more than 200 CEOs from companies spanning every sector of our economy.

Permitting reform is about making America a destination for greater investment, keeping us competitive, strengthening manufacturing and other domestic industry, protecting the environment, and creating good jobs that support our communities. The key to achieving this is comprehensive, bipartisan permitting reform legislation.

Congress and the administration have made real progress toward this goal. But there is more to do and the Business Roundtable is here to help.

Every year of delay holds America back. Other countries are building critical infrastructure at speed and scale. Bechtel has seen first-hand what an effective permitting process can do. We have seen what happens when it does not work.

Let me share a couple of examples from around Bechtel's world. First, the Western Sydney Airport, the first greenfield airport built in Australia in three decades. From site designation to final approval, permitting took less than 3 years. Three years. We started construction after permits were issued and finished 7 months ahead of schedule.

Let's turn to Canada, and the Keeyask hydroelectric project, creating nearly 700 megawatts of clean power. The environmental licensing process took about two and a half years. This included extensive consultation with four Manitoba First Nations who are development partners and engaged from the very beginning of the project.

Canada's review process moved efficiently through public hearings and regulatory approvals.

Now, let's contrast that with the United States. Last summer, a study by McKinsey found it takes between four and 5 years for the average investment dollar to get through our Federal permitting process. That means that right now as much as $1.5 trillion in potential investments are stalled in the queue, waiting for permits across eight key sectors.

Once permits are issued for major projects, 28 percent of those are litigated, delaying those projects for an average of 4.2 years, while at the end of that delay, 80 percent of those permits still ultimately stand as issued by the agency.

Meanwhile, Americans are not seeing the jobs, the spending, or the growth that these projects would and should be generating. The opportunity cost for our Nation is staggering. The unrealized induced GDP impact of these delays, up to $2.4 trillion.

Equally concerning, our global competitors are advancing critical infrastructure projects faster. China is one of them, and other countries seeking long-term foreign infrastructure partners are taking notice. In strategic sectors like nuclear energy, semiconductor manufacturing and AI infrastructure, our permitting process could not only jeopardize American economic leadership, but undermine our hard-won global influence.

In September, 2025, Business Roundtable released our Report, Building a Prosperous Future, with detailed recommendations for fixing this broken system. This report is included in my submitted testimony. These recommendations provide clarity and transparency. They remove unnecessary overlap and redundancy. They establish more predictable timelines, and they make clear that strong environmental protections and efficient permitting are not in conflict.

I look forward to discussing these policy solutions in more detail today. I am optimistic because the momentum is real. There is bipartisan agreement that action is needed. The President has made permitting reform a top priority and Congress has shown a real willingness to move forward. We thank you for the opportunity here today talking about it.

Business Roundtable is ready to work with you on legislation that creates a permitting system that is efficient, predictable, and yields durable results. This is our opportunity this year to reassert American industrial leadership and harness the ingenuity that built this Country over the past 250 years, ensuring we continue to lead in the world for the next 250.

Thank you, and I look forward to your questions.

[The prepared statement of Mr. Bechtel follows:]

Prepared Statement of Brendan Bechtel

Chairman & Chief Executive Officer, Bechtel

Chair, Business Roundtable Smart Regulation Committee

Before the Senate Environment and Public Works Committee

Hearing to Examine the Federal Environmental Review and Permitting Processes,

Part II

January 26, 2026

Introduction

Chairman Capito, Ranking Member Whitehouse and Members of the Committee:

My name is Brendan Bechtel, and I am the Chairman & Chief Executive Officer of Bechtel. Thank you for the opportunity to appear before the committee in my role as chair of Business Roundtable's Smart Regulation Committee, which leads Business Roundtable's efforts on the critical issue of reforming the federal permitting processes for major infrastructure projects.

Bechtel is one of America's largest engineering and construction firms, delivering projects that make a lasting, meaningful difference for people and communities around the world. Since 1898, Bechtel has completed more than 25,000 projects in 160 countries on all seven continents, including some of the most complex and demanding engineering and construction projects ever built. We are also one of the nation's largest employers of union and non-union craft labor. Over the past two years, Bechtel has hired more than 28,000 skilled craft professionals in the U.S. We have expertise in energy – from liquefied natural gas (LNG) to nuclear power to renewables – as well as environmental cleanup, advanced manufacturing, mining and critical minerals, national defense and security, and core infrastructure.

Business Roundtable is an association of more than 200 chief executive officers (CEOs) of America's leading companies, representing every sector of the U.S. economy. Business Roundtable CEOs lead U.S.-based companies that support one in four American jobs and almost a quarter of U.S. GDP. Through CEO-led policy committees, Business Roundtable members develop and advocate directly for policies to promote a thriving U.S. economy and expanded opportunity for all Americans.

In September 2025, Business Roundtable released "Building a Prosperous Future," a report on the urgent need to modernize America's outdated federal permitting system for major infrastructure projects, which I have submitted with my prepared testimony. It contains recommendations for improving the federal permitting process while maintaining the core principle of protecting the environment. These recommendations were developed over many years, spanning multiple Congresses and both Republican and Democratic administrations. I have advocated for permitting reform with Business Roundtable through three presidential administrations – President Trump's first term, President Biden's term, and now President Trump's second term. This is a topic that has genuine bipartisan support, and the opportunity to enact meaningful reform is before us now.

Permitting reform can tackle rising costs, address critical minerals shortages and supply chain vulnerabilities, alleviate transmission constraints and remove other barriers to American economic success. Critically, an effective permitting process makes America investable – attracting the private capital needed to build the infrastructure our economy and national security depend upon – and competitive in a global economy where other global powers, like China, continue to build critical infrastructure at scale. Just as importantly, it can accelerate large-scale job creation here at home by unlocking investment in energy, manufacturing, construction, and infrastructure projects across the country. Reforms that reduce uncertainty and delays will help employers hire faster and strengthen domestic industries. They enable companies, trade schools, and colleges to invest in training programs and apprenticeships in construction – particularly those requiring next-generation skills – while giving workers confidence that these careers are stable, abundant, and worth pursuing. When projects move forward with clear timelines and outcomes, they engage communities, rebuild public trust, and strengthen America's workforce with good-paying jobs that do not require a four-year degree. The Associated Builders and Contractors estimates that the U.S. will need one million new construction workers by 2027. A steady project pipeline can attract a new generation of workers and expand this critical talent pool.

Congress and the Administration have made meaningful progress on this vital issue, and now is the time to finish the job by enacting bipartisan permitting reform legislation – paving the way for building a more efficient, resilient, and prosperous future.

Congress Has Taken Important Steps to Codify Key Permitting Practices

Over the past decade, Congress has taken significant steps to improve the permitting process, and this Committee has taken a leading role in advancing many of them. Congress has long recognized the need to modernize the permitting process, through bipartisan legislation such as Moving Ahead for Progress in the 21st Century Act and the Fixing America's Surface Transportation Act (FAST Act) for surface transportation projects; FAST-41 for certain "covered projects" that voluntarily opt into the process; the Water Resources Development Act for certain water projects; the Infrastructure Investment and Jobs Act, which made important changes to FAST-41 and appropriated funds for permitting capacity building at the federal, state and tribal levels; and most recently, the Fiscal Responsibility Act, which incorporated key procedural reform best practices into the National Environmental Policy Act (NEPA). These reforms have led to better agency coordination, quicker dispute resolution, and shorter timelines for environmental reviews. Yet, more needs to be done.

Additional Improvements Are Needed

Every year of delay holds America back. Bipartisan permitting reform will strengthen U.S. competitiveness by ensuring America can actually build critical infrastructure at the speed and scale already being delivered by other countries.

Bechtel's experience on major infrastructure projects in other countries demonstrates that more efficient and effective permitting processes are achievable.

Consider our recent work on Western Sydney Airport, the first greenfield airport built in Australia in decades. From site designation to final approval, including public comment, subsequent review and revision to the plan, the permitting process took less than three years. We began construction in 2018, after the permits were issued, and completed that project seven months ahead of schedule.

In Canada, Bechtel's 695-megawatt Keeyask hydroelectric project obtained its environmental license in about two and a half years, from the start of the federal study at the end of 2011 to final provincial and federal approvals in mid-2014. Despite the project's complexity and extensive consultation with four Manitoba First Nations who were partners in the development, Canada's review process moved efficiently through public hearings and regulatory approvals.

Contrast these timelines with those in the U.S. Last summer, McKinsey issued a report analyzing the U.S. economic impacts of the permitting process. McKinsey estimated that it takes approximately four to five years for the average investment dollar to go through the federal permitting process[1]. This means that, currently, as much as $1.5 trillion in potential investments are awaiting required federal permits across eight key sectors.

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[1] *McKinsey & Company, Unlocking US federal permitting: A sustainable growth imperative (July 28, 2025).*

The opportunity cost is enormous. Major infrastructure projects are stalled in the permitting queue, and McKinsey estimates the unrealized returns at $100–$140 billion per year. Americans also aren't seeing the economic benefits these investments would generate – the jobs, spending, and growth that would ripple through the economy if projects were approved and built. According to McKinsey, the unrealized induced GDP impact is roughly $1.7–$2.4 trillion.

The opportunity cost for litigation reform is also compelling. McKinsey reports 28% of major projects that receive federal permits are litigated, adding an average of 4.2 years of delay, and notes that while agencies prevail in 80% of these cases, litigation still imposes significant costs including delayed jobs, increased construction costs and overhead, and wasted taxpayer or private-sector dollars. These challenges are becoming more frequent. It is reported that between 2013 and 2022, circuit courts heard approximately 39 NEPA appeals cases per year, a 56% increase compared to the 2001–2015 period.

What's more, while the U.S. waits, other countries move ahead and capture market share. Nations with more predictable permitting systems are advancing large-scale infrastructure projects faster – particularly in strategic sectors that will define the future like nuclear energy, semiconductor manufacturing, and AI infrastructure.

Strong environmental protections and efficient permitting are not in conflict. Business Roundtable's "Building a Prosperous Future" report contains detailed policy recommendations for reforms that would help break the logjam and unleash investment, innovation, and job creation across every sector, while continuing to ensure thorough and responsible environmental reviews. Here are five that Business Roundtable believes would have **the greatest impact if enacted**:

1. Congress should **amend NEPA to limit reviews to environmental impacts not already within another federal agency's direct regulatory jurisdiction**. This would eliminate needless redundancy and focus environmental reviews on impacts not otherwise subject to review. This reform would build upon the Supreme Court's recent May 2025 decision in *Seven County Infrastructure Coalition v. Eagle County, Colorado*, which limited Environmental Impact Statement reviews to potential effects directly related to the project and within the agency's jurisdiction to address. Codifying these principles into NEPA would be a valuable and logical next step.
2. Congress should also **improve the litigation process for alleged NEPA violations**. We recommend shortening the statute of limitations from six years under the Administrative Procedure Act to 150 days after a final permitting decision. Additionally, once an agency completes the NEPA process and issues a permit, petitioners should not be allowed to invoke NEPA as grounds for injunction or vacating an agency decision. Lastly, standing to bring suits should be limited to parties that participated in the NEPA process.
3. Congress should further reduce redundancy and make reviews more efficient by directing agencies to **utilize nationwide permits, programmatic EISs, categorical exclusions and "permits by rule" to the maximum extent permitted by law**.
4. Congress should reaffirm and codify the authority for the Army Corps of Engineers **Nationwide Permit program for linear infrastructure** and direct the Corps to preserve longstanding practices under this program.
5. Congress should **require agencies to utilize state data where states have primary regulatory authority** over a project, thereby reducing or eliminating redundant review and consultation. State, local and federal agencies are requiring the same data and analyses. We can do a better job reducing this redundancy without sacrificing environmental stewardship.

Conclusion

We are encouraged by the meaningful progress being made on a bipartisan basis to address the urgent need for an improved federal permitting process. The President has made permitting reform a top priority for this Administration and taken bold steps to advance it. Meanwhile, several constructive improvements have already garnered bipartisan support in Congress, demonstrating shared recognition across the aisle that action is urgently needed. This includes recent legislation passed by the House. **Business Roundtable looks forward to working with Senators on legislation to create a permitting system that is efficient, follows a predictable process, and yields a durable result**. This is our opportunity to reassert American industrial leadership, unlock investment, and harness the ingenuity that built this country over the past 250 years – ensuring we continue to lead for the next 250. Thank you.



Building a Prosperous Future

SEPTEMBER 2025

Business Roundtable

Introduction

There is a growing bipartisan agreement that the federal permitting system for major infrastructure projects is overly complex and time-consuming. This cumbersome process unnecessarily drives up costs, hinders essential investments, and slows down economic development and job creation.

McKinsey in a recent study estimated that it takes approximately four to five years for the average investment dollar to go through the federal permitting process.[1] This means there is as much as $1.5 trillion in potential investments currently awaiting required federal permits across the eight key sectors that were analyzed. Delays in the permitting process have a range of effects, including lost economic development opportunities for communities and regions, diminished job creation, and specific sectoral, social and environmental impacts. For example, the unrealized returns from infrastructure in federal permitting are between $100 billion and $140 billion per year and the unrealized induced GDP impact of infrastructure currently in federal permitting is approximately $1.7 trillion to 2.4 trillion.

Over the past decade, Congress has taken significant steps to improve the permitting process through bipartisan legislation such as Moving Ahead for Progress in the 21st Century Act (MAP-21) and the Fixing America's Surface Transportation Act (FAST Act) for surface transportation projects, FAST-41 for certain "covered projects" that voluntarily opt into the process, the Water Resources Development Act for certain water projects, and the Infrastructure Investment and Jobs Act which made important changes to FAST-41 and appropriated funds for permitting capacity building at the federal, state and Tribal levels. Environmental Impact Statement (EIS) completion time is down 40% in the last five years, in part due to the Fiscal Responsibility Act which incorporated key procedural reform best practices into the National Environmental Policy Act (NEPA).

These reforms have led to better agency coordination, quicker dispute resolution and shorter timelines for environmental reviews. For instance, the most recent median time to complete an EIS for major infrastructure projects has been reduced to 26 months (2.2 years), as compared to the median of 43 months (3.6 years) in 2019, an improvement of nearly a year and a half.[2] However, a subset of projects drives the average (or mean) time for review to over three years, so there is still much work to be done. In addition, reforming the litigation process regarding the sufficiency of the EIS or Environmental Assessments (EA) associated with major infrastructure projects would substantially reduce permitting times. For that subset of projects where litigation proceeds through the appeals stage and an increasing number of projects are finding themselves facing legal challenges, the average time incurred for judicial reviews exceeds four years, thus undercutting the benefits of the reforms that have been achieved.[3] Additionally, each economic sector is subject to its own unique permitting and licensing regime in addition to the NEPA-driven environmental reviews. To truly unlock the potential of our economy, we need to streamline and accelerate the review and permitting processes for non-NEPA-related projects.

The current Administration has taken bold action to address needless permitting delays, and we are hopeful that as these initiatives are fully implemented, we will see improvements that will help drive economic growth and job creation. Some of these initiatives may affect several of the recommendations that follow. However, it is important that Congress codify these recommendations to help ensure the durability of significant reforms.

Permitting reform can tackle rising costs, address critical minerals shortages and supply chain vulnerabilities, alleviate transmission constraints and remove other barriers to American economic success. By making necessary changes, we can pave the way for building a more efficient, resilient and prosperous future.

The Fiscal Responsibility Act Codified Key Best Practices of a Modern Permitting Process

Business Roundtable has long supported certain key reforms to make the federal permitting process more predictable, streamlined and expeditious. Many of these reforms were codified in Title III of the Fiscal Responsibility Act, including:

+ Requiring joint lead agencies, single environmental documents and concurrent agency reviews.
+ Establishing time limits of one year for EAs and two years for EISs.
+ Defining "major federal action" to include only those activities or decisions subject to sufficient federal control and responsibility.
+ Limiting an EIS to 150 pages (or 300 pages for projects of unusual scope or complexity).
+ Requiring agencies to consider "reasonable alternatives" that are technically and economically feasible and that meet the purpose and need for the proposed action.
+ Requiring agencies to further develop and use categorical exclusions to the maximum extent permissible under law.

In addition to the amendments to NEPA made by the Fiscal Responsibility Act, Congress recently amended NEPA to accelerate environmental reviews for project sponsors electing to pay opt-in fees for environmental reviews. This provision, which was included in the Budget Reconciliation bill recently enacted into law[4], allows project sponsors to pay 125% of the anticipated costs to prepare an EA or EIS and in exchange, requires agencies to complete an EA within 180 days and an EIS within one year. Since this provision has not yet been implemented, it is too soon to predict its ultimate effect on permitting timelines.

More Improvements Are Needed Beyond Those Addressed in the Fiscal Responsibility Act

Congress should amend and modernize NEPA and other statutes to provide for a more effective and efficient review of infrastructure permit applications:

- Limit NEPA reviews to environmental impacts that are not already within another federal agency's direct regulatory jurisdiction to eliminate needless redundancy and focus NEPA reviews on impacts not otherwise subject to review.[5]
- Require agencies to make permitting decisions within 90 days of issuing a final EIS or EA. If an agency has not acted within 90 days of issuing a final EIS or EA, either to approve or deny an application for a permit, the application should be deemed approved by operation of law.
- Define NEPA's "reasonably foreseeable environmental effects" phrase to provide clear guidance regarding the scope of reviews.
- Codify the requirement that agencies leverage digital technologies to streamline and speed up the permitting decision-making process, as called for in a Presidential Memorandum on April 15, 2025.
- Reduce or eliminate redundant reviews and consultation by utilizing state data where states have primary regulatory authority over a project.
- Require agencies to catalog the number and types of permits required and develop categories of permits that may be issued by rule to the extent permitted by law.
- Require agencies to establish transparent processes that include clear guidelines, timelines, including dispute resolution time limits, and an obligation to ensure these processes are adhered to consistently across all offices within an agency.
- Direct agencies to utilize nationwide permits, programmatic EISs, categorical exclusions and permits by rule to the maximum extent permitted by law to reduce redundancy and make reviews more efficient.
- Reaffirm and codify the authority for the Army Corps of Engineers Nationwide Permit program for linear infrastructure and direct the Corps to preserve longstanding practices under this program.
- Reform the Clean Water Act Section 401 state disapproval process to limit a state's opportunity to disapprove, or condition, a certification of a water permit for reasons other than the project's direct impact on water quality within the state.

+ Reform Clean Water Act Section 404 consistent with the Supreme Court's *Sackett* decision regarding the definition of "Waters of the United States." The Administration initiated the process in March to conform guidance and regulations with the *Sackett* decision, but durability requires Congress to clarify language in the Clean Water Act.

+ Allocate funding consistent with recent law to ensure that agencies have adequate resources, including personnel, to administer permitting programs in a timely manner.

The NEPA Litigation Process Remains a Key Source of Needless Delay and Should be Reformed by Congress

While Title III of the Fiscal Responsibility Act took important steps to codify best practices into NEPA's permitting framework, it did not fix longstanding problems in NEPA-related litigation. Litigation over the sufficiency of EAs or EISs has proven to be one of the most significant sources of delay for infrastructure projects. According to a recent study of NEPA litigation by The Breakthrough Institute,[6] between 2013 and 2022, circuit courts heard approximately 39 NEPA appeals cases per year, a 56% increase over the rate from 2001 to 2015. Agencies won about 80% of the 2013–2022 appeals cases. The rate at which agencies' reviews are upheld is high, meaning these environmental reviews are seldom changed because of litigation. However, on average, 4.2 years elapsed between publication of an EIS or EA and conclusion of the corresponding legal challenge at the appellate level. In the meantime, projects are left in legal limbo and often are subject to an injunction prohibiting construction pending the outcome of litigation.

Another recent study, analyzing a data set of 355 major transportation and energy infrastructure projects that completed a federal environmental study between 2010 and 2018, found that 28% of the projects requiring an EIS faced litigation and 89% of these projects involved a claim of a NEPA violation. The study also found the highest litigation rate was with respect to solar energy projects, nearly two-thirds of which were litigated. Other high-litigation sectors include pipelines (50%), transmission lines (31%), and wind energy projects (38%).[7]

Congress should amend NEPA to expedite permitting and reduce frivolous litigation that only adds to costs and delays while respecting the core objective of NEPA, which is to identify major federal actions that may significantly affect the quality of the human environment. Business Roundtable recommends the following litigation reforms, **all of which will require Congress to change the underlying law to codify needed reforms:**

+ Specify a statute of limitations of no more than 150 days for any litigation that may result from a federal permitting decision, consistent with the timeline established for surface transportation projects, whereas the default statute of limitations under the Administrative Procedure Act is six years.

- Require accelerated case schedules and deadlines to act on remanded permit decisions.

- Specify that once an agency issues a permit or completes a NEPA process, the courts can instruct the agency to correct errors in the environmental analysis or add additional explanation, but cannot invoke NEPA as grounds for injunctions or vacating an agency decision based on the environmental analysis because NEPA is a procedural statute not conferring substantive rights.

- Limit standing to those parties that participated in the underlying NEPA proceeding while engaging communities and affected parties and proactively coordinating with relevant state, territorial and local governments as early as possible and in a sustained manner. FAST-41 contains provisions limiting standing for litigation concerning "covered projects."

- Require challenges involving NEPA to be brought at the earliest stage possible (e.g., the leasing stage and not permitting stage) when land lease sales are involved, so needless time and expense are not incurred after leases are awarded for parcels that ultimately may be found to be unsuitable for development.

Other Key Reforms

Increase Domestic Energy Production and Export

Domestic energy production is necessary to reduce reliance on energy from foreign countries, export lower carbon energy to friends and allies, and facilitate the growth of the U.S. economy. The current Administration has taken significant steps to ensure the availability of future U.S. energy supplies necessary to ensure continued economic growth and job creation. More can be done to ensure the development of all energy resources.

The Administration and Congress should:

- Support the development of energy assets across onshore and offshore federal lands by accelerating relevant leasing programs and ensuring timely permitting of infrastructure needed to deliver energy resources to market. *The Administration has taken steps to accelerate leasing for conventional energy resources but codification and expansion to other resources is needed.*

- Accelerate the permitting and construction of liquefied natural gas (LNG) export infrastructure and associated pipelines to meet growing demand for exports. This should include support for FERC actions to eliminate obstacles to the development of natural gas infrastructure and enhance permitting efficiency, including waiving and permanently repealing Order No. 871 regarding stays of construction while litigation or rehearing

requests are pending, increasing the cost limits on Blanket Certificates, and revisiting NEPA procedures to ensure they are in-line with the Seven Counties Infrastructure Coalition case. *The Administration has lifted the pause on processing LNG export license applications and is accelerating the permitting of LNG facilities. FERC recently voted unanimously to revise its NEPA procedures to comply with the Seven Counties Infrastructure Coalition case, increase the cost limits on Blanket Certificates and waive Order No. 871 pending repeal.*

+ Accelerate the permitting and construction of natural gas pipeline development and power generation infrastructure, including expanded and new overhead transmission lines.

+ Accelerate the permitting and construction of flexible infrastructure that can be used to deliver a range of fuels now and in the future.

+ Support the planning, permitting and construction of infrastructure to deliver captured CO_2 for utilization and sequestration. Congress should also direct EPA to fast-track approval of Class VI primacy for states that are interested and have proven qualified to administer carbon capture and storage programs.

+ Support increased development of alternative low- and zero-carbon fuels, including for transportation, to reduce emissions and enhance environmental benefits.

Expand and Improve Transmission Capabilities and Capacity

The U.S. economy is increasingly relying on electrons to fuel economic growth, and the ability of the electric grid to withstand natural, cyber, kinetic and other security challenges is becoming more important. A reliable, resilient electric grid that can be planned and constructed in a timely way is a national security imperative that will help unlock economic opportunity and is an essential step in maintaining competitiveness for the U.S. economy. While regional differences significantly impact policy, policymakers should work together to address barriers to transmission development and interconnection related to permitting, planning and cost allocation where these challenges exist.

Potential actions should include the following:

+ Support the Federal Energy Regulatory Commission (FERC) efforts to improve the speed of the interconnection queue process and support regional and interregional transmission planning.

+ Promote industry efforts to expedite the interconnection process and facilitate shovel-ready projects that meet demonstrated reliability needs in an objective and non-discriminatory manner.

- Consider providing more durability of FERC's recent initiatives with more specific legislation guiding the agency, while ensuring FERC retains the flexibility to address differing regional market structures, and evolving market changes.

- Facilitate promising technologies that can speed modeling necessary for interconnection studies, help enhance operational performance of the grid, allow for better accounting of real-time performance and inform energy development decisions.

Expand Access to Key Raw Materials, Including Critical Minerals

Grid modernization, as well as the proliferation of electric vehicles, batteries, renewable energy generation and data center demand, are dramatically increasing the need for new investments in electric generation and transmission infrastructure. Many of these technologies depend on critical raw materials that are either in short supply or dependent on foreign supply chains that make the U.S. vulnerable to future disruptions. Expanding and accelerating responsible domestic production and processing of critical minerals in a manner that upholds strong environmental, labor, safety, Tribal consultation and community engagement standards is key to ensuring adequate, secure and reliable supplies of these critical materials. The permitting reforms listed above would help ensure adequate supplies of critical materials and address supply chain vulnerabilities. *The Administration has taken important steps to prioritize and accelerate critical mineral leasing and processing, which we support.*

In addition, Congress and the Administration should:

- Adopt additional provisions for key minerals mining, processing, end-use manufacturing and recycling that expand the availability of minerals essential to clean energy, including nuclear and batteries.

- Encourage the growth of a domestic critical minerals recycling industry through statutory and administrative changes and legislation that provides regulatory agencies with set timelines to issue permits.

- Promote the global adoption of a baseline environmental standard across supply chains.

Streamline the Permitting of Modern Data Infrastructure, Fiber and Wireless Infrastructure

Economic growth and national security rely on continuous development, deployment, and investment in modern technologies. Artificial intelligence (AI), machine learning, robotics, modern data infrastructure, fiber and wireless communication advances provide the United States with a unique opportunity to accelerate innovation and growth, while helping strengthen national leadership in critical technologies. In addition, the Administration has noted the urgency of

updating certain critical infrastructure, including modernizing the Air Traffic Control System. Needlessly delaying these investments will not only drive-up costs but also compromise public safety. Congress has a key role in helping ensure these opportunities are realized by streamlining the approval process for investments needed to accelerate these advances and address urgent public safety concerns.

In addition to the recommendations above, we also urge Congress and the Executive Branch to:

+ Codify NEPA Categorical Exclusions for both new and existing facilities, including fiber facilities, wireless facilities, and associated equipment, in a developed area or on previously disturbed ground.

+ Allow a mutual recognition permitting approval process for federal, state, and local applications to streamline the approval process by reducing redundant reviews. This approach would acknowledge state programs with primary regulatory authority, allowing federal agencies to rely on state-approved permits.

+ Require permitting authorities to establish a single point of contact for the permitting process associated with fiber connectivity for AI infrastructure projects. This will reduce confusion and redundancy by ensuring that all necessary information is centralized and accessible. Bulk permitting, by requiring only one application for long-haul projects, should also be considered to reduce redundancy.

+ Collaborate with state and local counterparts to streamline permitting fiber and broadband deployment, including by adopting uniform time limits for review of applications across state and local governments.

+ Update federal rules impacting wireless facility deployments to conform with NEPA and other statutes, Administration directives, and current Supreme Court guidance, including narrowing the standard for "major federal actions" under NEPA. This will help clarify and provide greater certainty to the NEPA process.

Endnotes

1 McKinsey & Company, *Unlocking US federal permitting: A sustainable growth imperative* (July 28, 2025) available at: Unlocking US federal permitting: A sustainable growth imperative.

2 Executive Office of the President, Council on Environmental Quality, *Environment Impact Statement Timelines (2010-2024)*, (January 13, 2025) available at: Environmental Impact Statement Timelines (2010-2024).

3 The Breakthrough Institute, *Understanding NEPA Litigation* (July 11, 2024), available at: Understanding NEPA Litigation | The Breakthrough Institute.

4 Sec. 60026, Pub. L No. 119-21 (July 4, 2025).

5 In a May 2025 decision, the Supreme Court limited EIS reviews to potential environmental effects directly related to the project under consideration and within the agency's jurisdiction to address. The Court also required judicial deference to an agency's judgment regarding the extent of reviews so long as it was not arbitrary or capricious. *See Seven County Infrastructure Coalition v. Eagle County, Colorado*, 145 S. Ct. 1497 (May 29, 2025), *available at* https://www.supremecourt.gov/opinions/24pdf/23-975_m648.pdf. However, codification into NEPA of these principles would be useful.

6 *Understanding NEPA Litigation, supra* note 3.

7 Bennon and Wilson, *NEPA Litigation Over Large Energy and Transport Infrastructure Projects*, 53 Environmental Law Reporter 10836 (October, 2023), available at: nepa_litigation_over_large_energy_and_transport_infrastructure_projects.pdf.


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Public Sector Practice

Unlocking US federal permitting: A sustainable growth imperative

The permitting process for large infrastructure projects is costly and time consuming. Accelerating timelines could help meet critical infrastructure needs and fuel future growth.

by Bob Sternfels, Adi Kumar, and Brodie Boland
with Bobo Stankovikj and Tim Carter



July 2025

Big plans are afoot to build in the United States. The country needs additional energy generation capacity, transmission lines, broadband, rail lines, and more. The good news is that plenty of providers are lining up to build these projects. More than 650 infrastructure projects tracked by the US Permitting Dashboard are awaiting federal approval to begin construction.[1] The bad news is that these projects will likely be waiting for a long time. Large infrastructure projects in the United States face permitting wait times stretching for years.

The intentions of permitting are to safeguard the health and property rights of communities, preserve ecosystems, uphold air and water quality standards, protect cultural and historical landmarks, and mitigate the effects of climate change. Many times, permitting statutes have proved critical in protecting Americans against the potentially harmful effects of proposed development. The National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) were meaningful advancements that have afforded local and tribal groups a legal platform to advocate for—and ensure—robust environmental reviews on their traditional lands.[2] Natural ecosystems are invaluable both in their own right and in the services they provide to societies—for example, clean air, clean water, quality soils, climatic regulation, and recreation. Permitting has played an important role in protecting these ecosystems, whose critical benefits must be preserved.

Yet as the gap grows between the country's existing infrastructure and what is needed, many stakeholders are asking whether permitting could achieve these objectives more quickly. As permitting increasingly becomes a topic of focus, it is important that proposed reforms improve the effectiveness of permitting both in preventing harms to people and ecosystems and in enabling development that will benefit those people and ecosystems. Although substantial benefits may arise from shortening permitting timelines, thoughtful reforms do not seek the elimination of permitting review. Ensuring social and environmental safeguards and meeting America's infrastructure needs don't have to be zero-sum games.

To understand the scope of this problem, we used multiple lenses to estimate the federal permitting timeline costs for US infrastructure stakeholders, including the public. We estimate that $240 billion to $280 billion in infrastructure capital expenditures across eight key sectors enter the federal permitting process each year. We find that each dollar, on average, takes about four to five years to move through permitting. These findings combined suggest there is $1.1 trillion to $1.5 trillion of infrastructure capital expenditure currently in federal permitting, costing stakeholders billions of dollars in lost revenue and withholding project benefits, including increased GDP, increased power generation capacity, lower carbon emissions, and opportunities for public transit.

In response to these estimates, we highlight reforms that could empower the US federal government to streamline permit reviews and unlock necessary infrastructure.

Critical infrastructure is needed and subject to federal review

In the United States, infrastructure projects may face several layers of permitting, including at the federal, state, and local or municipal levels. For some sectors, such as housing, permitting is primarily a state or local exercise. Larger infrastructure projects—in energy, transport,

[1] "Permitting Dashboard: Federal Infrastructure Projects," Permitting Council, updated July 18, 2025.
[2] Diné Citizens Against Ruining Our Environment v. Bernhardt, No. 18 2089, 923 F.3d 831, US Court of Appeals, 10th Circuit, May 7, 2019.

communications, or manufacturing, for example—are likelier to be subject to federal permitting, which is the focus of our analysis.

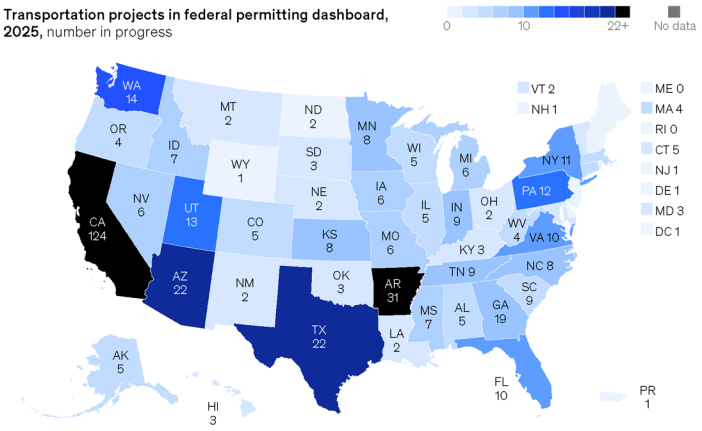
The United States is striving to address the growing need for infrastructure: The Infrastructure Investment and Jobs Act (IIJA) authorized approximately $1.2 trillion for infrastructure; the CHIPS and Science Act dedicated around $53 billion to semiconductor manufacturing; and environmental initiatives received most of the approximately $152 billion in infrastructure spending from the Inflation Reduction Act.[3] As the volume of infrastructure projects increases, so does the need for permitting efficiency.

Hundreds of transportation projects are in progress, per the US Permitting Dashboard (Exhibit 1A).

Exhibit 1A

A large volume of infrastructure is proposed in the United States, across many sectors.

Transportation projects in federal permitting dashboard, 2025, number in progress



Source: US Department of Transportation

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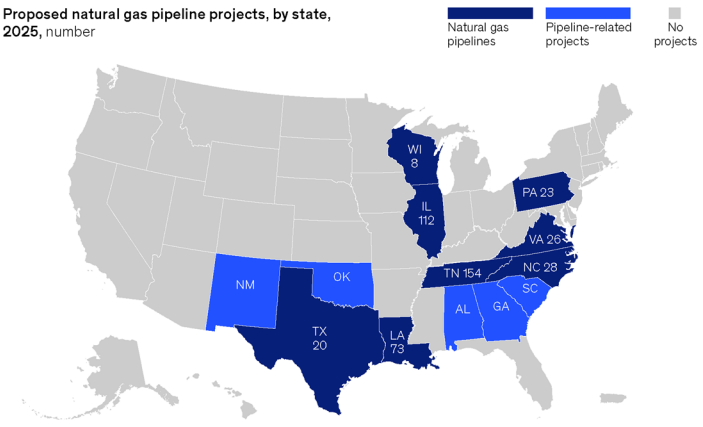
[3] Adie Tomer and Ben Swedberg, "Federal infrastructure hub," Brookings Institution, updated on November 25, 2024; Adie Tomer et al., "America has an infrastructure bill. What happens next?," Brookings Institution, November 9, 2021; "Infrastructure Investment and Jobs Act (IIJA) implementation resources," Government Finance Officers Association of the United States and Canada, accessed June 2025; *US Department of Commerce Blog*, "Two years later: Funding from CHIPS and Science Act creating quality jobs, growing local economies, and bringing semiconductor manufacturing back to America," blog entry, August 9, 2024.

Especially in the southern United States, hundreds of miles of natural gas pipelines have been proposed (Exhibit 1B).

Exhibit 1B

A large volume of infrastructure is proposed in the United States, across many sectors.

Proposed natural gas pipeline projects, by state, 2025, number



Source: US Federal Energy Regulation Commission, 2025

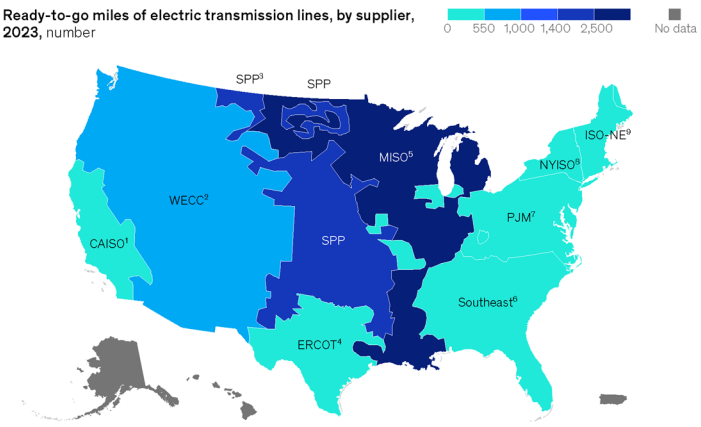
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Every region of the US grid has at least hundreds of miles of electrical transmission lines proposed, with some regions having as many as 2,500 miles of proposed lines (Exhibit 1C).

Exhibit 1C

A large volume of infrastructure is proposed in the United States, across many sectors.

Ready-to-go miles of electric transmission lines, by supplier, 2023, number



[1]California Independent System Operator. [2]Western Electricity Coordinating Council. [3]Southwest Power Pool. [4]Electric Reliability Council of Texas. [5]Midcontinent Independent System Operator. [6]Southeastern Electric Reliability Corporation. [7]PJM Interconnection. [8]New York Independent System Operator. [9]ISO-New England.
Source: Americans for a Clean Energy Grid, 2023

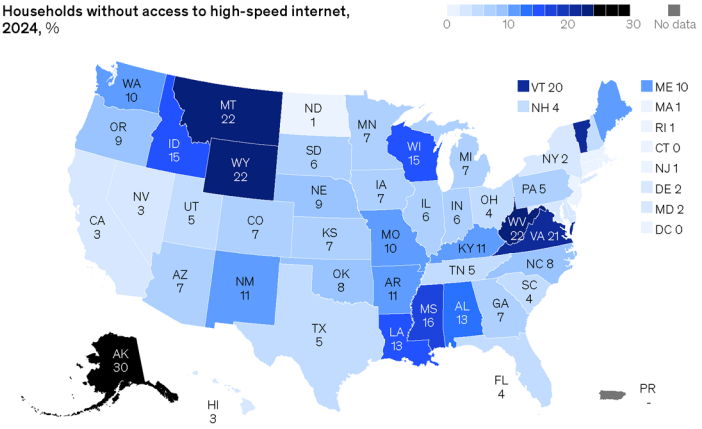
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Furthermore, recent investments under the Broadband Equity, Access, and Deployment (BEAD) Program could result in hundreds of broadband projects entering the federal permitting queue, addressing the gaps in high-speed internet access nationwide (Exhibit 1D).

Exhibit 1D

A large volume of infrastructure is proposed in the United States, across many sectors.

Households without access to high-speed internet, 2024, %



Source: US Federal Communications Commission, June 2024

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Larger infrastructure projects typically require federal permitting under NEPA, which requires federal agencies to assess a project's environmental impact, including effects on natural and historic resources and communities (see sidebar "National Environmental Policy Act"). Roughly 100,000 actions face NEPA review every year, from the largest infrastructure projects in energy, transportation, and manufacturing to smaller projects such as short-term land usage by individuals and small businesses.[4]

Projects may also need to obtain some combination of approximately 60 project-specific federal permits tracked by the Permitting Council.[5] Specific project characteristics define which permits are needed (for example, Clean Water Act and Clean Air Act permits; US Coast Guard bridge permits; migratory-bird permits; and Marine Protection, Research and Sanctuaries Act permits). Some of these permit processes remain unstandardized, decreasing the predictability of timelines.

Litigation can delay projects and introduce new expenses. Approximately 30 percent of projects undergoing an environmental impact statement (EIS), the most involved type of review under NEPA, face litigation; nearly 90 percent of plaintiffs in these cases claim a NEPA violation, among other legal objections.[6] These claims are presented by a diverse set of plaintiffs—including nongovernmental organizations (NGOs), local governments, and individuals—often alleging inadequate analysis in an EIS or failure to consider a reasonable range of alternatives.

Specific project characteristics define which permits are needed. Some of these permit processes remain unstandardized, decreasing the predictability of timelines.

4 "Fact sheet: Modernizing CEQ's NEPA regulations," US Council on Environmental Quality, July 15, 2020; National NEPA Register, US Bureau of Land Management, accessed June 2025.
5 Permitting Dashboard, Federal Infrastructure Projects, accessed July 23, 2025.
6 Michael Bennon and Devon Wilson, "NEPA litigation over large energy and transport infrastructure projects," *Environmental Law Reporter*, October 2, 2023.

National Environmental Policy Act

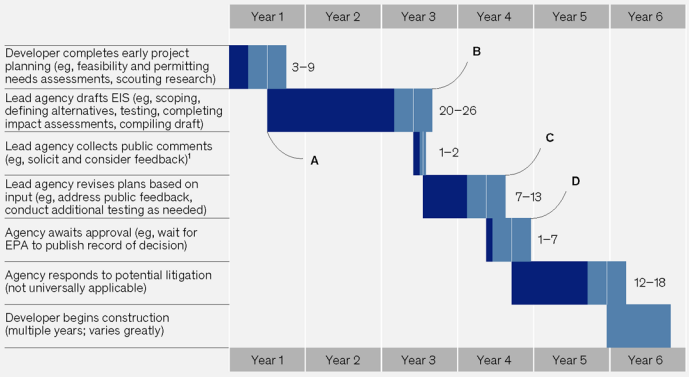
The National Environmental Policy Act (NEPA) requires agencies to analyze the expected environmental impacts of infrastructure projects, with different procedures depending on a project's anticipated effects. Projects with the greatest potential impact undergo an environmental impact statement (EIS), which typically takes at least two years—excluding preplanning and potential litigation (exhibit).[1] The lengths of each phase of the EIS process vary considerably depending on the industry and scale of a given project. While the EIS permitting process technically begins with the release of a notice of intent, developers may dedicate substantial time and capital to prescoping activities, such as coordinating with consultants and engineers and meeting with members of the public and with representatives of federal, state, local, and tribal political and governmental groups. Efforts during this period often attempt to gather preliminary environmental data, an understanding of potential alternatives, and a determination of what depth of NEPA assessment a project will likely undergo—for example, if the action will potentially have a significant environmental effect, it will likely face an environmental assessment (EA); if it is clear that the project will cause a significant environmental effect, it will likely face an EIS review.[2]

While the development of the EIS is a collaborative endeavor, the relevant lead federal agency bears responsibility for fulfilling the process requirements and managing potential litigation, while the project developer owns the pre-EIS planning period and the construction phase.

Exhibit

Permitting timelines can stretch to many years for projects requiring an environmental impact statement.

Illustrative timeline for projects requiring an environmental impact statement (EIS),[1] months



Key milestones

● A. Release notice of intent ● B. Publish draft EIS ● C. Publish final EIS ● D. Issue record of decision

[1]EPA mandates minimum 45-day waiting period following draft EIS submission.
Source: Council on Environmental Quality, 2018; Federal Permitting Improvement Steering Council, 2019; NASA, 2015; Permitting Council, 2020; McKinsey analysis

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[1] "Environmental impact statement timelines (2010-2024)," US Council on Environmental Quality, January 13, 2025; Mario Loyola, "Global infrastructure permitting: A survey of best practices," Competitive Enterprise Institute, July 7, 2023.
[2] Projects that aren't expected to deliver significant impacts on the human environment may receive a categorical exclusion under NEPA that exempts them from further review. "National Environmental Policy Act review process," US Environmental Protection Agency, updated on April 11, 2025.

Permitting timelines are lengthy and costly

While long federal permitting timelines have attracted public attention, research quantifying their effects on infrastructure development remains limited. Our analysis addresses this knowledge gap, using government data to calculate the impact of long timelines using several measures (see sidebar "Methodology"). For each of our analyses, the estimated impact was substantial.

Our research confirms that the permitting process for larger, more expensive projects is typically far longer than it is for smaller projects. As a result, calculating the average permitting time across all projects (agnostic to and undifferentiated by size) underestimates the substantial social and economic impacts of permitting for these larger initiatives. We enlist weighted averages to address this nuance.

Methodology

Each measurement of the estimated economic and social impact of US federal permitting timelines relies on one or both of two fundamental inputs that we estimated: *expected permitting duration* and *volume of capital expenditure subject to federal permitting*. While existing studies focus on discrete components of the federal permitting process, the research does not offer a broad view of total timelines and their impacts. In recognition of this, we adopted a multi-lens approach to inform our estimations.

To calculate the expected permitting duration by sector, we estimated the duration spent on National Environmental Policy Act (NEPA) review, additional approvals that extend beyond NEPA review, and associated litigation. We used data from the Council on Environmental Quality (CEQ), the Permitting Council, federal agencies, and academic research to develop baseline estimates for each sector. Based on consultation with practitioners (for example, former regulators and compliance specialists), we then adjusted baseline estimates for categories of projects in each sector based on the following criteria:

— ***Project size.*** Based on conversations with industry experts, we estimated that both the duration and likelihood of more stringent NEPA review, additional permitting approvals, and litigation are higher for larger projects and lower for smaller projects.

— ***Level of NEPA review.*** We assume that both the duration and likelihood of additional permitting approvals and litigation are higher for projects with more stringent levels of NEPA review (for example, environmental assessments and environmental impact statements) and lower for projects with less stringent levels of NEPA review (for example, categorical exclusions).

Ultimately, our results are capital-expenditure-weighted duration; in other words, they are estimates of the amount of time the average *dollar* (rather than the average *project*) that is subject to federal permitting will spend in the permitting process. Based on data from the Permitting Council, we assume that the largest projects, though fewer in number, account for the majority of capital expenditure.

To estimate the volume of capital expenditure subject to federal permitting in each sector, we used historical data from two US Census Bureau surveys—the Annual Capital Expenditures Survey (ACES) and the Value of Construction Put in Place Survey (VIP)—and consulted additional government sources (for example, the Bureau of Transportation Statistics and the Energy Information Administration) to supplement estimates for specific sectors not fully captured by the Census Bureau surveys. Based on available data and consultation with practitioners, we then estimated the proportion of infrastructure capital expenditure in each sector that is likely subject to federal permitting.

Finally, to account for data limitations and the inherent uncertainty associated with this exercise, we conducted a sensitivity analysis on three key variables that were important determinants of our estimates and had comparatively limited available data: the distribution of capital expenditure across project size, the distribution of projects across level of NEPA review, and the proportion of investment subject to federal permitting by sector. This process allowed us to develop high and low estimates, resulting in the ranges seen throughout this article.

Through that approach, we estimate that the average proposed project dollar takes four to five years to move through the permitting process, with large variations by sector: Manufacturing dollars take two to three years to move through permitting, for example, while mining dollars take eight to nine years (Exhibit 2). The longest wait times are for projects requiring an EIS review, which also tend to be the largest projects.

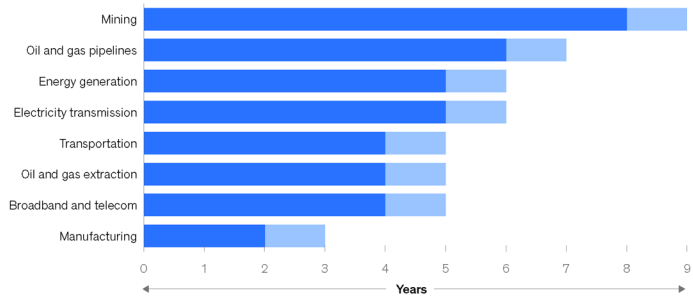
Projects subject to litigation in district courts typically face delays of 1.0 to 2.0 years, and those that appeal in circuit courts (approximately one-third of all NEPA-related cases) require an average of 4.2 years to resolve.[7] Despite these timelines, NEPA-related litigation rarely leads to meaningful change; 80 percent of appeals cases between 2013 and 2022 were decided in favor of federal agencies.[8]

Slowdowns in the permitting process can increase costs, hinder economic growth, and create negative effects on society and the environment. While some amount of value will always be awaiting permitting review, unlocking backlogged infrastructure could reduce these losses. We estimate that at any given time, reducing the federal permitting timeline by only one year could unlock a minimum of $22 billion in returns on invested capital among projects seeking approvals.[9]

Exhibit 2

Weighted average permitting time for projects varies by sector.

Average permitting time, by industry sector, 2025, years (range)



Source: BLM NEPA National Register; Breakthrough Institute; Columbia University: USFS NEPA Database; Council on Environmental Quality: EIS Length database; Federal Permitting Dashboard; Federal Permitting Improvement Steering Council: Baseline Performance Schedules; Federal Register: Section 404 Permits; Government Accountability Office; Federal Energy Regulatory Commission; NOAA: EFH Consultation; PNAS; Stanford University; University of Utah

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7 Nikki Chiappa et al., "Understanding NEPA litigation: A systematic review of recent NEPA-related appellate court cases," Breakthrough Institute, July 11, 2024.

8 John C. Ruple and Kayla Race, "Measuring the NEPA litigation burden: A review of 1,499 federal court cases," *Environmental Law*, 2020, Volume 50, Number 2; Michael Bennon and Devon Wilson, "NEPA litigation over large energy and transport infrastructure projects," *Environmental Law Reporter*, October 2, 2023; Nikki Chiappa et al., "Understanding NEPA litigation: A systematic review of recent NEPA-related appellate court cases," Breakthrough Institute, July 11, 2024.

9 This estimate reflects the expected annual postconstruction returns on the $240 billion to $280 billion in invested capital expenditures subject to permitting across eight key sectors.

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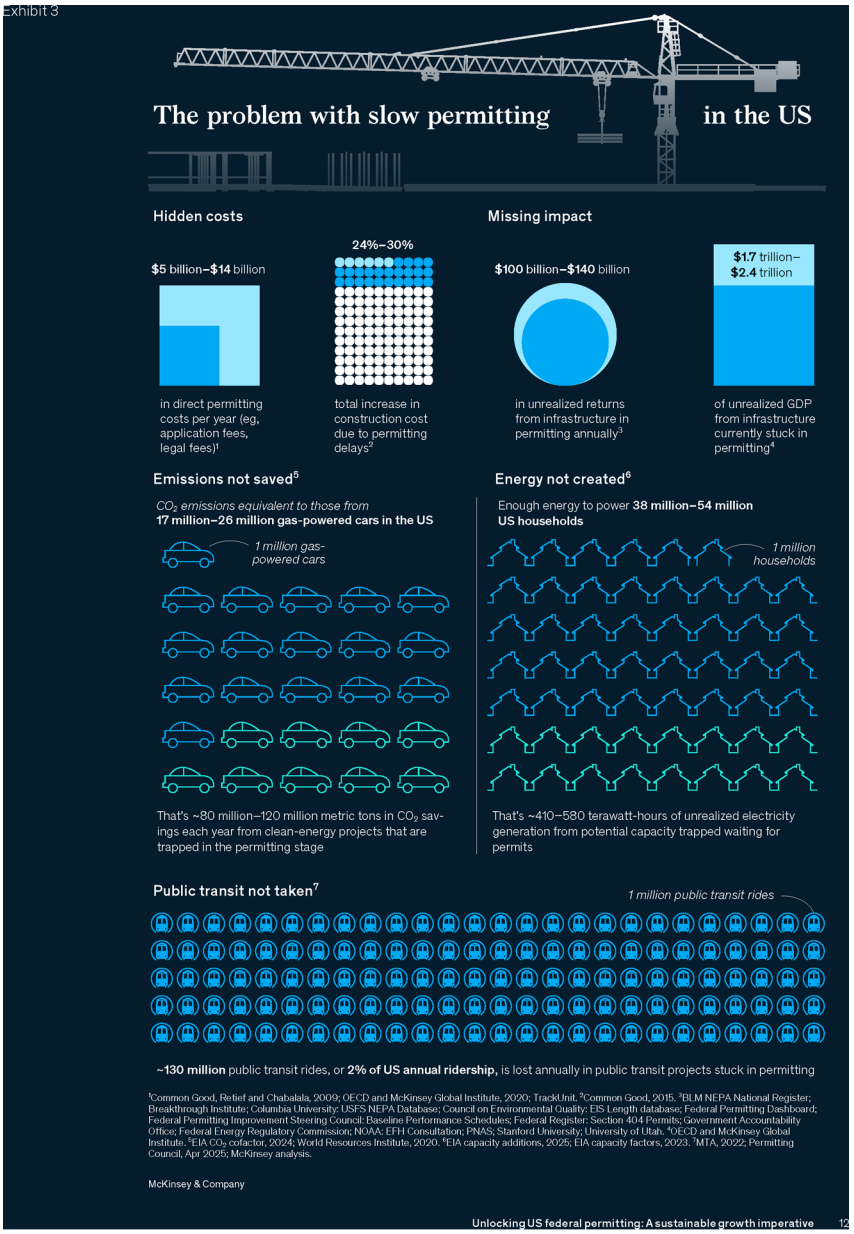
Economic impact

While permitting requires billions of dollars in direct spend—$5 billion to $14 billion, by our estimate—it also leads to indirect costs (Exhibit 3). The four-to-five-year permitting timeline means that the unrealized returns on projects in the permitting pipeline amount to $100 billion to $140 billion each year, roughly half of the proposed capital expenditure entering the federal permitting pipeline every year. Construction costs can increase 24 to 30 percent over project timelines, spurred mainly by material and labor cost inflation and added overhead costs.

Capital tied up in permitting doesn't contribute to the economy, which limits GDP growth. To quantify this, we estimated the *induced* GDP effects—including unrealized household spending by workers and suppliers paid to execute the project—of capital in the permitting queue to determine the second-order effects of these timelines. We found $1.7 trillion to $2.4 trillion in unrealized cumulative GDP.

The US permitting process requires $5 billion to $14 billion in direct spend, by our estimate, and also leads to indirect costs.

Exhibit 3


The problem with slow permitting in the US
Hidden costs
$5 billion–$14 billion
in direct permitting costs per year (eg, application fees, legal fees)[1]
24%–30%
total increase in construction cost due to permitting delays[2]
Missing impact
$100 billion–$140 billion
in unrealized returns from infrastructure in permitting annually[3]
$1.7 trillion–$2.4 trillion
of unrealized GDP from infrastructure currently stuck in permitting[4]
Emissions not saved[5]
CO2 emissions equivalent to those from 17 million–26 million gas-powered cars in the US
1 million gas-powered cars
That's ~80 million–120 million metric tons in CO2 savings each year from clean-energy projects that are trapped in the permitting stage
Energy not created[6]
Enough energy to power 38 million–54 million US households
1 million households
That's ~410–580 terawatt-hours of unrealized electricity generation from potential capacity trapped waiting for permits
Public transit not taken[7]
1 million public transit rides
~130 million public transit rides, or 2% of US annual ridership, is lost annually in public transit projects stuck in permitting
[1]Common Good, Retief and Chabalala, 2009; OECD and McKinsey Global Institute, 2020; TrackUnit. [2]Common Good, 2015. [3]BLM NEPA National Register; Breakthrough Institute; Columbia University; USFS NEPA Database; Council on Environmental Quality; EIS Length database; Federal Permitting Dashboard; Federal Permitting Improvement Steering Council: Baseline Performance Schedules; Federal Register: Section 404 Permits; Government Accountability Office; Federal Energy Regulatory Commission; NOAA: EFH Consultation; PNAS; Stanford University; University of Utah. [4]OECD and McKinsey Global Institute. [5]EIA CO2 cofactor, 2024; World Resources Institute, 2020. [6]EIA capacity additions, 2025; EIA capacity factors, 2023. [7]MTA, 2022; Permitting Council, Apr 2025; McKinsey analysis.
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Unlocking US federal permitting: A sustainable growth imperative
12

Society and the environment

Accelerating federal permitting could streamline the fulfillment of citizens' basic needs, such as access to electricity. Heightened efficiency across key sectors supports environmental objectives by increasing access to renewable energy and public transportation. The lengthy pace of permitting amounts to a missed opportunity for the United States to power 38 million to 54 million households and reduce annual carbon dioxide emissions equal to the amount emitted by 17 million to 26 million gas-powered vehicles, 6 to 9 percent of the total number of registered vehicles in the United States in 2025. In addition, approximately 2 percent of all US public transit journeys are tied up in permitting.

These costs and impacts represent only those that we could quantify. Other costs are less knowable but are almost certainly present. For example, the desire to avoid longer permitting reviews may incentivize suboptimal project designs, such as avoiding federal land, that minimize permit exposure. Fear of litigation often leads to "litigation proofing," which can cause agencies to significantly exceed recommended EIS page lengths, durations, or both, expending more resources in an effort to preempt lawsuits and prolonging the prelitigation period of the review process.[10] Furthermore, the United States could be losing out on private capital from investors who deem the risk and unpredictability of lengthy timelines as too high.

Finally, the permitting process is felt socially and environmentally, as the public may lose trust in a process it perceives as inefficient. As permitting causes projects to become stalled or even canceled, the costs of inefficient and insufficient infrastructure in the United States—amounting to thousands of dollars per household annually—continue to accumulate.[11]

Improvements to federal permitting are possible

Inefficiencies in federal permitting are becoming more widely known. Political focus has increased as well, with the Council on Environmental Quality (CEQ) issuing an interim final rule changing authority over NEPA procedures and granting agencies more latitude to deviate from standardized processes.[12] While debate continues over the right structures and practices to support federal permitting, evidence from initiatives launched within US borders and beyond suggests that efficient permitting and environmental and social protection can go hand in hand (see sidebar "Improvements to federal permitting are possible: Examples from abroad").

Indeed, the United States has previously acted to improve the permitting process. Over the past five years, the median duration of EIS reviews has decreased substantially (Exhibit 4). This is no accident. The Fiscal Responsibility Act (FRA) of 2023 was designed to reduce timeline durations, streamlining the review process by creating more pathways for projects to receive categorical exclusions, shortening the timeframe on all NEPA reviews.[13] Similarly, Title 41 of the Fixing America's Surface Transportation Act (FAST-41) of 2015 implemented standards to expedite EIS litigation, including reductions to the statute of limitations on legal objections and developing publicly posted timetables for federal environmental reviews and authorizations.

[10] Michael Bennon and Devon Wilson, "NEPA litigation over large energy and transport infrastructure projects," *Environmental Law Reporter*, October 2, 2023.
[11] "Failure to Act reports," American Society of Civil Engineers, accessed June 2025.
[12] "Removal of National Environmental Policy Act implementing regulations," *Federal Register*, updated on March 5, 2025.
[13] "Questions and answers on the Fiscal Responsibility Act of 2023's amendments to NEPA and CEQ's Bipartisan Permitting Reform Implementation Rule (phase 2)," Council on Environmental Quality, July 1, 2024.

Improvements to federal permitting are possible: Examples from abroad

Long wait times for permitting are not unique to the United States. However, although the United States has struggled to reform its system and accelerate infrastructure building while maintaining high environmental standards, peer countries with long permitting timelines have sought some solutions (despite lengthy permitting requirements, the United States ranks last among all countries in the "Global West" on the Environmental Performance Index[1]—for example:

- In 2023, the European Union updated its Renewable Energy Directive (RED III). The directive calls on EU member countries to shorten permitting timelines for renewable-energy projects.[2]
- In March 2025, the European Commission announced its 47 Strategic Projects initiative directed at securing and processing critical raw materials. The initiative instituted permitting timelines of 27 months for extraction projects and 15 months for other projects.[3]
- The *Building Canada's Clean Future* action plan of 2024 includes federal permitting dashboards and clear permit targets for clean growth projects: five years for federally designated projects, two years for nonfederally designated projects, and three years for nuclear projects.[4]

In addition, both Canada and the European Union outperform the United States in environmental sustainability, according to certain metrics. Canada ranks 28th globally, per Yale University's 2024 Environmental Performance Index—surpassing the United States, at 35th—while Europe accounts for all of the top ten countries on the list.[5]

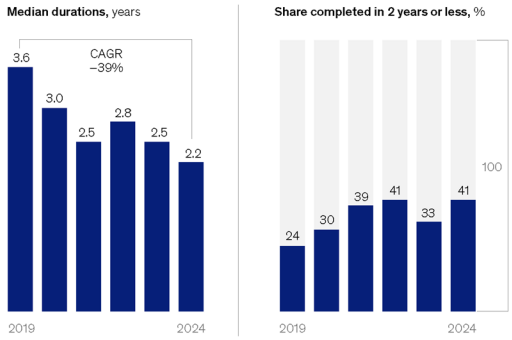
These actions and others offer the United States an opportunity to identify the strategies that might best suit its circumstances.

1 Sebastián Block et al., "About the EPI," Yale Center for Environmental Law & Policy, 2024.
2 Veerle Dossche, Seda Orhan, and John Szabo, *Guidelines to faster and fairer permitting for Europe's renewable energy transition*, Climate Action Network Europe, October 2023.
3 "Commission selects 47 strategic projects to secure and diversify access to raw materials in the EU," European Commission press release, March 24, 2025.
4 "Building Canada's clean future," Government of Canada, updated on June 20, 2024.
5 Environmental Performance Index database, Yale Center for Environmental Law & Policy, access June 2025.

Exhibit 4

Environmental impact statement permitting times have decreased over time.

Environmental impact statement permitting



Source: Bipartisan Policy Center, 2025; Council on Environmental Quality, 2025

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Recent available data shows a relative rise in categorical exclusions, a relative decline in the number of EIS reviews, and an absolute decline in projects subject to NEPA reviews.[14] This may be driven in part by the introduction of 125 categorical exclusions across 15 federal agencies since 2021.[15]

The United States has also fast-tracked permitting for prioritized sectors and on special occasions. The US government has established several governance mechanisms to accelerate permitting, including appointing senior agency officials to the Permitting Council and creating a range of White House entities designed to accelerate permitting in certain areas (for example, the White House Clean Energy Innovation team and the National Energy Dominance Council). After the passage of the CHIPS and Science Act, which provided funding for semiconductor manufacturing and research, Congress passed the Building Chips in America Act of 2023, which exempts projects receiving CHIPS and Science Act funding from NEPA review.[16] NEPA also includes provisions that can waive environmental review for projects following disasters. When an Interstate 95 overpass collapsed outside of Philadelphia in 2023, NEPA reviews were waived so that the busy highway could resume normal patterns as soon as possible. With construction workers working around the clock, the overpass was rebuilt in 12 days.[17]

Tactical reform can unlock greater progress in the United States

To build upon this momentum and to help identify the strategies that stakeholders could prioritize, we compiled a collection of more than 300 federal permitting proposals spanning seven core sectors and originating from a wide array of sources (for example, NGOs, House bills, and think tanks).[18] We categorized these reforms to show the menu of options that could achieve permitting improvements while maintaining rigorous environmental standards (Exhibit 5).

While all of these strategies are designed to improve the federal permitting process, some may have more of an impact than others. Out of the six strategic categories we've identified, three stand out in their capacities to help reduce timelines and create a better stakeholder experience: implementing mechanisms to ensure timely completion, streamlining and accelerating the judicial process, and optimizing the flow of tasks and resources across the review process.

Implementing mechanisms to ensure timely completion

A lack of standardized NEPA review deadlines may intensify differences in the length of permitting processes by sector. Data from infrastructure projects sampled through 2018 suggest average preconstruction timelines (from notice of intent to record of decision) vary by more than a year, depending on the sector. Within sectors, the timelines vary considerably, with differences of more than six years between the minimum and maximum lengths for sampled projects from the same sectors.[19] These timelines are, increasingly, the focus of discussions and

[14] John C. Ruple, Jamie Pleune, and Erik Heiny, "Evidence-based recommendations for improving National Environmental Policy Act implementation," *Columbia Journal of Environmental Law*, April 2022, Volume 47, Issue S.
[15] "Fact sheet: Biden-Harris Administration takes action to deliver more projects more quickly, accelerates federal permitting," White House, August 29, 2024.
[16] Ian Shine, "What's in the new Building Chips in America Act and what does it mean for the semiconductor industry?," World Economic Forum, October 9, 2024; "S.2226 Building Chips in America Act of 2023," US Congress, October 2, 2024.
[17] "Governor Shapiro gets stuff done: Reopening I-95 in just 12 days, investing in infrastructure, & delivering the largest investment in state parks in decades," Office of Governor Josh Shapiro press release, December 11, 2023; Aidan Mackenzie, "Can I-95's repairs teach us to build faster?" Institute for Progress, July 7, 2023.
[18] The seven sectors are broadband, critical minerals, energy, linear infrastructure, real estate, transmission, and water.
[19] *Title 41, Fixing America's Surface Transportation Act (FAST-41): Baseline performance schedules for environmental reviews and authorizations*, Federal Permitting Improvement Steering Council, April 6, 2020.

Exhibit 5

Proposed reforms to federal permitting tend to fall within six distinct categories.

6 categories of reforms that could impact permitting timelines	23 potential levers for improvement
1 Implement mechanisms to ensure timely completion	● Create processing deadlines to increase accountability ● Establish carrots and sticks for agencies to incentivize faster processing ● Reduce the number of processing steps that impede project activity ● Set federal targets for permitting-related outcomes
2 Streamline and accelerate judicial process	● Expedite judicial review by prioritizing cases and/or creating technical courts ● Streamline or expedite litigation by reassessing standing and/or statute of limitations considerations
3 Optimize flow of tasks and resources across review process	● Review agency policies/exclusions regularly to streamline and reduce duplicity ● Bolster agency workforce strength (eg, increase hiring, update trainings/tools) ● Digitize and automate processing (eg, in a centralized submission portal)
4 Reduce administrative requirements across projects	● Broaden use of programmatic review and categorical exclusions ● Incentivize certain industry action by reducing required admin procedures ● Reclassify "major" federal actions to limit scope of review
5 Improve scoping and coordination of responsible entities (eg, agencies, oversight bodies)	● Consolidate federal authority in relevant instances ● Bolster state authority where states are better placed to act ● Implement a coordinating/responsible agency ● Create process for coordination (eg, regional framework) ● Align mitigation processes and standards between agencies ● Standardize major exemptions for similar topics across agencies
6 Support stakeholder engagement through clearer communications and digital resources	● Publish permitting timelines/outcomes for the public (eg, dashboards, trackers) ● Create guidance for those pursuing permits (eg, federal case workers) ● Increase community engagement prior to project start for public review/inputs ● Create community monitoring committees engaged throughout project life cycle ● Provide resources to inform community engagement

Source: American Clean Power Association; Aspen Institute; Bipartisan Policy Center; Business Roundtable, 2023; Environmental Protection Reform Act (EPRA); Foundation for American Innovation; H.R. 1 (Lower Energy Costs Act); H.R. 6747 (Clean Energy & Transmission Acceleration); Mercatus Center; Nature Conservancy; Nuclear Energy Institute; Progressive Policy Institute; R Street Institute; John C. Ruple et al., *Columbia Journal for Environmental Law*; US Department of Energy; US Representative Bruce Westerman, NEPA reform proposal; Wireless Infrastructure Association; McKinsey analysis

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announcements—for example, the US Department of the Interior recently released plans to abbreviate the duration of EIS reviews for prioritized energy projects.[20]

A few concrete steps toward the enforcement of timely completion, such as setting deadlines for specific phases of project development and introducing incentives including compensation for delays, can shorten timelines substantially. NEPA reforms in 2023 under the FRA present an example of how setting application page limits and enforcing deadlines can lead to more

[20] "Department of the Interior implements emergency permitting procedures to strengthen domestic energy supply," US Department of the Interior, updated on June 4, 2025.

timely completion of EIS reviews.[21] The percentage of EIS reviews that took more than two years to complete dropped from 71 percent in the pre-FRA period of 2010 to 2023 to 61 percent in the period following its enactment, from 2023 to 2024. In its successful outcomes, the FRA demonstrates a need for continually reassessing processes and setting stretch targets with incentives for further timeline reduction.[22]

Streamlining and accelerating the judicial process

Though agencies win about 80 percent of EA and EIS lawsuits, litigation results in project delays of an average of more than four years.[23] New policy initiatives attempt to reduce delays while preserving opportunities for community members to speak up and introduce litigation. Existing key proposals seek to raise the litigation standards within the current system, including specifying a statute of limitations, limiting court authority or discretion to invoke NEPA as a ground for injunction, and limiting standing to affected parties and those who participated in the underlying NEPA proceeding. Other initiatives present new judicial entities and structures tailored to the federal permitting process, such as a technical court with jurisdiction over federal permitting decisions and an accelerated review schedule for acting on remanded or vacated permit decisions. FAST-41 introduces a statute of limitations on NEPA suits and shortens the statute of limitations to two years, from six years.[24] While the FAST-41 is voluntary (agencies currently abide by the restrictions to benefit from the support infrastructure), projects opting into FAST-41 receive decisions nearly 18 months faster than projects not participating.[25] Mandating FAST-41 policies and expanding its focus beyond NEPA permitting could yield substantial improvements in the speed of permitting.

Optimizing the flow of tasks and resources across the review process

While reforms that introduce permitting and litigation timelines encourage action from responsible parties, thoughtful planning around task and resource flows is what enables agencies to meet the new standards. Administrative bottlenecks, outdated procedures, and a lack of staffing resources, capacity, and training are common drivers of long NEPA processing times.[26] Recent federal initiatives show a shift in this direction; in April, a presidential memorandum directed agencies to develop a Permitting Technology Action Plan to improve their technological and data standards.[27] The state of Pennsylvania serves as a strong example of

[21] Enacted in 2023 primarily to increase the federal debt limit, the FRA also introduced NEPA reforms, shortening document lengths and project timelines. It capped EIS reviews at 150 pages for standard cases and 300 pages for complex cases, and it restricted EAs to 75 pages. Additionally, it stated that EIS completion had to occur in two years and EA completion had to occur in one year, with deadline extensions allowed only in consultation with applicants. The act allowed sponsors to seek court action following missed deadlines, with courts setting new deadlines within 90 days. It also required agency heads to submit annual reports to Congress to explain any missed deadlines. "Environmental impact statement timelines (2010-2024)," US Council on Environmental Quality, January 13, 2025; "How does the Fiscal Responsibility Act reform permitting and environmental review?," Bipartisan Policy Center, June 2, 2023; John Jacobs, "Permitting speeds up, but 61% of reviews are still late," Bipartisan Policy Center, January 28, 2025.

[22] "Environmental impact statement timelines (2010-2024)," US Council on Environmental Quality, January 13, 2025; John Jacobs, "Permitting speeds up, but 61% of reviews are still late," Bipartisan Policy Center, January 28, 2025.

[23] Nikki Chiappa et al., "Understanding NEPA litigation: A systematic review of recent NEPA-related appellate court cases," Breakthrough Institute, July 11, 2024.

[24] FAST-41 was passed in 2015 to improve the process for federal environmental review, with multiple actions specifically aimed at litigation. It shortened the statute of limitations for legal challenges to project authorizations from six years to two years and limited NEPA lawsuits to parties who submitted comments during the project's review phase. It established the judicial guidelines for requests seeking temporary restraining orders or preliminary injunctions and the permitting timetable, coordinated among the relevant agencies, that's offered to project sponsors. The act also stated that when agencies can't agree on the schedule, the Permitting Council's executive director will mediate, and if the dispute remains unresolved after 60 days, the Office of Management and Budget will make the final decision on the matter. "FAST-41 for infrastructure permitting: A coordinated framework for improving the federal environmental review and authorization process," US Permitting Council, accessed June 2025.

[25] "FAST-41 program," Permitting Council, December 11, 2024.

[26] Petra Todorovich, "America 2025: Getting infrastructure going—expediting the environmental review process," Regional Plan Association, June 2012.

[27] Donald J. Trump, "Updating permitting technology for the 21st century," The White House, April 15, 2025.

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process optimization in practice: It meaningfully improved permitting workflows at the state level, providing a model for other agencies to emulate.

A 2023 executive order from the governor of Pennsylvania mandated that state agencies conduct a thorough review of their permitting procedures, documenting and sharing their analysis within 90 days. Two new government offices assisted agencies in optimizing their workflows and adopting permitting dashboards.[28] The offices supported agency employees directly, troubleshooting bottlenecks, allocating staff where they were needed most, and streamlining legal review processes and technical barriers. The process informed the design of the PAyback program, which reimburses citizens for permitting delays. In the first two weeks of its process improvement and backlog reduction effort, the Pennsylvania Department of Environmental Protection eliminated 73 percent of the backlog (which comprised 1,750 applications), while keeping up with new submissions.

Although implementing policies such as the ones described requires a nuanced understanding of the permitting landscape and stakeholder contexts, progress in permitting is possible. Continuing the work can have a profound effect on US infrastructure and the broader economy, while also maintaining the protections that permitting laws have afforded Americans to date.

[28] Donald Moynihan, "Pennsylvania red tape reduction: A case study", Institute for Responsive Government, February 11, 2025.

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The authors wish to thank Ammar Hussain, Candice Mulinda, Sofia Teixeira, and Wren Healy for their contributions to this article.

This article reflects the state of federal infrastructure permitting as of April 2025.

This article was edited by Jessica Marshall, an executive editor in the Seattle office.

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Senate Committee on Environment and Public Works
hearing entitled,
"Improving the Federal Environmental Review and Permitting Processes, Part II"
January 28, 2026
Questions for the Record for Mr. Bechtel

Senator Wicker:

1. **How can Congress strike a balance between appropriate executive oversight and the need for long-term project certainty, particularly for major energy infrastructure projects that require significant upfront investment and span multiple administrations?**

Long-term project certainty and oversight can and should coexist. Bipartisan permitting legislation that clearly defines timelines, standards, and agency authority is necessary to support both. A predictable permitting framework allows agencies to exercise rigorous oversight while reducing policy volatility. In turn, durable, legally sound approvals provide investors with the certainty needed to deploy significant long-term capital into major energy infrastructure projects that span decades.

Senator Kelly:

2. **When it comes to the deployment of critical infrastructure, communities don't feel heard, they don't see the upside, and most importantly, they don't trust the developers building the infrastructure. As a result, serious investments are left on the table that the country needs to keep creating good-paying jobs and compete on the global stage. Data centers are the most visible example of this crisis right now. Working with host communities early and often builds trust and ensures the benefits go both ways so communities see true long-term investments. That is the model we need more of — and the federal government should be making that kind of partnership easier for everyone involved. Would you agree that early community engagement is a critical part of project development?**
   - **What are leaders at the Business Roundtable doing to proactively address local concerns about critical projects?**
   - **How do we rebuild trust and make sure communities aren't just sites for development, but directly share in the benefits of infrastructural investments?**

Early outreach and community engagement are key parts of the permitting process. Engaging communities early, often and consistently helps projects address issues before

major investments are made. In Business Roundtable's "Building a Prosperous Future" report, which was submitted with my written testimony, we call for engaging communities and affected parties and proactively coordinating with relevant state, territorial and local governments as early as possible and in a sustained manner, in order to build trust and confidence in the project and the process.

Senator Padilla:

3. **In your testimony, you emphasized that an "investable" America depends on predictable timelines and durable decisions. How have the recent Administration actions to freeze specific types of projects and undo tax incentives changed the way your clients and your own company think about committing capital to US projects versus those in other countries?**
    - **From an investor's standpoint, what would be the most confidence-restoring actions**

A slow and inefficient permitting process increases the cost of delivering projects by extending timelines and adding uncertainty. An efficient and predictable permitting process with durable outcomes will help control costs and provide greater certainty for communities, workers and investors, ensuring companies can safely deploy capital here in the United States. More on Business Roundtable's specific policy recommendations can be found in the "Building a Prosperous Future" report, which was included with my written submission to the committee.

Senator CAPITO. Thank you. Thank you very much.

Next, we will hear from Brent Booker, the General President of LIUNA, the Laborers' International Union of North America. Mr. Booker has the distinct honor of having testified twice before this committee during the 119th Congress. We want to welcome him back again today to share perspective on these issues from the point of view of labor.

Mr. Booker, thanks for joining us again.

STATEMENT OF BRENT BOOKER, GENERAL PRESIDENT, LABORERS' INTERNATIONAL UNION OF NORTH AMERICA

Mr. BOOKER. Good morning, thank you.

Good morning, Chairman Capito, Ranking Member Whitehouse, and members of the Committee. Thank you for the opportunity to appear before you once again to discuss permitting reform on behalf of the more than 530,000 skilled and dedicated members of the Laborers' International Union of North America. LIUNA members are the backbone of America's infrastructure. We build and maintain this Nation's highways, roads, bridges, and tunnels. We construct schools, hospitals, arenas, and skyscrapers. We build and support America's energy infrastructure which includes wind, solar, nuclear, hydro, and pipelines.

Simply put, LIUNA builds America. LIUNA members take pride not only in the work we do, but in the communities we serve. Yet today, far too much of that work is being stalled, delayed, or canceled altogether. For decades, outdated permitting laws have been weaponized to obstruct critical infrastructure. Projects, regardless of size, now take years longer than necessary to receive approval.

For many stakeholders, these delays show up as numbers on a spreadsheet. But for LIUNA members, that means another day without a paycheck, another day without earning healthcare eligibility, another day without a pension credit. When those projects are delayed or halted, livelihoods are put on hold. Across the Country, particularly in the energy sector, projects that are fully permitted, fully financed, and ready to begin construction are routinely derailed by endless litigation. A project can be approved 1 day and tied up in court the next.

In far too many cases, developers now spend more time in court than it would to take our members to physically build the project. That is why LIUNA has supported permitting reform for more than a decade, including the House's recently passed SPEED Act. It addresses some of our issues on permitting reform. Most notably, proper judicial review timelines.

However, while the House was able to advance some elements of project certainty, it ultimately was watered down in order to appease a small group of extremists who do not understand the importance of having project certainty.

Significant barriers within the permitting process remain unresolved. One of the most persistent is Section 401 water quality certification. States should be required to issue a clear yes or no decision within a defined timeframe. If a project meets the standards, it should be approved. If it does not, the State should deny the application, explain the deficiencies, and allow the applicant to correct them and reapply.

We believe projects can move forward without sacrificing worker safety, community protections, or environmental standards. But any permitting reform must also address two glaring failures in our current system: project certainty at the highest level and energy transmission.

What good is permitting generation if we cannot connect power to the grid? Without transmission reform in conjunction to permitting, energy projects, no matter how clean or necessary, will remain stranded. That reality threatens reliability, affordability, and job creation.

When I testified before this committee last year, I spoke about project deniers and serial litigators who exploit procedural loopholes to stop construction. But today, the greatest threat to project certainty is not litigation alone, it is also the politics being played with our members' jobs.

Unfortunately, this administration has eliminated and threatened to eliminate thousands of construction jobs, in some cases, just days before Christmas. We have seen the canceling of funding from the Infrastrurcture Investment and Jobs Act, the halting of Inflation Reduction Act projects, and the use of executive authority to revoke permits from already-approved, privately financed infrastructure projects.

This is not leadership; this is chaos. These actions raise a fundamental question for this committee: what good is permitting reform if any project, no matter how far along, can be shut down at the stroke of a pen?

Nowhere is this clearer than in offshore wind, where we have seen the halting of offshore lease sales which have upended the industry and forced projects to withdraw construction plans entirely. In 2022, I was proud to have helped negotiate and implement the National Offshore Wind Agreement. This was a historic and monumental agreement that would have delivered thousands of high-quality union jobs across the Country.

Now, many of the projects built under that agreement are now being halted and terminated. As I said earlier, for our members, this is not politics. These are paychecks. These are healthcare hours. These are retirement credits.

This issue is bigger than politics. It is about global competitiveness. It is about energy security. It is about ensuring the United States leads, not lags, in the future of energy production, all energy production.

Most importantly, it is about ensuring that working people have access to middle-class careers, family sustaining wages, and secure retirements.

LIUNA urges this committee to seize this moment not for symbolic reform, but for real, durable permitting reform that allows projects to move forward, protects communities, and keeps Americans working.

Thank you for the opportunity to testify.

[The prepared statement of Mr. Booker follows:]

Testimony of General President Brent Booker
Laborers' International Union of North America (LIUNA)

U.S Senate Committee on Environment and Public Works

Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II

January 28, 2026

Good morning, Chairman Capito, Ranking Member Whitehouse, and members of the Committee.

Thank you for the opportunity to appear before you once again to discuss permitting reform on behalf of the more than 530,000 skilled and dedicated members of the Laborers' International Union of North America (LIUNA) whom I have the honor and privilege to serve as General President.

Our members are the backbone of America's infrastructure. Our members build and maintain this nation's highways, roads, bridges, and tunnels. We construct schools, hospitals, arenas, and skyscrapers. And we build and support America's energy infrastructure which includes wind, solar, nuclear, hydro, and pipelines. Simply put: LIUNA builds America.

Our workforce is among the most highly trained and safety-focused in the world. We deliver projects on time, on budget, and safely, because our members take pride not only in the work they do, but in the communities they serve.

Yet today, far too much of that work is being stalled, delayed, or canceled altogether. For decades, outdated permitting laws have been weaponized to obstruct critical infrastructure. Projects, regardless of size, now take years longer than necessary to receive approval.

For many stakeholders, these delays show up as numbers on a spreadsheet. For a LIUNA member, they mean something very different. They mean another day without a paycheck. Another day without earning healthcare eligibility. Another day without a pension credit.

Construction workers are paid by the hour, and so are their benefits. Our members build careers by moving from project to project. When those projects are delayed or halted, livelihoods are put on hold. This is not abstract. This is real.

Across the country, particularly in the energy sector, projects that are fully permitted, fully financed, and ready to begin construction are routinely derailed by endless litigation. A project can be approved one day and tied up in court the next.

In far too many cases, developers now spend more time in court than it would take our members to physically build the project.

This is especially true for energy infrastructure. Regardless of the energy source, developers face a maze of duplicative reviews, shifting regulatory standards, and serial lawsuits driven not by legitimate environmental concerns, but by opposition to development itself.

These delays do not protect communities. They do not lower emissions. And they do not strengthen our economy. They simply prevent infrastructure from being built and keep American workers on the sidelines.

That is why LIUNA has supported permitting reform for more than a decade including the House's recently passed SPEED Act. It addresses some of our issues on permitting reform. Most notably: proper judicial review timelines. Moreover, while the House was able to advance some elements of project certainty, it ultimately was watered down in order to appease a small group of extremists who don't understand the importance of having project certainty. And so, the SPEED Act represents a step in the right direction, but it is far from sufficient.

Significant barriers within the permitting process remain unresolved. One of the most persistent is Section 401 water quality certification. States should be required to issue a clear yes or no decision within a defined timeframe. If a project meets the standards, it should be approved. If it does not, the state should deny the application, explain the deficiencies, and allow the applicant to correct them and reapply.

Instead, states often allow these reviews to languish indefinitely, effectively stalling critical infrastructure projects without accountability. That uncertainty delays investment, drives up costs, and puts good-paying construction jobs at risk.

We believe projects can move forward without sacrificing worker safety, community protections, or environmental standards. But any permitting reform must also address two glaring failures in our current system: project certainty at the highest level and energy transmission. What good is permitting generation if we cannot connect power to the grid? Without transmission reform in conjunction to permitting, energy projects, no matter how clean or necessary, will remain stranded. That reality threatens reliability, affordability, and job creation.

When I testified before this Committee last year, I spoke about project deniers and serial litigators who exploit procedural loopholes to stop construction. But today, the greatest threat to project certainty is not litigation alone, it is the politics being played with our member's jobs.

Unfortunately, this Administration has eliminated and threatened to eliminate thousands of construction jobs. We have seen the canceling of funding from the Infrastructure Investment and Jobs Act; the halting of Inflation Reduction Act projects; and the use of executive authority to revoke permits from already approved, privately financed infrastructure projects.

In some cases, those decisions came just days before the Christmas holiday, sending thousands of workers home without pay. These actions raise a fundamental question for this Committee: What good is permitting reform if any project, no matter how far along, can be shut down at the stroke of a pen?

Nowhere is this clearer than in offshore wind where we have seen the halting of offshore lease sales which have upended the industry and forced projects to withdraw construction plans entirely. In 2022, I was proud to have helped negotiate and implement the National Offshore Wind Agreement while serving in my previous position of Secretary Treasurer of the North America's Building Trades Unions. This was a historic and monumental agreement that would have delivered thousands of high-quality union jobs across the country. Many of the projects built under that agreement are now being terminated.

As I said earlier, for our members, this is not politics. These are paychecks. These are healthcare hours. These are retirement credits.

At a time when energy demand is surging driven by manufacturing growth, electrification, and data infrastructure the United States cannot afford instability. Permitting reform without project certainty is meaningless. Workers cannot build what the government decides to play politics with and refuses to allow to proceed.

This issue is bigger than politics. It is about global competitiveness. It is about energy security. It is about ensuring the United States leads not lags in the future of energy production. All energy production.

And most importantly, it is about ensuring that working people have access to middle-class careers, family-sustaining wages, and secure retirements.

LIUNA urges this Committee to seize this moment not for symbolic reform, but for real, durable permitting reform that allows projects to move forward, protects communities, and keeps Americans working.

Thank you for the opportunity to testify.

I look forward to your questions.

Senator CAPITO. Thank you, Mr. Booker.

Next, we will hear from Dustin Meyer. Mr. Meyer is Senior Vice President of Policy, Economics, and Regulatory Affairs for the American Petroleum Institute, or API, where he leads the policy team for oil and gas advocacy. Prior to his promotion to this role in 2023, Mr. Meyer led API's effort on domestic and global natural gas markets, as well as natural gas technology and innovation, including renewable and differentiated natural gas, hydrogen, and the use of carbon capture in the power sector.

Mr. Meyer, welcome. You are recognized for your opening statement.

STATEMENT OF DUSTIN MEYER, SENIOR VICE PRESIDENT OF POLICY, ECONOMICS AND REGULATORY AFFAIRS, AMERICAN PETROLEUM INSTITUTE

Mr. MEYER. Chair Capito, Ranking Member Whitehouse and members of the committee, thank you for the opportunity to testify today. My name is Dustin Meyer. I am Senior Vice President of Policy, Economics and Regulatory Affairs at the American Petroleum Institute.

I want to start with the basic reality that frames our view on the need for permitting reform. Energy demand is growing, and it is growing faster than our ability to build the infrastructure to meet it. Whether you care most about affordability, reliability, national security, or emissions reductions, the conclusion is the same: our Country must be able to build big things, but cannot do so because our permitting process is so fundamentally broken.

When infrastructure projects are delayed, constrained, or do not have certainty, costs go up. It is ultimately American consumers and workers who pay the price.

That is why comprehensive permitting reform is our industry's top legislative priority. We are eager to work with both parties across this committee, the rest of the Senate, the House of Representatives and the administration to get it done.

The Federal permitting process directly affects our industry in many ways, including interstate natural gas pipelines, resource development on Federal lands and waters, LNG imports and cross-border infrastructure, just to name a few. Unfortunately, the last few decades have seen numerous examples of permitting processes being weaponized against oil and gas. We have had canceled pipelines, a pause on LNG permits, delayed lease sales, and blocked projects at the State level. Even projects with minimal environmental impacts and strong local support remain in regulatory limbo for years.

Further, these obstacles do nothing to enhance environmental outcomes. Instead, they reflect a misguided opposition to any infrastructure being built at all, or assume that restricting oil and gas supply will somehow eliminate demand or reduce emissions. But it does neither. It merely results in higher prices, more volatility, and crises.

When our industry talks about permitting reform, we are not starting from scratch. Our priorities are longstanding and well-defined.

First, judicial reform. Litigation is now a primary driver of delay. Venue shopping and open-ended injunctions create uncertainty that no project can withstand. We need clear statutes of limitation, defined standards of review, standing limited to directly affected parties, and remand, not vacatur, as the default remedy.

Second, NEPA reform. NEPA was designed to inform decisions, not stall them indefinitely. Reviews routinely extend far beyond the Federal action at issue, producing delay without better environmental outcomes. Reviews should be focused, timely, and lead to an actual decision, principles unanimously reaffirmed by the Supreme Court in Seven Counties. Congress should codify these principles.

Third, Clean Water Act reform, especially sections 401 and 404. Section 401 has been weaponized by States to block major interstate natural gas pipelines, delaying billions in investment and driving higher energy costs across entire regions. Review should be limited to direct water quality impacts. Procedural delays and gamesmanship should be prohibited, and FERC's authority should be strengthened.

Separately, the Section 404 nationwide Permit Program is a practical, widely used tool. API supports House legislation to extend the permit terms to 10 years to codify nationwide Permit 12 to clarify that a single permit is needed for linear projects and to modernize consultation requirements.

In addition to these longstanding permitting priorities, API joins a broad coalition in supporting provisions providing greater certainty and durability to permits. Even after a fully completed environmental review process, our industry has experienced arbitrary permit suspensions or revocations driven by political or policy shifts.

Several of the policy recommendations above foster greater permit durability on their own. But reforms should clarify that projects that have completed all required environmental reviews and remain in compliance should not be subject to these unpredictable outcomes.

The need for bold and durable permitting reform is not ideological, and it is not limited to any one industry or technology. API's recommended reforms restore focus, discipline and accountability to a system that has become paralyzed. The reflect respect for environmental protection, the rule of law and the need for decisions that endure. Done correctly, it will enable us to build the infrastructure of the future.

Thank you, and I look forward to your questions.

[The prepared statement of Mr. Meyer follows:]

Testimony of Dustin Meyer
Senior Vice President of Policy, Economics, and Research: American Petroleum Institute

Before the Committee on Environment and Public Works of the United States Senate
Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II

January 28, 2026

Chair Capito, Ranking Member Whitehouse, and members of the Committee, I submit this testimony on behalf of the American Petroleum Institute (API), where I am the Senior Vice President of Policy, Economics and Regulatory Affairs. API is the national trade association representing all segments of America's oil and natural gas industry. From large integrated companies to small independent operators, our industry supports nearly 11 million American jobs across all 50 states and provides the energy that powers every district in the country.[1] API also sets the standards for the industry, establishing more than 800 standards and best practices that enhance operational safety and environmental protection in the U.S. and in 140 countries around the world. API's combined focus on sound domestic energy policy and industry safety is essential to maintaining American energy leadership for generations to come.

API greatly appreciates the Committee's sustained bipartisan efforts on comprehensive permitting reform. The need for meaningful reform becomes more urgent and obvious by the day. Whether the focus is on affordability, jobs and economic growth, national security, reliability, or emissions reductions, the conclusion is the same: to meet the demands of the future, we must be able to build big things but cannot do so because our permitting process is fundamentally broken. That is why comprehensive permitting reform is our industry's top legislative priority, and we are eager to work with both parties across this Committee, the rest of the Senate, the House of Representatives, and the Administration to get it done.

A Broken System Leads to Higher Costs for Consumers

The cost of living remains a primary concern for Americans across every region of the country. Meaningful permitting reforms are essential to reversing course. When infrastructure projects are delayed or constrained, costs go up and the system loses its ability to respond to market needs. Put simply, our current permitting system obstructs necessary infrastructure projects, and consumers pay the price.

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[1] PwC for API, "*Impacts of the Oil and Natural Gas Industry on the US Economy in 2021," available at*: https://www.api.org/-/media/Files/Policy/American-Energy/PwC/2023/API-PWC-Economic-Impact-Report-2023.pdf

It was not always this way. The United States has a long history of building ambitious projects. The Hoover Dam, one of the most complex engineering feats of its era, was built in five years. The Empire State Building was completed in just over a year. These and so many others were built with urgency, clarity of responsibility, and a shared understanding that infrastructure was essential to national progress.

Today, similar projects would face years of sequential reviews, overlapping agency processes, cost escalation, uncertain litigation exposure, and the risk that permits could be revoked long after approval. The process has swung from disciplined decision-making to procedural paralysis. As a result, the infrastructure needed for the future goes unbuilt.

Energy Demand is Rising, and Permitting Reform is Vital to Meeting it.

Our broken permitting process negatively impacts every industry and every sector of the economy, but nowhere are the ramifications more apparent than energy. The essential nature of energy means it affects the costs of nearly everything else. From groceries to housing, from transportation to manufactured goods, energy is woven into every part of the economy.

The United States benefits enormously from being a global energy superpower. After decades of dependence on foreign suppliers, the U.S. now controls its own energy destiny, and we must maintain this position of strength for generations to come. Oil and natural gas infrastructure is essential to doing so, as it is the foundation of the U.S. energy system. Natural gas is by far the largest source of electricity generation and underpins grid reliability. Refineries and liquid fuels are essential to every form of transportation. Pipelines and storage facilities help ensure the safe and efficient delivery of energy.

Energy demand is rising rapidly, driven by fundamental changes in the economy. Manufacturing is being re-shored and expanded. Electricity demand is increasing rapidly due to data centers, artificial intelligence, and electrification. At the same time, U.S. energy exports are playing a growing role in supporting allies and global energy security.

Bolstering U.S. energy leadership requires investment, and investment requires certainty. Permitting reform must reflect these realities. Meeting today and tomorrow's energy demand requires new energy infrastructure across all fuels and technologies, including pipelines, storage facilities, refinery expansions, liquefied natural gas (LNG) terminals, processing plants, transmission, and emerging technologies such as carbon capture and low-carbon fuels. All require significant planning, capital, and long lead times, and all need a predictable permitting process.

Unfortunately, the last few decades have seen numerous examples of permitting statutes and processes being weaponized against oil and gas infrastructure—cancelled pipelines, a pause on LNG permits, delayed lease sales, blocked projects at the state level, just to

name a few. Even projects with minimal environmental impacts and strong local support can remain in regulatory limbo for years due to duplicative reviews, unclear agency roles, shifting interpretations of statutory authority, and endless litigation after permits are issued. These obstacles block billions of dollars of industry investments, but it ultimately penalizes American workers and consumers by reducing jobs and raising costs.

Further, these obstacles do nothing to enhance environmental outcomes. Instead, they reflect a misguided opposition to any infrastructure being built at all or assume that restricting energy supply will somehow eliminate demand. History has shown the opposite. When American energy production and infrastructure are blocked, demand does not disappear—the obstacles merely result in higher prices, more volatility, and less reliability.

Families want confidence that the energy system can support economic growth without disruption or increase in cost. Businesses want to know that infrastructure investments will not be stranded by regulatory uncertainty. Workers want projects that create jobs to move forward rather than remain stalled indefinitely. For all these reasons, comprehensive permitting reform is essential.

Permitting Obstacles Hold Back all Industries and Technologies

A central reality of the current permitting debate is that these challenges transcend industries and technologies. Our industry is far from the only one impacted. Electric utilities, transmission builders, manufacturers, labor organizations, mining companies, roads and bridges, and energy developers of all types face a gauntlet of federal approvals governed under a maze of outdated laws and regulations.

As a result, support for permitting reform spans an incredibly broad coalition—a coalition API is proud to be a part of. The common thread is experience: projects that should take years increasingly take decades, not because environmental impacts are unresolved, but because process complexity, coordination failures, and litigation risk compound over time. All have emphasized that infrastructure delays—not resource scarcity—are increasingly the binding constraint on the nation's ability to meet the demands of the future.

API strongly believes that permitting reform should cover all industries and be technology neutral. Done correctly, it will provide a necessary correction to a system that no longer functions as intended for anyone seeking to build any type of infrastructure in the United States.

API's Permitting Priorities

API has advocated for permitting reform for many years and has clearly established priorities that will modernize the permitting process while maintaining strong environmental protections. The latter point is essential. API's proposed reforms do not alter underlying environmental standards or negatively impact environmental outcomes. Instead, they focus on process improvements, clarity, scope of review refinements, coordination, and timelines that allow agencies to complete reviews efficiently and issue legally durable decisions.

Further, policymakers should recognize that the industry's compliance obligations go far beyond the initial permitting process. These obligations, required under multiple statutes, exist for the entirety of any given project's lifespan—including construction, operations, and decommissioning. API's policy recommendations for permitting reform would not impact those significant obligations.

Congress should start by reforming the parts of the permitting system that are most often weaponized against our industry: the National Environmental Policy Act (NEPA), the Clean Water Act, and the manner in which projects get needlessly tied up in court. These laws are well-intentioned, but their current interpretation too often means delay without delivering better outcomes. Modernizing them — with clearer rules, firm timelines, and reasonable limits on litigation — would help provide projects the certainty and predictability needed to move forward.

A more detailed overview of these reforms is included below. Beyond these, additional common-sense reforms to other statutes, like the Endangered Species Act and the National Historic Preservation Act among others, would help address persistent challenges to building critical infrastructure.

NEPA Reform: Restoring Focus and Predictability

NEPA was enacted over fifty years ago as a procedural statute to ensure informed federal decision-making. However, over time NEPA reviews have expanded far beyond the federal action at issue, forcing agencies to analyze effects that are not only impossibly speculative or attenuated, but also outside their regulatory authority.

This expansion has not improved environmental outcomes. Instead, it has encouraged agencies to generate excessively long documents (often thousands of pages) and engage in duplicative analysis and "litigation-proofing" that significantly delays the process. Agencies often spend years defending the adequacy of analysis rather than focusing on substantive environmental issues.

The SPEED Act which passed the House of Representatives late last year reflects a bipartisan effort to restore NEPA's original intent by clarifying what qualifies as a major federal action, reinforcing reasonable limits on scope of reviews, and encouraging the use

of existing studies and prior analyses. These reforms properly recognize NEPA as a procedural statute and that agencies are entitled to deference when exercising technical judgment within their statutory authority.

The Supreme Court's decision in *Seven County Infrastructure Coalition v. Eagle County* reaffirmed that NEPA does not require analysis of upstream or downstream effects that are separate in time or place from the proposed action and beyond the agency's control. Congress needs to codify these principles to ensure NEPA reviews remain focused, consistent, and durable across administrations.

Importantly, these reforms do not weaken environmental review or stymie public comment and participation. They ensure that agencies can complete thorough reviews on predictable timelines and make decisions based on the environmental record, rather than fear of litigation.

Clean Water Act Reform: Section 401

Section 401 of the Clean Water Act was intended to ensure that discharges into waters of the United States comply with applicable state water quality standards. It is a core component of cooperative federalism.

Unfortunately, Section 401 has increasingly been weaponized against the oil and gas industry in complete disregard for its original statutory intent. It is now often used as a tool to evaluate—and typically block—entire projects rather than discrete water discharges, impose conditions unrelated to water quality, and extend decision timelines indefinitely.

As API indicated in its support for the House-passed PERMIT Act, these practices undermine the intent of the statute by allowing individual states to inappropriately delay or veto infrastructure projects on grounds completely unrelated to water quality. Multiple major interstate natural gas pipelines—representing billions of dollars of investment—have been blocked by this disingenuous tactic, and it is the primary reason key regions of the country (e.g., New England) do not have sufficient access to natural gas.

It is well past time to reaffirm congressional intent by limiting Section 401 reviews to direct water quality impacts from actual discharges, enforcing the statutory one-year deadline, and preventing politicized procedural gamesmanship such as withdraw-and-resubmit tactics. These reforms preserve state authority to protect water quality while ensuring that Section 401 functions as a focused, predictable component of the federal permitting framework—not a state-based veto against politically disfavored projects.

Similarly, API supports designating the Federal Energy Regulatory Commission as the lead agency for coordinating environmental reviews for natural gas projects, reflecting decades of experience and technical expertise. Because states have weaponized the CWA Section

401 process to block necessary natural gas projects, provisions in House-passed legislation eliminate the need for separate state 401 water quality certifications for natural gas projects and instead direct FERC to coordinate water quality review in its process. To the extent that judicial reforms are proposed for any environmental statutes, such reforms should apply to FERC-related projects so that FERC can manage its reviews without being hampered by frivolous litigation.

Clean Water Act Reform: Section 404 and Nationwide Permits

Nationwide permits under Section 404 of the CWA allow projects with minimal environmental impacts to proceed efficiently. Nationwide Permit 12, which applies to linear infrastructure such as pipelines, is particularly critical for the safe and reliable delivery of energy.

The Nationwide Permit program is common-sense and used by industries across every sector of the economy. However, the current five-year reauthorization cycle for nationwide permits is not long enough to provide regulatory certainty. Project developers must plan around the risk that permits could lapse or be rescinded despite unchanged environmental conditions.

For that reason, API strongly supports House legislation that extends the reauthorization period from five to ten years, codifies Nationwide Permit 12, clarifies that one linear project requires only one permit, and modernizes consultation requirements. These reforms maintain environmental safeguards while providing the predictability needed by multiple industries for infrastructure planning and capital deployment.

Judicial Review and the Need for Proportionate Remedies

Judicial review plays a vital role in ensuring agency accountability and API has long supported the ability of affected parties to challenge agency actions. At the same time, prolonged litigation has become one of the most significant sources of delay in infrastructure development. Even when agencies ultimately prevail (which they usually do, indicative of the weak merits often presented in these challenges), lawsuits can delay projects for years, increasing costs and creating uncertainty that discourages future investment and planning. Further, as mentioned above, the inevitability of legal challenges forces agencies down a never-ending quest to 'litigation-proof' their actions, which wastes agency resources and results in chronic delays.

API and a broad coalition support judicial reform provisions that preserve judicial review while ensuring that litigation does not become a de facto permitting system. These reforms should include reasonable time limits for filing challenges, but on its own that does little to fix the problem of endless litigation. Thus, meaningful judicial reform must also include

limiting standing requirements to focus only on directly impacted parties, common-sense narrowing of organizational standing, and ensuring remedies that are proportionate.

Making remand—rather than vacatur—the default remedy allows agencies to correct narrow deficiencies without unnecessarily halting construction. The goal is efficient and targeted review, and the Senate has an opportunity to apply this concept not just to NEPA, but expand it to other relevant permitting statutes, as well. This provides a degree of permit certainty for projects of all types.

Permit Certainty and Decision Durability

Finally, meaningful permitting reform must address what happens after approvals are issued by establishing greater permit certainty. Even after a fully completed environmental review process, our industry and others have experienced arbitrary suspensions or revocations driven by political or policy shifts rather than new facts or violations. Several of the policy recommendations above foster greater permit durability, but reform should clarify that projects that have completed all required environmental reviews and remain in compliance should not be subject to these unpredictable outcomes.

In addition to the policy priorities detailed above, API joins a broad coalition in supporting permit certainty provisions that reinforce reliance on lawful approvals while preserving agency authority to enforce compliance, respond to new information, and act in response to emergencies. This balance is essential for long-term infrastructure planning and deployment. Without clear durability for agency decisions, even an improved permitting process will fail to deliver infrastructure on timelines needed to meet rising energy demand.

This is the Moment for Bold, Meaningful Reform

Congress has not ignored these challenges. In recent years, lawmakers have taken important initial steps to begin modernizing the permitting framework. Provisions included in the Fiscal Responsibility Act and subsequent legislation reflect bipartisan recognition that environmental reviews need clearer timelines, appropriate scopes of review, better coordination, and judicial durability.

These efforts—often bipartisan—were meaningful first steps and reflect growing momentum and greater recognition of the urgency of the problem. Agencies have begun to implement those changes, and early progress has been made—but those steps were necessarily incremental. They addressed pieces of the problem without fully resolving the underlying structural issues that continue to drive delay and uncertainty. Experience since enactment has shown that while incremental reforms help, they are not sufficient on their own to deliver the scale and speed of infrastructure deployment that today's economy demands.

This Congress now has an opportunity to build on that foundation. Permitting reform has been discussed for years because the problem has been persistent. What makes this moment different is the convergence of rising energy demand, global competition, supply chain realignment, and growing public concern about affordability and reliability.

The United States is competing with nations that are moving aggressively to build infrastructure, modernize energy systems, and attract investment. Our broken permitting system does not occur in a vacuum; it affects competitiveness, job creation, and the nation's ability to lead globally.

Bold, meaningful, and durable permitting reform can help unlock economic prosperity for the next generation of Americans. It can help support job creation across sectors, enable infrastructure investment, strengthen energy security, and reinforce alliances abroad by helping to ensure that the United States remains a reliable energy partner.

The need for permitting reform is not theoretical, and it is not limited to any one industry, technology, or region. API's recommended reforms are not about cutting corners. They are about restoring focus, discipline, and accountability to a system that has become overly complex and unpredictable. They reflect respect for environmental protection, for the rule of law, and for the need to make decisions that endure. Proper reform will not return to the past; instead, it will enable us to build the infrastructure of the future.

Conclusion

We are grateful that this Committee and its leadership continue to advance thoughtful, bipartisan discussions on permitting reform. A comprehensive approach that preserves environmental protection while restoring focus, predictability, and durability to the permitting process is essential if the United States is going to build the infrastructure our economy and communities require.

API is eager to work closely with members of the Committee as proposals move forward. Thank you for the opportunity to submit this testimony.

Senate Committee on Environment and Public Works
hearing entitled, "*Improving the Federal Environmental Review and Permitting Processes, Part II.*"
January 28, 2026
Questions for the Record for Mr. Meyer
Submitted February 25th, 2026

Chairman Capito:

1. **API was supportive of many of President Trump's initiatives in his first term to support American Energy Dominance, which is again a major agenda item for his second term.**

a. **Did these administrative actions continue into the term of the next President?**

Across administrations, we have continued to see major permitting-related policies change through executive or agency action, including actions affecting cross-border infrastructure and LNG export authorizations. For example, on January 20, 2021, President Biden revoked the 2019 Presidential Permit for Keystone XL, a proposed pipeline intended to transport crude oil from Canada's western oil sands to U.S. refineries. Similarly, the Department of Energy announced a "pause" on certain LNG export authorization decisions in January 2024, creating uncertainty for projects midstream in multi-year financing and contracting cycles.

More recently, the federal approach to government-wide NEPA implementation has again shifted, including CEQ's actions to remove its NEPA implementing regulations from the Code of Federal Regulations. From our members' perspective, the through-line is not one specific policy outcome—it is the recurring stop-start dynamic and the risk that even "lawfully issued" approvals can be reopened, delayed, or reversed after capital is committed.

b. **What does this type of uncertainty mean for your members?**

Permitting uncertainty functions like a risk premium on U.S. infrastructure. When authorizations can be paused, reinterpreted, or reversed, our members must price in:

- Higher cost of capital (lenders and equity demand greater returns to cover timeline and litigation risk)
- Longer lead times and higher construction costs (inflation + remobilization + supply chain reset)
- Contracting risk (LNG offtake and pipeline shipping commitments become harder to secure)
- Reduced reliability and resilience (delayed investments constrain the ability to meet demand growth and respond to disruptions)

This uncertainty does not only affect oil and gas. It impacts electric transmission, CO_2 transport/storage, renewable buildout, and broader industrial infrastructure that depend on predictable federal and state permitting.

2. **According to a 2023 study by Stanford University, 28 percent of energy and infrastructure projects requiring an environmental impact statement face litigation, where plaintiffs allege a National Environmental Policy Act process violation in 89 percent of cases. However, the Breakthrough Institute found that federal agencies successfully defend their work 80 percent of the time. This data shows us that agencies are overwhelmingly meeting and exceeding their obligations under the National Environmental Policy Act, but there are real costs to this unsuccessful litigation, because litigation delays drag out for years, stopping projects cold.**

a. **From your perspective, how do lengthy, unsuccessful lawsuits create uncertainty and impact long term investments, consumer energy prices, and overall U.S. energy security?**

Even when agencies ultimately prevail, the "time tax" of litigation can delay projects for years, compounding financing costs and construction inflation. In markets where demand is rising, that delay can:

- Constrain supply additions and could increase price volatility for consumers
- Reduce system flexibility and harm energy reliability (especially during peak demand or extreme weather)
- Undermine the U.S. ability to deliver energy security benefits to allies (particularly for LNG projects with global offtake planning)

In short, prevailing in court years later does not restore lost time, lost investment windows, or lost labor opportunities.

b. **What changes in the judicial review process would benefit energy projects developed by your members?**

We support reforms that preserve meaningful judicial review while reducing delay-driven uncertainty. The most helpful changes would: (1) set a clear, shorter deadline to bring NEPA claims; (2) ensure that only those that participated in the public decision-making process would have standing to sue, and even those that participated would only have standing to challenge aspects of the decision they raised with reasonable detail during that process; (3) require parties to raise issues during the administrative process so agencies can address them; (4) provide expedited court schedules for time-sensitive infrastructure; and (5) require narrowly-tailored remedies— specifically, courts should be prohibited from vacating a permit and instead identify deficiencies in agency actions to remand those actions to the agency for correction—so that projects are not stalled for years due to procedural disputes that may not ultimately change the agency's decision.

Senator Padilla:

1. **Mr. Meyer, notwithstanding specific knowledge of particular policies in place requiring Secretary sign-off on minor energy project actions, do you think that it is good or bad for project timelines if Cabinet Secretaries like the Secretary of the Interior have to personally sign off on routine reviews for energy projects? Would that help or hurt your members' projects?**

As a general matter, we believe agencies should seek to alleviate bottlenecks within their processes. Our members benefit most when agencies maintain a clear process for routine

approvals and ensure that qualified career staff apply well-defined standards. It is preferable for Secretary-level involvement to be reserved for genuinely significant policy judgments or novel issues. There is efficiency in having technical review in the hands of the experts closest to the record and maintaining accountability through established delegation and oversight. For example, on January 20, 2021, during the Biden Administration, the Acting Secretary of the Interior issued Secretarial Order No. 3395, which for at least 60 days temporarily suspended decision-making authority for certain activities, including oil and gas activities, that were previously delegated to DOI bureaus and offices and instead reserved that authority to a small group of senior, confirmed or acting Department officials.

2. **The National Environmental Policy Act (NEPA) has been crucial in protecting our natural resources, but its bureaucratic implementation and procedural requirements unnecessarily delay multiple forms of critical energy infrastructure, including natural gas pipelines. As part of the Fiscal Responsibility Act (FRA), Congress did modify the law by codifying consideration of effects and project timelines for agency review. In Seven County Infrastructure Coalition v. Eagle County (Seven County), the Supreme Court provided guidance to lower courts that their role "is to confirm that the agency has addressed environment."**

a. **Isn't an efficient NEPA process important to deploy an array of energy infrastructure, including natural gas pipelines, on timelines that meet rising demand while protecting the environment?**

Yes. An efficient NEPA process is essential to deploy energy infrastructure on timelines that meet rising demand while protecting environmental resources. NEPA works best when it is aligned with the project sponsor's purpose and need and realistic alternatives are considered. The process must be coordinated across agencies and required authorizations, focused on impacts that have a reasonably close causal connection to the proposed action and fall within the agency's jurisdiction, and built on a strong administrative record that stands up in court. The Supreme Court in *Seven County* underscored that NEPA is a procedural cross-check, and that a court's role is to confirm the agency has adequately considered the environmental consequences of its decision. That principle supports timely reviews that are still thorough and defensible.

b. **From an investment and infrastructure-reliability perspective, what statutory reforms would most meaningfully reduce regulatory uncertainty for long-lead energy projects?**

Infrastructure projects of all kinds—pipelines, power plants, transmission lines, roads and bridges—face a gauntlet of federal approvals under a maze of outdated laws and regulations. Opponents routinely weaponize statutes like the National Environmental Policy Act (NEPA) and the Clean Water Act (CWA) to stall development at every stage. API has developed a comprehensive set of permitting reform recommendations around modernizing NEPA and the Clean Water Act while establishing commonsense litigation abuse reforms. A copy of API's Plan to Build is attached and can be found at PermittingReformNow.org.

c. **Wouldn't technology-neutral permitting reforms – applying equally to all energy infrastructure – improve investment, environmental outcomes, and grid reliability?**

Yes. Technology-neutral reforms create a consistent, predictable process for **all** infrastructure—natural gas pipelines, electric transmission, CO_2 pipelines, renewable energy, mining, road and bridge construction, electric generation and other critical projects. Capital flows to projects that can be built. Focused and properly tailored reviews produce better environmental outcomes as agency staff remain focused on their jurisdictional authority and expertise. Ultimately, this will help facilitate a more robust, reliable, and affordable delivery of energy to consumers.

d. **How important is permit durability – protection against reversal due to political or regulatory shifts –for unlocking long-term infrastructure investment?**

Permit durability is fundamental. Long-lead projects require multi-year financing, contracting, and supply-chain commitments. When approvals can be reversed or paused after a project has invested heavily, capital becomes more expensive and fewer projects move forward. Public examples illustrate this risk, including the revocation of the Keystone XL Presidential Permit in 2021 and the DOE LNG export-approval pause announced in January 2024. Durability reforms help ensure that once agencies complete a lawful process and issue approvals, projects can proceed.

e. Can you quantify or describe real-world pipeline or energy-infrastructure projects that stalled or shuttered due to permitting uncertainty? And describe the resulting lost labor opportunities?

The most prominent example from our industry is the Keystone XL pipeline. On January 20, 2021, following years of permitting and litigation uncertainty, President Biden revoked the cross-border authorization for the Keystone XL pipeline, which was intended to transport crude oil from Canada's western oil sands to U.S. refineries. Based on our members' experience, when a project is paused late in development, the impacts are immediate: construction firms demobilize, specialized labor is reassigned, equipment and materials contracts are renegotiated or canceled, and local tax and community benefits are delayed or lost. Even when a project eventually moves forward, the workforce and supply chain often need to be rebuilt—adding both time and cost to the process.

Senator CAPITO. Thank you, Mr. Meyer.

Our next witness is Abigal Ross Hopper. She has served as President and CEO of Solar Energy Industries, SEIA, since 2017. She previously served as the Director of the Bureau of Ocean Energy Management during the Obama administration, and in senior energy roles for the State of Maryland.

This Friday marks her last day with the organization. So we want to welcome the organization's interim CEO, who I believe is Darren Van't Hof, who is also with us here today. If you want to raise your hand, there, Darren. There he is.

Ms. Hopper, thank you for spending your last week here with us. We are very happy to have you, and please proceed with your opening statement. Thank you.

STATEMENT OF ABIGAL ROSS HOPPER, PRESIDENT AND CEO, SOLAR ENERGIES INDUSTRY ASSOCIATION

Ms. HOPPER. Thank you I can not imagine anywhere else I would rather be.

[Laughter.]

Ms. HOPPER. Thank you, Chairman Capito, Ranking Member Whitehouse, and members of the Committee, for inviting me here to testify today on why now is the moment to address permitting in the United States.

As you just heard, my name is Abigail Ross Hopper. I am the outgoing president and CEO of the Solar Energy Industries Association. We are the national trade association representing America's solar and storage industry.

America's solar companies are manufacturing and deploying the power we need to keep the lights on and keep prices affordable. To ensure a reliable grid and put downward pressure on prices, permitting reform is essential. SEIA strongly supports these bipartisan efforts to improve the process for energy and transmission projects.

Permitting reform must begin with this basic principle: projects that enter the Federal permitting process must be allowed to move through that process in good faith and without unfair treatment based on energy source. Once a project receives a permit, that permit should be honored.

Unfortunately, the Federal permitting process has lost credibility regarding solar projects. In a July 15, 2025 memorandum, the Department of the Interior created 68 new layers of red tape, effectively amounting to a moratorium on solar by requiring political and secretarial level for even minor project reviews. Many solar applications remain paralyzed inside the agency, leaving developers in the dark about whether their projects will ever be considered.

Political roadblocks are endangering 70 gigawatts of solar and 42 gigawatts of battery storage projects on both Federal and private lands according to the EIA numbers released late Monday. These projects represent 43 percent of all, all planned new power capacity in the United States.

We all know electricity demand is rising rapidly, and without this power and the grid infrastructure to deliver it, electricity prices will continue to rise.

In December, the House passed the SPEED Act, which would modernize NEPA to accelerate permitting and prevent unnecessary litigation. While NEPA reform is necessary, I should note that delays on solar projects from NEPA projects are minimal compared to some of my colleagues. While the SPEED Act included a bipartisan provision to protect already-permitted projects, SEIA could not support the bill, because it did not provide meaningful assurance that Federal agencies will fairly consider solar applications moving forward.

SEIA is eager to work with Congress on a bipartisan basis on permitting reform that unlocks dozens of gigawatts of solar storage and transmission. To achieve this, reforms must include these three core principles. No. 1, ending the Federal solar moratorium with statutory protections for existing permits and prohibitions on prospective discriminatory treatment. Two, establishing certainty and reducing timelines through streamlined, coordinated reviews. Three, accelerating transmission buildout through stronger planning, permitting authority and grid modernization.

The U.S. solar industry has transformed rapidly in recent years. In 2025 alone, the United States added 17.7 gigawatts of solar module manufacturing capacity. We now produce every major components of the solar module supply chain here in this Country.

Demand for solar is incredibly strong, with 250 gigawatts of new solar capacity forecast to come online through 2030. But these projects represent billions in private capital that cannot reach final investment decisions without permitting certainty.

We all know the United States needs more power. Data centers, domestic manufacturing, AI, are among the largest drivers of that energy demand. The power needs to be built now.

Solar and storage can meet that timeline, complementing natural gas and nuclear projects that typically take longer to develop and build. We all know that the United States is experiencing an affordability crisis. The most effective way to address that is through greater buildout of solar and storage.

Unsubsidized solar is now the cheapest source of electricity in history and much of the Country. With no fuel costs, solar provides a hedge against natural gas price volatility that continues to cause electricity price spikes. The only way to put downward pressure on prices is bring more power online, not less.

States with higher levels of deployment of solar and storage, like Texas, are experiencing lower and more stable electricity prices. Streamlining permitting is essential to addressing the energy affordability crisis American households and businesses are facing.

Permitting dysfunction also directly impacts American workers, as you have heard a moment ago. We support hundreds of thousands of jobs across construction, manufacturing, and skilled trades. Uncertainty delays hiring, disrupts work force planning, and puts domestic manufacturing at risk.

We are ready to work with Congress on a comprehensive permitting solution. The resources, work force, and capital are ready. Permitting certainty is the key. The time to act is now.

Thank you.

[The prepared statement of Ms. Hopper follows:]

Testimony of Abigail Ross Hopper

Outgoing President and CEO

Solar Energy Industries Association

Senate Environment and Public Works Committee

Hearing to "Examine the Federal Environmental Review and Permitting Processes, Part II"

January 28, 2026

Thank you, Chairman Capito, Ranking Member Whitehouse, and Members of the Committee for inviting me here to testify today on behalf of the Solar Energy Industries Association (SEIA) regarding permitting in our country and why the moment to address this complex issue is right now.

My name is Abigail Ross Hopper, and I am the outgoing president and CEO of the Solar Energy Industries Association. Over the past nine years, I have had the opportunity to represent a thriving and growing industry with over 280,000 Americans who work in the solar and storage industry from all parts of the country.[1]

America's solar companies and manufacturers are deploying the energy and storage needed to keep the lights on and prices affordable across the country. To strengthen the industry's ability to deliver for communities and ensure a reliable grid, permitting reform is necessary and we strongly support your bipartisan effort to improve the process for permitting energy and transmission projects. Permitting reform must begin with making sure that any project that starts the federal process is allowed to move through the process and be considered in good faith, without unequal treatment based on project or energy source. Once the project holds a permit, that permit should be honored.

Unfortunately, the federal government's current ad hoc permitting processes for solar projects lack credibility as agencies have damaged any certainty that they will treat fairly or even consider solar and battery storage applications. In a memorandum issued on July 15th, the Department of the Interior (DOI) created 68 new layers of red tape amounting to a moratorium

[1] Interstate Renewable Energy Council (IREC), *National Solar Jobs Census 2024* (published 2025).

on solar energy, requiring political appointee and Secretarial level approval for even the most minor project review.[2] Virtually all solar project applications are effectively disappearing in DOI, leaving most project developers in the dark as to whether the agency will ever consider their project. [3]

These permitting roadblocks endanger 73 GW of solar and 43 GW of battery storage projects, of which about 20 GW are on public land, representing half of all new planned power capacity in the United States. These roadblocks are threatening billions of dollars of investment at a time when demand for solar remains strong. Without this energy and new grid infrastructure to transport it, energy bills will remain on the rise and America will be unable to affordably serve rapidly growing demand driven by data centers, manufacturing, and electrification.

In December, the House of Representatives passed the Standardizing Permitting and Expediting Economic Development (SPEED) Act (H.R. 4776) which will modernize NEPA to speed permitting and prevent unnecessary litigation.[4] NEPA is often identified as a major obstacle to energy infrastructure projects that require federal approval. While we fully believe NEPA reform is necessary, compared to fossil fuel development, concerns about NEPA litigation delaying or stopping utility-scale solar projects appear to be overstated. While oil, gas, and pipeline projects have historically been frequent targets of NEPA-based lawsuits, recent research

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[2] U.S. Department of the Interior, *Departmental Review Procedures for Decisions, Actions, Consultations, and Other Undertakings Related to Wind and Solar Energy Facilities* (July 15, 2025).

[3] Reuters, "U.S. solar industry says more than 117 GW of projects stalled amid federal permitting delays" (Dec. 9, 2025); *pv magazine USA*, "U.S. solar, storage projects face risk from political obstruction" (Nov. 10, 2025).

[4] Congress.gov, *H.R. 4776 — Standardizing Permitting and Expediting Economic Development (SPEED) Act* (119th Congress).

has not identified any lawsuits initiated after early 2024 BLM NEPA decisions for solar projects.[5] NEPA litigation has played a far less significant role in constraining solar deployment than it has in limiting or delaying fossil fuel infrastructure.

The SPEED Act also included a bipartisan provision to protect projects that have already received permits. While important, this protection does not go far enough, and SEIA could not support the SPEED Act because it does not include any meaningful assurance that federal agencies will fairly consider reviews and applications for solar projects.

SEIA is eager to work with you on permitting reform legislation that unlocks many dozens of gigawatts of energy, including solar energy, storage and transmission capacity. We believe for permitting reform to achieve these goals, core principles are:

1. Ending the multi-agency federal solar moratorium with statutory protections for existing permits, prohibiting discriminatory treatment of energy projects based on technology type with concrete requirements for initiating, considering and finalizing decisions on permit applications, consultations and other routine reviews for projects on public and private land. This includes permits and reviews required by the U.S. Department of the Interior, U.S. Army Corps of Engineers and U.S. Department of Agriculture.
2. Establish certainty in federal permitting processes and reduce the timelines from application to final decision through streamlined and standardized permitting processes; clarifying the scope of environmental reviews; reducing duplicative reviews; and improving multi-agency coordination.

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[5] Resources for the Future (RFF), *Taking Green Energy Projects to Court: NEPA Review and Court Challenges to Renewable Energy* (Aug. 2025; updated Oct. 2025).

3. Accelerate the build-out of transmission capacity and strengthen our grid through comprehensive and forward-looking planning, stronger federal siting and permitting authorities, fair cost allocation, and accelerate grid modernization. New energy projects face multi-year delays due to aging infrastructure and limited transmission capacity. Increasing transmission capacity and strengthening the grid is critical to keeping energy bills affordable in the face of rising electricity demand.

In recent years, the American solar industry has undergone a transformation. In 2025 alone, the United States added 17.7 GW of module manufacturing capacity, and the U.S. now has every major component of the solar module supply chain.[6] Demand for solar power is enormous, with 250 GW of new solar capacity forecast through 2030 revealing its essential role in keeping the grid powered as data centers drive record energy demand.[7]

These projects represent billions of dollars in private capital investment that cannot reach final investment decision without certainty that projects will be reviewed and allowed to move forward. What is occurring today in federal permitting is not how the system should function going forward. The current level of uncertainty is insufficient to support final investment decisions, and partial reforms, while helpful, do not go far enough to unlock the scale of investment needed to meet national energy demand.

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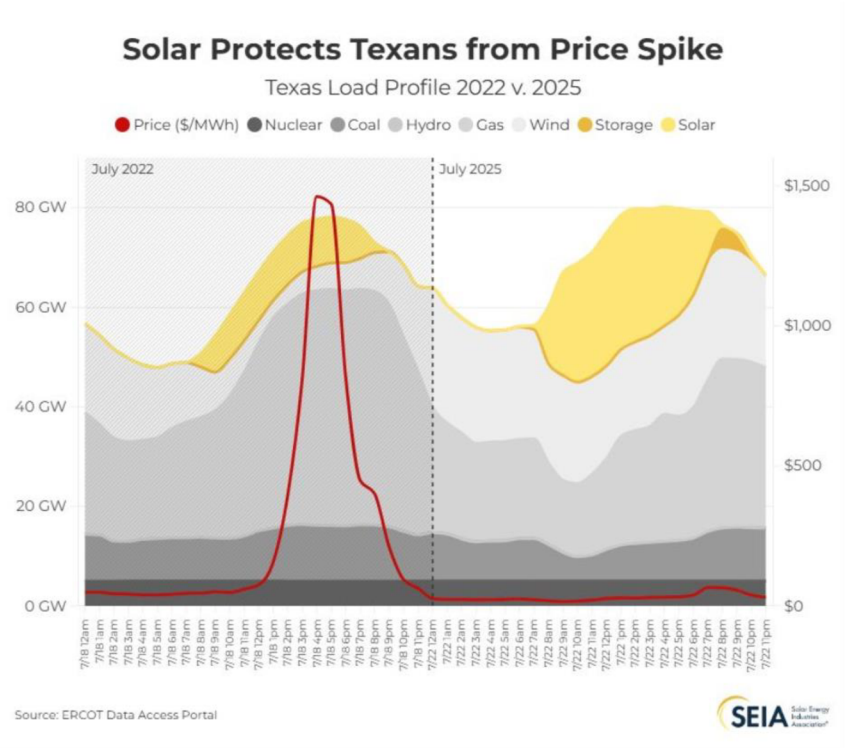
[6] SEIA and Wood Mackenzie, *U.S. Solar Market Insight 2025 Year-in-Review* (Dec. 2025).

[7] Wood Mackenzie, *U.S. Solar Market Outlook 2025–2030* (June 2025).

The United States needs more power, and we must allow the resource to reach the load. Solar and storage can be built right now, complementing natural gas and nuclear projects that, while important, typically take five to ten years or longer to plan, permit, and build at scale. Streamlining the permitting of solar, storage, and transmission is essential to quickly address the energy affordability crisis facing American households and businesses.

Without this energy and the transmission infrastructure needed to deliver it, electricity prices will continue to rise. The nation's power demand is increasing rapidly due to data centers, advanced manufacturing, and electrification, and the only way to put downward pressure on prices is by bringing more power online, not less. States with higher deployment of solar and storage, like Texas, are experiencing lower and more stable electricity prices.

Texas illustrates this point. This chart compares two hot summer days in July, one from 2022 and one from 2025. In 2022, ERCOT had begun installing solar on its grid, but had very little storage. When grid conditions became tight under high load, prices were high for most of the afternoon and spiked to nearly $1,500/MWh. Three years later, the amount of solar had increased substantially and was complemented by energy storage. This time, under even higher load, sizable amounts of wind, solar, and storage helped keep prices low and stable around $50/MWh in the middle of the day, saving Texas consumers hundreds of millions of dollars.



[8]

The vast majority of the country uses more electricity during the day and early evening than it does at night due to higher air conditioning, and commercial and industrial activity during the day. This makes solar and batteries a great fit for meeting the needs of our grid. And the cost of solar has come down dramatically over the past 16 years. Unsubsidized solar has been cheaper

[8] Electric Reliability Council of Texas (ERCOT), *Day-Ahead and Real-Time Market Settlement Point Price Data* (December 2024); RENEWfi, "Despite Cold, ERCOT Prices Remain Low" (Jan. 22, 2025).

than gas peaker plants since 2011, cheaper than new nuclear and coal since 2013, cheaper than new natural gas combined cycle since 2016, and now, in most of the U.S., solar is the cheapest source of electricity in history.[9] Since natural gas is still the most common fuel for electricity generation in the U.S., fluctuations in the price of natural gas due to increases in demand or supply constraints can spike the cost of electricity. Solar, with no fuel costs, provides a hedge against these spikes in electricity prices that occur periodically throughout the year and have trended upward as demand has increased from both electricity generation and LNG exports.

The consequence of this permitting dysfunction is also directly impacting American workers. The solar and battery storage industries support hundreds of thousands of jobs across construction, manufacturing, engineering, operations, and skilled trades, many of which are tied to long-term, place-based investment in rural, suburban, and industrial communities.[10] Permitting uncertainty disrupts workforce planning, delays hiring, and forces companies to pause or cancel projects even after significant capital has been committed. When projects cannot move through the federal review process, jobs do not materialize, apprenticeships are delayed, and domestic manufacturing facilities are unable to secure the long-term offtake certainty required to sustain operations.[11] At a time when the United States is actively rebuilding its energy manufacturing base, failure to provide predictable permitting timelines puts American jobs at risk and undermines the workforce pipeline needed to meet growing electricity demand.

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[9] Lazard, *Levelized Cost of Energy+ (LCOE+) Version 10.0* (June 2025).

[10] Interstate Renewable Energy Council (IREC), *National Solar Jobs Census 2024* (published 2025).

[11] Solar Energy Industries Association (SEIA), *Solar Workforce & Manufacturing Brief* (2025); U.S. Department of Energy, *U.S. Energy Employment Report* (latest edition).

SEIA is ready to work with Congress on a comprehensive permitting solution that ensures certainty, enables investment, and allows energy projects to move forward as Congress intended. The United States has the resources, workforce, and capital ready to deploy. I believe that permitting certainty is the key to a thriving energy sector for years to come and the time to do so is now.

Thank you for the opportunity to testify today on such an important issue.

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United States House of Representatives
Senate Committee on Environment and Public Works

Hearing on January 28, 2026
"Improving the Federal Environmental Review and Permitting Process, Part II"

Questions for the Record

Darren Van't Hof
Interim President and CEO
Solar Energy Industries Association

Chairman Capito:

1. **According to a 2023 study by Stanford University, 28 percent of energy and infrastructure projects requiring an environmental impact statement face litigation, where plaintiffs allege a National Environmental Policy Act process violation in 89 percent of cases. 1 However, the Breakthrough Institute found that federal agencies successfully defend their work 80 percent of the time. 2 This data shows us that agencies are overwhelmingly meeting and exceeding their obligations under the National Environmental Policy Act, but there are real costs to this unsuccessful litigation, because litigation delays drag out for years, stopping projects cold.**
    a. **From your perspective, how do lengthy, unsuccessful lawsuits create uncertainty and impact long term investments, consumer energy prices, and overall U.S. energy security?**
    b. **What changes in the judicial review process would benefit energy projects developed by your members?**

Any prolonged uncertainty and unpredictability in the permitting process discourages private investment, stalls deployment of critical energy infrastructure, and hampers the solar and storage industry's ability to help meet growing demand with affordable, reliable energy. I'd note, however, that recent research has not identified any lawsuits initiated after early 2024 BLM NEPA decisions for solar projects.[1] To protect the billions of dollars of private capital invested in solar and storage projects in the

[1] Resources for the Future (RFF), *Taking Green Energy Projects to Court: NEPA Review and Court Challenges to Renewable Energy* (Aug. 2025; updated Oct. 2025).

permitting pipeline the industry needs projects to move through a robust NEPA review process with predictable timelines and well-resourced agencies to meet those milestones.

Senator Kelly:

1. **The Department of the Interior has bottlenecked permitting decisions at the Secretary's office, cut the staff who process the reviews, and made it clear that they are picking winners — oil and gas — while sidelining renewables. The big loser here isn't one source of energy or another — it's ratepayers — because power demand is skyrocketing, especially in places like Arizona where chips manufacturers, data centers, and others want to expand. Everybody pays more when affordable power isn't added to the grid. Even if Congress passes a strong, bipartisan permitting reform bill, it won't matter if the administration keeps ignoring the law and rewriting the rules behind closed doors. Some solar developers in Arizona are now avoiding public lands altogether to limit their involvement with the Federal government. Are you seeing the same thing across the sector?**

Yes, we are seeing a sector-wide avoidance of future solar and storage development on federal lands. While the July 15*th* Department of Interior memo and related discriminatory permitting policies are still in place, developers cannot secure financing for projects on federal lands where there is no assurance of obtaining permits on a stable or predictable timeline. Over the long term, the Administration's permitting challenges are also likely to chill investment across the energy sector, as investors require confidence in both project viability and permitting timelines.

   a. **With nearly half of Arizona made up of public lands — much of it near growing cities and industry — aren't we squandering a major opportunity here, at exactly the time when we need this energy capacity to come online rapidly?**

Yes. Public lands in Arizona and across the southwest are uniquely well-positioned for utility-scale solar and storage deployment which is required to meet the significant increases in load growth this country is facing. Public lands tend to be flat, sunny, and near critical transmission lines to transport the electricity to nearby load centers. In addition, when designed intentionally, solar and solar projects can be designed to have limited impacts to the desert ecosystems in Arizona and to have economic benefits for the communities that host these projects.

Yet, the roadblocks placed on solar and storage permitting by this Administration are endangering 73 GW of solar and 43 GW of battery storage projects, of which about 20 GW are on public land,

representing half of all new planned power capacity in the United States.[2] These roadblocks are threatening billions of dollars of investment at a time when demand for solar remains strong. Without this energy and new grid infrastructure to transport it, energy bills will remain on the rise and America will be unable to affordably serve rapidly growing demand driven by data centers, manufacturing, and electrification.

Senator Padilla:

1. **Ms. Hopper, California is a national and global leader on climate ambition and environmental stewardship, yet even projects designed to reduce emissions, expand transmission or improve wildfire and water resilience often face years-long federal review and litigation risk. Delays increase costs, stymie investment, strain ratepayers and postpone benefits to frontline communities. How can Congress streamline NEPA and improve interagency coordination, so climate, transmission and energy projects are reviewed efficiently and built faster?**

The Fiscal Responsibility Act of 2023 provided a strong foundation for better interagency coordination. For example, Section 107 created a strong lead agency role with provisions for joint lead agencies to coordinate the preparation of environmental permitting documents and to rely on environmental analysis done by other agencies. However, agencies cannot realize the benefits of these process reforms without the appropriate resources. Limited staff resources is currently one of the biggest drivers of delays in siting and permitting infrastructure of all kinds. Energy projects are complex and agency staff with the technical knowledge, resources, and clear process guidance from leadership is critical in achieving increased efficiencies and predictability in the permitting process. We strongly urge Congress to support complete funding for agencies that conduct environmental reviews, including funds to hire technical experts and contractors that have experience in the complexities of the environmental review process.

2. **What reforms would best shift engagement and environmental analysis earlier in the process, so communities see benefits sooner rather than facing indefinite delays?**

The solar and storage industry recognizes the importance of robust community engagement for the communities themselves and as a primary tool to reduce risk and advance long-term project outcomes. Clean energy developers already put extensive time and resources into understanding local priorities and engaging in transparent communication about how projects can complement local values. Currently, project developers are already engaging with communities early in the project development process. For

[2] Reuters, "U.S. solar industry says more than 117 GW of projects stalled amid federal permitting delays" (Dec. 9, 2025); *pv magazine USA*, "U.S. solar, storage projects face risk from political obstruction" (Nov. 10, 2025).

example, before the formal NEPA and public scoping process begins; solar project developers and BLM are engaging with impacted communities through things like informal stakeholder meetings and Tribal consultations.

Programmatic environmental reviews are not only a way to streamline permitting and resources for clean energy projects, but they are also an opportunity for community engagement before an individual site proposal. When designed intentionally, programmatic environmental reviews can allow agencies to look at regions, or categories of projects and create earlier, broader, and more strategic engagement opportunities for impacted communities. Such an approach can also address things like cumulative and regional impacts to help communities plan and use limited resources more effectively.

Sincerely,



Darren Van't Hof

Interim President and CEO

Solar Energy Industries Association (SEIA)

Senator CAPITO. Thank you.

Our final witness, we are joined by David Terry, who is President of the National Association of State Energy Officials. Mr. Terry is a true expert on the challenges facing our State energy officials. This marks 30 years since he started his first job at NASEO, spending the last 17 as head of the organization.

I understand you talked with our energy person in West Virginia just this week in anticipation of the hearing. So thank you for that.

You are now recognized for your opening statement.

STATEMENT OF DAVID S. TERRY, PRESIDENT, NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS

Mr. TERRY. Thank you, Chairman Capito, Ranking Member Whitehouse, and members of the committee, for the opportunity to testify today.

I am David Terry, President of the National Association of State Energy Officials. We represent all 56 State and territory energy offices across the Country, dealing with a wide variety of energy issues, and have a great interest in Federal permitting reform.

NASEO strongly supports Federal permitting reform and environmental review improvements. The National Governors Association also provided a letter to this committee last fall, and we also want to agree with and endorse their comments.

America's economic growth is both exciting and a huge challenge for the energy industry and for the States. I think that the opportunity to optimize the grid, other fuel systems, energy systems writ large, and expand them, is critical for the Nation's economic future and our national energy security. Addressing affordability is equally important. We hear that from all of our members across the Country, as all of you have.

Lengthy and unpredictable Federal permitting outcomes makes meeting our energy challenges more expensive and leaves the private sector investments and State actions stranded and untapped, whereas they could deliver tremendous benefits to the Country. Governors and State energy offices also recognize the importance of streamlining permitting that they control in their own States, and have been working together to address those issues, and also address affordability.

NASEO recommends durable, technology-neutral or project-neutral approaches to permitting reform. The SPEED Act, as it came out of the House Natural Resources Committee, is a step forward. However, we do have concern that an amendment that was added on the floor may put into question technology-neutral and all-of-the-above approaches.

I want to stress a few recommendations that NASEO would like to put forward. First, expansion of categorical exclusions under NEPA can speed the environmental review process. Deference to States where there is equivalent processes to NEPA can also benefit reform efforts. Enhanced certainty for approved permits to continue on a technology-neutral basis with strong rebuttable presumption for previously approved permits is essential.

Adequate Federal staffing to conduct environmental reviews that are needed so that they are not deemed defective by the courts or seen as ineffective by the public. Finally, enhanced State, Federal

and interstate cooperation should include State energy offices, the Environmental Protection Agency, Department of Energy, Department of Interior and other Federal agencies. For example, the State energy offices have an excellent working relationship with the Department of Energy's Office of Electricity and the CSER Office, the office undertaking energy security measures. They have been working hand-in-glove, 24–7, this past week as we have gone through the recent winter storms, working with the industry and having good outcomes.

Another great example is the recent State coordination among Governors in the PJM region, on a bipartisan basis with the Trump administration. That agreement, I think, shows great promise. The State energy offices in this region were critical in moving that activity forward.

NASEO recognizes that a commitment to bipartisan permitting reform is necessary for your efforts to succeed. We stand ready to help the committee, help the committee, inform the committee, and engage with our State members to help move this process forward.

We applaud the Chair and Ranking Member for your leadership and working together. We are pleased to answer any questions you may have.

[The prepared statement of Mr. Terry follows:]

Testimony of
David Terry, President, National Association of
State Energy Officials

Before the
U.S. Senate Environment and Public Works Committee
Hearing to Examine the Federal Environmental Review and
Permitting Processes Part II

January 28, 2026

I. Introduction and Overview of NASEO

Chair Capito and Ranking Member Whitehouse, I am David Terry, President of the National Association of State Energy Officials (NASEO). I am pleased to have the opportunity to testify before you today in support of federal permitting reform and modified federal environmental reviews. NASEO members include all 50 State Energy Offices in the United States, as well as the offices in the territories and Washington, D.C. The functions of the State Energy Offices vary by state based upon their energy resources, needs, and goals, but there are a number of commonalities in function.

These include: 1) assisting their governors and legislators in the development and implementation of state energy policy;2) aiding in the development of energy programs and projects; 3) supporting energy and economic development; and 4) leading state energy security planning and supporting the governors' energy emergency response efforts during energy supply disruptions.

These offices are directly involved in the implementation of energy projects and thus have a direct interest in federal environmental reviews and permitting processes. In particular, NASEO members are involved in the development of electricity, natural gas, and other energy infrastructure projects, and work with other relevant state agencies in these areas.

II. NASEO's Bipartisan Engagement and Federal Legislative Experience

In the last Congress, NASEO endorsed the bipartisan Manchin-Barasso permitting reform package, and we look forward to working with this Committee and other relevant committees, such as the Energy and Natural Resources Committee, in the development of legislation to address needed reforms to the processes for planning and permitting all types of infrastructure. We were also pleased that the National Governors Association (NGA) wrote to Congressional leaders in support of comprehensive permitting reform. NASEO works closely with NGA and has since NASEO was founded with the support of NGA in 1986.

III. The Urgent Need for Federal Permitting Reform from a State Perspective

Improving the speed and certainty of technology neutral federal permitting processes is critical to meeting the energy, economic development, environmental, and affordability goals of every state. Ensuring rapidly growing electric loads are addressed is a top priority. State Energy Offices are also concerned with energy security and supply disruptions (fuels and grid) resulting from weather, physical, and cyber events. A stressed energy system in need of modernization, optimization, and expansion increases the risk of energy supply disruptions that can threaten life, health, and property. In addition, many states have energy and environmental goals that rely on the ability to deploy resources and technologies such as natural gas and other advanced fossil generation, advanced geothermal, advanced nuclear, hydro, wind, solar, batteries and other energy storage, virtual power plants, and transmission.

In particular, permitting reform that significantly accelerates electric transmission projects should be prioritized, using options such as categorical exclusions for transmission using existing

right of ways and grid enhancing technologies (e.g., advanced reconductoring). In addition, speeding the modernization, expansion, and optimization of our grid from generation to end-use is a key mechanism to put downward pressure on energy costs and essential to improving the reliability of our energy system more rapidly. Grid optimizing technologies that improve energy efficiency, increase power flows, and enhance reliability should be prioritized by transmission organizations, utilities, and others. Where appropriate to reduce pressure on the grid, monetary incentives for behind the meter generation should be considered as part of comprehensive legislation.

In addition to the proposals discussed elsewhere in this testimony, the following are some of the important federal permitting reform priorities NASEO believes should be addressed (including suggestions made by NGA):

1. Modernize and streamline federal reviews utilizing shared interagency systems, AI-enabled permitting processes, and common digital formats for permits.
2. Ensure federal agencies have sufficient staffing to make timely permitting decisions.
3. Clarify an energy technology-neutral approach on retroactive permitting or leasing changes.
4. Expand categorical exclusions to classes of projects such as new transmission facilities within existing rights-of-way and grid enhancing technologies.
5. Allow categorical exclusions legislatively enacted by Congress and utilized by one agency to be adopted by another agency.
6. Enforce reduced timelines set forth in the *Fiscal Responsibility Act* for environmental assessments and environmental impact statements.
7. Allow groups of two or more contiguous states to nominate National Interest Electric Lines.
8. Require transmission organizations to prioritize the deployment of grid-enhancing technologies and other alternative transmission technologies in planning processes to maximize grid capacity, minimize costs, and enhance reliability.
9. Allow FERC greater flexibility to allocate the costs of interstate and offshore transmission projects among all project beneficiaries.

IV. State Experience with Permitting and Environmental Review Processes

Of great importance is the work that the State Energy Offices are engaged in to develop holistic energy policies, programs, and projects. State Energy Offices work with other relevant state agencies, such as environmental agencies, public utility commissions, natural resource agencies, agricultural agencies, transportation agencies, and housing agencies. In that regard, state officials generally agree with federal officials and legislators that permitting of energy projects simply takes too long and lacks procedural certainty as to processes and reasonable timelines.
The Standardizing Permitting and Expediting Economic Development Act (SPEED Act, H.R. 4776), passed by the House in December has many positive elements in terms of accelerating environmental reviews, reducing onerous time frames and making it more clear how projects can move through the process. The idea of deferring to state action if there is an "equivalent process" to the National Environmental Policy Act (NEPA) in the states is also a positive development.

Reliance on prior environmental reviews in the same area is also a good idea. NASEO also supports categorical exclusions established by one federal agency being used by other federal agencies. Through discussions with the State Energy Offices, there is great concern with the amendment that was added on the House floor after action by the Natural Resources Committee. The amendment appeared targeted to move away from an "all of the above," technology-neutral approach to permitting reform. In addition, in order for permitting reform to support rapid deployment of new electrical generation, it is essential that the elements of the SPEED Act are paired with additional reforms needed to accelerate the deployment of transmission infrastructure.

V. Strengthening Permitting Certainty Through Legislative Improvements

A. Rebuttable Presumption for Previously Permitted Projects

Individual states have different priorities in terms of technology development, available resources, and generation choices, but the Natural Resources bill as it came out of Committee provided assurances that the federal government not revoke or disrupt permits based on changing federal technology preferences. In that light, we believe a rebuttable presumption in favor of previously permitted projects should be included in a final legislative package. Such a presumption could apply for as long as ten years into the past. For a revocation of such a permit to be allowable, there should be a specific, identifiable change in circumstance that can be shown by evidence not to have been considered. The burden of proof should be on the federal government or an outside party that the change in circumstance is significant enough to warrant revocation of a permit. The level of proof should be "clear and convincing," not an assertion backed by limited impact. Weaponizing environmental reviews, no matter what type of technologies are being supported, is bad public policy.

B. Ensuring Adequate Federal Staffing for Environmental Reviews

Another area that should be addressed is assurance that there will be sufficient NEPA-related personnel at the federal agencies and the Council on Environmental Quality to conduct such reviews. In our view, it is not sufficient to authorize these changes in NEPA reviews without ensuring that there are enough personnel to actually conduct the reviews and meet the time frames for final agency action that would allow projects to move forward where appropriate.

C. Long-Term Funding to Support Permitting Reform

The final legislation should include both authorizing language on permitting and sufficient funding over a multi-year basis (e.g., 10 years) to accomplish the purposes set forth in the statute. Without such assurances in funding it would be too easy for federal agencies to fail in necessary NEPA reviews and could even slow down the process. The lack of resources also applies to reviews under Section 106 of the Historic Preservation Act. Again, sufficient funds, direction, and timelines must be provided for those reviews so that it does not continue to be a bottleneck for project development of all types.

VI. Expanding and Improving Use of Categorical Exclusions

The Committee should also strongly consider including statutory expansion of categorical exclusions under NEPA, in addition to setting forth clear criteria for actionable categorical exclusions to encourage environmentally-sound project development. Where projects are being developed at formerly operated generation facilities, especially co-located generation projects with energy storage, and where there are no outstanding unaddressed environmental enforcement actions, such sites should receive consideration for categorical exclusions. Existing interconnection facilities are a huge benefit at these sites and can reduce environmental damage at other sites, due to the reuse of the facilities. Incentives for reuse of brownfield sites should also be encouraged in this manner. NASEO believes that programmatic agreements on NEPA-associated reviews and categorical exclusions for a longer period would facilitate project development.

VII. Enhancing State-Federal and Interstate Coordination

State level, interstate and federal-state cooperation will be necessary to accomplish the purposes of accelerating reasonable, environmentally sound, project development. We recommend that this Committee, in conjunction with the Senate Energy and Natural Resources Committee, the House and other interested committees, examine creative permitting ideas. For example, in the 1980s, 1990s and 2000s, NASEO convened state energy directors, state environmental regulators, state utility commissioners, and state transportation officials to work together on finding solutions to complicated problems that cross-over between energy and environmental issues. The final legislative text for a permitting bill could provide incentives to states to ensure that the state agencies are working together on joint planning for ultimate project and policy development, along with state-federal coordination.

VIII. Leveraging State Leadership and Private-Sector Engagement

State Energy Offices in all 50 states work closely with the private sector in their respective states on economic development initiatives, especially in the area of energy project development. The federal government is not as close to many of these businesses, and states are more adept at working with them to find solutions. States enacting reciprocal state legislation offers another model that could be affirmatively authorized. Examples of such aggressive state activities could include site banking, co-location of facilities on existing rights of way, aggressive introduction of grid enhancing technologies, wildlife corridors, coordination to ensure accelerated work by the Bureau of Land Management, Fish and Wildlife Service, Forest Service and others.

IX. Improving State-Federal Coordination at the Federal Energy Regulatory Commission and Department of Energy

At the Federal Energy Regulatory Commission (FERC), Section 209 of the *Federal Power Act* provides for joint boards with State Public Service Commissions. NASEO strongly supports the continuation and use of these joint boards, but they need to be expanded so that state energy policy – distinct from regulation – set by governors and state legislatures is considered through specific inclusion of State Energy Office representatives. Under the jurisdiction of the Senate

Energy and Natural Resources Committee, this type of state-federal activity could be augmented to set-up a separate entity between DOE, Environmental Protection Agency (EPA), FERC and the State Energy Offices to address coordinated project development. In addition, DOE should utilize the statutorily created State Energy Advisory Board to enhance its authority by reporting directly to the Secretary and the Undersecretary for Energy on issues related to siting. As an interim step, the DOE Secretary could direct this Federal Advisory Committee Act-authorized committee to establish this reporting structure and then modify the statute through the permitting legislation. In addition, the Secretary of Energy Advisory Board should be modified to ensure representation by the State Energy Offices.

X. Addressing Permitting Challenges Related to Data Centers and Manufacturing

Permitting reform must also address the increasing electricity needs of data centers and new manufacturing. Delivering reliable electricity to these sectors rapidly, while not concurrently limiting electricity delivery to surrounding areas, is critical to economic growth and America's competitiveness globally.

XI. Regional and Market-Wide Electricity Coordination Challenges

Many State Energy Offices are working with businesses and consumers to help inform them about the benefits and impacts of energy projects and streamlining state permitting and siting processes in ways that speed project development. There is also state cooperation in other areas, such as the announcement on January 16, 2026, by a bipartisan group of states, working with the White House's Energy Dominance Office, to further cooperative action to push PJM toward coordinated steps to address power demand growth from large loads. Key state energy offices in the PJM region have been helping to lead this activity. Electricity challenges are not limited to PJM. States in most other electricity markets express concerns about not being heard in a way that will improve resilience, reliability, and cost, and address state-set energy and environmental goals.

XII. Technology Neutrality, Affordability, and Energy Innovation

Affordability is a key problem for nearly all states and solutions will not be achieved by limiting the range of technologies. To support emerging energy technology options, NASEO has initiated two programs with DOE: 1) the Advanced Nuclear First Mover Initiative; and 2) the Geothermal Power Accelerator. I want to stress that both of these activities are bipartisan and targeted to deploying these technologies through new state policies and private investment as quickly as possible. As important as these longer-term energy infrastructure projects are, it would be a major mistake to ignore the value of energy innovation using available efficiency technologies, virtual power plant approaches, distribution system improvements, onshore and offshore wind, solar, storage, and fossil generation technologies. We need all these electrons and fuels, and picking winners and losers at the federal level is a mistake. Any final legislation in the permitting arena must acknowledge the state policy role – distinct from regulation – and address these needs in a meaningful and durable way.

XIII. Energy Security, National Defense and Critical Infrastructure

Another area where the states and the federal government could expand cooperation is in the area of power supply and transmission and distribution infrastructure development. This should include energy siting and permitting for energy infrastructure serving defense critical facilities. NASEO is cooperating with DOE's Office of Electricity and DOE's Office of Cybersecurity, Energy Security and Emergency Response Office on a range of security, fuels, and grid issues and we fully support and appreciate this important collaboration.

XIV. Conclusion and Commitment to Bipartisan Collaboration

We deeply appreciate the opportunity to testify before the Committee, and we are dedicated to working with you and your staff on a permitting reform package that addresses the wide range of needed energy infrastructure investments, such as electricity generation and transmission, on a technology neutral, bipartisan basis to move the country forward. Also, we look forward to working with other relevant committees in both the House and Senate.

I am pleased to respond to any questions that you may have.

Summary of Testimony

I. Overview of NASEO

The National Association of State Energy Officials (NASEO) represents all 50 State Energy Offices, U.S. territories, and Washington, D.C. State Energy Offices assist governors and legislatures with energy policy, implement energy programs and projects, support economic development, and lead energy security and emergency response efforts. Because they directly implement electricity, natural gas, and other energy infrastructure projects, State Energy Offices have a practical, on-the-ground interest in federal permitting and environmental review processes.

II. The State Perspective on Permitting Reform

States face rapidly growing electricity demand alongside increasing reliability, affordability, and energy security challenges. Lengthy and uncertain federal permitting processes hinder the modernization, optimization, and expansion of energy systems needed to address supply disruptions from weather, physical, and cyber threats. Improving the speed and certainty of permitting is essential to protecting life, health, and property while strengthening reliability and controlling energy costs.

III. Bipartisan Engagement and Legislative Experience

NASEO has a long history of bipartisan engagement and endorsed the bipartisan Manchin-Barrasso permitting reform package in the last Congress. NASEO works closely with the National Governors Association, which has also supported comprehensive permitting reform. Since its founding in 1986, NASEO has served as a trusted partner to both states and the federal government on energy and environmental policy.

IV. State Experience With Permitting Processes

State Energy Offices regularly coordinate with environmental agencies, public utility commissions, natural resource agencies, transportation agencies, and housing agencies to implement energy projects. Based on this experience, state officials broadly agree that current permitting processes take too long and lack predictable timelines and procedural certainty, creating unnecessary barriers to project development.

The House-passed SPEED Act includes positive reforms, such as accelerating environmental reviews, clarifying timelines, deferring to equivalent state review processes, relying on prior environmental analyses, and expanding the use of categorical exclusions across federal agencies. However, amendments adopted on the House floor raised concerns by moving away from a technology-neutral, all-of-the-above approach that accommodates diverse state energy priorities.

VI. Key Recommendations for Effective Permitting Reform

NASEO recommends strengthening permitting reform by establishing a rebuttable presumption in favor of previously permitted projects, with clear evidentiary standards to prevent the misuse of environmental reviews. Reform should also ensure sufficient staffing at federal agencies and the Council on Environmental Quality, paired with long-term, multi-year funding similar to the Infrastructure Investment and Jobs Act. Without adequate resources, permitting reforms risk falling short in practice, including under Section 106 historic preservation reviews.

VII. Expanding Categorical Exclusions and Site Reuse

Statutory expansion of categorical exclusions under NEPA, with clear criteria, would accelerate environmentally sound project development. Projects located at formerly operated generation sites, co-located generation and storage facilities, and brownfield sites—particularly those with existing interconnection infrastructure—are strong candidates for streamlined review. Programmatic agreements and longer-term categorical exclusions would further reduce delays.

VIII. State–Federal Coordination as a Solution

Effective permitting reform requires enhanced state-federal and interstate coordination. NASEO has a history of convening state agencies to address complex, cross-cutting energy and environmental challenges. Federal legislation could incentivize joint state planning, strengthen coordination with federal agencies, and leverage states' close relationships with private-sector developers.

IX. Large Loads, Affordability, and Competitiveness

Permitting reform must address growing electricity demand from data centers and new manufacturing, which is critical to U.S. economic growth and global competitiveness. NASEO supports a technology-neutral, all-of-the-above approach that promotes affordability and innovation. Through partnerships with DOE, including the Advanced Nuclear First Mover Initiative and the Geothermal Power Accelerator, NASEO is helping states deploy a broad range of energy solutions while respecting state energy policy authority.

X. Conclusion

NASEO appreciates the opportunity to testify and remains committed to working on a bipartisan basis with Congress and federal agencies to advance durable, practical permitting reform. NASEO stands ready to serve as a solutions-oriented partner to help accelerate project development, protect the environment, strengthen energy security, and support state and national economic goals

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February 25, 2026

The Honorable Shelley Moore Capito
Chairman, Committee on Environment and
Public Works
United States Senate
Washington, DC 20510

The Honorable Sheldon Whitehouse
Ranking Member, Committee on Environment and
Public Works
United States Senate
Washington, DC 20510

Chairman Capito and Ranking Member Whitehouse:

Following your recent hearing to *Examine the Federal Environmental Review and Permitting Process, Part II*, I submit my responses to the question from Chairman Capito, as well as questions from Senators Wicker, Kelly, and Padilla (Attachment A).

Chairman Capito's Question:

1. *The U.S. Energy Information Administration recently published forecasts showing the strongest four-year growth in electricity demand in decades. Natural gas demand is exceeding pipeline capacity, and it can take pipeline projects six to eight years, or even longer with litigious project opponents, to secure the necessary permits to expand capacity. States, along with the energy sector, are on the front lines to ultimately plan for and deliver on the energy demands of both today and tomorrow.*

a. How do the current failures in our environmental review and permitting processes constrain states' ability to direct resources to meet demand and deliver lower prices for Americans today?

Response to Chairman Capito's Question:
The greatest federal permitting-related challenge is the litigation issue that your question raises. Litigation after projects have successfully navigated the federal permitting process, in the vast majority of cases, results in the project moving forward as permitted but at a substantially higher cost with no additional environmental benefits. These actions often appear to be aimed at achieving delays. Non-substantive

litigation following permitting also creates a chilling effect on all future projects as developers, investors, and states must consider the costs and timing of project delivery. We believe the speed and certainty of permitting pipelines is one of the critical elements in meeting the nation's energy demands and achieving states' energy goals, which are often set through state energy planning led by governors and their State Energy Offices. The predominantly federal pipeline permitting process spans multiple agencies, and federal efforts aimed at streamlining must continue. In addition, elongated permitting processes for proposed energy projects on federal lands sometimes force valuable energy infrastructure of all types onto state and private lands, which can create less desirable environmental tradeoffs.

In my testimony, NASEO recommended the committee consider a "rebuttable presumption" approach which would allow fully permitted projects to move forward absent specific, clear and convincing changes in circumstances, with the burden of proof for any lawsuit falling on the federal government or the outside party bringing the litigation. This approach would not only aid in limiting non-substantive litigation, but it would also safeguard fully permitted projects from sudden federal policy changes aimed at picking winners and losers. We have seen sudden federal policy changes across multiple Administrations. In nearly every case, these changes negate investment decisions already made by the private sector consistent with policy actions taken by states. These litigation delays and policy changes are inconsistent with meeting state and national energy, economic, and environmental goals in a balanced, "all of the above" manner that maximizes natural resource benefits for consumers and businesses.

In an era characterized by increased electricity demand and costs, substantial global competitiveness around meeting large electric loads, a desire to protect our environment, and tremendous cyber and physical energy security risks, the fact that the existing federal permitting processes are similar in length to many European nations is striking. A streamlined federal permitting process such as the one being considered under your leadership would be the equivalent of a substantial "tax cut" for all American businesses and consumers, but without any negative federal budgetary impact. Enacting durable, technology-neutral federal permitting reform coincident with the celebration of our nation's 250th anniversary would be a tremendous, bipartisan achievement for all Americans.

Senator Wicker's Question:

1. *As we look to strengthen grid reliability and meet growing customer demand, utilities in my state are pursuing major capital investments to harden infrastructure and ensure reliable service. In some cases, these projects are seeking financing through the Department of Energy's Section 1706 Energy Dominance Financing program, which can lower financing costs and ultimately reduce costs for customers. From your perspective, how can Congress and the administration reform federal environmental review and permitting processes so that programs intended to lower costs and strengthen energy reliability do not inadvertently delay or discourage critical infrastructure investments, especially for projects that are necessary, time-sensitive, and largely on existing or previously disturbed sites?*

Response to Senator Wicker's Question:

Permitting reform should include a streamlined approach for constructing certain types of projects (e.g., addition to natural gas and solar generation, or storage at an existing power plant site) where

environmental conditions are known and a set of project types can be readily characterized. Such an approach should be more extensive than a categorical exclusion, but far less intensive and costly than entirely new energy development sites. However, existing federal permitting processes are, in effect, a "tax" on all projects because they create delays and costs unrelated to environmental protection. We believe federal, state, and private environment and energy experts can assist in the development of a process for these projects that would provide reasonable protections and speed delivery of high-priority energy projects. Such reforms would also enhance the important energy funding available through the Energy Dominance Financing program.

Senator Kelly's Questions:

1. *Arguably, transmission permitting in this country is in an even worse state than power generation. It inherently needs to cross state lines, and so developers can't simply avoid complex federal processes. For example, after more than ten years of review, new litigation caused the permit for SunZia — a project critical to unlocking renewable energy across the Southwest — to get remanded last year for further analysis. A decade of work, and still no certainty. This level of risk and delay makes it nearly impossible for developers to plan, invest, or deliver the infrastructure we need. What are states seeing on the ground, and how are they dealing with interconnection queues that only grow longer?*

a. Are utilities trying to fix this problem, or finding ways to avoid it altogether?

2. *What do you think is the single most important change so we're not wasting years — and billions — trying to build the backbone of a modern energy system?*

Response to Senator Kelly's Questions:
Constructing high-priority transmission lines – which in most cases have already been identified and analyzed by the states and private sector – is even more important, in many locations, than speeding the delivery of new generation. Most of these already identified priority transmission lines would deliver relatively rapid consumer cost savings, environmental benefits, considerable reliability and security benefits, and, when using grid enhancing technologies, would serve the nation for many decades. Unlocking these projects requires several actions, including:

1. Expediting passage of substantial federal permitting reform, including the rebuttable presumption concept described in my testimony;
2. Increasing the flexibility of the Federal Energy Regulatory Commission to act on transmission siting with the expectation that reasonable levels of state authority are maintained;
3. Providing meaningful federal incentives for a set of transmission lines that the states and the U.S. Department of Energy have repeatedly identified as critical in lowering costs and improving reliability;
4. Supporting state education actions with local governments and landowners to identify "infrastructure ready" communities and encourage site banking;
5. Increasing the U.S. Department of Energy's funding to create state-specific economic and environmental benefit analyses for states impacted by a proposed, priority transmission line. Most often, transmission cost-benefit analyses examine primarily electricity rate

implications and do not fully consider the overall economic development benefits (and costs) of transmission lines. State policy makers – distinct from regulators – must consider broader benefits and costs, and with sound data could promote policies that support transmission. In addition, existing analyses are often at a regional level and lack sufficient state- and site-specific data that would be most relevant to the residents of a particular state and their elected leaders.

Regarding item four above, many State Energy Offices are working with local governments and communities to help answer their questions about the costs and benefits of a range of new energy infrastructure, including transmission. To accomplish this work they are using a portion of the funding provided under the U.S. Department of Energy-administered State Energy Program. Expanding resources for this program is essential to the states' work to dispel misinformation about energy infrastructure, and to offer reliable, technology-neutral information to their consumers and businesses. This state-local action is critical to avoiding unnecessary delays and outcomes that do not benefit states or the nation over the longer term.

Senator Padilla's Questions:

1. *In your written statement, you raised concerns that the House approach in the SPEED Act and the PERMIT Act took a step back from an all-of-the-above, technology-neutral posture when certainty was removed from the bill. How would you ensure an all-of-the-above, technology-neutral approach so states see any final package as inclusive?*

2. *What is one structural change in state-federal coordination that you think could keep state energy planning on track given an administration intent on blocking pathways for specific technologies?*

Response to Senator Padilla's Questions:

One of the amendments to the SPEED Act in the U.S. House of Representatives will reduce the benefits of an "all of the above" approach. Our proposed remedy is to support the technology-neutral approach that was expressed by many on the committee, as well as offering a specific legislative addition that would address both changing federal policies that pick winners, and non-substantive litigation for fully permitted projects. NASEO recommends including a "rebuttable presumption" approach with a 10-year look back period that would allow fully permitted projects to move forward absent specific, clear and convincing changes in circumstances. Moreover, the burden of proof in any lawsuit or federal policy change would fall on the federal government or the outside party bringing the litigation or attempting to make a federal policy change. Codifying this approach, on a bipartisan basis, would add substantial certainty to state energy policy and private sector investment, and would allow for each state to advance energy solutions that draw on their natural resources to maximize value for their citizens and businesses.

A technology-neutral legislative addition will also help promote an "all of the above" approach supporting state priorities, including fossil generation, wind, solar, hydropower, energy storage, nuclear power, geothermal energy, energy efficiency, demand response, virtual power plants, distributed energy resources, and new technologies that are being developed. In addition, state energy policy strategies often include a more holistic approach that avoids government making single

technology choices in favor of opening markets for a greater range of private sector solutions and investments. Federal permitting reform that allows this flexibility is critical to meeting our energy needs far into the future.

Thank you for the opportunity to testify and answer the committee's additional questions. I want to express my appreciation for the important, bipartisan leadership you are both demonstrating on federal permitting reform.

Best regards,



David Terry
President, NASEO

Senator CAPITO. Thank you very much, Mr. Terry. Thank all of you for your opening statements, and I will kick off my questions really for the panel. We see a lot of consistency across all segments of what the testimony has been.

What we have seen in administrations as they come in, during that transitional period, depending on what their political priorities might be, we have seen disruptions in the permits that have already been issued and that is what we are seeing with the Rhode Island projects and others.

So I think all of these projects have gone on, whether it is the MVP Pipeline or others, have gone through the permitting processes and were already under construction, some of them almost at completion phase.

So I will start with you, Mr. Bechtel. Could you briefly address how the lack of certainty in the permitting process and the treatment of properly awarded permits during Presidential transition periods can hurt your investment planning and in turn, consumers and households, economy-wide?

Mr. BECHTEL. Thank you, Chairman Capito, for the excellent question. Yes, uncertainty disrupts work force planning, investment, communities and families. My colleague and friend, Mr. Booker, spoke about that, particularly on the work force side.

Predictability matters for all these constituents and the process. I think it is fair to say that rather than any one project, this is about how the whole system works, including what happens after a permit is issued and what happens with litigation.

Something that Brent can speak to as well is that for these kinds of projects, in our case, for example, we are typically making investments in training and hiring and partnering with vocational schools in the area, doing housing studies ahead of time to make sure we mitigate impacts in local housing for big projects.

That all can happen 18 to 36 months before a shovel ever goes into the ground. So unpredictability about when we need to get started on that work is a real issue, which is why, again, the BRT's primary goals around this are efficient, predictable, and a durable result that stands after the permit has been issued.

Senator CAPITO. Let me ask you a quick followup question on that. You cited two projects in your opening statement, one in Australia, one in Canada. You are worldwide company. Are there any other countries that have to live with the unpredictability of already-permitted projects getting yanked because of political priorities? Does this happen everywhere else, or not really?

Mr. BECHTEL. I am trying to think of examples of other countries. I will point out, I deliberately picked the Australia and Canada examples because I do not think any of us would say those are countries that cut corners when it comes to environmental and social protections. So I think they are leading examples that you can achieve efficiency, speed, scale, while really having important community engagement and environmental protections up front in the process.

Senator CAPITO. OK. Mr. Booker, if you could frame the question on the uncertainty, what does this do with the work? When you were here before, I remember quite well your impassioned statements on, that means I am not working, I am not getting paid.

Mr. BOOKER. Yes, that is the bottom line. It takes time to get the skills you need, whether to build an offshore windmill, build a pipeline, a natural gas power plant, a nuclear plant. Whatever the source is, it is actual people who have to go build that and have to apply skills to do that.

It is our job to partner with our contractor partners to create registered training apprenticeship systems to get the skill sets that are needed to produce a skilled craftsman to build that project safely. When a project is built or is being built, when it is financed, whether it is privately or publicly financed, it is permitted, people move. Our work force is transient in some cases. A lot of time it is local as well. But they will move to that job, move their family, because they know they have a two, three, 4 year job to build that energy infrastructure. To have the whim of somebody with a pen in their hand to say, you know what, I do not like that energy source, completely disrupts their life, their livelihood, their family's livelihood.

Senator CAPITO. Right. Thank you.

Mr. Meyer?

Mr. MEYER. Thank you for the question, Madam Chair. From our industry's perspective, we are eager to deploy billions of dollars in capital to build these major infrastructure projects. We face a real gauntlet to bring them to completion. Everybody agrees that there should be a robust environmental review system. But what really challenges the industry is when you get approval, but the approval does not equal finality, or even when you are in compliance, that does not end litigation.

We have a long history of several examples of projects meeting exactly that fate. It really complicates and prevents our ability to build the infrastructure in the first place.

Senator CAPITO. So basically what you are saying is the uncertainty and unpredictability that possibly could come from political priorities, if you load that on top of the judicial review piece, almost becomes an unbearable load in some cases?

Mr. MEYER. That is absolutely right. It is a challenge not just for projects that are going through the process, but it chills the decision even to propose new projects.

Senator CAPITO. Right. As we heard Mr. Bechtel say, $2.4 trillion is ready to be deployed.

Mr. MEYER. Yes.

Senator CAPITO. Ms. Hopper?

Ms. HOPPER. Thank you. I think I will agree with everything my colleague said and add the impact on consumers. Regardless of whether it happens prior to approval or especially if it happens after, those electrons are baked into the grid planning. If those go away, we all know what happens. Our prices go up, because there is a scarcity of a really much-needed commodity.

So the impact on homeowners, on businesses, on all of us, is pretty impactful if these projects are no longer, either not approved in the first place or even more egregiously, permits are pulled.

Senator CAPITO. Right. Thank you.

Mr. Terry?

Mr. TERRY. I think in a couple of ways, and I certainly agree with all the other witnesses' comments. I think from a State per-

spective the energy offices are deeply engaged in grid planning, energy system planning, delivered fuels, et cetera. When they look out at the resources, both natural resources, human resources, and how they can deliver reliable energy in their State, how they can help their Governors and legislatures make this happen from an affordability perspective, the unpredictable nature of Federal permitting is essential a hidden tax as the delays happen.

That is certainly true for large organizations, hyperscalers, et cetera, that we read so much about. But for individual homeowners, for farmers, for small businesses, consumers, many of whom do not have resources, that hidden tax we do not really tally. I think that is something we are missing, in addition to the obvious national competitiveness and security issues.

Senator CAPITO. Thank you.

Senator Whitehouse?

Senator WHITEHOUSE. Thanks very much, Chairman, and thanks to all of you for being here.

Some of the backdrop to this hearing is that China, since January 2022, has added more to its grid than the entire U.S. grid as it exists. So if we are in a race, it is hard to see how we are winning.

If we are in a race, it is probably in clean energy technologies. So backing out of that race is even more dangerous.

This is a vital issue. My friend, Martin Heinrich, points out that there are 2.6 terawatts of power out there waiting to come on the grid, if we could sort out the permitting and connection issues. So thank you for the important and unified voice that all of you have brought here as a panel.

I want to drill down just a little bit and let you know why I think it is so important that we solve the problems of interagency process and of early stakeholder engagement. Interagency process is obviously necessary, they should coordinate.

But in my view, after watching the executive branch for a long time, the weeds have grown in the garden of interagency process. It is now a place in the executive branch where incompetence and inertia and indolence go to hide, and where turf battles between agencies left unresolved create a lasting squabble that slows down the whole process. We are going to try to clean that up.

Frontloading stakeholder engagement is to me pretty key. We helped get the first offshore wind onto the grid with Deepwater off of Block Island. We did it because we started with all of the stakeholders in the room before even a filing.

Cape Wind tried it the other way. They went into the boxing ring, they put on their gloves and said, we will take on anybody who comes. Of course, people kept coming. They went out of business.

Vineyard Wind started the same way. It followed the Cape Wind model. It got so tangled up that they have had to swap management and now Avangrid is running it much more sensibly and efficiently.

Another thing about the Rhode Island process, the State permitting process for that was conducted so well that I was able to go to the Secretary of the Interior and say, do not start a new process.

Just look at how good a job the State did. If that is enough, give us a sign-off. She did.

So that is a good example, I think, of what you have been talking about, about honoring well-done State regulation.

Last, you all have to start showing up more over at the other end of Pennsylvania Avenue. If you think offshore wind blockading is lawful, OK. Come talk to me and explain to me why you think that is so. If you think that its costs are higher than the existing grid costs, that it is not going to come in low in the generation stack, and reduce costs for customers and for businesses, come tell me that. Make the case. Because I do not think that is true and I do not think it is arguable, even.

If solar projects should stall indefinitely on the Secretary's desk, sort of one person interagency process delay, come and tell me that and explain your position. But if you do not think that those are right, then you have to talk to the administration. That means your organizations, that means your CEOs, you have to show up. They can show up privately, but they have to show up.

Of course, the people with the most urgent need for electrons are the AI data farms folks. They need to start showing up. As you all know, they were not here at all when we tried to protect clean energy in what I call the Billionaire's Bill. Now they are barely showing up.

But they have a big voice, and it matters to them to have abundant, inexpensive electrons if they are going to succeed in international competition for artificial intelligence.

So I am delighted that the Chair has brought this panel together. It is an extremely wide array of views about many matters. So the fact that we are hearing such harmony today is very significant to me. But I think it is really important that you understand that, I do not think you have a problem in this room. I think your problem is at the other end of Pennsylvania Avenue.

It is very, very hard to accept the kind of behavior that is going on now that is patently illegal, repeatedly illegal, statements are made that are patently false, and behavior at the Cabinet level of just grabbing permits and stalling them, just making them sit on the desk. Somehow we have to fix that and move forward.

So I really look forward to working with all of you and with my colleagues here on the committee to get that done. Thank you, Madam Chair.

Senator CAPITO. Senator Curtis?

Senator CURTIS. Thank you, Chairman, and thank you, Ranking Member. To our witnesses, this truly is impressive. We have business, we have labor, we have traditional energy sources, new energy sources, and the States represented. It could not be clearer that this committee recognizes the immense value of permitting reform. I think it is fair to say everybody in this room agrees that the status quo is just not working.

Projects that are clearly in the public interest are taking years or even decades to move from concept to completion, not because they fail to meet environmental standards, but because the process itself has become unpredictable, duplicative, and vulnerable to endless delays.

That reality has consequences. When energy infrastructure is delayed, it affects reliability, affordability, and our ability to meet the growing demand. When housing projects are delayed, families face higher rents, longer commutes, and these are challenges Utahns experience every day.

Permitting never was meant to be a barrier on its own. It was intended to ensure sound decisionmaking, public input, and environmental stewardship, all within a reasonable and transparent timeframe. Too often, it delivers none of those outcomes.

There are still elements of the permitting process that require a physical rubber stamp. I have enjoyed working with Senator Kelly on the E-Permit Act to digitalize permitting approvals.

There are many commonsense updates that could provide greater certainty for project developers and communities they serve.

Another critical element of permitting reform is certainty. I feel strongly that no project should have to worry that it will be halted at the whim of an administration. We have seen that in 2021 with Keystone XL Pipeline, and we see it today with wind projects across the Country.

It raises questions: how can we expect sustained investment in infrastructure without certainty? I actually believe one of the more critical areas of impact is rural America, a big part of my State. We should be honest that permitting reform is not about choosing between environmental standards and development. I believe that is a false choice. It is about recognizing that a process that drags on indefinitely serves neither.

Environmental outcomes are not improved when projects stall for years without resolution and communities are not helped when needed infrastructure is never built.

Streamlining does not mean cutting corners. It means focusing analysis on what actually matters, coordinating agencies so applications are not bounced from one office to another, and holding the Federal Government to the same standard of accountability we expect from sponsors of projects.

So let me start, Mr. Booker, with labor. You have articulated well and some of the questions have been asked about how this impacts you. I would like to ask in particular the swing that you get between administrations, how that impacts planning, training, and the things that you work with with retention and recruiting.

If you have any expertise, especially in rural America, how we are seeing that impact.

Mr. BOOKER. Right. Thank you for the question. Look, I am in a unique position that I actually negotiated Keystone XL Pipeline, and I negotiated Offshore Wind. So I have——

Senator CURTIS. So they're both your fault.

[Laughter.]

Senator CAPITO. So it is your fault.

[Laughter.]

Mr. BOOKER. I did not think of it that way. I probably should have kept my mouth shut on that.

[Laughter.]

Mr. BOOKER. We should not have energy projects become political. I think that is what the purpose of this committee is. Our members, when they vote, when they go cast their ballot, they do

not cast their ballot to lose their job. That happened both in 2020 and that happened in 2024. That is the stuff that we have to get rid of.

To your question on rural, and on training, we go out into those communities. That is what I am proud of, is to go out and meet with those community leaders, those church leaders and those communities to bring people in. Whether it is the skills they need to build a pipeline or the skills and certifications they need for offshore wind, we have to go identify those, we have go meet with your constituents, bring them in with our contractor partners, give them those skill sets and then put them out to work through apprenticeship and through journeyman training.

So we have to have predictability. We have to have certainty that these projects, once permitted, are going to be built. Because it takes a while to build a pipeline or build a wind farm or a solar farm. So predictability is key here.

Senator CURTIS. Thank you.

Mr. Bechtel, could you address the same, the way this impacts business and investment, these swings, these wide positions that go back and forth? Tell us how that is impacting you and investment in your business.

Mr. BECHTEL. Yes, Senator Curtis, it is a really important point. I will frame it from a competitiveness perspective, both abroad and within the United States.

Capital is mobile. It is going to go to wherever uncertainty is lowest. The current system undermines our competitiveness abroad and at home.

Of course, in the era of artificial intelligence and the national security implications of winning that race, we are basically shooting ourselves in the foot if we can not build power fast enough to provide the power needed to win that race.

Senator CURTIS. Thank you.

I am out of time, but let me just make a point. I would love to ask you two about it, but I am out of time, Mr. Meyer and Ms. Hooper. Just the obvious fact that this impacts price, you talked about consumers, but let's be very, very clear, consumers are paying dramatically for this.

Mr. Terry, also out of time, but if I had more time, I would love to explore what we could be doing to give States more authority and more responsibility in this. If we have additional hearings, we would love to explore those topics with all of you.

Thank you. I yield my time.

Senator CAPITO. Thank you.

Senator Blunt Rochester?

Senator BLUNT ROCHESTER. Thank you, Chairman Capito, and Ranking Member Whitehouse, for holding this bipartisan hearing on permitting reform. Thank you to the witnesses for attending today.

This is about our national competitiveness, our national security. It is about jobs. It is about consumers, who can not afford the high cost of energy today.

As we have heard from my colleagues today, any serious permitting conversation needs to address the Trump administration's attack on clean energy, from the Offshore Wind stop orders to the

claw-back of billions of dollars for clean energy and decarbonization projects. This assault on clean energy has to end and our energy projects need permitting certainty.

As the second smallest State in the Country, Delaware ranks last in energy production, often. We produce only a fraction of the energy that we consume, making my State reliant on outside sources to meet our growing energy demands.

Ms. Hopper, why is the opportunity to transition to locally produced clean energy, such as solar and wind, so important to a State like mine?

Ms. HOPPER. Good morning, it is good to see you.

Senator BLUNT ROCHESTER. It is good to see you, too.

Ms. HOPPER. Thank you for that question. It is really important that we have all the tools at our disposal and we can utilize then.

So, distributed energy, things like solar on someone's home, solar in a community, solar on many of the corporate rooftops, means that there is less electron highway to get from the place where the energy is generated to the person that uses it. Less transmission is needed.

That matters, because it is less cost. We all know, we have talked about PJM, you talked about PJM a moment ago, those transmission prices and those peak prices are incredibly expensive. So local energy makes a huge difference to the consumer.

Senator BLUNT ROCHESTER. Mr. Terry, just to followup on that, why is producing its own energy, no matter what the source, crucial to a State?

Mr. TERRY. I think that is a fundamental principle of our Energy Office members. They do energy planning around all resources, not just regulated electricity, but fuels, grid, solar, wind, hydropower, natural gas, et cetera. I think the ability for a State to use what is local adds value.

I remember working a decade or two ago with Governor Brandstad, who had very much that view of value-add to the resources in his State in Iowa, much as you are looking for that in Rhode Island.

Senator BLUNT ROCHESTER. No, that was Delaware. We are the second smallest.

[Laughter.]

Mr. TERRY. Delaware, sorry. I know that.

[Laughter.]

Senator BLUNT ROCHESTER. My staff and I have just heard repeatedly, just like we have heard here today, the importance of permitting certainty. Not only is it crucial that the executive branch not revoke permits from energy projects of any type following approval, but it is important that there are retroactive protections for permit holders.

This is a yes or no question. I am going to go down the panel, and I hope it is an easy one of you. Do you agree that regardless of administration, permitting certainty is necessary for leaseholders and those seeking leases?

Mr. Bechtel?

Mr. BECHTEL. Yes.

Senator BLUNT ROCHESTER. Thank you. Mr. Booker?

Mr. BOOKER. Yes.

Senator BLUNT ROCHESTER. Mr. Meyer?
Mr. MEYER. Yes, ma'am, we do.
Senator BLUNT ROCHESTER. Ms. Hopper?
Ms. HOPPER. Yes.
Senator BLUNT ROCHESTER. Mr. Terry?
Mr. TERRY. Yes.
Senator BLUNT ROCHESTER. Ms. Hopper, why is retroactivity certainty for fully permitted projects so important, and what are the economic consequences of selective reopenings of prior permit approvals?
Ms. HOOPER. It is fairly catastrophic. If you look at it both from the investors and the developers who are building it, who are represented all along this panel, they have put their capital at risk, they have investors that are awaiting returns. So stopping work or pulling the permit puts all of that in disarray.
Then you think about the consumers, the people like you and I that just want to turn our lights on at the end of the day when we get home. Those electrons are likely no longer to be there. We really need to listen to the grid operators who are saying this has a significant impact.
So investment decisions get less clear, prices go up, consumers are really out of luck.
Senator BLUNT ROCHESTER. I know all of you are aware that Delaware is a member of the PJM interconnection. For those who do not know, an original transmission organization that has forecasted steep increases in energy demand across the PJM region.
A recent American Clean Power Report found that without new clean energy projects, energy rates in Delaware will increase by as much as 95 percent, 95 percent, by 2032. This report was alarming to me and I am sure it is equally alarming to other PJM States like West Virginia that also are poised to see skyrocketing prices.
What type of energy efficiency, Mr. Terry, what kind of efforts should be included in a permitting package to help alleviate the growing demand?
Mr. TERRY. Several pieces come to mind. First of all, certainly a technology-neutral approach to make sure the right resources, low-cost and reliable resources. From an efficiency perspective, it is a variety of things; grid optimization and efficiency technologies for transmission distribution systems, and use efficiency technologies. All of these pieces can come together to bring down costs, or at least let the increases not be as great.
We have a great deal of modernization to do of the grid. Those investments should be done with that efficiency technology innovation in mind.
Senator BLUNT ROCHESTER. If there are any other members of the panel that want to add onto that question about what should be included in a package, anyone else?
I will yield back the no time that I have left.
[Laughter.]
Senator CAPITO. Before I go to Senator Cramer, Mr. Terry, when you answer the questions, if you could just put the microphone a little bit closer to your mouth, so we could hear you a little bit better.
Senator Cramer?

Senator CRAMER. Thank you, Madam Chair, and Senator Whitehouse.

One of Cramer's Convictions is, I refuse the notion that every transaction in this town requires a loser. I think you are demonstrating that we can have winners all around. Let's hope that we as a committee can successfully provide that for you.

One of the things that the government does really well is screw up the alignment of incentives. In this case, we have an opportunity to line up all the incentives for the right thing.

I have to say, Ms. Ross Hopper, first of all, thank you for emphasizing, I noticed a little extra emphasis when you referred to nonsubsidized energy, solar energy. It is an important point, because we are here not to talk about other policy, we are here to talk about the permitting process, whatever the energy source is, whoever paid for it. We dealt with the subsidy side of some things previously.

So I feel good about where we are heading, and you are all really good witnesses to that.

I am going to ask a question, first of all, I want to speak for a minute to the Clean Water Act and 401 permits. You brought it up, Mr. Meyer. Help me understand how the new Trump WOTUS rule to comply with Sackett, how helpful can that be? I honestly am curious about your response.

Mr. MEYER. Senator, that is a great question. It is definitely a step in the right direction and something that are very supportive of. But ultimately, it falls short of what we really need, which is a legislative fix to the way that Section 401 under the Clean Water Act has historically been weaponized, especially against interstate natural gas pipelines.

So we are very supportive of it. It is a step in the right direction. But we need a lot more, and that is why it is such a high priority for us in comprehensive permitting reform.

Senator CRAMER. Perfectly said.

Mr. Bechtel, do you want to add anything to that from your perspective?

Mr. BECHTEL. Just to add that the reason BRT has been so focused for over a decade on bipartisan permitting reform legislation is because that is what is required for the results to be durable.

Senator CRAMER. Yes.

Mr. BECHTEL. Executive actions are great, they are helpful. But of course, they can be unwound by the next administration.

Senator CRAMER. I would say, however, it does seem that with each generation, every time the Supreme Court speaks, we get closer to something that is durable. Important points. Thank you.

I want to talk now about something that has not been talked a lot about, it has been referenced, partly because it is not all in our jurisdiction: the importance of linear permitting is obvious for infrastructure. Certainly, electric transmission lines are part of that.

However, there is this other part of transmission lines that relates to, of course, back in my days when I was with the State of North Dakota in the Public Service Commission, and sited, by the way, the original Keystone pipeline through North Dakota, worked with a lot of your members, Mr. Booker, and the company. We started that process really early, too.

By the way, it was not even the hearings, they were fascinating, and they were interesting, and they were very full. What was more interesting was the earlier part of the process where we went to communities and they laid out all the maps and all the smart people worked around the room. I will never forget the mayor of Park River, North Dakota, going, I am not sure, but I do think if you moved this pipeline a few miles to the east or the west you could avoid the aquifer that provides all the water for our community. Smart move. They fixed it before they had the hearing.

The best was my farmer friend who showed up and said, I have never built a pipeline before, but it seems to me going through this quarry where we get a lot of gravel is not the best idea. A few miles to this side and you could avoid that. Two great, brilliant ideas that came from two normal people. I loved it.

So you are right; starting earlier, I think, what Senator Whitehouse talked about in terms of interagency role of States, all important. But on electricity, the large issue cost allocation is and is going to continue to be a stumbling block if we do not find some common ground between utilities and ratepayers. We can site the infrastructure, if permitted, I suppose, and States have to, of course, play a major role in that.

Anybody have a brilliant thought? Maybe start with you, Mr. Terry. You obviously have a broad view of all of this. How can we get there?

Mr. TERRY. I think it is an excellent question. The cost allocation issue, I think there clearly needs to be some more flexibility provided to FERC, while respecting State jurisdiction and State roles. I do not think that there is an easy answer.

One of the things that we have recommended at NASEO to both our State members and the Department of Energy on this topic is to make sure we have economic analyses that show the benefit to the State's consumers. Not just from a rate perspective, but the overall economic benefit. We think that there is something in that process to help inform the decisions both the State regulators are making and Federal regulators are making that go beyond rates to additional value that we see.

Senator CRAMER. Very good. Thank you.

Senator CAPITO. Senator Padilla?

Senator PADILLA. Thank you, Madam Chair.

Colleagues, as I brag about from time to time, as the only member of this committee and Energy and Natural Resources Committee, I see this from all vantage points, and agree that nothing could be more important for the future of our energy availability, reliability and affordability than securing a permitting reform package that has been talked about, not just this year, but for years, and has eluded us a little bit.

The package that came through ENR last session, on a bipartisan basis, I think, has become a good starting point for a lot of these conversations. I want to echo my colleague, Senator Whitehouse, the Ranking Member of this committee, in his desire to bring something meaningful forward. We have to get past this administration's selective and unilateral cancellation of projects to restore the goodwill and good faith in those conversations.

To the witnesses before us, in July, the Interior Department issued a memo escalating 68 different project reviews to the Secretary level. In effect, what were once upon a time routine agency actions that required the Secretary's personal approval.

Just some examples of what those 68 projects included, things like cable barrel risk assessments, historic property management plans, supplemental environmental reports. These reviews are tying up critical generation and storage in what is now red tape and politics.

The question is for Mr. Meyer. Do you believe we should be reducing the political involvement in agencies' energy project permitting review or increasing it?

Mr. MEYER. I think it absolutely makes sense to streamline agency review. I am not close enough to the specific issue that you are referencing to really comment on it. But I know that our industry has routinely advocated to make sure that we have a streamlined and clarified approach, to make sure that we can develop the resources.

Senator PADILLA. From an industry perspective, do you think it is helpful for the Secretary of the Interior to have to sign off on what most people would consider routine reviews on an energy project?

Mr. MEYER. Again, I understand the concern. I am not close enough to that specific issue to really make an educated comment on it. But I do understand the concern.

Senator PADILLA. So if a cabinet secretary has to approve every step along the permitting process for projects, does that slow down or expedite final approvals?

Mr. MEYER. Again, I would defer to other witnesses on the panel in terms of understanding the actual impacts on those industries.

Senator PADILLA. All right, let me ask a couple questions of Ms. Hopper. The Department of Interior's directives and stop work orders that I referenced earlier are effectively stalling over 100 gigawatts of energy projects that could be connected to the grid and help us meeting our growing demand for energy. In your testimony, you said the applications are disappearing inside the Department of Interior, that developers can not even get a clear yes or no.

What is a statutory protection that you think you would recommend Congress consider to ensure no future administration can similarly stifle critical energy projects?

Ms. HOPPER. Thank you for bringing this to everyone's attention. It is having a huge and detrimental impact on the industry and on all of us and on rates. I think two things. One is that clarifying where the level of authority lies, as you are putting together a permitting package. As you said, many of the things in the secretarial order of July 15th are decisions that could be made at a much lower level. So I think clarifying that in legislation would be helpful.

I also think in terms of timelines, we have talked a lot about predictability and consistency. Part of what is happening and what you are describing is that things, permits go into the box, you submit them, and you never hear. You never hear what is happening, when it might happen, how it might happen, who is making the decision that it will happen.

That again can be clarified with some deadlines and timelines, with some accountability. There has to be some kind of teeth on those, or else the timelines do not really matter.

Senator PADILLA. At the risk of going off on a tangent, I know particularly in the transportation sector, there was a lot of frustration nearly a year ago with the initial hiring freezes, layoffs, funding claw-backs, the DOGE experiments. You had one point of contact to answer your questions on the status of an application 1 day, and they were completely gone, nobody would hear from them the next day. I imagine that is having a similar impact here as part of that big box that you described.

Separately, I know my time is short, Ms. Hopper, you released a statement regarding the House-passed SPEED Act, characterizing it as insufficient and saying that it falls short. Can you explain a little bit more to this committee what you meant by that and what else we could do to improve that predictability that you rely on?

Ms. HOPPER. Yes, absolutely. I think the thing that we thought was not adequately addressed in the SPEED Act is exactly what we are talking about, this sort of prospective discriminatory treatment. We have heard a lot about the weaponization of the permitting process, and the SPEED Act does not solve that. It did have some bipartisan—with significant holes—element for permits that had already been issued, but nothing that really addressed this overreach of an administration to punish a certain electricity source.

Senator PADILLA. Thank you. At the end of the day, when all this leads to delays, delays is time, time is money. It is always upon the ratepayers to bear that burden.

Thank you, Madam Chair.

Senator CAPITO. Thank you.

Senator Husted?

Senator HUSTED. Thank you, Chairman Capito. I appreciate everybody being here today.

I always ask the question, why does it matter to me? Why this matters the most is that if we are going to have a domestic supply chain of the things that are essential to our economic and national security, we have to get to work. Whether that means pharmaceuticals, rare earth, chips, energy, transmission, infrastructure, AI, all of it requires a great deal of new investment in our Nation to be able to do that.

Anybody in business knows that time is money, because the longer it takes to do something, the more expensive you make it. The more expensive you make it, the more that cost gets transferred to the consumer, out of necessity to do that. China is considered an engineering society, I recently read this, and we are considered a litigation society. They go much faster than we do.

I am not suggesting that we want to be like China, because we do not. We want to be responsible. But we also have to compete in a global market.

Mr. Bechtel, I know you and certainly your company has done projects all around the world. You have customers all around the world. I know that you have some pretty important projects in my State, in Ohio.

Can you explain to us, because I read the McKinsey study from 2025 said that they will leave $2.5 trillion in capital on the table because of permitting requirements. Explain to us how important you believe this is for helping America compete.

Mr. BECHTEL. Thank you, Senator Husted, and thanks for your support in Ohio.

Yes, so, there is $1.5 trillion in investments currently waiting in the queue for permits. It takes on average four to 5 years for every dollar of investment that enters that queue to come out the other side. Does not matter whether that is a private dollar or a public taxpayer dollar.

If you add all that up, that means that we are losing somewhere between $100 billion and $140 billion a year in unrealized returns. The induced GPA impact of that is about $2.4 trillion a year.

I think it was said earlier really well by Senator Cramer, this is an everybody wins situation, if we can fix it. America wins, consumers win, workers win, communities, taxpayers win with a permitting system that is efficient, that is predictable, and that yields a durable result that allows us to attract investment from around the world.

Senator HUSTED. As you are doing projects around the world, how, particularly in the places that we are having a difficult time competing with, what is the time difference to take to do a big project in one of those places versus the United States?

Mr. BECHTEL. It varies widely, sir. At any given point in time, we have about 100 projects in 30 different countries. Every country is a little bit different. I cited some examples earlier of places like Australia and Canada, where they are consistently, predictably issuing permits, including very robust environmental protections and community consultations inside of two to 3 years. If we could just cut the current four to 5 year time in half, that would unlock a tremendous amount of value which currently is just tied up in the system.

Just to put a finer point on this, the cost of living and cost of goods and services impacts of this, it has been said by others, but permit delays, they lead to real costs for consumers and taxpayers. If it takes on average four to 5 years to get through the permit process, think about that over the last four to 5 years, construction costs have on average gone up about 40 percent.

So while your project is waiting for its permit, just add 40 percent to the cost of your project. Then figure out how you are going to pass that on to the ultimate beneficiaries of the project. It is destroying a ton of investor value; it is destroying a ton of taxpayer value. It is a huge opportunity loss.

Senator HUSTED. So the project does not happen because it is too expensive, or the cost gets passed on to the consumer.

Mr. Booker, I want to give you an opportunity to reflect on that. You work with the people who build all these projects. What would it mean in terms of jobs and qualify of life for your members?

Mr. BOOKER. Let me start by saying, I wish our members got that 40 percent raise that he was talking about.

[Laughter.]

Mr. BOOKER. Because they are not getting 40 percent raises.

Senator HUSTED. Exactly.

Mr. BOOKER. The impact for our members is jobs. It is their ability to go to work, it is their ability to give their skills to build a chips plant outside of Columbus. When you see that that project gets delayed, or projects like that get delayed, as we train our people to get there, and then they have to sit on the sidelines, they do not have health care, they are not getting that pension credit, they are not getting a paycheck. Because we get paid by the hour, we do not get paid by the job.

So it has a huge negative impact with unpredictability and chaos when every owner, every contractor, every developer, wants predictability and every member that I represent wants to know that the current job is going to stay safe and that they have a place to go on their next job when they have built that infrastructure.

Senator HUSTED. Yes. Thank you, Chairman Capito, for the opportunity. What we have heard here is what others have said earlier, everybody wins, it is good for America, it is good for American business, and it is good for the American workers. I hope we will get this done.

Thank you.

Senator CAPITO. Senator Alsobrooks?

Senator ALSOBROOKS. Thank you so much. Thank you, Chair Capito and Ranking Member Whitehouse, for holding today's hearing. I certainly want to say thank you as well to all our witnesses who are here.

In Maryland, energy projects, including solar and wind, represent good jobs and work that is critical to meet rapidly growing electricity demand driven by data centers, advanced manufacturing and electrification across industries.

Yet the permitting process, at local, State and Federal levels, can be cumbersome with lack of certainty around timelines. That uncertainty can impact workers, consumers are facing high utility bills, and States trying to plan for reliability and affordability are really, really struggling.

I believe it is possible to achieve efficiencies without sacrificing critical environmental protections. Bipartisan permitting reform legislation only makes sense if it can deliver real certainty, both for projects already underway and for those in progress, if it will be executed faithfully without political interference.

So our goal is to ensure that the Federal permitting system works for all types of projects, people, and the environment.

My first question is for Mr. Booker. I know that this was partially covered. In Maryland and across the Country, infrastructure projects mean union jobs, apprenticeship slots, and good wages. When the Federal Government halts fully permitted projects, as this Administration has done, for clean energy projects, workers are the first to feel the impact.

So what happens to union workers? What happens to their families when this administration cancels projects that are fully permitted and ready to build?

Mr. BOOKER. I will start with the Revolution Wind project that has started and stopped twice now, where our members were on the water, working, building offshore wind for Revolution Wind off the coast of Rhode Island. On December 22d or 23, they got a stop-work order. They did not get a paycheck on December 30th. They

were sent home. They did not have a job. They had to wait for a Federal judge to say that, you can go back to work, that this was improper.

So as we all gathered with our friends and families and enjoyed the year and reflected on the last year, we had members who sat at home wondering if they were going to be able to go back to work. They get paid by the week.

So imagine that uncertainty, imagine that uneasiness that you would have if you were not sure when your next paycheck was going to be.

Senator ALSOBROOKS. Yes, and not only those workers, but what about those apprenticeship pipelines, the work force training and also the ability to bring the next generation into the building trades? Can you speak briefly about how those are impacted as well?

Mr. BOOKER. Our system is built on earn while you learn. So when you are working, you are graduating each year of your apprenticeship. When you do not have that job, when you do not have that opportunity, you are not able to graduate to that next level apprenticeship, earn more wages, get the skill sets you need to continue building this Country.

So any type of cancellation, termination, job delay, uncertainty on existing permitted jobs or the next job just means that that pipeline gets bogged down and people do not have the ability to continue earning a living for their family.

Senator ALSOBROOKS. Thank you.

I want to ask Mr. Terry, quickly, just to move quickly to demand and reliability. States like Maryland are facing electricity demand growth driven by data centers, advanced manufacturing and electrification. Meeting that demand requires new generation and new transmission delivered on predictable timelines.

How serious is the reliability risk when projects to meet this demand are delayed, stalled, or canceled after years of planning and permitting?

Mr. TERRY. An excellent question. It is incredibly serious. As I noted earlier, grid planning, energy system planning from a State perspective is often done by our members. When they project out how resources will come online, things that are needed, engagement with utilities, engagement with independent power producers, and delivered fuels industry, when those plans go awry because of permitting delays, whether that is State, Federal or local, it creates a tremendous risk to the system overall. It is very interdependent, our fuels and grid system.

So I think it is a tremendous concern.

Senator ALSOBROOKS. Thank you.

Finally, regarding Federal accountability, Ms. Ross Hopper, my colleagues and I have raised concerns in this committee about the administration's failure to implement laws as Congress intended and directed. This has real consequences on the ground and our States that are worth discussing.

So, Ms. Ross Hopper, what are the consequences for our Country's energy systems, consumers and work force if Federal agencies continue to delay, reopen or cancel projects that have already been approved?

Ms. HOPPER. Thank you to my home Senator for that question.

I will echo what others have said and I will put a finer point on the cost. You heard about reliability, which is a huge risk, especially in weather like we are having today or incredibly hot weather. Even if we have rolling brownouts, it is incredibly impactful, especially to people with medical needs who need electricity.

In addition, prices continue to go up. We are all experiencing that. I feel it when I open my electricity bill; I know others do as well.

So when electrons were supposed to be delivered and they are no longer available because we were not able to finish the project, it puts more pressure on the system and prices will go up. So it impacts all of us.

Senator ALSOBROOKS. Thank you so much.

Senator CAPITO. Thank you.

Senator Boozman?

Senator BOOZMAN. Thank you, Madam Chair, and thank you, Senator Whitehouse, for having this very, very important hearing. Again, it is always your example of working together, leading us together, so we can actually accomplish a result, which is so, so very important.

Mr. Bechtel, Mr. Terry, this past weekend, as we all know, we have had winter Storm Fern bring ice and snow, sleet, to Arkansas and much of the Country. We are grateful for the preparations by our local utilities and linemen. They did a tremendous job, not only in Arkansas but throughout the Country.

The Department of Energy provided proactive relief in allowing the use of backup generators and EPA Administrator Zeldin has also made operational flexibility a priority.

I think the question is, do you all have any recommendations for how the EPA can enable more flexibility for backup generation to operate during grid emergencies? Then also, how will comprehensive permitting reform allow for utilities to better prepare for the next emergency?

Mr. Terry?

Mr. TERRY. I am happy to respond, and I really commend the linemen, the utility workers, the States and DOE for having gotten through this last weekend. I think with regard to emergency backup generation, cooperation between EPA, the Governors' offices, Governors' energy offices and the Department of Energy in these emergency situations to make sure that those generators come on when they are needed, but also to make sure that they are prepared to.

So I think that is fundamental cooperation. I am not sure that is a permitting reform item. We can get back to you with some more details and suggestions.

Senator BOOZMAN. Very good.

Mr. Terry, with Chairman Westerman's passage of the SPEED Act and Governor Sanders' signing energy regulatory reforms into State law, Arkansas is emerging as a national leader in commonsense permitting reform as energies such as technology, lithium, steel, manufacturing, aerospace, defense and forestry are seeking to set up shop in Arkansas or expand existing operations.

How would proposals like the SPEED Act provide regulatory certainty that these projects are viable investments in Arkansas, and how can Federal reforms complement State-level efforts to streamline approvals, which we just talked about the importance of that, allowing the energy grid to meet the demands of the future?

Mr. TERRY. Excellent question. I think a couple of things. One, the kinds of actions we see at the State level such as Arkansas, this does allow investment to come in. The missing component of Federal permitting certainty is critical to that.

The SPEED Act, I think, does take a good step forward. However, ensuring that that comes out with certainty around timing, also certainty around technology or project neutrality I think is important.

Last, I think the kind of attraction and business that you see in Arkansas and other States that have taken action, these are once in a generation opportunities. If those businesses, manufacturers, et cetera, go overseas, we lose them forever. I think that is the urgency to this.

Senator BOOZMAN. Very good.

Ms. Ross Hopper, Arkansas is currently seeing major investments in AI and cloud infrastructure, including a multi-billion dollar data center in Little Rock and West Memphis. Arkansas was able to land these investments in part because of the reliable, affordable and all-of-the-above energy supply, including solar.

What steps should we be taking to ensure permitting reform remains technology neutral, encouraging diverse investments in a State like Arkansas?

Ms. HOPPER. Thank you for that question. You have identified one of the things that is happening all across the Country, including Arkansas, is those big data centers are looking to find the electrons as quickly as they can. Solar and storage often are part of the solution. You will never hear me say they need to be 100 percent of the solution.

But what can you do here? You have heard unanimity here around technology, neutral technology, gnostic solutions, not weaponizing the permitting system. I think that means that you have clear timelines, so that every project, regardless of the source of the energy, has the same kind of timeline, the same kind of environmental reviews. They will be different based on the technology, but they should be sort of standard and predictable.

I think being clear about the certainty and the finality of final decisions and final permits is critical.

Then last, making sure that whoever is in the White House and the administration does not take the ability to weaponize interagency permitting, so that there is some clarity from this body around where those decisions should lie.

Senator BOOZMAN. Very good.

Ms. HOPPER. Thank you, Senator.

Senator BOOZMAN. Thank you, Madam Chair.

Senator CAPITO. Senator Markey?

Senator MARKEY. Thank you, Madam Chair, very much.

We are holding this hearing because project developers want certainty. Well, if you are looking for uncertainty, all you have to do is to look down the road to 1600 Pennsylvania Avenue. Because

since Trump took office, nearly 1 year ago, Trump's costly, lawless, and unnecessary war on American clean energy has cost more than 165,000 clean energy jobs, $53 billion in private investment lost, 324 projects across red and blue States killed.

Offshore Wind has already unleashed billions in investments and created thousands of union jobs across the Country. It makes sense for coastal States like Massachusetts as well as for supply chain States like Texas and Louisiana, Mississippi. But over the past year, Trump has been escalating this increasingly outlandish attack on Offshore Wind, including cutting off the permitting process for all wind projects on Federal lands or water.

On December 22d, the Trump administration took its most unhinged action yet and yanked the permits for five Offshore Wind projects that are fully permitted and under construction, including Vineyard Wind I off the coast of Massachusetts, 800 megawatts. This action fuels rising electricity costs, puts our grid reliability at risk and as Mr. Booker put so well, sends thousands of union workers home without pay.

So we can not talk about new permitting laws in Congress while the Trump administration refuses to follow the laws which we already have. If Trump, Secretary Wright, Secretary Burgum will not do so on their own accord, this administration must be forced to end its punitive treatment through clear legislative texts and vocal Republican opposition to any efforts to violate the law.

So down the line, yes or no, do you agree that the Trump administration should stop its targeted attacks on wind and solar? Yes, or no, should they stop?

Mr. BECHTEL. Thank you, Senator Markey. Rather than commenting on any one specific kind of project, the point for the Business Roundtable is that it needs to be predictable, and permits need to stand once issued.

Senator MARKEY. Right. But that is not predictable. They have already permitted, now they are canceled.

Mr. Booker, yes or no?

Mr. BOOKER. Yes.

Senator MARKEY. Mr. Meyer?

Mr. MEYER. Senator Markey, as I mentioned to Senator Padilla, I am not close enough to that issue to have an opinion on it. But we are an all of the above organization, and all of the reforms——

Senator MARKEY. OK. Ms. Hopper?

Ms. HOPPER. Unequivocally, yes.

Senator MARKEY. Yes, thank you.

Mr. TERRY. Yes, for fully permitted projects.

Senator MARKEY. Thank you. Yes, we can not even get the top secret briefing on what the national security issue is that is blocking it. They will not even give us the briefing so we can know. Although I suspect it is, you have to take down the wind turbines so they can bring the aircraft carriers up to Greenland to attack. They do not want those obstacles on the water.

[Laughter.]

Senator MARKEY. So down the line, permitting reform without project uncertainty is meaningless and right now, the call for uncertainty is coming from inside the White House. So if Republicans want to make permits great again, the Trump administration could

end this permitting chaos and uncertainty for offshore wind and renewable energy right now. But if projects like offshore wind and clean energy projects can be stalled or stopped entirely by the executive branch on a whim, it stands to reason that fossil fuel projects can get the same treatment in the future by a Democratic administration. The right has given the left a very good playbook.

Mr. Meyer, are you aware that some policymakers and environmental organizations are planning for how this administration's restrictive permitting framework could be applied to oil, gas, and pipeline projects in future administrations?

Mr. MEYER. Thank you, Mr. Senator. We are aware that that is pert of the conversation.

Senator MARKEY. Yes. So, Madam Chair, what I would ask is unanimous consent to enter a memo from Evergreen Action on this issue into the record, which shows how the Interior Department's July 15th memo to block solar and wind projects could be repurposed to block oil, gas and pipeline projects.

Senator CAPITO. Without objection. Those have been blocked in the past, as you know.

[The referenced information follows:]

Evergreen Action

Proposed 2029 Memo:

DOI Secretarial Review of Oil & Gas Permits, an Inverse of DOI Secretary Doug Burgum's Solar & Wind July 2025 Memo

On July 15, 2025, Department of the Interior (DOI) Secretary Doug Burgum's office circulated a memo to agency staff requiring that any decision, action, consultation, or other undertaking related to a solar and wind facility be reviewed by a series of senior officials and political appointees. This review, covering at least 69 specified actions, includes the Office of the Executive Secretariat, the Office of the Deputy Secretary, and the Office of the Secretary.

Under this unprecedented level of political scrutiny, not a single solar or wind energy project has been approved since the memo was issued. This gridlock undermines our ability to add much-needed power to the grid, bring energy costs down, and fight climate change.

Given the precedent the Trump administration has set with this memo, a future administration should consider taking similarly aggressive action. Specifically, future administrations may utilize the same authority to apply close scrutiny on facilities that extract or transport fossil fuels, which are the leading cause of air and water pollution, climate change and harm to environmental justice communities. To illustrate how such authority could be deployed for enhanced review of fossil fuel facilities in a future administration, we have developed the below template memo, incorporating Secretary Burgum's language.

PROPOSED MEMO:

Evergreen Action

United States Department of the Interior
OFFICE OF THE SECRETARY
Washington, DC 20240

[DATE]

Memorandum

To: Assistant Secretaries
Bureau and Office Heads

From: Senior DOI Official

Subject: Departmental Review Procedures for Decisions, Actions, Consultations, and Other Undertakings Related to Oil, Gas, Gas Pipeline, and Coal Energy Facilities

Consistent with Executive Order (EO) [XXXXX], entitled “Ending Market Distorting Policies for Unreliable, Foreign-Controlled Fossil Energy Sources,” EO [XXXXX], all decisions, actions, consultations, and other undertakings—including but not limited to the following—related to the exploration, development, transportation, production, or leasing of oil, natural gas, or coal, or related facilities, shall 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:

1. *Federal Register* notices;
2. notices to proceed;
3. scoping reports;
4. determinations of National Environmental Policy Act (NEPA) adequacy;
5. draft and final environmental assessments;
6. draft, final, and supplemental environmental impact statements;
7. findings of no significant impact;
8. records of decision;
9. approval letters;
10. Applications for Permit to Drill (APDs) and associated approvals;

Evergreen Action

11. development plans, mine plans, and associated revisions;

12. land use plan amendments and revisions;

13. land withdrawals and revocations;

14. areas of critical environmental concern designations;

15. exploration permits for oil, gas, and coal;

16. proposed and final lease sale notices;

17. lease sales;

18. lease assignments;

19. lease issuances;

20. rights-of-way and easements for oil, gas, or coal exploration and development;

21. pipeline permit applications, including natural gas gathering, transmission, or distribution systems;

22. pipeline engineering reviews and safety evaluations;

23. preconstruction environmental surveys;

24. supplemental environmental reports;

25. temporary use permits;

26. access road authorizations;

27. utility corridor concurrences;

28. facility design reviews and engineering reports for pipelines, compressor stations, or processing plants;

29. construction and operation plans for oil, gas, and coal facilities;

30. conditions of pipeline or facility approvals;

31. revisions to approved plans;

32. Engineering and Technical Review Branch recommendation memos;

33. proposed technical, pipeline integrity, navigational, and aviation safety conditions;

34. subsurface geological and geophysical evaluations;

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35. spill prevention, control, and countermeasure plans;

36. decommissioning applications and reclamation plans for wells, mines, and pipelines;

37. Mineral Leasing Act and Outer Continental Shelf Lands Act compliance memos;

38. compendium reports;

39. memoranda of agreement;

40. compensatory mitigation plans;

41. historic properties management plans;

42. historic properties treatment plans;

43. performance and reclamation bonding approvals;

44. royalty, rental, and cost recovery determinations;

45. cost recovery agreements;

46. financial assurances;

47. rights-of-use and easement;

48. right-of-way applications;

49. right-of-way grants;

50. right-of-way leases;

51. right-of-way transfers;

52. leases and ROWs on Tribal lands;

53. Tribal environmental impact reviews;

54. government-to-government Tribal consultations;

55. Wild and Scenic Rivers Act determinations;

56. National Trails System impact evaluations;

57. National Landscape Conservation System coordination;

58. visual impact assessments;

59. visual resource management analyses;

Evergreen Action

60. cumulative historic resources visual effects analyses;

61. cultural resource consultations;

62. section 106 compliance under the National Historic Preservation Act;

63. consultation under the Magnuson-Stevens Fishery Conservation and Management Act, Endangered Species Act (ESA), Migratory Bird Treaty Act (MBTA), and Bald and Golden Eagle Protection Act (BGEPA);

64. permits under the ESA, MBTA, and BGEPA;

65. biological assessments;

66. biological opinions;

67. approval and publication of studies and assessments, including ecological and baseline environmental studies;

68. grants; and

69. any other similar or related decisions, actions, consultations, or undertakings.

These review procedures are effective immediately.

_____

SIGNATURE

Cc: Deputy Assistant Secretaries
Bureau and Office Deputy Heads
Assistant Secretary Chiefs of Staff
Bureau and Office Chiefs of Staff

Senator MARKEY. Mr. Meyer, is it fair to say the oil and gas industry would not want any White House Republican or Democrat to require the Interior Secretary's personal signature for every stage of a project review?

Mr. MEYER. Again, Mr. Senator, we are supportive of the permit certainty provisions. It is also true that we have had our own difficult experiences across different agencies in previous administrations. That is why we continue to be an all of the above organization and all of our reforms would benefit energy resources equally.

Senator MARKEY. The problem is, we are in an oil above all era, not an all of the above era. We can see that from Venezuela to all of the public decisions that have been made by the administration.

Thank you, Madam Chair.

Senator CAPITO. Thank you.

Senator Lummis?

Senator LUMMIS. Thank you, Madam Chairman.

Mr. Markey, we feel your pain. We could take your statement and where you said left we could put right. Where you said right, we could put left. Where you put Trump, we could put Biden. Where you said Biden, we could put Trump. Where you said oil and gas, we could put, say, coal and solar and wind.

I mean, under the Biden Administration, one of the first things he did was nix the Keystone XL pipeline. Just like Mr. Booker said, there were union jobs working on that pipeline. There was pipe sitting next to an open trench ready to install. There were people who lost their jobs on the spot, just the way you described, because of what President Biden did.

Now, the converse is happening with some renewable energy types. So we are in the same boat now. We have seen a Democrat administration under President Biden do the same thing that now you are complaining about.

So what we do need is some certainty. Here is what I am wondering. Here is what I want to talk to the panel about. Is there a difference between a small project——

Senator MARKEY. I just want to add that Biden permitted public land oil and gas permits faster during his 4 years, on public lands, than Trump did——

Senator SULLIVAN. That is not true. If you come to Alaska, it is zero——

Senator MARKEY. That is one——

Senator CAPITO. Wait a minute. It is Senator Lummis' time.

Senator LUMMIS. I would also point out that during that same time, quarterly oil and gas lease sales on public land were, put a moratorium on them, contrary to Federal law, and that the no-coal on Federal land, which is basically where all the coal in Wyoming comes from, was permitted. I mean, this is—this is an apples to oranges, both sides treating the source of energy exactly the opposite.

So here is what I am wondering. If it is a small-scale project, should there be a different permitting process than for an industrial-scale project? Let me give you an example. So, in my lifetime, I have seen a massive difference in the footprint of oil and gas on the surface of the ground because of horizontal drilling. You used to have a lot more surface disturbance to produce the same amount

of oil and gas. But when horizontal drilling became a thing, there is very little surface disturbance.

The exact opposite has happened with wind and solar. The scale of these industrial wind projects and the industrial solar projects is massive. They are huge. In a State like Wyoming, for example, we recently had a proposal for a wind project that covered 48,000 acres.

Now, even in my big State, this is a massive scale of surface disturbance, because there are all these little roads between every wind turbine. We have had massive scale solar projects. Now, in our very thin topsoil, if you put down these blankets of solar panels, where the sun can not shine through, two things happen. The soil does not grow anything. So the wind erosion in our tremendously windy State is blowing away what little topsoil we have under a 30-year permitted solar project. The amount of fire prevention roads that have to be installed around an industrial scale solar project is massive, because they tend to catch on fire.

So there are environmental consequences that have, I think, in a lot of ways during my lifetime, tipped the scale to where what we need to be looking at in one way is just the scale of the permit. Is it 10 acres or 20 acres? Or is it 48,000 acres? If it is a small-scale project in terms of surface disturbance, we should have an expedited permitting process that does not go to the level of the Secretary of the Interior.

But if it is an industrial-scale project of any kind, whether it is oil and gas or coal or wind or solar, maybe it should rise to the scale of the Secretary.

Any comments?

Mr. BOOKER. I have a lot of comments, if I can. We are all looking about predictability, whether it is large-scale or small-scale. It does not matter. We should allow for developers to determine, does it make sense to have a solar or wind farm in your State or any other State, not people sitting around this table to say, picking winners and losers.

We are all of the above. We believe in wind and solar. We believe in nuclear. We believe in pipelines. We believe in natural gas. We believe in coal. We believe that those energy sources are what we need. We believe in a predictable permitting process that allows not just for energy infrastructure, either. Right now, Gateway Tunnels, in the winds, sitting down the street at Pennsylvania Avenue, whether or not that project, an infrastructure project, a tunnel project in New York City, is going to be allowed to continue to be being built, where I have 400, 500, 600 members right now.

So we have to take politics out of all of this. We have to let the regulators regulate, we have to keep the politicians out of this and have predictability. Get rid of this chaos and create jobs for Americans, create jobs for our members, create jobs for your constituents.

Senator LUMMIS. Well said, Mr. Booker. I yield back.

Senator CAPITO. Thank you.

Senator Schiff?

Senator SCHIFF. Thank you, Madam Chair. First of all, thank you for the work you are doing with Senator Whitehouse on reform. I think we are vitally in need of permitting reform, and appreciate all the bipartisan work that has gone into it.

I have the same concern that Senator Whitehouse does with the cancellation of billions of dollars of renewable energy projects in California. One of them alone, the cancellation of Arches, for example, was expected to support over 220,000 jobs. That is quite devastating. It will be hard, I think, for us to get to yes on a permitting reform if we think that permitting reform is going to be used in a way that is prejudicial either against States or that favors only one source of energy, that being fossil fuels, to the expense of all others.

So I think it is going to be necessary to have some restoration of confidence that the permitting reform will be used in an even-handed basis, and not the subject of State by State discrimination.

But let me just turn to what I think is going to really propel an increase in energy costs if we do not address it, and that is, we have all these data centers coming online. We are expecting year after year significant increases in energy demand, electricity demand, in particular. We have to meet that demand, and we are taking a lot of projects that would meet that demand off the grid.

There are certainly critical issues in, for example, reducing the queue to get on the grid and to make sure that we are pursuing projects in a timely way. But if we are taking whole sources of energy offline at a time of vastly increasing demand, then consumers can not help but see their prices skyrocket. They have already gone up 13 percent in the course of the last year.

So I welcome your thoughts, both on the need to make sure that we can get new projects online more quickly. But also how we really can not be excluding whole sectors of energy when so much of the new energy coming online is renewable. To be cutting that off in the face of dramatically increased demand is just going to push prices higher.

I welcome your thoughts on any of the above.

Ms. HOPPER. Thank you, Senator. I am happy to take first crack at that.

So I could not agree more than speed is critical, and that I think the data centers that are demanding more energy would agree with me, that speed is critical. All of us here represent all of the above, most of the above, particular industries, whatever. But we would all agree that speed and predictability matter.

Solar and storage are the fastest to build right now. That is not a political statement. That is merely a factual statement in terms of our supply chain, how quickly we can get things permitted. So we should continue to do that. To take that off the table means higher prices for ratepayers.

Senator SCHIFF. Some of the counterpoint made by the administration is, well, that is not reliable, it is not all the time. Now the storage, I would imagine, addresses some of that. But how would you respond to that argument?

Ms. HOPPER. Thank you for asking, because I get that question a lot. You are right, that storage is a critical element of this. Having the ability to store those electrons when the sun is shining so brightly is important, and then it can discharge later.

In my testimony, you will see a really lovely graph from Texas, of all places, about the impact not only of availability of electrons, but the price of electrons during peak days. It compares 2022 to

2025. There was more solar in storage on the grid in Texas, not only was there reliability, but there was also much, much lower prices during peak time.

Senator SCHIFF. Thank you. Any others?

Mr. MEYER. Yes, if you do not mind. Demand is growing so rapidly, so it is absolutely a critical question. We are going to need all resources. About 43 percent of U.S. electricity generation comes from natural gas.

So we believe strongly that we are going to need a lot more of that capacity as well, not only on the generation side, but on the infrastructure side, to make sure that we can move the gas from where it is produced to where it is in demand. So that is a big emphasis of our permitting reform priorities as well.

Senator SCHIFF. Thank you.

Mr. BECHTEL. Senator Schiff, if I could just add, the McKinsey Report studying the potential benefits of permit reform that I included in my testimony makes the compelling point, with a lot of very compelling data, that better permitting would actually reduce U.S. greenhouse gas emissions significantly. That as part of that, that we should not discriminate between energy sources.

Senator SCHIFF. What accounts for that, if you would?

Mr. BECHTEL. It has a lot to do with the fact that permit delays carry their own environmental costs with deferring projects that, in general, are going to be reducing pollution, they are going to be using inputs more efficiently, they will be bringing electrons onto the grid.

Senator SCHIFF. Thank you very much.

Mr. BOOKER. Let me just say, with the data center, that is an important point that we are going to have to figure out together. It takes power to build them. We can not build them. We have to stay globally competitive, and we need to bring those stakeholders together, you bring the power companies with the data centers, with labor, with the community, to figure out how do we do this together so that we have, whether it is small modular reactors, whether it is renewables, whether it is gas, whatever the power source is, that we are bringing that power at the same time, so we are not raising these rates for the ratepayers and we are able to stay globally competitive in the data center race.

Senator SCHIFF. Thank you. Thank you, Madam Chair.

Senator WHITEHOUSE. [Presiding] The order is Ricketts, Kelly, Sullivan.

Senator RICKETTS. Great, thank you very much, Ranking Member Sheldon Whitehouse. Also for Chairman Capito.

I have actually just got a few minutes, because I have got to get to the floor to go preside. So I will be really brief.

Thank you to our witnesses here.

When I was Governor of Nebraska, I actually put Lean Six Sigma as part of our overall strategy in government, but it worked very well with streamlining our processes in permitting. We took, for example, our air construction permits, where it was 110 steps long, we cut it down to 22 steps, and were able to cut the time from 198 days down to 65 days. So I think there is an opportunity here as well to be able, across all, to be able to streamlining what we

are doing in permitting in a lot of ways that do not impact any sort of environmental standards.

Nebraskans, from across all industries, especially if you are thinking about construction, transportation, agriculture, have all advocated for commonsense reform to our permitting process. Because it does take too long, as you have all highlighted.

Process improvements can be continuous. They are not. Every single industry benefits from efficient and predictable regulation.

Efficient, predictable regulatory frameworks drive down costs. Mr. Bechtel, you were just talking about also driving down greenhouse gases. Puts more money back in people's pockets. It is how we restore our cost effectiveness.

In Nebraska, this looks like timely approvals for roads, utility projects, pipelines and all the essentials that go into economic growth and infrastructure development. We also talked about certainty in project development. I agree with that 100 percent. It is essential for insuring projects not only begin but are completed with the permits that they were issued, and to providing certainty. We also need to make sure we are doing a lawsuit reform, enforcement of time lines, interagency collaboration, all of this is critical as Congress takes up this issue.

These changes ultimately will save time and taxpayer dollars, all while maintaining environmental standards, and to my colleagues on the other side of the aisle, I would just add to, again, the Keystone Pipeline was canceled in Nebraska. I recall being at the front end of this project even before I was Governor of Nebraska. Those jobs were good union jobs, Mr. Booker, that were paying, some of them, over $100 an hour. It was really, really good jobs that got canceled, because Joe Biden canceled the permit.

So again, predictability, I agree with as well.

Sadly, I do not have any time to ask questions, because I have got to get to the floor. But again, thank you all for being here today to help us with this very important process.

Senator WHITEHOUSE. Senator Sullivan?

Senator SULLIVAN. Thank you, Mr. Chairman. I really want to thank the witnesses here. I think this is one of the most important hearings of the year, certainly in this committee it is. I think we have a great opportunity, it is a bipartisan group of witnesses.

I want to thank Mr. Bechtel, Mr. Meyer, for all you are doing for American energy. Really want to thank Mr. Booker for all you are doing for American energy and Alaska energy. The laborers up in my great State are just essential, building out America, building out Alaska.

Matter of fact, one of my first op-eds that I had as a new U.S. Senator in the Hill Magazine, Hill newspaper, I wrote with Terry O'Sullivan, the great former, now you are the great current LIUNA president. This was all about permitting reform, and how important it is to energy infrastructure, and No. 1, jobs. Good jobs.

So I am going to show you something real quick to make the point Senator Markey—because what Senator Markey was saying, no offense, I am friends with Senator Markey, is baloney. This is what my State endured. Seventy executive orders and executive actions, singularly focused on Alaska. We have the back to show all the—seven zero. Singularly focused on my State to shut it down,

oil, gas, you name it, everything, by President Biden. Alaska was the No. 1 target.

You think that killed jobs, Mr. Booker? Trust me, a lot of your members.

So then, President Trump comes in, which was great, because I asked him, Mr. President, are you going to get rid of Biden's EOs that are crushing my State's economy? By the way, killing American energy, right? That is not good. Biden was sanctioning Alaska more than he sanctioned Iran and Venezuela, the oil and gas. That is a fact.

So President Trump comes in and he says, no, I am going to unleash Alaska. Day one I get this great executive order that is trying to reverse all the Biden stuff. So I appreciate the President and his team.

By the way, the one State for Senator Markey that did do great during Biden was New Mexico. Because the senior Senator from New Mexico I am sure got in Deb Haaland's ear, the Secretary of Interior from New Mexico, they got more than half of all Federal drilling permits. Shut down Alaska, drill, baby, drill in New Mexico, because it was a Democrat State. Pure and simple politics.

So, little bit of crocodile tears over there on the other side. Senator Whitehouse is one of my best friends in the Senate, but no offense, man, this is what goes around comes around, and you are getting a little taste of the medicine Alaska has gotten by Democrats.

Senator WHITEHOUSE. None taken.

Senator SULLIVAN. But here is the point. I am going to ask questions. We have a great opportunity to stop this like, you know, pendulum. My State now, we got a President and administration that is trying to help everything, on permitting. The previous administration targeted us, No. 1, more than terrorist states.

So what we need is permitting reform in the law. This is the moment. I think it is a great opportunity for all of us. I think Senator Whitehouse would agree.

So let me ask Mr. Booker, Mr. Bechtel, you keep talking about certainty, timelines. There is a lot of ways to do that. There is litigation certainty. You talk about 28 percent of all projects get delayed up to 4 years just by litigation in your testimony. Mr. Booker, you were constantly talking about, need secure timelines that we can agree on.

So what are the, when you guys are looking for certainty, what are the top ones that you want us to focus on? To Mr. Booker, if we get permitting reform in the law, do you have any doubt that that will create more jobs, not less jobs?

So why do not you start with that question, and then to both of you, and maybe Mr. Meyer as well, the key elements of certainty, what are the top ones? Because there is judicial reform, there is litigation reform, there is standing, there is Federal agencies, moving them out on a quicker timeline. What do you guys think is the key thing?

It is really important. We had a bunch of our building trades that I called for informal meeting just a couple of weeks ago to say, what do you guys need. Because this is the moment. I have been

working on this issue since I got here, 11 years ago, and we have the moment. Let's do it.

So, Mr. Booker?

Mr. BOOKER. The first question is easy, yes, permitting reform is going to create more jobs. Brendan testified to it earlier, a couple of trillion dollars hanging in the balance because of waiting for permits. So if we get rid of some of those, not get of the regulations, but if we can streamline, make it easier to get these in a streamlined process, obviously it is going to create more jobs.

Probably the No. 1 thing for LIUNA and for our members is that Section 401 water quality certification and to get some certainty around that. Because right now, the current system just allows for that certification to go to the States. Depending on the color of the State, depending on the type of the energy depends on whether you get a permit or not.

So let's get some certainty around that. Give us a yes or a no. If the answer is no, tell us why so that we can reapply. If the answer is yes, then let's go build it. Right now, we do not get an answer, which means the projects are not being built, which is why there is $2.5 trillion hanging in the balance of capital that is ready to be invested in this Country.

Senator SULLIVAN. Great.

Mr. Bechtel, in terms of certainty, what are your priorities?

Mr. BECHTEL. Senator Sullivan, I will do the speed round on this. The full details are in the BRT report that I submitted with my testimony.

There are four things. The first is redundancy, get rid of it. We are studying the same environmental impact three, four, five times across different agencies. It is not thorough, it is wasteful. Typically, you have to go through a State process. The State regulators are creating really good data. Can we just use that same data and not have to recreate it three, four, five different times for different agencies?

The second are deadlines. Right now there is no consequence for agencies that sit on permit applications.

Solution. Ninety days after an EIS or EIA has been issued, you get a no or it defaults to yes. If there is no answer in 90 days, the default should be yes. That is reasonable. It is achievable. It drives accountability.

Modernize the process. We are using a 1970's playbook for 21st century infrastructure. We should be using the categorical exclusions we have more consistently. We should be using programmatic reviews the way they were intended. Our competitors, like China, are not waiting right now. We should not be either.

Then the last thing, I know this is something you are particularly passionate about, sir, but litigation. I shared the statistics already. I talked earlier, average litigation delay is 4.2 years, while average construction costs go up about 40 percent over those 4 years. There is a tremendous amount of, yes, private capital but also taxpayer dollars being destroyed as part of that delay. Eighty percent of those times in those cases, the agency's permits stand as issued.

Senator SULLIVAN. Yes.

Mr. BECHTEL. So what are we doing here?

Senator SULLIVAN. Thank you.

Just real quick, Mr. Chairman, something you know, Donlin Mine, that is one of the biggest gold mines, we have been trying to get that permitted in Alaska. It is a great opportunity now, there are a lot of great investors.

Six years after the EPA and Army Corps issued a Clean Water 404 permit, 6 years, a group of far left environmentalists sued, and now it is in litigation. I mean, can you believe that? It is just crazy. James Callahan, head of the Operating Engineers, said NEPA has evolved into a massive edifice capable of destroying project after project, destroying, not helping job after job in virtually every sector of the economy.

We need to fix it. This is our great bipartisan opportunity to do so.

Mr. Chairman, I would like to submit for the record this outstanding Op Ed in the Hill newspaper by Terry O'Sullivan and Dan Sullivan many years ago on the need for permitting reform, showing the LIUNA-Senate agreement on this important issue.

Senator WHITEHOUSE. Without objection.

[The referenced information follows:]



Infrastructure Package Must Include Permitting Reform

by Sen. Dan Sullivan and Terry O'Sullivan, 02/12/18

While pundits debate the merits of various infrastructure proposals, the very real problem of permitting reform has been overlooked. Without appropriate reform, any infrastructure proposal will not get us where we need to be in order to fix these enormous problems. Almost four in 10 of our country's bridges are at least 50 years old. More than 50,000 of those bridges were structurally deficient in 2016. There are an estimated 240,000 water main breaks per year in the United States—and in some places, like in Alaska, there are entire communities that don't even have access to tap water and a flushed toilet. Much of our energy grid is at full capacity, one out of every five miles of highway pavement is in poor condition, our ports need to be modernized and deepened, and many of our schools are crumbling.

We can do much better for our citizens, and we believe that the Trump administration's focus on infrastructure presents our nation with significant bipartisan opportunities. A key to the success of any infrastructure package has to involve a desperately needed reform of our country's broken public-works and environmental approval process – a process that adds years and costs to projects – sometimes resulting in the death of those projects altogether.

While most of us can agree that a thorough permitting process is important and necessary for the health and safety of our citizens, for too long, the regulatory and permitting process has been abused by some groups and even by federal agencies to obstruct and delay critically needed projects. The National Environmental Policy Act (NEPA) was passed in 1970. The act mandates environmental impact statements (EISs) be conducted on projects that have significant impact on the environment. EISs were meant to increase public input and transparency for infrastructure developments. Thirty years ago, an EIS was expected to take no more than 12 months to complete, and usually only consisted of a few hundred pages. That process now takes four to six years, can cost millions of dollars and often involves thousands of pages, resulting in an opaque process accessible only to lawyers and bureaucrats. Public input and transparency are certainly not served by this broken process.

All of this is even before the substantive permitting process begins, when local governments and private businesses then have to navigate reams of federal regulations.

Let us provide some real examples of how the process can delay projects. After 14 years, the expansion of Gross Reservoir in Colorado is still waiting on final federal approvals. It took almost 20 years to permit the Kensington gold mine in Alaska. It took four years to construct a new runway at Seattle-Tacoma International Airport, but it took 15 years to get the pre-build

permits. TransCanada applied for permits in 2008 to build the Keystone XL pipeline. The project only received approval under President Trump's administration in 2017.

The list goes on. Every day spent waiting for a permit to be approved is a day of lost wages for our hard American workers—wages that could be spent on putting food on their families' tables, roofs over their heads, putting their children through college, and saving for retirement. Every day that we spend needlessly fighting over approvals to be able to fix our roads, our bridges, and a water system, is another day in which economic growth opportunities are missed and our nation's crumbling infrastructure gets worse.

So what's to be done? A bill that Sen. Sullivan introduced, the Rebuild America Now Act, provides a detailed and sound blueprint for fixing the problem.

The bill will provide realistic deadlines for NEPA reviews, expands exclusion of those reviews for emergency and vital infrastructure projects—like the rebuilding currently underway in areas hit by hurricanes, as well as in communities in California that have been decimated by wildfires. Additionally, the bill simplifies NEPA documents and limits needless litigation intended only to delay projects, and has a specific section on streamlining the application of much needed energy projects that power our country.

One of the many lessons we learned from the American Recovery and Investment Act of 2009 is that spending federal money on projects without a sound and streamlined permitting process won't provide jobs and benefits in the short term and will end up wasting tax payer money in the long run. There was a "shovel ready" requirement to receive some of the funds, but as President Obama said in 2011, "Shovel-ready was not as shovel-ready as we expected." As a result, money was often inefficiently spent on projects that weren't necessary or have since been abandoned and or mired in controversy.

Fixing our infrastructure in the most effective, efficient way is not a Republican or Democratic issue. It's an issue that effects all Americans—particularly the American worker. Americans were proud to build the Pentagon in 16 months, the Hoover Dam in five years, and the 1,500-mile Alaska-Canadian Highway in only eight months.

America used to be known as a country that built great structures on time and on budget. If real federal permitting reform is part of a broad-based infrastructure initiative, we can be that country again.

Sullivan is the junior senator from Alaska and Terry O'Sullivan is president of the Laborers' International Union of North America (LIUNA).

Senator SULLIVAN. Thank you very much, Mr. Chairman.

Senator WHITEHOUSE. That concludes the hearing, so on behalf of the Chair, who had to go to another commitment, and by the way, I hope you think it is a minor good sign that the Chair feels comfortable enough about the Ranking Member to let me close out the hearing.

[Laughter.]

Senator WHITEHOUSE. This is part of the bipartisanship that is alive and well in this committee.

Let me, on behalf of the Chair, thank all the witnesses and all my colleagues for participating in today's hearing.

Note that Senators who wish to submit written questions for the record have until 5 o'clock p.m. on Wednesday, February 11th to do so. Note that the witnesses' responses to those questions are due back to the committee no later than 5 p.m. on Wednesday, February 25th, 2 weeks later, and will be submitted for the record.

With that, this hearing is adjourned.

[Whereupon, at 12:02 p.m., the hearing was adjourned.]

American Clean Power Association
Statement for the Record
Hearing entitled, "Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II"
Senate Environment and Public Works Committee
January 28, 2026

The American Clean Power Association (ACP) appreciates the Senate Environment and Public Works (EPW) Committee holding this hearing and for its continued focus on improving the federal environmental review and permitting processes.

Meaningful permitting reform must deliver predictable timelines, enforceable milestones, and certainty that fully permitted projects are honored and will not be arbitrarily revisited. At its foundation, any permitting reform must be technology-neutral, ensuring all energy sources are subject to a clear, accountable and efficient review process that prevents the picking of winners and losers.

Achieving this goal requires streamlining environmental reviews, reducing unnecessary litigation, and ensuring accountability when statutory deadlines are missed—all while maintaining strong environmental protections. Reforms must be comprehensive and address generation, transmission, and other critical infrastructure so that energy can reach the communities and industries that depend on it.

Without these reforms, the United States will fall short of its energy and environmental goals, fail to unlock trillions of dollars in future clean energy investment, and lose ground in the on-going race with China —and globally—for advanced manufacturing and artificial intelligence leadership.

Over the past decade, our nation's antiquated permitting system erected barriers that prevent the United States from building and modernizing essential energy infrastructure—both generation and transmission. As a result, it is increasingly challenging for the U.S. electric grid to reliably and affordably meet rapidly growing electricity demand. This demand growth is occurring at a pace and scale unlike anything we have previously experienced, with projections to grow 2–4% annually over the next decade, far above the sub-0.5% growth seen for much of the 2000s. By 2030, total load is expected to increase by

500–1,400 TWh, equivalent to adding at least another Florida and California to the grid and at the high end, the combined demand of Texas, Florida, California, Ohio, and Arizona.

Rising energy demand is exposing fundamental weaknesses in the existing permitting process and slowing the advancement of essential projects. Major energy projects require multi-year reviews - averaging 4.5 years for generation projects and 6.5 years for transmission, with some reviews extending up to a decade, making them especially vulnerable to shifts in political direction. Clear, consistent, and durable rules are crucial to ensuring that projects are able to move through the permitting process without being unnecessarily revisited or delayed. Meeting this demand in a timely way is critical for national security, economic competitiveness, and affordable electricity for American families and businesses.

Too often, the permitting process is further shaped by shifting policy priorities, rather than consistent, technology-neutral standards. The pendulum-swinging favoritism among energy sources that we have seen over the past decade is unsustainable and harmful to our energy future. Energy projects of all types have been subject to arbitrary administrative actions that stall or cancel leases, permits, or projects entirely—often after years of investment and review. These actions undermine American businesses, deter investment, and ultimately harm energy consumers.

Today, current administrative actions are preventing renewable energy projects from being constructed and, in some cases, even operated with reasonable legal certainty. Some permits for fully approved renewable projects already under construction have been revoked, despite years of rigorous environmental review and clear public benefits.

Recent administrative actions halted permitting not only on public lands and waters, but also on private property—undermining states' ability to develop their own energy resources and restricting landowners' property rights. For example, a proposed solar facility on private land in the upper Midwest—backed by millions of dollars in investment and intended to serve both the local community and a major manufacturing facility—is now stalled because the U.S. Fish and Wildlife Service (FWS) declined to engage in required consultations with the U.S. Army Corps of Engineers. This impasse stems from a July 15 Department of the Interior memorandum requiring multiple layers of political approval, up to and including the Secretary, for dozens of routine permitting steps, including interagency consultation.

Similarly, a wind project on private land in the Midwest with more than $20 million already invested is stalled because FWS will not process a permit application needed for

construction due to a federal pause on wind permitting. Several other wind projects remain stalled because mitigation agreements are not being finalized

Collectively, these actions threaten to prevent over 100 gigawatts of affordable, reliable energy from reaching the grid—leaving states scrambling for supply, increasing the risk of regional reliability shortfalls, and forcing consumers to pay higher electricity prices.

True energy dominance can only be achieved by leveraging ALL of America's abundant resources, which may be different in each region. Federal permitting policy must be technology-neutral and prioritize advancing the nation's economic and national security interests—not favoring or disadvantaging particular technologies. As the United States faces a massive surge in electricity demand in the years ahead, alongside rising electricity prices, renewable energy will be critical to powering our nation quickly, affordably, and at scale. A recent ACP analysis found that without timely deployment of significant new clean energy resources, Mid-Atlantic and Midwest states face serious reliability risks and dramatically higher electricity costs, in which ratepayers across nine states would pay an additional $360 billion over the next decade. These reliability and cost challenges are not limited to this region – states across the nation face comparable risks without timely deployment of clean energy.

ACP stands ready to work with this Committee and Congress on permitting reform solutions that provide certainty, fairness, reliability, and durability—and we thank you for your continued leadership on these critical issues.

DC JOURNAL

[IS] OPINION ENERGY

A Mining Policy Breakthrough Is Within Reach



by Rich Nolan
January 6, 2026

The misplaced idea that America's mineral weakness is due to a lack of resources should be put to bed. Our resource base is remarkable and only growing.

Consider just how vast our resources are. The U.S. may well be home to the world's largest lithium deposit in the McDermitt Caldera, which straddles the Nevada-Oregon border. The Thacker Pass mine is now under construction there. S&P Global recently estimated the U.S. has a copper endowment — the metal of electrification — comparable to Canada and Australia combined. New, extraordinary mineral discoveries and project advances are happening at an astonishing pace. The recent discovery of a major deposit of 16 critical minerals in Utah is a case in point. Even our mine wastes are emerging as invaluable resources for many of the minerals we need but aren't yet producing.

Our great minerals challenge has never been geology. For decades, it has been policy — policies that have stymied industry, frozen capital flows into domestic mining and pushed investment and production overseas.

The Trump administration — much to its credit — is tackling our minerals crisis with the forcefulness and innovative thinking this moment requires. The momentum to break China's chokehold on global mineral supplies and rebuild secure, responsive domestic supply chains is real. But these efforts will fail to reach their full potential unless the Senate moves with equal determination.

At the close of 2025, the House passed two deeply important bills that address key obstacles standing in the way of getting more shovels in the ground to turn our minerals promise into productive capacity. We now need the Senate to put them on the president's desk.

The durable and lasting reforms in the bipartisan Standardizing Permitting and Expediting Economic Development (SPEED) Act are not just a significant step forward in addressing the nation's mine-permitting challenges, but a leap.

The mine-permitting status quo is simply an outrage. It takes a stunning 29 years to bring a mine online in the U.S., longer than in all other countries but one.

An inefficient National Environmental Policy Act process is a primary contributor to the delays and uncertainty that have become such a specter for the industry. NEPA's use as a weaponized tool for litigation has allowed this well-intentioned law to stray far from its intended purpose and underlying text. The SPEED Act addresses these challenges head-on.

In addition, the Senate should follow the House and pass the bipartisan Mining Regulatory Clarity Act, which would rectify an egregious court decision, returning land-use interpretation to what it always has been under the General Mining Law. Doing so would provide much-needed regulatory certainty and clarity to miners and cut through red tape holding back investment and production.

Together, these two bills could address some of the tallest self-imposed hurdles to realizing our mining potential and confronting the threat posed by Beijing's weaponization of global mineral supplies.

Our muscular industrial policy to counter China — robust loans, grants, incentives and even targeted tariffs — will be handcuffed if we can't permit mines and address glaring sources of uncertainty. As the administration works to mobilize capital, nothing will do more to get Wall Street engaged in mining and shovels in the ground than passing the permitting reform now within reach.

The resources, ingenuity and capital markets are all here. The opportunity before the Senate is tremendous. Now is the moment to turn the page on decades of inaction — on self-imposed mineral insecurity — and confront this crisis with the seriousness it demands.



RICH NOLAN

Rich Nolan is president and CEO of the National Mining Association. He wrote this for InsideSources.com. More by Rich Nolan



Stands for American Steel.

Steel Manufacturers Association
1150 Connecticut Avenue, Suite 201
Washington, DC 20036

Brandon Farris
Executive Vice President

January 28, 2026

The Honorable Shelley Moore Capito
Chairman
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

The Honorable Sheldon Whitehouse
Ranking Member
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

Dear Chairman Capito and Ranking Member Whitehouse:

The Steel Manufacturers Association appreciates the opportunity to submit a statement for the record for the "Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II."

SMA stands for American steel. Our members operate in communities across the country and range from the nation's largest publicly traded steel producers to single-facility, family-owned businesses. Steel manufacturers generate $149.4 billion in annual economic impact, employing 87,266 men and women in community-sustaining jobs at an average annual wage of $142,730. They create the essential material that underpins American industry and national security.

Steel manufacturers are investing in America's communities, deploying $25 billion in capital here in the United States to modernize, expand, and construct facilities; unfortunately, many of these investments are delayed by our nation's cumbersome permitting laws. The sad reality is that red tape and complicated bureaucracy from the federal government make it difficult to complete critical economic development projects on time and on budget. We need to fix our broken permitting system.

Commonsense reforms that bring predictability to the federal permitting process will support capital investment and job creation, and promote affordable, reliable energy, while ensuring America continues to be a leader in environmental protection. Such reforms must include limitations on judicial review of permitting decisions, in addition to other steps to provide certainty for permittees. SMA encourages the Committee to take a holistic approach, in cooperation with other committees of jurisdiction, and pursue modifications to statutes in addition to the National Environmental Policy Act that often impede project development, including the Clean Air Act, the Clean Water Act, the Endangered Species Act, and the National Historic Preservation Act, among others.

SMA commends the Committee under your leadership for continuing to pursue legislative solutions to address permitting challenges faced by steel manufacturers and others in the regulated community. We are committed to the shared goals of environmental stewardship and creating thriving American communities. We look forward to working with you to advance commonsense permitting reform legislation.

Thank you for your consideration.

Sincerely,

Brandon Farris
Executive Vice President
Steel Manufacturers Association



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202-525-5717

Free Markets. Real Solutions.
www.rstreet.org

January 28, 2026

The Honorable Shelley Capito
Chair
Committee on Environment and Public Works.
U.S. Senate
Washington, D.C. 20004

The Honorable Sheldon Whitehouse
Ranking Member
Committee on Environment and Public Works
U.S. Senate
Washington, D.C. 20004

Dear Chairman Capito, Ranking Member Whitehouse and members of the Committee:

Thank you for your decision to hold a hearing examining federal environmental review and permitting processes on January 28, 2026. My name is Philip Rossetti, and I am a senior fellow for Energy and Environment at the R Street Institute (R Street). My work primarily focuses on issues related to energy availability, security, affordability and its environmental impacts. In this context, the permitting of new energy projects has been a significant focus of my research.

I am writing to you today to note the rising importance of federal permitting issues in energy policy. Federal permitting timelines are difficult to assess due to multiple benchmarks that may be used, but R Street analysis in 2021 identified marked increases in federal permitting timelines compared to earlier norms.[1] While some recent data points towards improving federal permitting timelines, this may be the result of federal agencies gaming the system by delaying the publication of documents in the federal register, creating the illusion of shorter timelines.[2] Regardless, a prevailing sentiment from the business community—and particularly in energy industries—is that permitting remains a major barrier to the market entry of new resources.

An analysis from Brookings and The Hamilton project found that permitting and siting was the primary reason for wind and solar project cancellations in the United States.[3] Even when projects obtain permits, interconnection queues further complicate the market entry of new electricity-related resources, and Lawrence Berkely National Laboratory has noted that the interconnection process has gone from taking an average of 11 months to an average of 3 years for median projects and 5 years for larger ones.[4]

While easier permitting has often been framed as a boon to polluting industries, especially the oil and gas industry, research from the R Street Institute has found that permitting barriers are considerable across all energy types. In 2021, we found that clean energy-related projects were more likely to require environmental impact statements than fossil fuel projects, and subsequent data analysis has reinforced this finding.[5] From a

data perspective, we do not see an environmental justification for an overly restrictive approach to the market entry of new resources.

A key challenge, of course, is identifying the cause of protracted federal permitting timelines. Our research in 2021 found that there is a relationship between how long it takes to prepare an environmental impact statement and the survivability of permits in court. In practice, permitting agencies are incentivized to spend additional time preparing environmental impact statements and related documents due to litigation risk. A reason for this is the framing of how project permits are litigated, where plaintiffs are not usually required to put agencies on notice of potential deficiencies in their documentation during public comment periods. An exception exists under Title 41 of the Fixing America's Surface Transportation Act of 2015 (FAST-41). Notably, even though only the largest and ostensibly most difficult projects are eligible for FAST-41, they are quicker to permit than normal.[6] As such, it is reasonable to assume that modifications to the judicial review process may play a considerable role in reducing permitting timelines, and this would not entail any reduction in environmental regulation but simply offer agencies clarity on what must be included in documents before publishing them.

We also note a growing concern in the federal permitting space sometimes referred to as "Keystone-ization." Ever since the Keystone XL pipeline project's cancellation, it has become commonplace for the permitting of projects to be susceptible based upon their political appeal to elected officials responsible for overseeing permitting agencies. While R Street is planning to conduct further empirical analysis on this issue, economic theory suggests that increased risk of permit revocation may prompt investors to bundle projects together to disperse permitting risk. Should such a phenomenon occur, the costs of all energy types and infrastructure in the United States will increase, as the lost revenue of projects that were unable to secure a permit would be amortized to projects that could secure one.

Overall, we see considerable economic and environmental benefits from federal permitting reform that would provide permitting agencies with greater certainty regarding documentation requirements, and reduced politicization of the permitting process.

Thank you for your consideration of this letter. If you have any questions or wish to have further discussion, please do not hesitate to contact me.

Sincerely,

/s/
Philip Rossetti
Senior Fellow for Energy & Environment
R Street Institute
prossetti@rstreet.org

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[1] Philip Rossetti, "Addressing NEPA-Related Infrastructure Delays," R Street Policy Study No. 234, July 2021. https://www.rstreet.org/commentary/low-energy-fridays-how-will-the-capture-of-venezuelas-maduro-impact-energy-markets/.

[2] Alexander Hergott, written testimony submitted to the United States House of Representatives Committee on Natural Resources, "Permitting Purgatory: Restoring Common Sense to NEPA Reviews," July

22, 2025. https://www.congress.gov/119/meeting/house/118395/witnesses/HHRG-119-II00-Wstate-HerrgottA-20250722-U1.pdf.

[3] Lauren Bauer et al., "Eight facts about permitting and the clean energy transition," The Hamilton Project, May 22, 2024. https://www.hamiltonproject.org/publication/economic-fact/eight-facts-permitting-clean-energy-transition/.

[4] Joseph Rand et al., "Queued Up: 2025 Edition, Characteristics of Power Plants Seeking Transmission Interconnection As of the End of 2024," Lawrence Berkely National Laboratory, December 2025. https://emp.lbl.gov/sites/default/files/2025-12/Queued%20Up%202025%20Edition%20-%2012.15.2025.pdf.

[5] Philip Rossetti, "Addressing NEPA-Related Infrastructure Delays," R Street Policy Study No. 234, July 2021. https://www.rstreet.org/commentary/low-energy-fridays-how-will-the-capture-of-venezuelas-maduro-impact-energy-markets/; Philip Rossetti, "Current Share of Energy Projects Requiring High-Level Review that Are Clean Energy," R Street Institute, Aug. 17, 2023. https://www.rstreet.org/commentary/current-share-of-energy-projects-requiring-high-level-review-that-are-clean-energy/.

[6] "Why Congress Should Permanently Authorize FAST-41," Bipartisan Policy Center, Aug. 2, 2021. https://bipartisanpolicy.org/article/congress-authorize-fast-41/.



February 10, 2026

The Honorable Shelley Moore Capito, Chair
Senate Committee on Environment & Public Works
United States Senate
410 Dirksen Senate Office Building
Washington, D.C. 20002

The Honorable Sheldon Whitehouse, Ranking Member
Senate Committee on Environment & Public Works
United States Senate
410 Dirksen Senate Office Building
Washington, D.C. 20002

Dear Chair Capito and Ranking Member Whitehouse,

Thank you for holding the recent hearing "Examining the Federal Environmental Review and Permitting Processes, Part II" on January 28, 2026, and for your continued bipartisan focus on improving affordability through permitting reform. Your work to streamline the federal environmental review process will help ensure American families and businesses have access to affordable and reliable energy.

Williams is a solutions-oriented, energy infrastructure company connecting American energy to families and businesses nationwide. We lead the midstream natural gas industry in scale, reach, and reliability by moving one-third of the natural gas used every day in America with over 33,000 miles of pipeline, and more than 5,700 employees. We invest in startups and innovative technologies and explore ways to make meaningful emission reductions, including scaling our carbon capture programs through clean energy hubs with trusted partners. With our turnkey power solutions, Williams partners with hyperscalers and large-load industrial customers to deliver reliable, lower-carbon, co-located and behind-the-meter power, at scale.

The Federal Energy Regulatory Commission (FERC) plays an important role in authorizing interstate natural gas pipelines under the Natural Gas Act (NGA). However, even with FERC authorization, these projects remain vulnerable to state-level obstruction through the Clean Water Act (CWA) Section 401 process and to judicial challenges under the National Environmental Policy Act (NEPA) —both of which fall squarely within the jurisdiction of the U.S. Senate Committee on Environment and Public Works (EPW) and require Congressional action.

Congress can enact meaningful permitting reform solutions through EPW's jurisdiction over NEPA and the Clean Water Act for the midstream sector to support growing energy demands from onshoring advanced manufacturing, increasing electrification and artificial intelligence energy needs, growing Liquefied Natural Gas (LNG) exports, and lowering costs for American families.

More Natural Gas is Required to Feed the World's Growing Demand for Energy

Natural gas remains a significant fuel source in domestic and global demand. One-fourth of global energy demand will be supplied by natural gas in 2040, accounting for 45 percent of all energy demand growth – the equivalent of 42 additional Bcf/d. Global LNG demand will grow over 30 Bcf/d by 2040, with the U.S. poised to provide 35 percent of global LNG supplies. For comparison, U.S. natural gas consumption averaged a record 90.3 Bcf/d in 2024.

When America leads the world in natural gas production, the world is safer, the environment is cleaner, and our grid is stronger. In addition to being 3.3 times cheaper than electricity and 2.6 times the power capacity of stored solar, natural gas releases 45 percent few carbon dioxide emissions than coal. And the lifecycle emissions from using U.S. LNG are 40-60 percent lower than those from using coal in the power sector.[1]

Since 2013, demand for gas in the U.S. has grown by 49 percent, while infrastructure to deliver gas has increased by only 26 percent and storage capacity has only grown by 2 percent. Natural gas pipeline capacity additions have

been decreasing since their peak in 2008, and interstate pipeline projects are becoming increasingly rare due to the challenges associated with ongoing legal challenges and states' ability to weaponize environmental statutes to block entire regions of the country from American natural gas. There are thousands of miles of "planned or pending" projects that could be built – quickly – with the right policy changes. Importantly, building these projects is an imperative as data centers and an AI-driven future will create unprecedented growth in power demand. From 2010-2024 there was a 5 percent increase in U.S. electricity demand. That demand is going to skyrocket to over 30 percent from 2025 through 2040 driven by the emergence of large load data centers and growth in electric vehicles.

As is always the case with the introduction of a high growth innovation, data centers are drawing both political and public attention. Their exponential growth requires additional energy and additional energy infrastructure, including pipelines to deliver the 24/7 energy required to support the growth. Unfortunately, this growth is creating fertile ground for false narratives around electricity costs and grid effects. Emmet Penny accurately characterizes the real problem by stating:

> *For the first time in its history, America is not prepared for growth. Overall, U.S. power generation has been flat for two decades, and the electric grid is not able to keep up with current needs, let alone provide reliable power for industrial growth. Instead of building new capacity, the U.S. has shut down natural gas and nuclear plants. We have seen the results in cost increases and outages.*
>
> *Data center demand is revealing, not causing, this problem. The antagonism to data centers is providing a ready excuse for continuing to ignore the needs of the power grid rather than giving it the investment it needs. And the inability of builders to make their case for a build-out threatens to make the resistance to fixing our power crisis even worse.*[ii]

What the grid needs is extensive upgrades for <u>24/7 dispatchable power.</u> While new wind and solar capacity has been added to the grid, that capacity threatens reliability, while adding additional costs to direct customers, as well as the broader tax base.

Over the past decade, ISO New England (ISO-NE) has added about 1,700 MW of wind power and increased solar from less than 80 MW in 2010 to over 7,300 WM by the end of 2023. Yet, when it was 3 degrees Fahrenheit in Vermont on January 25th during Winter Storm Fern, ISO-NE's grid got 43 percent of its energy from oil and only 8 percent from a range of renewables, including wind, solar, burning wood, and refuse combined. Additionally, The New England Clean Energy Connect (NECEC), which was completed less than ten days prior to Winter Storm Fern to import up to 1,200 megawatts of hydroelectricity from Québec, Canada, into the New England power grid, actually shut off its imports to New England during the storm.[iii]

The Coastal Virginia Offshore Wind project, one of the most expensive energy projects in U.S. history, is being added to the grid to meet mandates from the Virginia Clean Economy Act, even though it is expected to produce less than half its full power capacity – while raising Virginians energy costs.[iv]

Capacity is being built – but it is costing ratepayers and adding stress to the grid, rather than solving it, because wind and solar capacity are not available when the grid needs energy the most. In PJM, the offshore wind accreditation factor is 69 percent for the 2026/2027 delivery year.[v] In NYISO, offshore wind's accreditation factor is only 35.79 percent.[vi]

In contrast, natural gas remains the benchmark for reliable capacity. Natural gas combined cycle has the highest accreditation factors; close to 100 percent in some regions. Solar PV and onshore wind have the lowest accreditation factors; ranging roughly from 10 to 50 percent.[vii]

Data center demand forecasts range widely from 31 to over 100 GW needed by 2030 – all needing steady, around-the-clock power, with very limited downtime. For now, some RTOs do not make data centers match hourly consumption, which provides grid flexibility, but this practice may become constrained as more data centers connect to the grid. If hourly matching is required, data centers will have to purchase renewable power in excess of their

hourly needs and additional natural gas generation will be needed to supplement data center load requirements or provide firm back-up services when wind/solar are not available.

The case for the build-out of dispatchable power infrastructure could not be stronger. But it will not happen absent meaningful permitting reform – something that requires bold action and a rejection of the failed status quo, a status quo that has stifled growth through the weaponization of environmental statutes and never-ending legal challenges across the energy landscape, including FERC authorized natural gas pipelines.

The Natural Gas Act requires FERC to authorize the construction and operation of both natural gas pipelines and LNG facilities if they are in the public interest. In 2025, with a full FERC, the Commission approved multiple major natural gas infrastructure projects and several LNG facilities. But those projects remain vulnerable to unnecessary litigation that could prevent the full build-out of that infrastructure and raise Americans' energy costs.

Reducing timelines or enforcing the existing law will not meaningfully reduce litigation. Organizational standing must be stopped, and the evidentiary bar must be raised for non-applicant challenges to FERC authorizations, Clean Water Act Certifications, and NEPA permits. Remand should be the only remedy available to challenged permits and authorizations – courts should not be able to vacate (or cancel) permits and authorizations that were issued after comprehensive environmental reviews by FERC.

On August 28, 2025, FERC reissued to Transco a certificate of public convenience and necessity authorizing Transco to construct and operate the Northeast Supply Enhancement Project ("NESE Reissuance Oder"). At the time of the NESE Order, FERC had three Commissioners (David Rosner, Chairman, Lindsay See, and Judy Chang), all of whom supported the Reissuance Order. The Commission relied on the existing record, as supplemented by the new precedent agreements and additional evidence, concluding the Project was needed. Based on this fully developed record, the Commission continued to find that "the public convenience and necessity requires approval of the [P]roject." On September 29, 2025, the Sierra Club and Public Citizen filed requests for rehearing challenging FERC's authority to reissue NESE's Certificate; FERC denied rehearing on October 30, 2025. That same evening, on October 30, 2025, petitions for appeal of the NESE Reissuance Order were filed by the Central Jersey Safe Energy Coalition, Food & Water Watch, New Jersey League of Conservation Voters Education Fund, NY/NJ Baykeeper, Sierra Club, Natural Resources Defense Council, and the Princeton Manor Homeowners Association. They had 60 days to appeal but filed their appeals on day one.

Abuse of Clean Water Act 401 to Block Interstate Pipelines

Natural gas is the most impactful solution for the most complex challenge of our time: producing affordable and reliable energy while meeting skyrocketing demands, keeping costs low, and meeting emissions reductions goals. While the United States is best positioned to solve this challenge, our byzantine permitting system stifles investment in the necessary infrastructure to move energy where it is needed. As explained in the National Petroleum Council's recent report "Bottleneck to Breakthrough":

> *In regions like New England, the Mid-Atlantic, and the Carolinas, multiple market-supported natural gas pipelines were delayed or canceled, contributing to sharp price spikes, fuel shortages, and system strains during peak demand and extreme weather events. On the supply side, when production has been unable to reach markets, prices in the producing region have collapsed, resulting in reduced economic incentives to drill, and threatening supply security. In short, infrastructure constraints have made the energy system more vulnerable, less flexible, more expensive, and less able to integrate renewable energy.*

Natural gas pipelines have been disproportionately impacted by the "keep in the ground" movement. One of the first and most notable examples is the Keystone XL pipeline. The Clean Water Act was used, in a way never intended, to challenge and delay this piece of critical infrastructure. In April 2020, a Montana federal court needlessly vacated the pipeline's Nationwide Permit 12 in response to a challenge from multiple environmental groups.

The Clean Water Act is intended to protect water quality, but it has become a tool to stall, derail, or deny projects based on political considerations unrelated to environmental concerns. These interventions often occur after years of regulatory compliance and substantial financial commitment, leading to prolonged legal battles and heightened uncertainty. State Section 401 denials have been directed almost exclusively against pipeline projects FERC has already deemed to be in the public interest and do not, based on its NEPA review, have significant water quality impacts that should prevent the project from moving forward.

Notably, project applicants are already required to supply FERC with thorough analysis of their project's impacts and FERC extensively considers the impacts that projects may have on water bodies and quality. An applicant may propose mitigation measures and FERC may also impose mitigation conditions.

Despite this thorough and extensive process, states that politically oppose pipelines do not participate in the FERC-led NEPA process and instead use their federally delegated CWA Section 401 authority to veto and block multi-state projects. This misuse of the CWA is not how Congress intended the CWA to function, and it undermines FERC's exclusive authority to oversee interstate pipeline routes and effectively grants states a unilateral veto – even in cases where any potential discharges into navigable waters are minimal or manageable.

Currently, a single activist state can block a proposed interstate natural gas project, regardless of the benefits it would bring, through an abuse of the Clean Water Act's Section 401 review process by state regulators and the uncertainty arising from associated litigation.

From 2013-2021, costly and legal regulatory challenges and the inability to obtain state water quality certifications have resulted in over 40,000 lost jobs (including union jobs) and $11.3 billion in lost investment.

Pipelines Stopped/Delayed by Weaponization of Clean Water Act 401:

- Millennium Bulk Coal Terminal (Washington State)
- Millennium Pipeline Valley Lateral Project
- Constitution Pipeline
- Northeast Supply Enhancement Project (NESE)
- Northern Access 2016 Project
- Transmission Projects for ConEd & National Grid
- Mountain Valley Pipeline (delayed by 4th Circuit Court of Appeals, approved by an act of Congress)
- Jordan Cove LNG Export Terminal

Since the initial cancellation of the Constitution Pipeline, independent New York regulatory bodies have called for more natural gas infrastructure and President Trump issued Executive Order 14156 explicitly calling for more infrastructure in the Northeast to address rising electricity costs and severe reliability concerns.

Since 2021, market conditions and increasing reliability concerns have underscored the need for Constitution. Gas prices in the Northeast have risen more than 2.5 times over the national benchmark of Henry Hub's winter average in the past 15 years, and prices continue to rise despite the Northeast's proximity to the Nation's most abundant and lowest-cost production in the Marcellus Shale region. Williams commissioned a market study from S&P Global to assess the need for and market impacts of a revitalized Constitution Pipeline Project (the "S&P Study"). As further discussed below, the S&P Study determined that peak demand in the Northeast will remain high for the next 15 years, making additional infrastructure projects key to utilities' reliability targets. The S&P Study found that the Constitution Pipeline Project would increase deliverability of lower cost gas supply into constrained Northeast gas markets, alleviating a key winter bottleneck into New England. Due to its direct access to supply and ability to reduce costs in Northeast gas and power markets, the Project is expected to achieve a higher utilization than other regional assets, including 85-90 percent throughput on peak days. The Project will improve the efficiency, resiliency, and reliability of gas service and help to reduce gas prices in the Northeast, including during peak demand days. S&P Global also found that Constitution could deliver up to $8.5 billion in energy savings to Northeast families and businesses in the first 15 years of service.

NYISO and ISO-NE have planned additional capacity for the grid from now through 2043, including more wind, solar, and battery projects. These ambitious renewables targets not only demand more backup from dispatchable sources, but they also create reliability and price volatility risks for the region. These reliability and affordability issues in the Northeast, however, cannot be solved without additional pipelines. Not only is natural gas more reliable than offshore wind, solar, and batteries, but it also delivers major cost savings over offshore wind.

When comparing 3.6 GW (or 650 MMcf/d) of natural gas with 3.6 GW of offshore wind, the region would save $31.8 billion when using natural gas over offshore wind.

On December 19, 2025, Williams filed a petition with FERC to revive the suspended Constitution Pipeline project to reissue the project's certificate and public convenience and necessity.

Recent challenges during Winter Storm Fern reaffirm the region's urgent need for reliable energy infrastructure. Families and businesses across the Northeast continue to face avoidable reliability and affordability strains because the region lacks adequate energy infrastructure that could be alleviated through projects like Constitution. Independent analyses by multiple regional and state agencies have underscored this infrastructure gap, and Williams is committed to advancing the Constitution Pipeline project through the established federal process and in full compliance with all environmental, permitting, and regulatory requirements.

The impact of the recent winter storm illustrates this reality. On January 25, despite aggressive net zero state policies aimed at phasing out fossil fuels, ISO NE relied on oil for 43 percent of power generation—even as renewables contributed just 8 percent, including refuse and wood-burning sources. Meanwhile, New York's grid sustained operations with more than half of its generation coming from natural gas and dual fuel units. These conditions highlight the importance of balanced, dependable energy systems that can meet demand during extreme weather while advancing environmental goals.

On January 26, the closing prices in the Northeast were 1500 percent higher in New York and Connecticut compared to the prices in Pennsylvania, where natural gas infrastructure is abundant. An incremental 650 MMcf/d (Constitution's capacity) into New York/Connecticut from Marcellus supply area would apply downward pressure on prices. With Constitution in place, a Northeast Local Distribution Company (LDC) could lock in the TGP Marcellus price, which is significantly lower than current NE prices based on limited capacity without the Constitution Pipeline.

On January 28, 2026, when New York City temperatures fell below 9 degrees due to Arctic air surge from Winter Storm Fern with dangerous, sub-zero wind chills, the New York State Department of Environmental Conservation filed a notice with FERC opposing the Constitution Pipeline.

In order for Constitution to become a reality, the Clean Water Act 401 review process needs to be significantly reformed to ensure that the state of New York cannot block the entire Northeast region from lifesaving, affordable, reliable natural gas.

Solution = Clean Water Act Reform: Since interstate pipeline projects are uniquely vulnerable to CWA 401 certifications being weaponized against them, Williams recommends preempting Section 401 of the Clean Water Act to exempt natural gas infrastructure projects that seek FERC authorizations pursuant to Section 7 of the Natural Gas Act (NGA) from needing to obtain a CWA 401 certificate from the States. Congressman Richard Hudson's Improving Interagency Coordination for Pipeline Reviews Act (H.R. 3668), which passed the House with bipartisan support, and Senator Barrasso's Spur Permitting of Underdeveloped Resources (SPUR) Act would achieve this solution by making FERC the lead agency for environmental review and incorporating states' water quality certifications into FERC's NEPA review.

Congress can provide meaningful relief by exempting projects subject to NEPA reviews conducted by FERC from CWA 401 certificates and ensuring that FERC considers potential water quality issues within the NEPA process for

natural gas pipelines. These projects are interstate, deemed to be in the public interest, and will be subject to NEPA reviews that will incorporate other environmental statutes, including the CWA within EPW's jurisdiction. Exempting these projects would create efficiencies and prevent any one state from obstructing interstate commerce, while other CWA provisions like section 404 (dredge and fill permits) will guarantee water quality protections remain in place.

Failing that, Congress should expeditiously pass several bipartisan pieces of legislation that passed in the House and which would greatly improve interstate natural gas pipeline permitting. The PERMIT Act (H.R. 3898), sponsored by Congressman Mike Collins and co-sponsored by numerous Members of the U.S. House Energy & Commerce Committee, puts guardrails around the state water quality certification process and expedites judicial review for major projects that require a CWA 401 certification. This legislation, which passed the U.S. House of Representatives in December 2025 with bipartisan support, falls squarely within EPW's jurisdiction and directly addresses the Clean Water Act 401 problem outlined in this letter.

U.S. House Natural Resources Chair Bruce Westerman's SPEED Act (H.R. 4776) aims to reform the National Environmental Policy Act (NEPA) by accelerating permitting processes and limiting the judicial remedies available against federal projects. Importantly, this legislation includes language to prevent permit revocation by the Courts by restricting vacatur and injunctions as remedies in NEPA cases. If passed into law, these provisions would protect any energy project that needs a NEPA permit from having that permit cancelled or vacated by a Court. This legislation, which also passed the U.S. House of Representatives in December 2025 with bipartisan support, falls squarely within EPW's jurisdiction and addresses the critical issue of permit vacatur.

We look forward to working with the U.S. Senate to incorporate these provisions into a bipartisan permitting reform package to expedite the buildout of natural gas pipelines across the United States.

Williams is Committed to America's Goal of "Getting Back to Building." With its abundant natural gas supplies, the United States is perfectly positioned to build the energy infrastructure needed to meet growing global and domestic demands from electrification, data centers, AI, onshoring manufacturing, and LNG exports. Bold, meaningful reforms to federal permitting and review processes will help us realize this future.

Williams appreciates the bipartisan and committed efforts of this Committee to further these policies for the benefit of the American people.

Sincerely,

THE WILLIAMS COMPANIES, INC.



Lane Wilson
Senior Vice President and General Council

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[i] https://www.woodmac.com/press-releases/us-lng-full-lifecycle-emissions-delivered-to-europe-are-48-of-the-coal-equivalent/#:~:text=LNG%20export%20projects.%E2%80%9D-,Wood%20Mackenzie's%20analysis%20reveals%20the%20lifecycle%20emissions%20of%20US%20LNG,to%20coal's%20significant%20combustion%20emissions.

[ii] https://www.thefp.com/p/data-centers-are-not-the-villain

[iii] https://www.mass.gov/news/governor-healey-celebrates-completion-of-necec-transmission-line and https://www.iberdrola.com/about-us/what-we-do/smart-grids/necec-project-canada-united-states-and-new-england#:~:text=The%20new%20transmission%20line%20between,customers%20$190%20million%20per%20year.

[iv] https://www.wsj.com/opinion/virginians-will-pay-through-the-nose-for-affordable-energy-3f729161

[v] https://www.pjm.com/-/media/DotCom/planning/res-adeq/elcc/2026-27-bra-elcc-class-ratings.pdf

[vi] https://www.nyiso.com/documents/20142/53966122/iCAF%20Set%201%20Final_9.22.2025%20ICAPWG.pdf/712b9b36-8080-a5da-6756-0f85cb3f0ae8#:~:text=2%2DHour%20Resource%20with%20Energy,ALL%20RIGHTS%20RESERVED.

[vii] Source: S&P Global Commodity Insights. Data compiled September 2025



January 28, 2026

The Honorable Shelley Moore Capito
Chair
Committee on Environment and Public Works
U.S. Senate
Washington, DC 20510

The Honorable Sheldon Whitehouse
Ranking Member
Committee on Environment and Public Works
U.S. Senate
Washington, DC 20510

Dear Chair Capito, Ranking Member Whitehouse and Members of the Committee on Environment and Public Works:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 67 chapters and more than 23,000 member companies representing millions of workers, I thank you for holding today's hearing to examine federal environmental review and permitting.

As the committee considers legislation to address these pressing issues, ABC urges you to take up and advance U.S. House of Representatives legislation to modernize these processes. The measures outlined below would strengthen transparency, improve accountability and maintain strong environmental protections while reducing unnecessary delays that hinder the timely delivery of critical infrastructure projects.

NEPA Background
The National Environmental Policy Act requires environmental reviews of major federal actions before a final agency decision. This statute frequently applies to federal permitting decisions on major construction projects, requiring agencies to prepare detailed environmental analyses and consider public input before issuing permits.

Congress passed NEPA with the intent of ensuring that federal agencies make informed decisions about the environmental impacts of their actions. However, outdated federal systems, abuse of the judicial processes and inconsistent interpretations of NEPA have mired the environmental review process in delays and uncertainty. These challenges present the regulated community, federal agency employees and the public with a bureaucratic labyrinth that hinders economic opportunities and increases infrastructure costs.

Legislative Reforms
For this reason, ABC strongly supports reforms to NEPA included in the recently House-passed H.R. 573, the Studying NEPA's Impact on Projects Act; H.R. 4503, the ePermit Act; and H.R. 4776, the Standardizing Permitting and Expediting Economic Development Act. These bills preserve NEPA's core environmental review requirements while improving how the process functions in practice.

H.R. 573 would provide Congress and the public with much-needed data on the time and cost of NEPA reviews, supporting evidence-based improvements. H.R. 4503 would bring permitting into the digital age by establishing a centralized, online permitting portal, improving coordination, transparency and real-time accountability for agencies and project sponsors alike. H.R. 4776 would clarify NEPA's procedural focus, set reasonable timelines for judicial review and help ensure that reviews remain focused, consistent and predictable. Together, these reforms would reduce avoidable delays without weakening environmental standards.

Other Considerations
ABC also supports the House-passed PERMIT Act (H.R. 3898) which advances practical Clean Water Act reforms that improve clarity, predictability and timeliness in the permitting process. The legislation refines the definition of Waters of the United States to prevent overly broad interpretations, accelerates jurisdictional determinations and Section 404 reviews, and extends and streamlines key permit timelines. Together, these updates reduce unnecessary delays and regulatory uncertainty that drive up costs and stall infrastructure investment, enabling the construction industry to deliver complex projects efficiently while continuing to safeguard water quality and responsibly steward public and private resources.

In addition, ABC supports H.R. 1897, the ESA Amendments Act, which advances targeted improvements to the Endangered Species Act. ABC fully recognizes ESA's vital role in protecting species threatened with extinction and supports science-based conservation efforts.

H.R. 1897 maintains these protections while clarifying statutory definitions, improving the efficiency of ESA consultations and streamlining the approval of voluntary conservation agreements and incidental take permits. The bill also strengthens species recovery efforts by requiring measurable recovery goals and providing regulatory relief as those goals are met.

Conclusion
Across the country, contractors are working to build and upgrade critical infrastructure, and delivering these projects efficiently is essential for economic growth and public safety. Modernizing permitting processes does not mean cutting corners; it means making reviews more transparent, coordinated and grounded in clear timelines and data while upholding strong environmental safeguards.

ABC appreciates your leadership on policies that support both environmental stewardship and responsible infrastructure development. We respectfully urge the U.S. Senate to consider and advance these House reforms to NEPA, CWA and ESA so our members can deliver the infrastructure that our nation needs while maintaining the integrity of our environment.

Sincerely,



Kristen Swearingen
Vice President, Government Affairs

American Cement Association
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Washington D.C., 20001
202.408.9494
www.cement.org

January 28, 2026

The Honorable Shelley Moore Capito
Chairman
Environment and Public Works Committee
Washington, D.C. 20510

The Honorable Sheldon Whitehouse
Ranking Member
Environment and Public Works Committee
Washington, D.C. 20510

Dear Chairman Capito & Ranking Member Whitehouse,

The American Cement Association (ACA) appreciates your holding the hearing titled, *Improving the Federal Environmental Review and Permitting Process, Part II*. This hearing is essential as the cement industry innovates in manufacturing cement, the material essential to civilization.

Cement, the primary ingredient in concrete, is essential to building and maintaining the nation's infrastructure – from highways and bridges to airports, mass transit systems, water facilities, and residential and commercial buildings. Our products enhance energy efficiency in buildings, improve fuel efficiency on roads, and contribute to the resilience of critical infrastructure. Cement and concrete manufacturing support over 600,000 American jobs and contribute more than $100 billion to the U.S. economy annually.

The American Cement Association's members are committed to environmental stewardship, sustainable operations, and their communities. For example, ACA's members have been at the forefront of undertaking voluntary efforts to contribute to a cleaner environment by increasing plant efficiency and using alternative fuels such as scrap tires, biomass, and waste-derived fuels, and other materials that would otherwise go to landfills or incinerators. ACA's members support appropriate and necessary regulatory measures to reduce harmful air pollution and comply with a variety of environmental regulations, including stringent air emissions requirements that are part of their permits.

ACA supports the Committee's continued attention to federal environmental permitting and noted our views on energy permitting in our February 19, 2025, letter. We wish to draw attention to another key law that impacts cement manufacturing, the Clean Air Act (CAA). The CAA has brought about tremendous improvements in our air quality; however, the law has failed to keep up with ensuring that manufacturing and energy generation keep pace with economic growth. While the law was well-intentioned and effective for improving environmental outcomes across the country, America faces new challenges that require Congress to modernize the CAA.

A recent example of the deficiencies needed to be addressed is the Environmental Protection Agency's fine particulate matter (PM2.5) standard, which it first released in 2023. The standard would have required states to implement requirements that were not achievable with local manufacturers carrying the ultimate costs and regulatory burden. The process did not consider the role of natural or foreign sources of PM2.5 that impact the attainability of communities.

Further, the process failed to consider the issue of attainability itself, leading to rules that harm domestic manufacturing without any gains in environmental outcomes. We raise the 2024 PM 2.4 standard as an example of the harm inconsistent, hasty, and faulty regulatory processes can harm economic growth without improving air quality. ACA's Market Intelligence group has estimated, in the attached updated report, that lowering the annual PM2.5 standard to the finalized 9 μg/m3 will require $171.8 million in capital expenditures and $54.6 million in additional yearly operating expenses for U.S. cement producers.

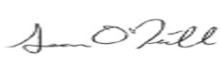
The House Energy & Commerce Committee recently passed legislation following hearings on these challenges, that amend the National Ambient Air Quality Standards and New Source Review (NSR) programs under the CAA. The bills make necessary changes to these programs by improving what data is utilized, and the length of the review cycles in setting NAAQS standards. H.R. 161, the New Source Review Permitting Improvement Act, makes changes to NSR that would facilitate energy efficiency and other improvements at cement plants. These bills balance the need to continue improving air quality while fostering economic growth and innovation:

• H.R.161: New Source Review Permitting Improvement Act
• H.R.4214: Clean Air and Building Infrastructure Improvement Act
• H.R.4218: Clean Air and Economic Advancement Reform (CLEAR) Act
• H.R.6409: Foreign Emissions & Nonattainment Clarification for Economic Stability (FENCES) Act
• H.R.6398: Reducing and Eliminating Duplicative Environmental Regulations (RED Tape) Act
• H.R.6387: Fire Improvement and Reforming Exceptional Events (FIRE) Act

We encourage the Committee to examine this collection of bills as a starting point for its own legislation to modernize the CAA. This package of legislation fosters realistic environmental policy goals, enhances state and local viewpoints, and improves government efficiency.

We look forward to working with the Committee on meaningful, balanced legislation that improves permitting for manufacturers. If you have any further questions, please contact me at soneill@cement.org or (202) 719-1974.

Sincerely,



Sean O'Neill
Senior Vice President, Government Affairs
American Cement Association

The Honorable Shelley Moore Capito
Chair
U.S. Senate Committee on Environment and Public Works
304 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Sheldon Whitehouse
Ranking Member
U.S. Senate Committee on Environment and Public Works
304 Dirksen Senate Office Building
Washington, DC 20510

January 27, 2026

Dear Chair Capito and Ranking Member Whitehouse,

We submit this letter on behalf of a broad, bipartisan group of NGO and industry representatives to applaud you for focusing on permitting reform with your January 28 *Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II*, and encourage the advancement of comprehensive permitting reform legislation during the 119th Congress. Our current permitting system creates too much uncertainty and unnecessary delays, extending permitting timelines far longer than is necessary to ensure the safe deployment of infrastructure and restoration projects. A more efficient permitting system will improve both economic and environmental outcomes, which is why there has been growing bipartisan support for action.

The 118th Congress's efforts on permitting reform proved the breadth of stakeholders and industries impacted by inefficiencies in America's existing regulatory framework for infrastructure of all kinds. The focus on permitting delays has only grown as greater demand for electricity threatens to push already elevated prices even higher. While all stakeholders may not agree on individual elements of a permitting package, we are united in the belief that durable, technology-neutral legislation must include a mixture of bipartisan priorities—these include but are not limited to National Environmental Policy Act reform, improved judicial review, project certainty, targeted reforms to enable linear infrastructure, geothermal parity with oil and gas, and more. Limiting political interference by codifying permitting certainty measures is a top bipartisan priority and a focus of stakeholders across all industry sectors.

Sound reforms will not only accelerate project deployment but also uphold our strong environmental standards, producing better outcomes for American businesses and communities alike. There will be profound energy affordability, national security, and environmental benefits associated with bipartisan, technology-neutral permitting reform. Our nation's aging infrastructure, growing restoration needs, and surging energy demands cannot wait until next Congress or beyond—we must let America build again.

We appreciate your leadership and encourage continued partnership with your colleagues in both chambers. We stand ready to work together toward the passage of meaningful, bipartisan permitting reform legislation.

Sincerely,

American Conservation Coalition Action
American Council on Renewable Energy
Billion Oyster Project
Bipartisan Policy Center Action
Breakthrough Institute
C3 Solutions Action
Center for Climate and Energy Solutions
Chamber of Progress
Citizens for Responsible Energy Solutions
Clean Energy Buyers Association
ClearPath Action
Dream.Org
Ducks Unlimited
Environmental Policy Innovation Center
Foundation for American Innovation
Geothermal Rising Action
Inclusive Abundance Action
Institute for Progress
National Hydropower Association
National Wildlife Federation
Niskanen Center
Securing America's Future Energy
The Freshwater Trust
The Nature Conservatory
Theodore Roosevelt Conservation Partnership
ThirdWay
U.S. Chamber of Commerce



January 28, 2026

The Honorable Shelley Moore Capito
Chairman
Committee on Environment and Public Works
United States Senate
20510

The Honorable Sheldon Whitehouse
Ranking Member
Committee on Environment and Public Works
United States Senate
20510

Re: Senate Environment and Public Works Committee Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II

Dear Chairman Capito and Ranking Member Whitehouse,

The Clean Energy Buyers Association (CEBA) represents America's largest energy consumers as they work to buy low-cost, reliable, carbon emissions-free electricity. We write in strong support of a comprehensive permitting reform framework. CEBA calls on members of the Committee on Environment and Public Works (EPW) to finalize a deal and make a meaningful, lasting impact on our nation's ability to meet rising energy demand sustainably. We also call on the Administration to create room to constructively engage on a permitting reform deal, which would benefit all Americans.

Federal leaders must act quickly to mitigate rising electricity prices. Amid surging load growth, CEBA members need every clean, affordable, and reliable electron they can procure. A broken and politicized permitting system serves only to raise prices and throttle economic growth. This uncertainty has also chilled investment interest in the United States. Without reforms that provide pre and post issuance permit certainty and accelerate new transmission capacity investment, the United States will not be able to win the AI race, bring back domestic manufacturing, or support the high quality of life that all families deserve.

CEBA's members are key economic drivers — and they require reliable energy infrastructure to power their growing operations. To ensure success, our members are investing in and supporting key infrastructure and generation to put downward pressure on electricity prices, address system constraints, and enhance grid reliability. Since 2014, corporate buyers have announced nearly 128 gigawatts[1] of clean energy deals. These deals have reduced project financial distress by 90%[2] and, in many cases, provided project certainty needed to secure capital and bring critical

[1] https://cebuyers.org/deal-tracker/
[2] https://cebuyers.org/wp-content/uploads/2025/09/CEBA-Report-Corporate-Demand-Drives-Clean-Energy.pdf

energy onto the grid. These deals represent a significant share of clean energy capacity in the United States.

However, without a permitting deal in place, adding additional capacity will become increasingly difficult. By making clean energy a safe investment again, Congress can maintain America's reputation as a trusted business partner while growing economic opportunities.

CEBA and our members are committed to pursuing balanced solutions that build and expand our electricity system and power economic growth. Permitting reform will accelerate the deployment of generation and expand grid infrastructure to increase electricity supply. Congress must also pursue reforms to accelerate investment in new transmission capacity, the most cost-effective way to meet rising demand and help lower electricity prices in both the short and long term. Supporting continued investment in reliable, affordable, carbon emissions-free energy is critical to America's economic competitiveness.

We look forward to working with Congress and the Administration to pass and implement comprehensive permitting reform.

Respectfully,



Rich Powell

CEO

Clean Energy Buyers Association (CEBA)

CHAMBER OF PROGRESS

January 27, 2026

Hon. Shelley Moore Capito
Chair
Senate Committee on
Environment & Public Works
304 Dirksen Senate Office Building
Washington, DC 20510

Hon. Sheldon Whitehouse
Ranking Member
Senate Committee on
Environment & Public Works
410 Dirksen Senate Office Building
Washington, DC 20510

Dear Chair Capito and Ranking Member Whitehouse,

On behalf of Chamber of Progress, we write to support the Committee's work improving permitting efficiency and certainty, including through your upcoming hearing, "Examine the Federal Environmental Review and Permitting Processes, Part II." We appreciate the Committee's focus on reforms that can lower the cost of living by making it easier to build the energy, transmission, and housing infrastructure Americans rely on.

The federal permitting system has become a bottleneck for affordability. Overlapping reviews, unclear timelines, and constant litigation risk slowing the very projects we need to lower energy bills and meet growing demand. Those delays add time, increase costs, raise financing hurdles, and discourage private investment. In the end, consumers pay the price.

We encourage the Committee to advance comprehensive permitting reform that addresses these challenges directly. Durable legislation should streamline review processes, clarify agency responsibilities, and provide greater certainty for projects such as new generation from all-of-the-above energy sources and interregional transmission. Predictable timelines are critical to ensuring that infrastructure projects can secure financing and move forward efficiently.

Modernizing laws such as the National Environmental Policy Act would also benefit other infrastructure. More efficient reviews can reduce unnecessary hurdles for housing development and transportation infrastructure, addressing the housing shortage while maintaining strong environmental protections. Reform should improve environmental outcomes by accelerating deployment of clean energy and modern infrastructure, while avoiding duplicative or low-value process requirements.

Permitting reform offers a strong bipartisan opportunity to accelerate project deployment, reduce costs for American families, and uphold our nation's

environmental standards. We appreciate your leadership in advancing solutions at this critical moment and stand ready to work with the Committee to support these essential reforms.

Sincerely,



Adam Kovacevich
Founder & CEO
Chamber of Progress

DIGITAL POWER NETWORK

January 26, 2026

To: Chairman Capito (R-WV), Ranking Member Whitehouse (D-RI), and Members of the Senate Committee on Environment and Public Works
Re: *Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II*

Dear Chairman Capito (R-WV), Ranking Member Whitehouse (D-RI), and Members of the Senate Committee on Environment and Public Works,

Thank you for the opportunity to submit this letter regarding the Senate Committee on Environment and Public Works hearing titled "*Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II*." The Digital Power Network (DPN) is the largest coalition of Bitcoin miners and digital infrastructure providers in the United States, representing more than 85 percent of U.S. public Bitcoin mining hashrate. DPN advocates for policies that promote energy innovation, grid resilience, economic development, and the strategic role of digital infrastructure in the 21st-century economy.

As the Committee considers opportunities to modernize federal environmental review and permitting processes, DPN urges attention to several existing authorities that could be leveraged to unlock investment, accelerate responsible infrastructure deployment, and strengthen U.S. energy security. In particular, reforms to the National Environmental Policy Act (NEPA), expanded inclusion under Title 41 of the Fixing America's Surface Transportation Act (FAST-41), and targeted use of Nationwide Permit 39 (NWP 39) can meaningfully advance both digital and energy infrastructure- provided that Bitcoin mining is appropriately recognized alongside AI and advanced computing.

Why the Bitcoin mining and flexible load industry needs permitting reform

Bitcoin miners and AI data centers are among the largest private investors in new energy generation and transmission infrastructure in the United States, and they play a central role in driving clean-energy investment. Bitcoin mining alone operates on a diverse energy mix relying on about 55 percent renewable power while data centers collectively have driven approximately 41 percent of all clean-energy capacity added to the U.S. grid over the past

decade, according to the Clean Energy Buyers Association (CEBA)[1][2]. These investments finance new generation, strengthen local energy markets, and accelerate grid modernization, but they are increasingly constrained by permitting delays.

As transmission constraints and interconnection backlogs have grown, data centers have adopted innovative strategies to access power and support grid reliability, including colocation with generation, behind-the-meter resources, flexible-load participation, demand response, and virtual power plant integration. Flexible loads, in particular, have emerged as essential grid assets, supporting decarbonization and resilience by reducing reliance on peaker plants, expanding virtual power plant participation, and improving overall system efficiency[3].

These innovations, however, do not eliminate the need for broader energy and transmission buildout. Colocation and behind-the-meter strategies remain limited by delays in generation and transmission permitting, while flexible-load and demand-response participation continues to be constrained by slow interconnection processes and underbuilt transmission. Although operational flexibility has helped mitigate short-term constraints, both energy production and energy consumption remain fundamentally limited by permitting bottlenecks. The result is reduced infrastructure investment, higher costs, and slower deployment across the grid.

Absent permitting reform, environmental reviews under NEPA and the Clean Water Act will continue to delay critical generation, transmission, and compute projects. These delays restrict access to power for AI and Bitcoin mining facilities, with the computing facilities themselves often subject federal review in addition to the energy projects and on top of state and local requirements. In many cases, separate and overlapping reviews apply to both a data center and its associated energy infrastructure, compounding uncertainty, increasing project risk, and discouraging capital investment.

Failure to modernize the permitting system carries broader system-wide consequences. Capital uncertainty and project delays risk pushing investment overseas, while grid operators face declining reserve margins and are increasingly forced to delay retirements of older, higher-emitting resources. Although the industry has innovated to rely more heavily on

[1] https://www.jbs.cam.ac.uk/faculty-research/centres/alternative-finance/publications/cambridge-digital-mining-industry-report/
[2] https://cebuyers.org/wp-content/uploads/2025/09/CEBA-Report-Corporate-Demand-Drives-Clean-Energy.pdf
[3] https://rmi.org/wp-content/uploads/dlm_uploads/2024/09/power_shift_report.pdf

alternative interconnection strategies, the current regulatory framework continues to limit the speed at which grid-integrated facilities can be energized. This, in turn, constrains the ability of Bitcoin miners and data centers to provide demand response and reliability services. Thus, removing barriers to digital infrastructure expansion along with energy development is essential for sustained investment in U.S. power infrastructure, national energy security, manufacturing and technology leadership, regional energy diversity, and reducing pressure on long-term costs for consumers.

While AI data centers have increasingly been recognized as priority projects, gaining access to the FAST-41 review process and, more recently, Nationwide Permit 39, Bitcoin mining has not received comparable recognition despite its demonstrated grid and infrastructure benefits. This incontinuity is increasingly outdated. Bitcoin and AI infrastructure are converging, with many developers deploying dual-use data centers that support both workloads. Even independently, Bitcoin mining provides unique grid value by reducing peak demand during periods of system stress and acting as an offtaker for excess generation.

The recommendations below outline three targeted reforms that could unlock the value of stranded assets, expedite energization by ensuring parity between permitting for data centers and energy infrastructure, and fully include Bitcoin facilities within the broader data center permitting framework:

- NEPA reform
- Inclusion of Bitcoin mining under FAST-41
- Expansion of Nationwide Permit 39

NEPA reform

Technology neutral reforms under NEPA, similar to earlier versions of the House's SPEED Act (H.R. 4776), are necessary for both project developers and investors to provide certainty while preventing political favoritism from shaping energy development outcomes. NEPA's challenges extend beyond paperwork delays; the current framework introduces significant litigation risk and uncertainty by allowing permits and reviews to be withdrawn or stalled through protracted legal and political processes. Effective reform must address these structural issues while preserving core environmental protections.

Categorical exclusions are another area which must be addressed. With nearly 100,000 infrastructure projects subject to NEPA each year, it is critical for agencies to deploy

categorical exclusions (CE) wherever possible[4]. Specifically, CEs for brownfield redevelopments warrant additional consideration. The United States has more than 450,000 brownfield sites, which are abandoned or underutilized industrial properties such as former coal plants or aluminum smelters, that often retain access to critical infrastructure, including power, water, and telecommunications[5]. Redeveloping these sites offers developers an opportunity to revitalize communities historically dependent on prior industries while mitigating the environmental risks these sites frequently pose to surrounding areas.

Private-sector actors, including Bitcoin miners and AI data centers, have increasingly recognized this opportunity and are already repurposing such sites. However, redevelopment is often discouraged by permitting delays and liability concerns related to environmental contamination. The EPA's Brownfields Program, established under the Brownfields Reduction Act, plays a vital role in mitigating these risks and enabling reuse. To build on these efforts, Congress should work with the EPA to streamline federal permitting through categorical exclusions for the reuse of existing industrial infrastructure, particularly on previously disturbed lands.

Inclusion of Bitcoin mining under FAST-41

The FAST-41 framework has been instrumental in improving federal permitting coordination for energy and data center projects. Permitting delays directly threaten the United States' ability to maintain a competitive domestic digital infrastructure footprint by slowing the deployment of generation, transmission, manufacturing, and interconnection as well as the construction of the computing facilities themselves.

In 2022, FAST-41 was amended to include semiconductors, artificial intelligence and machine learning, high-performance computing, advanced hardware, quantum information science, data storage, and cybersecurity[6]. This was an important step. However, because Bitcoin mines function as high-density computing facilities, contributing to the security of a global financial network while also providing valuable grid services, the framework should be further updated to explicitly include Bitcoin mining and related manufacturing. Doing so would align federal policy with market realities, ensure consistent treatment across

[4] https://ceq.doe.gov/docs/laws-regulations/ceq-final-rule-fact-sheet-2020-07-15.pdf
[5] https://www.epa.gov/brownfields/about
[6] https://www.permits.performance.gov/fpisc-content/six-technology-related-infrastructure-sectors-added-fast-41

converging digital-infrastructure sectors, and provide appropriate oversight and recognition for Bitcoin's role in supporting grid reliability and energy investment.

Expansion of Nationwide Permit 39

Finally, DPN encourages the Committee to support expansion of Nationwide Permit 39 to include Bitcoin mining facilities, consistent with the recent inclusion of AI data centers[7]. The U.S. Army Corps of Engineers should be directed to clarify that Bitcoin mining data centers qualify as commercial and institutional developments under NWP 39, particularly for small-scale, grid-connected facilities or projects co-located with energy generation where environmental impacts are minimal under Section 404 of the Clean Water Act.

Nationwide permits are already applied to a wide range of activities, including mining operations, utility infrastructure, and now AI data centers. Bitcoin mining facilities-often powered by wind, solar, or hydro-present similarly low environmental risk, yet remain excluded from this streamlined permitting pathway. Extending NWP 39 to Bitcoin mining would remove unnecessary regulatory friction, accelerate responsible deployment, and align federal permitting treatment across the digital-infrastructure ecosystem.

As the Environment and Public Works Committee works to improve the nation's federal permitting and environmental review process, it is essential to recognize both the role Bitcoin miners and digital infrastructure providers play in supporting national energy resilience and the impact federal permitting has on their ability to do so. Modernizing permitting laws to support responsible data center development, including Bitcoin mining, and incentivize the industry to continue its investments in the nation's infrastructure must be a priority. DPN appreciates the Committee's attention to these issues and stands ready to serve as a resource as Congress continues its work to strengthen America's energy and technology systems.

Sincerely,

Digital Power Network

[7] https://www.federalregister.gov/documents/2026/01/08/2026-00121/reissuance-and-modification-of-nationwide-permits#h-10

Wednesday, January 28, 2026

The Honorable Shelley Moore Capito
Chairman
Committee on Environment & Public Works

The Honorable Sheldon Whitehouse
Ranking Member
Committee on Environment & Public Works

RE: Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II

Dear Chairman Capito, Ranking Members Whitehouse, and Members of the Committee:

On behalf of Americans for Prosperity grassroots activists across the country, we applaud today's hearing led by Chairman Capito and Ranking Member Whitehouse on federal permitting reform. We stand at a moment when the need for reform is clear and broadly shared—by industry, small businesses, farmers, families, townships, states, and the American people. Never has the signal for permitting reform been stronger, and the inflection point for legislative action is now.

Given the moment before the Members of this Committee, efforts to bring clarity to uncertainty, confidence to investment, predictability to regulation, and meaningful reform to the permitting process are within reach. Much has been discussed and negotiated, but we believe now is the time for the U.S. Senate to bring the long-running debate over permitting reform to a close. The consequences of inaction are significant: continued project delays, cancellations, and increasing strain on our nation's energy and infrastructure systems. We highlight these risks directly in a recently released Report, which underscores that the country cannot afford further delays caused by federal bureaucracy or permitting bottlenecks.

- Of the 30 energy projects across the six states (Arizona, Montana, Nevada, Ohio, Pennsylvania, and West Virginia) examined in the Report, the combined delays and cancellations cumulatively cost the states at least 50,000 new jobs and nearly $75 billion in estimated economic benefits.
- The TransWest Express Transmission project was stuck in the permitting process for 15 years before securing its approval in 2023. The project is still under construction and won't deliver energy to ratepayers until at least 2027.
- The Resolution Copper Mine, a mineral desperately needed for many electrification projects, mired in the permitting process for 10 years before securing approval in 2025. The project has not yet begun, as it faces new legal challenges.

The leadership demonstrated by this Committee through today's hearing can serve as a critical catalyst to move energy and permitting reform from discussion to implementation. In parallel, the House of Representatives has advanced several germane, opportunity-driven bills in a bipartisan manner, demonstrating that progress is not only possible, but achievable through regular order.

Chairman Westerman of the Committee on Natural Resources, Chairman Sam Graves of the Transportation and Infrastructure Committee, and Chairman Brett Guthrie of the Energy and Commerce Committee have each advanced regular-order legislation—including H.R. 4776, the SPEED Act; H.R. 3898, the PERMIT Act; and H.R. 3668, the Improving Interagency Coordination for Pipeline Reviews Act—in bipartisan fashion. We commend those efforts and applaud Chairman Capito and Ranking Member Whitehouse for working to advance a similar approach in the Senate.

With leadership from the Environment and Public Works Committee on permitting reform, the Senate can provide the certainty and assurance innovators and entrepreneurs need to power the next technological

revolution—regardless of shifts in public rhetoric. For our national security, economic strength, and the well-being of the American people, we urge Members to work earnestly toward legislative solutions to challenges that fall squarely within Congress's responsibility.

We appreciate the opportunity to hear testimony from all perspectives at today's hearing and thank Chairman Capito and Ranking Member Whitehouse for ensuring a thoughtful and balanced witness panel. Compromise remains one of America's greatest strengths, and it is essential to delivering durable, bipartisan reform.

As this Committee continues its work, Americans for Prosperity stands ready to support serious, good-faith efforts to modernize federal permitting and restore confidence in our nation's ability to build. The American people are looking to Congress to lead, and this moment presents a clear opportunity for the Senate to act decisively, responsibly, and in the national interest.

Sincerely,



Brent Gardner
Chief Government Affairs Officer
Americans for Prosperity

Transmission Priorities for Federal Permitting Reform

January 2026

The U.S. is experiencing rapid growth in electricity demand from data centers, manufacturing, and other strategic industries, with recent analyses projecting load increases of roughly 25% by 2030 and more than 75% by 2050 relative to 2023 levels.[1] Yet the high-voltage transmission system needed to move power to homes and businesses is not being built fast enough to keep up. Recent power system studies demonstrate that U.S. transmission capacity could be roughly doubled by 2035 by replacing antiquated wires with advanced conductors, at a fraction of the cost and time required for new construction.[2] Accelerated transmission expansion can reduce national electricity system costs by roughly $270-$490 billion through 2050 via lower congestion and improved access to least-cost generation.[3] A modern, well-planned grid lowers costs for consumers, improves reliability during extreme weather, and supports economic development across the country. It also allows new energy resources to be delivered using fewer new corridors, reducing impacts on communities, wildlife, and sensitive habitats.

Federal permitting reform is a key opportunity to expand and modernize the grid by improving agency coordination, streamlining reviews, and ensuring projects are sited responsibly. The National Wildlife Federation (NWF) supports a permitting framework that delivers reliable, affordable energy while protecting the nation's lands, waters, wildlife, and communities.

NWF recommends that Congress include ten key transmission provisions in federal legislation on permitting in order to ensure a modern and reliable electric grid able to support new load growth. Together, these provisions are designed to advance:

- *Existing infrastructure capacity maximization*: Policies and incentives that encourage use of grid-enhancing technologies, advanced conductors, and reconductoring to increase transmission capacity within the existing system where cost-effective, efficient, and technically and environmentally feasible
- *Existing right-of-way prioritization*: Planning and permitting practices that incentivize and prioritize transmission upgrades and expansion in existing degraded rights-of-way to minimize new land disturbance, habitat fragmentation, and community impacts
- *Predictability*: Clear, durable federal and regional decision-making that reduces uncertainty for communities, developers, and agencies
- *Efficiency*: Streamlined, coordinated reviews that shorten timelines without compromising analytical rigor
- *Grid reliability & resilience:* Transmission planning and standards that anticipate extreme weather, shifting load, and long-term grid needs
- *Affordability*: Consumer-focused approaches that reduce congestion costs and ensure fair distribution of project benefits and costs nationwide
- *Accountability*: Transparent planning, modeling, and benefit standardization frameworks that ensure decisions reflect public interest, not narrow state or utility incentives

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[1] Batra et al., *Rising current: America's growing electricity demand*, ICF (2025), https://www.icf.com/-/media/files/icf/reports/2025/energy-demand-report-icf-2025_report.pdf

[2] *Advanced conductors provide path for grid expansion*, University of California Berkeley (Sep. 19, 2025), https://erg.berkeley.edu/news/advanced-conductors-provide-path-grid-expansion

[3] U.S. Dep't of Energy, *National Transmission Planning Study* (2024), https://www.energy.gov/sites/default/files/2024-10/NationalTransmissionPlanningStudy-ExecutiveSummary.pdf

- *Wildlife & habitat stewardship*: Transmission planning and siting that avoid high-conflict wildlife areas where possible and incorporate mitigation where needed
- *Community engagement*: Early, consistent, and well-resourced Tribal, local, and landowner participation to avoid conflict and improve project outcomes
- *Environmental integrity*: Strong, science-based environmental reviews that maintain public trust while enabling timely, coordinated decisions

Recommended legislative provisions include:

1. **Strong interagency coordination & federal capacity for permitting**
   Congress should strengthen federal coordination for transmission buildout by:
   - Increasing technical staffing capacity at the Federal Energy Regulatory Commission (FERC), the Department of Energy (DOE) Grid Deployment Office, and the Department of Interior (DOI);
   - Requiring unified federal permitting schedules for transmission projects, with concurrent (rather than sequential) environmental and land management reviews wherever technically feasible;
   - Directing DOE and FERC to maintain integrated, transmission-focused geospatial and system planning tools (such as interregional transfer capability maps, congestion/curtailment data, resource adequacy forecasts, and existing right-of-way inventories) to guide corridor planning and reduce redundant analysis;
   - Requiring early federal coordination on large load forecasts (e.g., data centers, industrial electrification, hydrogen hubs, and manufacturing clusters) and integrating these projections into long-range grid modeling and transmission planning;
   - Establishing project-level interagency dispute resolution mechanisms that set timelines for resolving technical disagreements without bypassing environmental protections or public participation;
   - Requiring federal agencies to publish consistent data standards, modeling inputs, and scoping expectations for multi-state transmission reviews to reduce contradictory requirements between FERC, DOE, Bureau of Land Management (BLM), U.S. Forest Service (USFS), and other permitting entities;
   - Requiring federal agencies to apply coordinated, predictable linear infrastructure permitting timelines and analytical standards across DOE, FERC, DOI, and the U.S. Army Corps of Engineers, so clean energy transmission is not procedurally disadvantaged relative to fossil pipelines, while maintaining robust environmental, Tribal, and community protections;
   - Allowing federal agencies to adopt joint environmental documents and coordinated comment periods for transmission lines crossing multiple jurisdictions, reducing duplicative analysis while strengthening review quality; and
   - Providing federal funding and staffing support for state and Tribal governments so they can engage meaningfully in transmission planning and federal permitting processes.

   This tackles the real drivers of delay such as fragmented roles, inconsistent modeling requirements, insufficient staffing, and uncoordinated review processes, rather than diluting the rigor of environmental analysis.

2. **Tailored judicial review process for transmission projects**
   Congress could adopt judicial review provisions tailored to large linear transmission projects by establishing for such projects:
   - A *reasonable* statute of limitations of at least one year after Federal Register publication of the final Record of Decision, ensuring communities and Tribes have meaningful time to prepare challenges while preventing multi-year uncertainty;
   - Exclusive initial review in a single, predetermined federal court of appeals, with venue selection specified by statute (e.g., assigning multi-state or interregional transmission projects to the D.C. Circuit and single state projects to the circuit where the project is located), to ensure consistent interpretation of federal environmental statutes and avoid forum shopping;

- Procedural coordination measures that promote transparency and efficiency, such as consolidated administrative records and coordinated briefing schedules, implemented consistent with the Federal Rules of Appellate Procedure and applicable circuit rules, and without altering substantive rights, evidentiary standards, standing, remedies, or judicial discretion;
- A requirement that agencies timely compile and disclose a complete administrative record before expedited appellate review, preventing rushed litigation based on incomplete information and protecting the integrity of scientific and environmental analysis while preserving existing rights to challenge the adequacy of the record;
- Clear, affirming provisions for intervenor participation that preserve timely and meaningful access for Tribes, nongovernmental organizations, affected communities, and landowners (e.g., clear timelines for intervention, early resolution of participation status, consolidation of intervenor input where appropriate), to reduce late-stage procedural challenges; and
- Judicial remedies that expressly preserve courts' traditional equitable authority, including the ability to vacate unlawful permits, without statutory constraints on how that authority is exercised.

These provisions provide predictability and timeliness for high-value transmission projects while fully preserving meaningful judicial oversight, community access, and environmental review.

3. **Grid-enhancing technologies, reconductoring, and right-of-way sequencing**
Congress should direct FERC to require that transmission providers and project developers include a standardized alternatives analysis as part of transmission planning and federal permitting reviews that evaluates:
   - Reconductoring using advanced conductors;
   - High-voltage direct current (HVDC) overlays where alternating current (AC) reinforcements are inefficient;
   - Co-location opportunities along existing linear infrastructure (e.g., pipelines, rails, highways, and existing transmission rights-of-way);
   - Dynamic line ratings with fully deployed sensor infrastructure;
   - Advanced power flow control devices (e.g., flexible alternating current transmission siting devices and phase-shifting transformers);
   - Improving grid layouts to relieve major constraints;
   - Wildlife-compatible design (e.g., line marking, structure design, avian-safe spacing, and use of native vegetation and restoration practices); and
   - Opportunities for dynamic and static reactive power compensation to increase thermal headroom on existing lines.

   This requirement reduces new greenfield disturbance and habitat fragmentation, improves public acceptance, minimizes land conflicts, and speeds reviews by demonstrating structured avoidance. It may be structured as a requirement or an incentive.

4. **Wildlife-safe, ecosystem-protective, Tribal-forward, community-centered siting standards**
Congress should establish technical siting standards for major transmission lines that prioritize use of existing rights-of-way and previously disturbed landscapes wherever feasible. These standards should be grounded in a clear mitigation hierarchy of avoidance, minimization, and mitigation to reduce impacts to wildlife, biodiversity, water resources, and communities. Specific elements should include:
   - Designating enhancements of existing transmission lines (e.g. reconductoring, repowering with HVDC, expansions within a reasonable extent) and work in existing degraded rights-of-way as eligible for streamlined and tiered environmental review under *National Environmental Policy Act* (NEPA), including programmatic and corridor-level analyses where warranted;
   - Early-stage evaluation of opportunities to avoid greenfield impacts by routing along existing rights-of-way, infrastructure corridors, or other low-conflict areas before proposing new corridors;

- GIS-based mapping of wildlife corridors, rare and sensitive ecosystems, high biodiversity areas, surface and groundwater resources, and fragmentation-sensitive habitats, including migratory flyways and ungulate corridors;
- Landscape-scale cumulative impact analysis for multiple linear infrastructure projects across the same region, including combined effects on habitat connectivity, water resources, and habitat integrity;
- Early phase Tribal engagement, incorporating cultural resource surveys and capacity support;
- Community benefit frameworks (e.g., reliability upgrades, local bill savings, community resilience hubs, local jobs, and vegetation management co-benefits);
- Clear thresholds for when undergrounding must be evaluated (e.g., near Tribal cultural sites or sensitive habitats); and
- Public release of siting constraints maps and alternatives that are rejected, including documentation of how avoidance and minimization options were assessed.

This approach avoids high-conflict routing, improves environmental outcomes, and reduces litigation risk by embedding mitigation strategies and technical safeguards into transmission siting decisions.

For additional guidance on wildlife-compatible transmission siting, see NWF's *Wires and Wildlife* reports on western wildlife migration and marine ecosystems, which outline siting considerations, avoidance strategies, and mitigation measures to reduce transmission impacts on wildlife habitats.

5. **Strong long-range, scenario-based regional & interregional planning**
Congress should create a statutory long-range transmission planning requirement under the *Federal Power Act* that directs FERC to establish rules that:
   - Use 15-20 year forward planning horizons capturing electrification, large load development (e.g., interconnections from data centers and industrial facilities), and thermal fleet retirements;
   - Include scenario-based modeling, including extreme weather stress tests, wildfire risk, high-impact reliability events (heat domes, polar vortices, and drought-induced hydropower constraints);
   - Incorporate probabilistic planning methods to reflect non-linear reliability risks and resource variability;
   - Require evaluation of transmission and generation portfolios on a coordinated basis, instead of siloed analysis;
   - Identify clear triggers for neighboring regional transmission organizations (RTOs) and independent system operator (ISOs) to conduct joint planning when reliability metrics fall below thresholds, transfer capability is insufficient, grid congestion persists, or when there are sustained regional price gaps indicating signal system stress;
   - Require standardization of benefit metrics across RTO and ISO seams (i.e., reliability, economic, and resilience values quantified using uniform tools) and quantification of multi-value benefits (including congestion relief, emissions reductions, and avoided generation capacity) to ensure consistency; and
   - Ensure public availability of core modeling assumptions and key grid data used in planning studies to allow for independent technical review.

   This helps close the current regulatory gap where regional planning is conducted inconsistently, with no enforceable cross-seam obligations, and which often trigger major outages and price spikes.

6. **Functional federal backstop for multi-state transmission (modernized national interest corridor + FERC siting authority)**
In the long term, Congress should modernize national interest electric transmission corridor (NIETC) criteria and federal backstop siting authority by:
   - Updating NIETC designation to apply to areas with quantifiable reliability, resilience, and affordability constraints (not solely congestion metrics);
   - Allowing FERC to issue a construction permit if a state:
     - Fails to act within a defined period,
     - Denies a project without substantial evidence, and
     - Imposes conditions inconsistent with federal reliability standards;

- Requiring concurrent programmatic NEPA analyses (and other environmental reviews under the *Endangered Species Act*, *National Historic Preservation Act*, etc.) for corridor-level wildlife, habitat, and cultural impacts;
- Embedding government-to-government Tribal consultation, with early scoping and capacity support; and
- Requiring FERC to consider HVDC vs AC topology tradeoffs, inverter-based resource integration needs, and regional load forecast uncertainties.

This creates a technically rigorous federal path for projects with multi-state system value, without weakening environmental review.

7. **Public lands transmission reforms**
Congress should establish a dedicated federal framework for permitting transmission on federal lands, applicable across land management agencies including BLM, USFS, U.S. Fish and Wildlife Service (FWS), the National Park Service (NPS), and other relevant agencies. Such a framework should:
   - Require programmatic, corridor-level transmission planning on federal lands that incorporates ecological integrity, biodiversity, watershed protection, fragmentation sensitivity, and Tribal/cultural resources into siting layers;
   - Prioritize use of existing designated corridors, previously disturbed lands, and other lower conflict areas on federal lands before proposing new greenfield routes, with transparent justification when new corridors are needed;
   - Create a uniform, transparent process for Notices to Proceed (NTPs), including publication of timelines, required conditions, and appeals processes;
   - Provide dedicated capacity funding for federal land management agencies to support interdisciplinary staff, such as biologists, NEPA analysts, and engineers;
   - Accelerate reconductoring, HVDC upgrades, and capacity expansions within existing rights-of-way through programmatic review, tiered site-specific analysis, and expedited permitting pathways that maintain environmental protections, and with agencies retaining discretion to apply existing NEPA tools, such as categorical exclusion, consistent with public notice and comment requirements;
   - Establish a coordinated, multi-agency review schedule (in collaboration with DOE) for multi-jurisdiction lines to eliminate duplicative consultations and conflicting data requests; and
   - Develop cross-agency geospatial tools for wildlife, hydrology, watershed sensitivity, fire risk, and other environmental constraints.

   This reduces uncertainty, ensures consistent application of federal siting standards, and accelerates high-value transmission development while minimizing new land disturbance and environmental conflict.

8. **Beneficiary pays, multi-value standardization of benefits**
Congress should direct FERC to adopt a benefit standardization framework with consistent benefit categories that include:
   - Quantifiable reliability benefits (e.g., loss of load expectation and effective load carrying capability improvements, and reduced forced outage risk);
   - Economic benefits (e.g., production cost savings, congestion cost reduction, and least mean power convergence);
   - Resilience benefits (e.g., loss of load probability under extreme events and fuel supply risk mitigation);
   - Capacity benefits (e.g., avoided or deferred new generation plus storage investment);
   - Flexibility benefits (e.g., ability to integrate inverter-based resources and co-optimize across seams);
   - Wildfire risk mitigation where appropriate (e.g., reducing congestion on constrained paths during fire events);
   - Distributional equity impacts, including effects on low-income customers;
   - Voltage support and stability benefits (e.g., dynamic reactive power support, reduced risk of cascading outages, and improved transfer stability margins);

- Resource adequacy and diversity benefits (e.g., reduced coincident peak risk, diversity in load and renewable generation profiles, and improved capacity sharing across regions); and
- Reduced curtailment and improved utilization of existing generation and storage.

This will help reduce litigation, align regional assumptions, and prioritize projects that deliver system-wide value, not politically expedient routing.

9. **Minimum interregional transfer capability standards (federal reliability requirement)**
Congress should direct FERC to establish minimum interregional transfer capability requirements, similar to North American Electric Reliability Corporation (NERC) reliability standards, including:
   - A minimum interregional transfer capability (e.g., at least 20-30% of peak load should be available for import/export between neighboring regions);
   - Capability defined as firm, available transfer capacity (rather than raw thermal capacity), accounting for N-1-1 contingencies (i.e., the ability to withstand the failure of one major element, recover, and then withstand a second major failure without uncontrolled temporary shutdowns);
   - Required demonstration that transfer capability is sufficient for extreme weather scenarios and loss of major generation nodes; and
   - RTO/ISOs must file compliance plans detailing reinforcements, reconductoring, the use of advanced grid devices that increase how much power existing lines can safely carry, and new HVDC or AC expansions.

   This reduces the frequency of load shedding events, improves emergency power sharing, decreases the number of new intraregional lines required, lowers cumulative wildlife and habitat disturbance, and reduces congestion and peak event price spikes for consumers by building high capacity, high value interregional links.

10. **Transmission investment tax credit (ITC) to enable high-voltage multi-regional lines**
Through legislation complementary to a permitting proposal, Congress should establish a targeted Transmission Investment Tax Credit to reduce the capital cost and financing barriers for major regional and interregional upgrades. A federal ITC should:
   - Apply to high capacity, multi-value regional and interregional transmission lines (e.g., ≥345 kV AC or HVDC lines delivering quantifiable reliability, congestion, and resilience benefits);
   - Cover both new lines and major capacity increasing upgrades (e.g., HVDC conversion, reconductoring with advanced conductors, and adding sensors for dynamic line rating);
   - Be structured to avoid subsidizing unnecessary local lines, with eligibility tied to demonstrated system-wide benefits validated through regional planning processes;
   - Require developers and transmission owners to demonstrate benefit-cost ratios and avoided cost justification as part of ITC eligibility, to ensure the credit supports projects that deliver measurable reliability and affordability benefits rather than overbuilt or low-value local upgrades;
   - Allow bonus credit rates where projects: reuse existing rights-of-way, reduce cumulative land disturbance, institute wildlife habitat restoration practices, and/or demonstrate co-benefits for reliability and affordability across multiple regions;
   - Include strong transparency requirements on ratepayer impacts to ensure savings from the credit flow through to consumers; and
   - Be available to both transmission-owning utilities and independent transmission developers under a technology-neutral structure.

   A transmission ITC accelerates capital intensive, high-value lines that regional planning consistently identifies but that often fail due to upfront cost, financing risk, or state-level political barriers.

For more information on the National Wildlife Federation's transmission priorities, please contact: Shriya Pai, PhD, Senior Transmission Policy Specialist, PaiS@nwf.org.