

CEBA Principles for Modernizing Federal Clean Energy and Transmission Permitting

The Clean Energy Buyers Association (CEBA) believes permitting modernization is critical to allow energy customers to use their demand-side power to drive a clean power sector. We support permitting modernization that accelerates clean energy projects and transmission approvals to create a 21st century power grid. CEBA proposes this set of principles to modernize, appropriately resource, and streamline federal permitting processes without compromising the integrity of the environmental review process.

Uncertainty and delays in approving major high-voltage interregional transmission lines leave our nation vulnerable to electricity disruptions due to increasingly severe weather events, as well as higher-than-necessary costs because of the inability to efficiently source and move the lowest-cost power. With each blackout threat, lack of transmission capacity endangers lives and brings the risk of economic losses.

At the same time, demand for electricity is increasing, particularly as sectors electrify, and new generation resources cannot connect to the grid to deliver benefits. A [2021 report](#) published by the Lawrence Berkeley National Laboratory estimates the United States will need about 950 gigawatts (GW) of new clean power capacity and about 225 GW of storage to achieve 80% clean electricity by 2030.



Currently, [2 terawatts](#) of generation and storage of all types remain stuck in interconnection queues across the nation, in part due to transmission congestion that prevents these projects from coming online. For electricity customers, lack of transmission causes costs to rise during reliability emergencies. Winter Storm Uri cost customers in Texas [\\$10.1 billion](#). Each [additional gigawatt](#) of transmission between the power grid (ERCOT) and Southeastern states could have saved Texans [\\$1 billion](#) and kept electricity flowing to thousands of Texans. Other recent [estimates](#) found that improved transmission ties in the central United States could have avoided power outages and saved customers hundreds of millions of dollars. For example, during the five-day Winter Storm Elliott, modest investments in interregional transmission capacity would have yielded nearly [\\$100 million](#) in benefits. The [Lawrence Berkeley National Laboratory](#) found that interregional lines provide hundreds of millions in benefits, with roughly half the value occurring under extreme weather events.

[Recent modeling studies](#) show we will need to roughly double our transmission capacity by 2035, but even the most viable transmission projects can take 10 or more years to successfully navigate the regulatory process. In the current constrained environment, energy customers are unable to complete energy procurement contracts because projects cannot connect to the grid.

Without improvements to accelerate siting and permitting of new interregional transmission lines, the nation will continue to bear the cost of more frequent and devastating disruptions.

CEBA supports the decarbonization of the grid and the benefits it will bring for everyone. In this transition, it is imperative that frontline and local communities are proactively consulted and engaged early in energy planning, siting, and permitting processes. Participatory and inclusive decision-making can ensure that the advantages of a clean energy transition benefit all.

CEBA WILL WORK TO PARTNER WITH POLICY MAKERS TO ADVANCE PERMITTING REFORMS THAT ADDRESS INTERREGIONAL AND REGIONAL TRANSMISSION BOTTLENECKS, WITH THE FOLLOWING PRINCIPLES:

1. Expand interregional transmission for more reliable, secure, affordable, and clean electricity.

A. Modernize Federal Energy Regulatory Commission (FERC) authority for interregional transmission.

Grant FERC primary siting and permitting authority for high-capacity, regionally significant transmission lines that are in the national interest, defined as lines that:

- Are equal to or greater than 345 kilovolts (kV) or 750 MW, and
- Cross two or more states or the outer continental shelf.

For such qualified lines, FERC should be delegated the authority to coordinate and set milestones and schedules for all federal agency reviews and related consultations under Section 216(h) of the Federal Power Act, as further detailed in the May 2023 interagency memorandum of understanding for transmission. In addition, FERC would be the lead agency for all environmental reviews of qualified lines, with the responsibility to develop a single environmental review and administrative record that may be relied upon by FERC and all other federal agencies in their permitting or authorization decision. These projects should also automatically be designated as [FAST-41 covered projects](#).

B. Establish minimum interregional transfer capacity. Direct FERC to undertake a rulemaking to establish such a standard and require planning regions to meet or exceed it.

2. Streamline the National Environmental Policy Act (NEPA) project review process to accelerate clean energy and transmission project development.

A. Broaden the criteria for categorical exclusions. Direct federal permitting agencies to update and expand existing exclusions and consolidate them among agencies. The updates should focus on exemptions for projects that co-locate or fall within an existing footprint of disturbed land or right-of-way or are located on unprotected land previously approved for development. Develop programmatic reviews and general permits for geographic areas and specific project types, including transmission lines.

B. Establish reliable and faster timelines to complete NEPA reviews without compromising the integrity or intent of environmental protections by:

- Setting reasonable timelines from project submission to record of decision and authorization to proceed, including judicial review;
- Establishing a single lead agency and a single interagency NEPA review document;
- Ensuring agencies are properly resourced with trained personnel to conduct the reviews;
- Requiring early and inclusive engagement that should include state, local, tribal, and frontline communities;
- Ensuring a mechanism for mitigation and community benefit commitments; and
- Maintaining regulatory certainty to ensure that the same legal standards, regulations, and policies in effect when an application is submitted are maintained throughout the duration of the record of decision and on compliance, unless ordered by federal law.

The Clean Energy Buyers Association is a business trade association that activates a community of energy customers and partners to deploy market and policy solutions for a carbon-free energy system. CEBA's [more than 400 members](#) represent more than \$7 trillion in annual revenues and 14 million employees and include institutional energy customers of every type and size – corporate and industrial companies, universities, and cities. For more information, visit cebuyers.org and follow us on [Twitter](#) and [LinkedIn](#).