

U.S. Permitting Delays Hold Back Economy, Cost Jobs



Failure to act on permitting reform puts an estimated **100 gigawatts (GW) of clean energy projects at risk** of significant delay.

These delays represent:

- **\$100 billion+** of lost investment
- **150,000** fewer American jobs
- **550 million metric tons** of additional carbon emissions this decade (equal to annual emissions of **120 million cars**)
- **Delayed energy independence from foreign sources**

The project delays at risk also include over **40 GW** of projects reliant on the siting and permitting of **new transmission lines**.

The American Clean Power Association supports commonsense infrastructure permitting reform to unlock clean energy, American investment, and jobs – without jeopardizing our bedrock environmental laws.

Successful deployment of wind, solar, storage, hydrogen and transmission projects requires a predictable, timely, and cost-effective permitting framework. However, the current process is anything but.

Today, the average timeline for a project to obtain necessary National Environmental Policy Act (NEPA) reviews is 4.5 years. For transmission projects, the average timeline is even longer – 6.5 years.

These undue delays mean that it can take some projects more than a decade to get a permit. Such long timelines for clean energy projects – largely due to procedural inefficiencies in implementation rather than problems with the law itself – serve as a roadblock to unlocking the full potential of U.S. clean energy currently being developed.

Delays create uncertainty and raise costs for project developers, as projects are typically not allowed to move forward until NEPA analyses are finished. Meanwhile, loans and other obligations must be paid and materials must be purchased and stored. These delays can also have ripple effects throughout the economy – throwing off project timelines, domestic supply chains, and the jobs and economic activity tied to these projects.

It shouldn't take up to a decade just to permit an energy project.

Congress should consider reasonable reforms to the permitting process that will help ensure it strikes the right balance of timely decisions for projects while preserving thorough environmental reviews.

ACP's Permitting Reform Recommendations

Across clean energy infrastructure, ACP recommends reforms to the National Environmental Policy Act (NEPA), including:

- Establishing **presumptive 1-2 year time limits** for environmental reviews;
- Enhancing **lead agency** authorities to spearhead environmental reviews;
- Mandating **coordinated execution of NEPA reviews** and other agency consultation processes.
- Ensuring that **NEPA alternatives** are feasible and meet the purpose and need of the project;
- Expanding use of **categorical exclusions** to accelerate projects that do not pose significant impacts to the environment;
- Using **previously completed environmental reviews** to avoid redundancy; and
- Maximizing the use of **programmatic approaches** to permitting and environmental reviews.



Presumptive NEPA Action Time Limits

Codify presumptive time limits of 2 years for all environmental impact statements (EISs) and one year for an environmental assessment. Milestones can help support the timely completion of environmental reviews.

Enhancing Lead Agency Authorities

Project delays often occur due to a lack of coordination and communication between lead and participating/cooperating agencies. To address this, Congress should require greater interagency coordination in NEPA reviews, including:

- Enhancing the designation of 1 agency to lead each multi-agency environmental review and have greater oversight in the process; and
- Tasking lead agencies to develop a single permit plan and permitting timetable for the necessary environmental review and approvals.

Mandating Coordinated Execution of NEPA Reviews

Congress should require greater coordination that consultations, such as those under the Endangered Species Act and the National Historic Preservation Act, be conducted in parallel with NEPA reviews. This will help ensure that decisions are timely and efficient.

Requiring Feasible NEPA Alternatives

Require that an applicant's "purpose and need" is the main factor for determining what are reasonable alternatives to be considered, thereby ensuring that technically and/or economically infeasible alternatives do not absorb valuable agency and stakeholder resources. This will help reduce project delays as a result of unnecessary agency analysis.

Expanding Categorical Exclusions

Direct the Council on Environmental Quality (CEQ) to issue further guidance on establishing, applying, and revising categorical exclusions for clean energy infrastructure. This will allow limited resources to be focused on actions that have significant effects.

Utilizing Previous NEPA Reviews

Codify a requirement for federal agencies to use previously completed Environmental Impact Statements (EISs) and Environmental Assessments (EAs) to satisfy NEPA requirements with respect to approving any proposed energy infrastructure project. Avoiding redundant reviews will help expedite the process.

Maximizing the Use of Programmatic NEPA Reviews

Direct federal agencies to maximize the use of programmatic approaches to permitting and environmental reviews for onshore clean energy infrastructure projects and require CEQ to provide guidance on when and how agencies can use such reviews. This will help agencies know when or how to optimally use programmatic EISs and efficiently allow projects to tier to them in future projects.

ACP recommends the following offshore wind specific permitting reforms:

- Clarify that National Oceanic and Atmospheric Administration (NOAA) has the authority to issue offshore rights of way for transmission within NOAA national marine sanctuaries for projects that are located outside of the sanctuary, as long as they are not determined incompatible with the purpose of the marine sanctuaries. This would ensure that certain offshore wind projects are not boxed out of sending their power to the shore.
- Create parity in judicial review of offshore wind and oil and gas projects by allowing U.S. Courts of Appeal to have original jurisdiction over approvals of offshore wind plans. This would limit the ability of opponents of offshore wind to engage in endless appeals.
- Clarify that the construction and operation of offshore renewable energy projects does not require Clean Air Act permits in light of their long-term air emission reductions. This would align the air permitting requirements for offshore wind energy with onshore wind.

ACP also recommends transmission siting reform:

Providing the Federal Energy Regulatory Commission (FERC) plenary authority to site certain long-haul transmission lines that are determined to be in the national interest (over a certain voltage threshold and across multiple jurisdictions).