

New Democrat Coalition Priorities for Efficient Energy Deployment

After delivering historic investments in the fight against climate change last Congress, the New Democrat Coalition is focused on advancing legislation that prioritizes deploying projects that enhance energy security and independence, lower energy prices, create a path to meet our pledged climate goals, and transition the United States to a cleaner economy using a wide range of technologies. Climate change does not wait for siting authorities and environmental reviews, and the communities that have borne the disproportionate impacts of climate change and environmental damage cannot wait either. We believe a bipartisan energy package must:

1. Expand existing best practices

- a. Require, to the greatest extent possible, a lead agency to be designated by the Council on Environmental Quality (CEQ) to lead multi agency environmental reviews. This lead agency should develop a single permit plan and permitting timeline, including clear designations of responsibilities for reviews. This should also lead to a single environmental document and single record of decision.
- b. Require agencies to streamline the approval process for select clean infrastructure projects and small actions unlikely to create significant environmental effects.
- c. Require all Environmental Impact Statement analysis to be included in the federal <u>Permitting Dashboard</u>, to provide public accountability and transparency to the environmental review process under the National Environmental Policy Act (NEPA). The data shown on the dashboard should track projects as they go through environmental review, and include information like the date the review began, project sponsor, and project type.
- d. **Study the possibility of using an e-NEPA system,** hosted by CEQ, that incorporates standardized data collection to provide for greater efficiency, transparency, and standardization for environmental review forms.
- e. Provide the National Oceanic and Atmospheric Association authority to include research, surveys, and data collection for off-shore wind projects as part of other fishing operations.

2. Reform transmission processes for electricity

- a. **Improve interregional and interstate electric transmission capacity** by giving the Federal Energy Regulatory Commission (FERC) exclusive siting authority for lines delineated as interstate commerce.
- b. **Direct FERC to allocate the costs of electricity transmission lines to all beneficiaries**, to require electric utilities to allocate the cost of upgrades to the grid among all customers that benefit from the upgrade, and to allow utilities to allocate costs associated with non-wire solutions for the purposes of cost recovery through transmission rates.
- c. **Direct FERC to facilitate stronger interregional transmission planning** and consider the multiple benefits consistently across regions.
- d. Provide an investment tax credit of 30% for regionally significant transmission projects.

3. Enhance energy resiliency and independence

- a. **Establish minimum levels of energy transfer capabilities** between FERC Order 1000 planning regions by directing FERC to assess the existing transfer capacity and requiring each regions to coordinate with its neighbors to plan for the required interregional transmission.
- b. **Make aggregated electricity demand response eligible** to participate in wholesale energy markets in every state.
- c. **Create an independent transmission monitor** to facilitate the transparent, efficient, and cost-effective deployment and operation of transmission facilities.
- d. **Streamline hydropower licensing** by speeding up the process for retrofitting non-powered dams with hydropower generation and licensing low-impact projects like closed looped pumped storage. This process should enhance tribal authority over projects on tribal lands and improve opportunities for Tribes to manage treaty-protected fish and wildlife resources.

4. Ensure transparency and environmental justice in the environmental review process

a. **Bolster community input by requiring affirmative outreach to communities** through liaisons, such as through the FERC Office of Public Participation. This should also require affirmative outreach to stakeholders before developing a public notice of intent to prepare an Environmental Impact Statement. There should also be incentives in place for project sponsors to conduct community outreach, including prioritization of review where they can demonstrate good-faith efforts to engage communities in project development.

- b. Empower the Department of Energy's Foundation for Energy Security and Innovation to utilize private and philanthropic donations to support proactive, earlier community engagement including through capacity and technical assistance grants to local governments, Tribes, and community groups to enhance capacity to engage on federal reviews.
- c. Identify locations that could qualify for incentives for clean energy deployment through use of Environmental Opportunity Zones that prioritize environmental justice communities that can maximize benefits from clean energy deployment and investment. This should include pre-zoned federal lands, brownfields cleared for economic development, and former military bases. These sites should prioritize environmental justice by requiring community input and ensuring that communities with this infrastructure have tangible benefits in the form of jobs, investment, cheaper energy, and less pollution.
- d. Direct CEQ to study how new technologies can better solicit public input and engage affected communities. The complexity of environmental review documents introduces barriers to communities in engaging and understanding the environmental review process. CEQ should study how assistive technologies like visual, interactive, and virtual information can better communicate the impacts of proposed actions, and develop guidance based on the study.
- e. **Direct FERC to reform RTO/ISO governance and participation practices** to minimize conflict between RTOs and stakeholders.

5. Improve environmental review efficiency.

- a. Provide for pre-qualifications of projects where greenhouse gas reductions have the highest potential and where projects don't cause other environmental harms, such as projects that enhance energy grid resiliency or upgrade existing infrastructure with greater transmission capacity.
- b. **Pre-designate low-environmental sensitivity areas for clean energy infrastructure.** This should include pre-approving federal lands for clean infrastructure projects and greenhouse gas mitigation technologies.
- c. **Facilitate permitting for geothermal technologies** by providing a categorical exclusion under NEPA for small, low impact geothermal exploration test projects or providing an updated, streamlined permitting process for geothermal technologies.
- d. Ensure that agency staffing remains robust regardless of political leadership

6. Secure critical minerals

a. Modernize mining laws and responsibly develop the domestic critical mineral sector. Modifications should accelerate mineral production and recycling across the supply chain and provide greater certainty for project sponsors, while upholding strong environmental, labor, safety, Tribal consultation, and community engagement standards.

The New Democrat Coalition also looks forward to engaging in discussions on topics including judicial review, bolstering community input, and accelerating timelines for environmental reviews.