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Tackling the Problem of Permitting Summary of Comments - March 2023

On March 22, 2023, OurEnergyPolicy hosted a discussion on the permitting process and the hurdles energy projects face at the local, state and federal level. Below is a summary of comments made by the speakers, and does not reflect the views of OurEnergyPolicy. Find the recording here.

SPEAKERS



Jeff Weiss Executive Chairman Distributed Sun Moderator



Emily Wong Director - Federal Relations American Petroleum Institute



Karen Hanley Senior VP of Policy The Permitting Institute Development Director



Dr. Paul Phifer Permitting & Attentive Energy

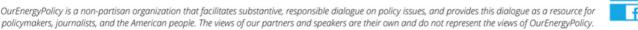
EnergyDialogue OurEnergyPolicy

Summary of Key Points

- Energy infrastructure projects currently face a complicated, often uncoordinated permitting landscape that significantly extends project timelines.
- Fundamental process improvements can improve the permitting landscape while maintaining environmental safeguards as established by the National Environmental Policy Act (NEPA).
- Successful implementation of the Inflation Reduction Act (IRA), Bipartisan Infrastructure Law (BIL), and the CHIPS and Science Act depend on energy permitting reform, and the U.S. energy economy cannot advance without it.

The Permitting Process

- Actors across the energy sector agree on the need for greater <u>clarity</u>, <u>consistency</u>, and predictability throughout the permitting process. Currently, federal, state and local regulatory agencies often have overlapping jurisdictions which can lead to confusion and redundancies in securing permits for energy projects.
- <u>Due diligence</u> regarding environmental and community impacts is vital to energy project success, but clarity of expectations for such assessments would enable more efficient project development without sacrificing these safeguards.



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Clarity, Consistency and Predictability

- Efficient project development depends on effective project management and strong leadership.
 - <u>Clarifying expectations</u> throughout the permitting process will inherently lead to shorter timeframes by enabling leaders to plan in advance for resource and staffing needs, rather than reacting to unexpected roadblocks along the way.
- Energy permitting policies are an expression of values and risk management, balancing the short-term risks of project development with the long-term benefits of power production and transmission.
 - <u>Congressional permitting reform</u> that sets specific benchmarks and consistent standards would help clarify the process but requires a holistic outlook and a <u>technology-neutral standard</u> that is applicable to all energy technologies.
- A more predictable and consistent permitting process will lead to more judicially durable energy projects that are less likely to be held up in court, thus accelerating project timelines.
 - <u>Stabilizing the permitting process</u> via Congressional action may also avoid periodic unpredictability that can arise as political headwinds change between Presidential administrations. Long-term clarity in this fashion will enable developers to plan farther ahead and shorten project timelines.
 - <u>Setting a clear tone for implementation</u> will filter down from federal agencies to state and local regulators, and is the best way to streamline the permitting process as most decisions are made at an individual level.
- <u>Fundamental process improvements</u> can be made without sacrificing environmental and community impact safeguards as established by NEPA. Energy project managers should <u>engage with impacted communities</u> early and often in the project development process.

Considerations for the Future

- No large-scale energy infrastructure projects like those funded by the IRA, BIL, and CHIPS Act can move forward without Congressional permitting reform. Panelists are hopeful the current momentum behind this issue will lead to productive, bipartisan action in the near future.
- Emerging energy technologies, like carbon capture and hydrogen, will also benefit from permitting reform as they scale up and seek to expand generation and transmission capacity. Applying lessons from existing technologies to novel energy projects will be vital to driving the energy transition forward.

