Legislative Hearing on the "Standardizing Permitting and Expediting Economic Development Act" or the "SPEED Act"

Committee on Natural Resources

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Chairman Westerman, Ranking Member Huffman, and distinguished members of the Committee, thank you for the opportunity to appear before you today. My name is Nick Loris, and I am the Executive Vice President of Policy for the Conservative Coalition for Climate Solutions (C3 Solutions). C3 Solutions is a 501(c)(3) think tank focused on accelerating innovation to meet America's energy needs and environmental ambitions.

Efficient permitting processes are crucial to satisfy America's energy and infrastructure demands, as well as its environmental goals. Increasing energy supplies will lower costs for families and businesses while enhancing reliability and maintaining America's leadership as an energy superpower. A clearer, more transparent process for infrastructure projects will maximize taxpayer value and speed up the construction of roads, bridges, ports, and other vital infrastructure. Accelerating forest restoration and conservation efforts will help to reduce the risks and costs associated with wildfires and other ecological challenges.

While many regulatory reforms are necessary at the federal, state, and local levels, one law in desperate need of modernization is the National Environmental Policy Act (NEPA). Enacted in 1970, policymakers designed NEPA to ensure federal projects consider environmental impacts. A well-intentioned "look before you leap" statute, NEPA has devolved into paralysis by analysis, inviting protracted legal battles.

With bipartisan, bicameral interest in permitting reform, it is an opportune moment for a policy realignment that focuses on building rather than blocking. Permitting reform must be a policy focus if the U.S. wants to maintain its economic competitiveness, energy dominance, and environmental quality.

My written testimony consists of the following four sections:

- **The Need**: Why permitting reform is essential to meet America's energy and infrastructure needs and environmental objectives.
- The Problem: Statistics and stories of a well-meaning law gone awry.

- The Fix: Reforms to innovate, invest, and build for a more prosperous and cleaner future.
- **The Benefits:** How permitting reform will benefit families, businesses, project developers, and the environment.

# The Need: Why permitting reform is essential to meet America's energy and infrastructure needs and environmental objectives.

Projects that require federal permits are critical to many sectors of the U.S. economy. Expedited permitting for natural resource extraction, energy production, minerals, and linear infrastructure enables America to capitalize on its abundance of natural resources while reducing its reliance on adversarial foreign suppliers, such as China and Russia. A well-functioning transportation system is necessary to move products to businesses and consumers across the country, reducing the transportation costs associated with supply. Active land management promotes healthier ecosystems and reduces the risk of extreme weather. A more efficient permitting process will help address these needs.

### Energy Demand is Rising

The United States is a global leader in energy production. According to the U.S. Energy Information Administration (EIA), the United States generated more energy in 2024 than ever before. As reported in the EIA's Monthly Energy Review, natural gas, crude oil, natural gas plant liquids, biofuels, solar, and wind all achieved domestic production records last year. With abundant natural resources and advancements in innovative technologies such as advanced geothermal energy, modular nuclear reactors, and long-duration storage, the United States is well-positioned to maintain and grow its global energy leadership. This is true despite clunky, confusing, and redundant permitting processes that create a massive amount of uncertainty and slow the deployment of innovative, cleaner technologies.

Despite significant current energy production, the supply of electricity must increase urgently to keep pace with rising demand, primarily driven by the expansion of data centers. Across the U.S., electricity prices are more than double the inflation rate.<sup>3</sup> Although estimates vary, the EIA predicts commercial electricity demand will grow by 3% in 2025 and 4.5% in 2026. Industrial electricity use is expected to grow by 2% and 3.5% during those years.<sup>4</sup> Electricity demand from data centers alone could double by 2030, making up 9 percent of total U.S. consumption—roughly 6 times the equivalent of New York City's power use.<sup>5</sup>

Reliability is also a concern. The North American Electric Reliability Corporation (NERC) is sounding the alarm with warnings of future power outages throughout critical regions of the

<sup>&</sup>lt;sup>1</sup> U.S. Energy Information Administration, "In 2024, the United States produced more energy than ever before," June 9, 2025, <a href="https://www.eia.gov/todayinenergy/detail.php?id=65445">https://www.eia.gov/todayinenergy/detail.php?id=65445</a>

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> U.S. Bureau of Labor Statistics, Consumer Price Index Survey, August 12, 2025, <a href="https://www.bls.gov/news.release/cpi.nr0.htm">https://www.bls.gov/news.release/cpi.nr0.htm</a>
<sup>4</sup> Ibid

<sup>&</sup>lt;sup>5</sup> Robert Walton, "US data center electricity demand could double by 2030, driven by artificial intelligence: EPRI," Utility Dive, May 30, 2024, https://www.utilitydive.com/news/artificial-intelligence-doubles-data-center-demand-2030-EPRI/717467/

United States.<sup>6</sup> As power plants are being retired, utilities are struggling to bring new supplies online. PJM, an electric transmission operator, expressed similar concerns about the slow process of getting new generation online. If energy production can't meet this growing demand, households and businesses will face higher bills, and additional load without new generation will strain the grid.

The U.S. and global economy will also need more critical minerals. Nearly all the modern technologies Americans depend on, such as cell phones, laptops, appliances, and vehicles, require critical minerals. They serve as the foundation that allows companies to build, manufacture, and innovate. These minerals are vital inputs for producing affordable energy, maintaining stable food supplies, developing defense technologies, and advancing modern medicine. Notably, clean energy technologies require significantly more minerals than traditional ones. Comparing electricity sources to a natural gas-fired power generation, offshore wind is 13 times more mineral-intensive, onshore wind is nearly 9 times more, solar photovoltaics are almost 6 times more, and nuclear power is 4.5 times more.<sup>7</sup> Likewise, electric vehicles demand six times more minerals of concern than vehicles with internal combustion engines.<sup>8</sup>

Liberating the abundance of domestic resources and improving efficiencies for private enterprises will help combat rising prices for mineral commodities, establish more secure supply chains, and diversify away from unethically sourced minerals.

## Reliable Infrastructure is the Backbone of the Economy

Affordable, reliable transportation is essential for everyday life, and sound transportation policy can have profound positive effects on the economy, the environment, and the lives of all Americans. The transportation sector affects personal comfort, the cost of goods and services for families, and the communities where people choose to live. Cars and trucks provide the means to get to work, take kids to soccer practice, and go on road trips with friends. Freight rail and long-haul trucks connect farmers in the Midwest with grocers in the Southeast. Ships and planes connect American companies with global customers and enable travelers to see parts of the world easily and comfortably that our ancestors could only dream of.

Often taken for granted, the importance of efficient goods movement became highly evident when the COVID-19 pandemic disrupted U.S. supply chains for years. A complex and resilient network of highways, railroads, waterways, ports, and airports helps keep grocery stores stocked with food, hospitals supplied with medicine, homes powered with reliable energy, and materials available for construction and manufacturing. According to the U.S. Department of Transportation, "the U.S. transportation system moved a daily average of about 55.5 million tons

<sup>8</sup> Ibid.

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<sup>&</sup>lt;sup>6</sup> North America Reliability Council, 2025 Summer Reliability Assessment, May 2025, https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC\_SRA\_2025.pdf

<sup>&</sup>lt;sup>7</sup> International Energy Agency, "The Role of Critical Minerals in Clean Energy Transitions: Executive Summary," March 2022, <a href="https://www.iea.org/reports/the-role-of-critical-minerals-in-clean-energy-transitions/executive-summary">https://www.iea.org/reports/the-role-of-critical-minerals-in-clean-energy-transitions/executive-summary</a>

of freight valued at more than \$51.2 billion. This is equivalent to approximately 20.2 billion tons or \$18.7 trillion of freight moved annually."

In addition to meeting families' daily needs and ensuring that Amazon packages arrive promptly at doorsteps, the transportation sector is a significant part of the U.S. economy. Supporting around 16 million jobs in direct and related industries (more than 10 percent of the nation's workforce)<sup>10</sup>, the transportation sector contributed \$1.8 trillion to the gross domestic product (GDP), accounting for 6.5 percent of the total U.S. GDP.<sup>11</sup>

As policymakers work to strengthen America's infrastructure and decrease the environmental impacts of the sector, permitting reform will enhance supply chains, support American businesses, and improve consumer welfare. Importantly, permitting reform will promote private sector-driven innovation and investments in efficiency, resulting in both economic and environmental gains. Modernizing and eliminating costly, ineffective government-imposed barriers to infrastructure projects will maximize the value of taxpayer-financed projects and help deliver cleaner, more resilient infrastructure.

Enhancing Conservation Efforts for Healthier Forests and Lands

Investing in and actively managing America's natural ecosystems will create economic opportunities and reduce environmental liabilities. For instance, the U.S. has approximately 800 million acres of forests, which comprise 7.5% of the world's total forest area. Healthy U.S. forests serve as natural carbon sinks, capable of absorbing 14% of national carbon emissions each year in wood and soils. As a result, forests are a vital part of climate strategies and carbon reduction efforts.

If not appropriately managed, forests can become a major economic and environmental burden. Wildfires have a significant adverse impact on human health, ecosystems, and the environment. Fires lead to increased exposure to particulate matter, loss of wildlife, plants, habitats, and higher greenhouse gas emissions. They also trigger soil erosion, which can harm watersheds. There are economic and social costs, including children being kept indoors or out of school, businesses shutting down, and communities breaking apart. Even indoor smoke from forest fires poses a problem. More than 100 million Americans were under Air Quality Index Alerts due to smoke drift from historic wildfire activity throughout Canada in 2023.<sup>12</sup>

A single destructive fire can erase years or even decades of climate change efforts. An estimated 20 percent of global greenhouse gas emissions annually come from wildfires.<sup>13</sup> The Canadian

<sup>&</sup>lt;sup>9</sup> U.S. Department of Transportation, "Moving Goods in the United States," 2023, <a href="https://data.bts.gov/stories/s/Moving-Goods-in-the-United-States/bcyt-rqmu/">https://data.bts.gov/stories/s/Moving-Goods-in-the-United-States/bcyt-rqmu/</a>

<sup>&</sup>lt;sup>10</sup> U.S. Department of Transportation, "Transportation Economic Trends: Transportation Employment - Industry." Bureau of Transportation Statistics, 2023. https://data.bts.gov/stories/s/Transportation-Economic-Trends-Transportation-Empl/caxh-t8jd/. <sup>11</sup> United States Department of Transportation. "Transportation Services Contributed 6.5% to U.S. GDP in 2023; a Decrease from 6.6% in 2022 but Still above the Pre-Pandemic 2019 6.3%." Transportation Services Contributed 6.5% to U.S. GDP in 2023; a Decrease from 6.6% in 2022 but Still Above the Pre-Pandemic 2019 6.3% | Bureau of Transportation Statistics, 2023. https://www.bts.gov/newsroom/ transportation-services-contributed-65-us-gdp-2023-decrease-66-2022-still-above-pre. <sup>12</sup>Brenden O'Brien, "Canadian wildfire smoke spreads, 100 million Americans under air-quality alerts," Reuters, June 29, 2023, <a href="https://www.reuters.com/world/us/smoke-canadian-wildfires-settles-over-us-midwest-east-2023-06-29/">https://www.reuters.com/world/us/smoke-canadian-wildfires-settles-over-us-midwest-east-2023-06-29/</a>

fires in 2023 released more carbon dioxide emissions in less than half a year than Russia and Japan emitted from fossil fuels in all of 2022. <sup>14</sup> California's wildfire season in 2020 wiped out nearly two decades' worth of the state's emissions reductions. <sup>15</sup>

Currently, the Forest Service has an 80-million-acre backlog in need of restoration, and 63 million acres facing high or very high risk of wildfire. As the Forest Service emphasizes, "Drinking water, homes, communities, wildlife habitat, historic places, sacred sites, recreation opportunities, and scenic vistas are among the many values at risk." The most pressing issue for forest managers and communities threatened by wildfires is density and overgrowth, which creates a greater fuel load for fires. Active forest management through prescribed or controlled burns and through timber harvesting will significantly reduce the fuel load. Still, to date, the federal government has only partially implemented recommendations from the Government Accountability Office. Permitting reform will enable forest fire mitigation efforts to occur in a timely and responsible manner.

The challenge of permitting conservation efforts is not exclusive to America's forests. Maintenance by the National Park Service, rural development (i.e., USDA programs), and water and land conservation efforts can all be delayed by an arduous permitting process and too much litigation. Landowners stand to gain the most from responsible stewardship and have the most to lose from poor management. Natural climate solutions and healthy ecosystems cannot be achieved if America's forests, public lands, and watersheds are treated as museum displays. Instead, they require active attention, investment, and management.

## The Problem: Stories and statistics of a well-meaning law gone awry.

Whether it is a solar array on federal lands, a freight rail expansion, or a prescribed burn, burdensome permitting processes hinder progress. One of the more significant challenges to more efficient permitting is NEPA.

#### How NEPA Works

NEPA is a procedural law that requires federal agencies to conduct environmental reviews for various projects, such as highways, energy development, federally funded projects, and activities on federal land, among others. The NEPA process begins when a federal agency proposes a major action that could significantly impact the environment. If the environmental impact is unknown and not excluded from consideration under the law, the agency will conduct an Environmental Assessment to determine whether the proposed action will have a significant effect on the environment. If it does not, the agency issues a Finding of No Significant Impact

<sup>&</sup>lt;sup>14</sup> NASA Jet Propulsion Laboratory California Institute of Technology, "New NASA Study Tallies Carbon Emissions From Massive Canadian Fires," August 28, 2024, <a href="https://www.jpl.nasa.gov/news/new-nasa-study-tallies-carbon-emissions-from-massive-canadian-fires/">https://www.jpl.nasa.gov/news/new-nasa-study-tallies-carbon-emissions-from-massive-canadian-fires/</a>

<sup>&</sup>lt;sup>15</sup> Michael Jerrett et al., "Up in smoke: California's greenhouse gas reductions could be wiped out by 2020 wildfire," Vol. 310, October 1, 2022, <a href="https://www.sciencedirect.com/science/article/pii/S0269749122011022">https://www.sciencedirect.com/science/article/pii/S0269749122011022</a>

<sup>&</sup>lt;sup>16</sup> Cardell Johnson, FOREST SERVICE: Fully Following Leading Practices for Agency Reforms Would Strengthen Prescribed Fire Program, U.S. Government Accountability Office, June 2024. https://www.gao.gov/assets/gao-24-106239.pdf.

(FONSI).<sup>17</sup> If the agency knows or determines that there will be significant environmental effects, it must prepare a more comprehensive Environmental Impact Statement (EIS).<sup>18</sup>

In other instances, projects may be eligible for a "Categorical Exclusion" (CE) to allow the project to proceed with minimal paperwork. Agencies may apply a CE in situations where the conditions of a project fit within pre-defined governmental exceptions to NEPA, such as having a small footprint. CEs do not require an EA or EIS, although even CEs can take months or as long as a year, particularly if agencies must consult with other agencies and conduct a public notice and comment period. Agencies can rely on existing NEPA documentation and historical assessments for CEs, and Congress has directed agencies to establish CEs. There are also other instances where CEs have been established in statute.

#### Trust the Process?

President Nixon signed NEPA into law over 55 years ago. Since then, many federal, state, and local environmental laws have been enacted and amended. The result is a tangled web of unclear, overlapping, and complex requirements that delays reviews and hinders investment without delivering meaningful environmental benefits. The purpose of the original statute was to "declare a national policy which will encourage productive and enjoyable harmony between man and his environment."<sup>22</sup> In far too many instances, NEPA is failing at both.

NEPA is often referred to as an "umbrella law" to facilitate compliance with all relevant federal environmental laws. While it is challenging to pinpoint NEPA's exact effect on project timelines, more comprehensive reviews and litigation adversely affect permitting timelines. In fact, the mere threat of litigation increases timelines because risk-averse agencies want to guard against lawsuits. Litigation-proofing NEPA analyses adds significant time, pages, and cost to a review without much additional benefit.<sup>23</sup> In fact, with respect to NEPA analyses, one Forest Service Report noted that "Team members often believe that much of their work is 'for the courts' and not particularly useful for line officers who make decisions."<sup>24</sup> Additional challenges at the

<sup>&</sup>lt;sup>17</sup> A mitigated FONSI is a determination of significant impact on the environment provided that the agency takes certain measures or mitigation to reduce specified potential environmental risks.

<sup>&</sup>lt;sup>18</sup> U.S. Environmental Protection Agency, "National Environmental Policy Act Review Process," April 11, 2025, <a href="https://www.epa.gov/nepa/national-environmental-policy-act-review-process#:~:text=The%20National%20Environmental%20Policy%20Act,three%20different%20levels%20of%20analysis:">https://www.epa.gov/nepa/national-environmental-policy-act-review-process#:~:text=The%20National%20Environmental%20Policy%20Act,three%20different%20levels%20of%20analysis:</a>

<sup>&</sup>lt;sup>19</sup> Heather McPherron, "Legislative Categorical Exclusions Under the National Environmental Policy Act," Congressional Research Service, July 10, 2025, https://www.congress.gov/crs-product/R48595

<sup>&</sup>lt;sup>20</sup> Brian Potter, Arnab Datta, and Alec Stapp, "Infrastructure

How to Stop Environmental Review from Harming the Environment," Institute for Progress, September 13, 2022, <a href="https://ifp.org/environmental-review/#monetary-cost">https://ifp.org/environmental-review/#monetary-cost</a>

<sup>&</sup>lt;sup>21</sup> Ibid.

<sup>&</sup>lt;sup>22</sup> The National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321 et seq, <a href="https://www.govinfo.gov/content/pkg/COMPS-10352/pdf/COMPS-10352.pdf">https://www.govinfo.gov/content/pkg/COMPS-10352/pdf/COMPS-10352.pdf</a>

<sup>&</sup>lt;sup>23</sup> Aidan Mackenzie and Santi Ruiz, "No, NEPA Really Is a Problem for Clean Energy," Institute for Progress, August 17, 2023, <a href="https://ifp.org/no-nepa-really-is-a-problem-for-clean-energy/#litigation-risk-slows-down-all-infrastructure-projects">https://ifp.org/no-nepa-really-is-a-problem-for-clean-energy/#litigation-risk-slows-down-all-infrastructure-projects</a> and Eric Edwards and Sara Sutherland, "Does Environmental Review Worsen the Wildfire Crisis?" The Property and Environment Research Center, June 2022, <a href="https://www.perc.org/wp-content/uploads/2022/06/PERC-PolicyBrief-NEPA-Web.pdf">https://www.perc.org/wp-content/uploads/2022/06/PERC-PolicyBrief-NEPA-Web.pdf</a>
<a href="https://www.fs.usda.gov/projects-policies/documents/Process-Predicament.pdf">https://www.fs.usda.gov/projects-policies/documents/Process-Predicament.pdf</a>

federal level include differing interpretations of NEPA requirements among agencies, failed interagency coordination, and administrative bottlenecks.

Anecdotal evidence and agency-wide data from NEPA reviews support these claims. Several studies, including a 2018 report from the Council on Environmental Quality, found that the average time to prepare an EIS was 4.5 years.<sup>25</sup> Out of 1,161 EISs reviewed from 2010 to 2018, 25 percent took more than six years to complete.<sup>26</sup> More recent studies show similar averages, with the Federal Highway Administration reporting an average of 8.6 years as of 2021.<sup>27</sup> Between 1997 and 2022, the average documentation time for EISs increased by 1.5 years.<sup>28</sup>

A recent analysis by the Biden administration's CEQ found that the median time for EISs issued in 2024 was 2.2 years, and from 2019 to 2024, it was 2.8 years.<sup>29</sup> These figures exclude Records of Decision and focus on the Notice of Intent (NOI) to Final Environmental Impact Statement (FEIS). The median time from NOI to FEIS from 2010 to 2018 was 3.2 years.<sup>30</sup> While the 2025 CEQ report argues that the median time is a more appropriate metric, it is worth noting that 25 percent of EISs took more than 6 years to complete in the 2018 CEQ study, which appears roughly similar in the 2025 study<sup>31</sup>

Agencies deserve praise for streamlining reviews, such as the 2.1-year timeframe for a 472-mile transmission project on BLM land. Other projects, which are much less complex, like the National Wildlife Health Center in Wisconsin or a childcare service center on an Air Force Base in Florida, arguably should not have required a comprehensive EIS and skew the numbers in favor of a faster process.<sup>32</sup> Furthermore, if agencies delay the publication of the NOI, the permits still take as long to prepare, but some of the work has shifted outside the evaluated metric.<sup>33</sup>

Drawn-out NEPA processes disproportionately hinder clean energy development. A 2023 study by the R Street Institute reviewed EISs conducted by the Department of Energy (DOE) and the Bureau of Land Management (BLM). DOE had twice as many clean energy projects requiring EISs compared to fossil fuels (36% vs. 18%), while BLM projects had nearly four times the

<sup>&</sup>lt;sup>25</sup> "Environmental Impact Statement Timelines (2010-2017)," Council on Environmental Quality, Dec. 14, 2018. https://ceq.doe.gov/docs/nepa-practice/CEQ\_EIS\_Timelines\_Report\_2018-12-14.pdf.

<sup>&</sup>lt;sup>26</sup> Executive Office of the President: Council on Environmental Quality, "Fact Sheet: CEQ Report on Environmental Impact Statement Timelines," October 2018, FACT SHEET: <a href="https://ceq.doe.gov/docs/nepa-practice/CEQ">https://ceq.doe.gov/docs/nepa-practice/CEQ</a> EIS Timelines Fact Sheet 2018-12-14.pdf

<sup>&</sup>lt;sup>27</sup> Brian Potter, Arnab Datta, and Alec Stapp, "Infrastructure

How to Stop Environmental Review from Harming the Environment," Institute for Progress, September 13, 2022, <a href="https://ifp.org/environmental-review/#monetary-cost">https://ifp.org/environmental-review/#monetary-cost</a>

<sup>&</sup>lt;sup>28</sup> Zachary D. Liscow, "Getting Infrastructure Built: The Law and Economics of Permitting" March 28, 2024, https://ssrn.com/abstract=4775481 or http://dx.doi.org/10.2139/ssrn.4775481

<sup>&</sup>lt;sup>29</sup> Executive Office of the President: Council on Environmental Quality, "Environmental Impact Statement Timelines (2010-2024), January 13, 2025, <a href="https://ceq.doe.gov/docs/nepa-practice/CEQ\_EIS\_Timeline\_Report\_2025-1-13.pdf">https://ceq.doe.gov/docs/nepa-practice/CEQ\_EIS\_Timeline\_Report\_2025-1-13.pdf</a>
<sup>30</sup> Ibid

<sup>&</sup>lt;sup>31</sup> Ibid. Based on the data in Figure 3.

<sup>&</sup>lt;sup>32</sup> Executive Office of the President: Council on Environmental Quality, EIS Timelines, <a href="https://ceq.doe.gov/nepa-practice/eis-timelines.html">https://ceq.doe.gov/nepa-practice/eis-timelines.html</a>

<sup>&</sup>lt;sup>33</sup> Alexander Herrgott, "Leading the Charge: Opportunities to Strengthen America's Energy Reliability.," The Permitting Institute, Written Testimony before the United States House of Representatives Committee on Oversight and Government Reform, February 26, 2025, <a href="https://oversight.house.gov/wp-content/uploads/2025/02/Herrgott-Written-Testimony.pdf">https://oversight.house.gov/wp-content/uploads/2025/02/Herrgott-Written-Testimony.pdf</a>

number of clean energy projects compared to fossil fuels (66% vs. 18%).<sup>34</sup> Since fossil fuel projects have established infrastructure and benefit from CEs, it is reasonable to assume that NEPA, as it currently operates, will continue to disadvantage clean energy projects—especially if they are increasingly cost-competitive, are greater in number, and often take up more land.

Similar frustrations regarding lengthy permitting timelines exist with forest management projects. A 2022 Property and Environment Research Center study found that it takes an average of 3.6 years from start to treatment for mechanical thinning and 4.7 years for prescribed burns. The authors note, "For projects that require environmental impact statements—the most rigorous form of review—the time from initiation to implementation averages 5.3 years for mechanical treatments and 7.2 years for prescribed burns."

Even after an agency invests substantial time and resources to ensure NEPA-related documents are of sufficient quality to withstand legal scrutiny, litigation can still delay projects for years or even decades. An analysis of 387 NEPA cases brought to court from 2013 to 2022 found that, on average, 4.2 years passed from the publication of the environmental review to the resolution of a legal challenge.<sup>35</sup> While litigation is infrequent, especially when considering all projects and actions impacted by NEPA, it has disproportionately impacted clean energy projects.

The study also emphasizes the need for reform regarding who should have standing and what challenges they can raise. Of the challenges examined, non-governmental organizations (NGOs) initiated 72 percent, with 10 organizations responsible for more than one-third of the lawsuits.<sup>36</sup> While some lawsuits have legitimate claims (though agencies won 80 percent of appeal cases), NEPA has been weaponized to delay, block, and effectively drain projects—including clean energy development and conservation efforts.<sup>37</sup>

A 2023 Stanford study analyzed a sample of 355 major transportation and energy infrastructure projects from 2010-2018 requiring an EIS, with 28 percent litigated, and 89 percent of those cases alleging a NEPA violation. Solar projects experienced the highest litigation rate, followed by pipelines, transmission lines, and wind energy projects.<sup>38</sup>

There are numerous examples of how NEPA has caused delays in projects, including many clean energy developments and conservation efforts. Jeremiah Johnson, policy director at the Center for New Liberalism, highlighted a few:

There's the congestion pricing plan in New York which was delayed by NEPA. There's the 1353 pages, 2.5 years, \$1 million+ review of adding bike lanes in San Francisco. A

<sup>&</sup>lt;sup>34</sup> Philip Rossetti, "Current Share of Energy Projects Requiring High-Level Review that Are Clean Energy," R Street Institute, August 17, 2023, <a href="https://www.rstreet.org/commentary/current-share-of-energy-projects-requiring-high-level-review-that-are-clean-energy/">https://www.rstreet.org/commentary/current-share-of-energy-projects-requiring-high-level-review-that-are-clean-energy/</a>

<sup>&</sup>lt;sup>35</sup>Nikki Chiappa et al., "Understanding NEPA Litigation: A Systematic Review of Recent NEPA-Related Appellate Court Cases," The Breakthrough Institute, <a href="https://thebreakthrough.imgix.net/Understanding-NEPA-Litigation\_v4.pdf">https://thebreakthrough.imgix.net/Understanding-NEPA-Litigation\_v4.pdf</a>
<sup>36</sup> Ibid.

<sup>&</sup>lt;sup>37</sup> Brian Potter, "How NEPA Works," Construction Physics, August 19, 2022, <a href="https://www.construction-physics.com/p/how-nepa-works">https://www.construction-physics.com/p/how-nepa-works</a>

<sup>&</sup>lt;sup>38</sup>Michael Bennon and Devon Wilson, "NEPA Litigation Over Large Energy and Transport Infrastructure Projects," The Environmental Law Reporter, October 2023, <a href="https://www.elr.info/articles/elr-articles/nepa-litigation-over-large-energy-and-transport-infrastructure-projects">https://www.elr.info/articles/elr-articles/nepa-litigation-over-large-energy-and-transport-infrastructure-projects</a>

\$3 billion offshore wind project at Martha's Vineyard was delayed for years due to NEPA. A separate \$2.6 billion offshore wind project off Cape Cod was ultimately cancelled after 16 years of legal wrangling. Yet another \$3 billion dollar wind project in Wyoming was ultimately approved after 11 years of review process. Hydroelectric dam projects in Oregon have been delayed. A different dam modernization project in Arizona faced a five year delay for review where the executive summary of the EIS is 76 pages long.

A reservoir expansion in Denver (despite having the NEPA lawsuit ultimately dismissed) was still delayed by 2.5 years. A lake restoration effort in Utah was delayed 5-7 years. California's high speed rail plans were delayed in 2017 by CEQA, and then again in 2019 (California ultimately gave up on connecting San Francisco to Los Angeles with high speed rail). Sometimes it's "environmental" groups themselves who use NEPA as a tool to obstruct environmentally friendly projects. These groups used NEPA to attempt to halt a solar power project in California, to sue a different solar project in Nevada, to stop clean hydropower contracts in Maine, and to stop Minneapolis's rezoning initiative.

The examples are numerous and absurd [...] In one instance a wildfire prevention plan was delayed so long that the impacted forest, which wasn't aware of the importance of bureaucratic process, caught fire and burned 90,000 acres to the ground while the plan to stop said wildfire was still in review. Seattle's light rail expansion, crucial for fighting climate change, was delayed by an 8,000+ page EIS. The federal government can't even install solar panels on the roofs of federal buildings without a NEPA review.<sup>39</sup>

Analysis by the Breakthrough Institute and the Institute for Progress has documented similar instances of stalled and cancelled projects burdened by lengthy processes and litigation.<sup>40</sup>

#### The Fix: Reforms to innovate, invest, and build for a more prosperous and cleaner future.

There has been bipartisan support for improving permitting processes, and both Republican and Democratic administrations have acknowledged the need to improve NEPA. Previous congresses and administrations have frequently proposed reforms to NEPA, with varying degrees of success. By narrowing the scope of environmental reviews and reining in the delays imposed by protracted litigation, the Standardizing Permitting and Expediting Economic Development (SPEED) Act (H.R. 4776) would help deliver more affordable power, reliable infrastructure, and a healthier environment. The SPEED Act would make several notable changes to the permitting process.

A More Efficient Process and Clearer Scope

 <sup>&</sup>lt;sup>39</sup>Jeremiah Johnson, "The Case for Abolishing the National Environmental Policy Act," LiberalCurrents, September 6, 2022, <a href="https://www.liberalcurrents.com/the-case-for-abolishing-the-national-environmental-policy-act/">https://www.liberalcurrents.com/the-case-for-abolishing-the-national-environmental-policy-act/</a>
 <sup>40</sup> Aiden Mackenzie, "Seven Frequently Asked Questions About NEPA," The Institute for Progress, June 4, 2024,

<sup>&</sup>lt;sup>40</sup> Aiden Mackenzie, "Seven Frequently Asked Questions About NEPA," The Institute for Progress, June 4, 2024, <a href="https://ifp.org/seven-frequently-asked-questions-about-nepa/">https://ifp.org/seven-frequently-asked-questions-about-nepa/</a>, and Nikki Chiappa et al., "Understanding NEPA Litigation: A Systematic Review of Recent NEPA-Related Appellate Court Cases," The Breakthrough Institute, <a href="https://thebreakthrough.imgix.net/Understanding-NEPA-Litigation-v4.pdf">https://thebreakthrough.imgix.net/Understanding-NEPA-Litigation-v4.pdf</a>

Section 2 of the SPEED Act would eliminate the need for a NEPA analysis if the proposed agency action is reviewed under another federal statute or if a review by a state or tribal entity serves a purpose that is similar to that of NEPA. This change would not only reduce redundancies but also enable states and tribes to conduct more efficient reviews that better address the needs and concerns of local communities. States, tribes, and local communities have strong incentives to perform environmental reviews effectively because they stand to gain economically when energy, infrastructure, and conservation projects are carried out quickly. At the same time, they face significant environmental risks if the projects are poorly managed.

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Section 2 would narrow the scope of environmental assessment to the "reasonably close causal relationship to and are proximately caused by" the project or agency consideration. This would eliminate the need to consider speculative, downstream, and indirect effects, which adds substantial time to the analysis and forces agencies into rabbit holes of "butterfly effects" for projects and actions. This was a critical aspect of the recent Supreme Court decision in *Seven County Infrastructure Coalition v. Eagle County, Colorado*, that clarified and narrowed the scope of NEPA reviews. In recent testimony, the Permitting Institute's Alexander Herrgott highlighted instances where exhaustive consideration (or failing to do so) added considerable time or sparked lawsuits. For example, a semiconductor plant in Ohio faced a lawsuit for "failing to analyze indirect emissions from silicon suppliers in Taiwan," and a hydrogen hub was questioned for "its hypothetical impact on fertilizer prices in South America."<sup>41</sup>

The bill further narrows the scope and enhances the efficiency of NEPA analyses by expanding the use of categorical exclusions (such as Farm Service Agency loans and loan guarantees), allowing the use of previous studies and data to inform reviews, and clarifying that federal funding through grants, loans, and loan guarantees cannot be the sole basis to trigger a NEPA review.

#### Judicial Review

Section 3 of the SPEED Act would also implement several vital fixes to the judicial review process. The SPEED Act would limit the court's power to invalidate an agency action only if the agency abused its "substantial discretion," and the "agency would have reached a different result on said action without the abuse." The bill states that any inadequate NEPA analysis (such as a deficiency or error in an environmental impact statement) does not require a court to vacate the agency's approval of a project. Instead, the agency's action will remain in effect, and the project can move forward as the agency corrects any errors or deficiencies.

Regarding legal standing, the Act would require individuals to have actively participated in the NEPA process—such as through public comments—before filing suit, and to demonstrate direct harm, as outlined in the comments. Additionally, the bill shields categorical exclusions from lawsuits. It would also shorten the statute of limitations to 150 days, down from the current 6-year limit.

<sup>&</sup>lt;sup>41</sup>Alexander Herrgott, "Permitting Purgatory: Restoring Common Sense to NEPA Reviews," The Permitting Institute, Written Testimony before the United States House of Representatives Committee on Natural Resources, July 22, 2025, <a href="https://docs.house.gov/meetings/II/II00/20250722/118395/HHRG-119-II00-Wstate-HerrgottA-20250722-U1.pdf">https://docs.house.gov/meetings/II/II00/20250722/118395/HHRG-119-II00-Wstate-HerrgottA-20250722-U1.pdf</a>

Clarification on standing and shortening the statute of limitations preserves citizens' and communities' right to challenge a project in court without misusing the process or imposing a constant threat of lawsuit on a developer for years. Genuine community engagement and addressing legitimate concerns are essential to the permitting process, but they can be conducted more reasonably and efficiently.

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## The Benefits: How permitting reform will benefit families, businesses, project developers, and the environment.

Measuring the overall costs of an outdated, bureaucratic permitting process is challenging, just as quantifying the total benefits of a modernized, streamlined process is. Projects that could have saved forests, lowered energy bills, and reduced emissions have never come to fruition. Additionally, it is challenging to determine the number of developers who avoided building on federal land because it would trigger certain requirements; however, instances of "jurisdiction shopping" do exist.<sup>42</sup> However, there are clear benefits to a more efficient process, including:

- Greater Certainty. Businesses seek certainty, but permitting processes and engagement
  with federal agencies often feel like a regulatory black box with uncertain yet seemingly
  increased potential for litigation. A more transparent and predictable process that
  enhances judicial review will help provide the certainty American businesses need to
  innovate, invest, and build.
- Saving Time, Money, and Taxpayer Resources. Lengthy permitting processes and extended legal battles can cost project developers significantly. For example, Williams CEO Alan Armstrong recently stated that the permitting cost for one of his company's pipelines was twice the construction cost itself. With Environmental Assessments (EAs) costing hundreds of thousands of dollars and Environmental Impact Statements (EIS) costing millions, the total expenses have reached hundreds of millions, which are ultimately passed on to consumers. Permitting reform will help ensure that energy and infrastructure projects are completed on time and within budget, which is crucial not only for private sector development but also for federally funded projects.
- American families and businesses. Along with deploying shovel-ready jobs and injecting investment and capital into the U.S. economy, American consumers will benefit from increased energy supplies, more resilient infrastructure, and the deployment of more innovative technologies. Promising innovations will generate tremendous positive economic spillovers for the American people, and they should not be stuck in permitting purgatory.
- Greater Transparency and Accountability. Although clear evidence indicates that NEPA extends project development timelines, it is also true that in many cases, the data

<sup>&</sup>lt;sup>42</sup>Thomas Hochman, "Revisiting Pro-NEPA Studies," Green Tape, January 19, 2025, <a href="https://www.greentape.pub/p/revisiting-pro-nepa-studies">https://www.greentape.pub/p/revisiting-pro-nepa-studies</a>

<sup>&</sup>lt;sup>43</sup>Mary Holcomb, "Williams CEO: Pipeline Permitting Costs Twice the Price of Steel, Calls for 'Common Sense' Reform," Pipeline and Gas Journal, March 12, 2025, <a href="https://pgjonline.com/news/2025/march/williams-ceo-pipeline-permitting-costs-twice-the-price-of-steel-calls-for-common-sense-reform">https://pgjonline.com/news/2025/march/williams-ceo-pipeline-permitting-costs-twice-the-price-of-steel-calls-for-common-sense-reform</a>

is fragmented, outdated, or missing. Some agencies do a better job than others at documenting the paperwork required by NEPA. In other instances, agencies can grant categorical exclusions without needing any paperwork. Improved data and reporting would provide a clearer picture of the full costs of NEPA delays, the economic opportunities that projects and actions facing NEPA could deliver, and the specific bottlenecks caused by the NEPA process.

#### **Conclusion**

In recent years, books, podcasts, and organizations have embraced an "abundance" movement to improve the planet and the lives of its inhabitants. Across the ideological spectrum, people working in the private sector, government, academia, and journalism are coming together to recognize that we need more affordable energy, food, and housing, as well as reliable infrastructure, along with more innovation that drives technological progress for the betterment of society and a healthier, safer environment. This is especially true in an era of elevated inflation. A common thread that joins the abundance left and the abundance right is the need for permitting reform. To power our nation's growth, provide energy security, meet our environmental objectives, and maintain our global competitiveness, policy reform must empower companies to build. Too much is at stake to let this permitting reform opportunity pass us by.