

March 21, 2025

The Honorable Shelley Moore Capito  
Chairman  
U.S. Senate Committee  
on the Environment & Public Works  
410 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Sheldon Whitehouse  
Ranking Member  
U.S. Senate Committee  
on the Environment & Public Works  
410 Dirksen Senate Office Building  
Washington, D.C. 20510

**Re: Grid Action Recommendations for Federal Permitting Reform**

Dear Chairman Capito and Ranking Member Whitehouse:

Thank you for the opportunity to submit our recommendations as the Committee considers federal permitting reform legislation this year. Grid Action is a coalition of diverse stakeholders that advocate for policies to build out the interstate high-capacity electric power network. Our members include investor-owned utilities, merchant transmission developers, energy generators, corporate customers, equipment manufacturers, labor advocates and non-governmental organizations from across the political spectrum. Collectively, we represent an industry working towards modernizing the U.S. electric grid that could unlock up to \$7.8 trillion in investment, create more than 6 million new jobs, and save American consumers over \$100 billion, reducing household electricity bills by more than \$300 a year.<sup>1</sup>

**A Clear Bipartisan Consensus for Federal Permitting Reform**

During the Committee's February 19, 2025 hearing, "Improving the Federal Environmental Review and Permitting Processes," we were encouraged by the broad consensus articulated by the Committee's witnesses and Members from both sides of the aisle on this increasingly urgent issue. It takes too long to build things in America. After over a decade of essentially flat electricity demand, load growth is now surging due to the energy needs of data centers, advanced manufacturing, and increasing electrification across the economy. Failing to effectively meet this challenge will constrain economic growth, cost jobs, increase electricity prices, undermine grid reliability and jeopardize our national security. We can responsibly reform our existing permitting processes without sacrificing core values of environmental protection and public participation – and transmission is an indispensable part of the solution.

**The Need for More Transmission**

Since skyrocketing electricity demand is the challenge, focus naturally turns to increasing electricity supply. And there's no question about it: We're going to need more generation. About 128 gigawatts (GW) over the next five years, or five times more than projected just two years

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<sup>1</sup> Clack, Christopher T.M., et al. *Consumer, Employment, and Environmental Benefits of Electricity Transmission Expansion in the Eastern U.S.* Americans for a Clean Energy Grid, October 2020.

ago, according to consulting firm Grid Strategies.<sup>2</sup> Multiple witnesses and Committee members pointed to the 2.6 terawatts (TW) of power projects currently waiting in interconnection queues – representing twice the nation’s annual electricity consumption<sup>3</sup> – as a promising source of needed new generation. Other witnesses and members expressed a preference for more baseload generation.

The secret is that every kind of generation has location constraints that require transmission: Nuclear plants and hydropower need to be located by large water sources. Geothermal generation is constrained by the right geological conditions, even as recent advancements in drilling enable more suitable locations for geothermal power. Solar and wind resources are stronger in some regions than others. Natural gas and coal plants built with carbon capture and storage must be located near the best-suited underground carbon storage sites. The greatest economic benefits for all these resources are achieved through constant operation - which is maximized through the ability to deliver their electrons to customers through transmission without congestion.

Delivering all that new power to customers through a modern grid is the key to energy abundance. As Secretary Burgum explained at his nomination hearing, more transmission will be needed, regardless of future generation build. “It’s one thing to be able to generate that electricity,” said Burgum, “but if we don’t have the ability to transmit it to the places where it’s needed, that’s going to be a problem.”<sup>4</sup>

Three weeks later, Secretary Wright made transmission Action Item #8 on his first “Unleashing the Golden Era of American Energy Dominance” Secretarial Order, saying: “Fortifying America’s electric grid is critical to the reliable and secure delivery of electricity. Under President Trump’s Executive Order, ‘Declaring a National Energy Emergency,’ the Department will identify and exercise all lawful authorities to strengthen the nation’s grid, including the backbone of the grid, our transmission system.”<sup>5</sup>

Multiple witnesses and members of the Committee took note of the North American Electric Reliability Corporation’s final Interregional Transfer Capability Study mandated by Congress in the Fiscal Responsibility Act of 2023 and released at the end of 2024, which recommended that an additional 35 GW of prudent additions to interregional transfer capacity be added to the grid in order to ensure electricity reliability during periods of peak demand and extreme weather events.<sup>6</sup>

In addition to interconnecting new generation and bolstering grid reliability, transmission can save Americans money on their energy costs. By reducing congestion and providing reliable access to lower-cost electrons, new transmission can cut electricity bills by \$300 a year or more –

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<sup>2</sup> Wilson, John D., et al. *Strategic Industries Surging: Driving US Power Demand*. Grid Strategies, December 2024.

<sup>3</sup> Lawrence Berkeley National Laboratory. *Grid Connection Backlog Grows by 30% in 2023*. April 10, 2024.

<sup>4</sup> Senate Committee on Energy and Natural Resources. *Hearing to Consider the Nomination of the Honorable Doug Burgum to be Secretary of the Interior*. January 16, 2025.

<sup>5</sup> U.S. Secretary of Energy Chris Wright. *Unleashing the Golden Era of American Energy Dominance*. Secretarial Order, February 5, 2025.

<sup>6</sup> North American Electric Reliability Corporation. *Interregional Transfer Capability Study Final Report*. November 2024.

even after accounting for the cost of building the new transmission.<sup>7</sup> The cost-saving feature of new transmission becomes readily apparent during extreme weather events, where 1 GW of transmission expansion could have saved customers across 12 separate regions a staggering \$466 million over just five days during Winter Storm Elliott.<sup>8</sup>

### As National Electricity Demand Increases, Transmission Build Is Falling Dangerously Behind

Despite the bipartisan consensus that transmission is part of our nation's critical energy infrastructure, capable of reducing Americans' electricity bills, and indispensable for meeting soaring electricity demand, construction of new high-capacity transmission has largely come to a standstill. Only 55 miles of high-voltage transmission lines were built in 2023, down dramatically from an average of 1700 miles of annual new high-voltage transmission construction in the United States only a decade ago.<sup>9</sup> Additionally, while the United States markedly slowed construction of its high-voltage transmission from 2014-2021, China did the opposite, developing 80 times more high-voltage transmission interconnections than the United States during the same period of time. This investment is enabling China to unlock the full spectrum of its own homegrown energy resources, including coal, solar and wind energy.<sup>10</sup>

### Why We Aren't Building More High-Voltage Transmission Lines in the United States

During the Committee's February 19, 2025 hearing, Jeremy Harrell of ClearPath quipped that a number of needed transmission projects under development have now turned nearly 21 years old. These kinds of timelines are obviously incompatible with the speed and scope of the load growth challenge in front of us. A review of why these regionally significant lines are taking so long makes clear that complexity, inefficiency and redundancy in the review process; a lack of enforceable timelines; and open-ended judicial review are largely to blame. Following are four illustrative examples for the Committee's consideration:

- **SunZia** is a 550-mile, high-voltage direct current (HVDC) transmission project running from central New Mexico to south-central Arizona. Originally conceived in 2006, it took 10 federal agencies, five state agencies and nine local authorities<sup>11</sup> – as well as an ultimately dismissed lawsuit<sup>12</sup> – to get permitted. A staggering 17 years later, SunZia

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<sup>7</sup> Clack., et al. *Consumer, Employment, and Environmental Benefits of Electricity Transmission Expansion in the Eastern U.S.* Americans for a Clean Energy Grid, October 2020.

<sup>8</sup> Goggins, Michael., et al. *The Value of Transmission During Winter Storm Elliott*, Grid Strategies prepared for ACORE, February 2023.

<sup>9</sup> Shreve, Nathan., et al. *Fewer New Miles: The U.S. Transmission Grid in the 2020s*. Americans for a Clean Energy Grid, July 2024.

<sup>10</sup> SAFE Center for Grid Security. *The Role of Transmission in U.S. Strategic Competitiveness with China*. October 2024.

<sup>11</sup> Horner, Keaton. "SunZia Transmission Line is a Win, but Also a Lesson in What Not to Do." *Renewable Energy World*, January 27, 2023.

<sup>12</sup> Meyer, Robinson. "The Long, Strange Success Story of America's Biggest Clean Energy Project." *Heatmap*, June 18, 2024.

broke ground on construction in 2023 and is expected to begin delivering power to 1 million homes in 2026.<sup>13</sup>

- **Boardman to Hemingway (B2H)** is an approximately 290-mile, 500 kV transmission project traversing Eastern Oregon and Southwestern Idaho. The concept for B2H first appeared in Idaho Power's 2006 Integrated Resource Plan.<sup>14</sup> Despite being recognized as nationally important, it took B2H 14 years to receive Records of Decision from three separate federal agencies, after which state permitting processes took another four years to complete.<sup>15</sup> A requirement that federal reviews be completed before state reviews could begin significantly prolonged the process.<sup>16</sup> The project was further delayed by multiple legal challenges to the Bureau of Land Management's Record of Decision (which was ultimately dismissed), as well as the state government's unanimous site certificate approval, which was upheld by the Oregon Supreme Court in 2023.<sup>17</sup> B2H is still working to obtain landowner easements and completing an NHPA Section 106 consultation. It hopes to be operational as early as 2027 – 21 years after being first proposed.<sup>18</sup>
- **Cardinal-Hickory Creek** is an approximately 102-mile, 345 kV transmission project connecting northeast Iowa and western Wisconsin. It was originally approved by the Midcontinent Independent System Operator (MISO) as part of its Multi-Value Project planning process back in 2011.<sup>19</sup> Getting Cardinal-Hickory Creek fully operational took 13 years, including nine years for permitting approvals from three federal agencies (i.e., the Department of Agriculture's Rural Utility Service, the U.S. Army Corps of Engineers, and the U.S. Fish & Wildlife Service), as well as two separate state entities (i.e., the Public Service Commission of Wisconsin and the Iowa Utility Board).<sup>20</sup> Additionally, the project faced multiple rounds of litigation<sup>21</sup> before finally being energized in September 2024. Now fully operational, Cardinal-Hickory Creek will deliver 24 GW of power to millions of households across the region.<sup>22</sup>
- **TransWest Express** is a 732-mile combination high-voltage direct current (HVDC) and high-voltage alternating current (HVAC) connecting four major balancing authorities in the western interconnection.<sup>23</sup> TransWest Express was started by the Arizona Public Service Company in 2005.<sup>24</sup> In addition to receiving authorizations from the Bureau of

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<sup>13</sup> Pattern Energy. "SunZia Wind and Transmission." *Pattern Energy*, [www.sunzia.com](http://www.sunzia.com). Accessed 20 Mar. 2025.

<sup>14</sup> Idaho Power. "B2H History." *Idaho Power*, [www.idahopower.com](http://www.idahopower.com). Accessed 20 Mar. 2025.

<sup>15</sup> Idaho Power. "B2H Schedule and Permitting." *Idaho Power*, [www.idahopower.com](http://www.idahopower.com). Accessed 20 Mar. 2025.

<sup>16</sup> Storrow, Benjamin, "Like Manchin, Obama Tried to Fast-Track Transmission. Nope.," *E&E News*, October 3, 2022.

<sup>17</sup> Idaho Power. "B2H History." *Idaho Power*, [www.idahopower.com](http://www.idahopower.com). Accessed 20 Mar. 2025.

<sup>18</sup> Idaho Power. "B2H Schedule and Permitting." *Idaho Power*, [www.idahopower.com](http://www.idahopower.com). Accessed 20 Mar. 2025.

<sup>19</sup> Cook, Amanda Durish. "Cardinal-Hickory Creek Line Fully Energized 13 Years After MISO Approval." *RTO Insider*, October 1, 2024.

<sup>20</sup> Cardinal-Hickory Creek. *Cardinal-Hickory Creek Transmission Line Project*, [www.cardinal-hickorycreek.com](http://www.cardinal-hickorycreek.com). Accessed 20 Mar. 2025.

<sup>21</sup> Dairyland Power Cooperative. "Cardinal-Hickory Creek Transmission Line Project Moves Towards Completion." *Dairyland Power Cooperative*, [www.dairylandpower.com](http://www.dairylandpower.com). Accessed 20 Mar. 2025.

<sup>22</sup> *Ibid.*

<sup>23</sup> TransWest Express. *TransWest Express Transmission Project*, [www.transwestexpress.net](http://www.transwestexpress.net). Accessed 20 Mar. 2025.

<sup>24</sup> *Ibid.*

Land Management (BLM) and the Western Area Power Administration, TransWest Express had to secure approvals from four different states, 14 local governments and a host of private landowners along the proposed route.<sup>25</sup> It received its final Notice to Proceed from BLM in 2023 – 18 years after the project began.<sup>26</sup> When construction is completed in 2028, TransWest Express will have a capacity of 3 GW, enough power to serve more than 1.8 million homes.<sup>27</sup>

Importantly, the multiple challenges facing these projects – as well as the affordability and reliability needs these projects are designed to address – are not limited to a single region of the country. Nor are they limited to certain types of project sponsors – investor-owned utilities, merchant developers, co-ops and power marketing administrations are all involved. Moreover, while each of these projects was designed to take advantage of specific resource availability in the regions being served, the obstacles they faced will continue to impact our nation's ability to take advantage of all kinds of future power generation – unless Congress moves swiftly to enact pro-transmission permitting reform.

### Recommendations

With that in mind, Grid Action recommends the Committee include the following policy changes to support long overdue and urgently needed high-voltage transmission build in any permitting reform package this year.

- Provide parity between regionally significant transmission lines and other linear infrastructure through coordinated siting and permitting at one federal agency using a single application.
- Direct FERC to issue a rulemaking within 180 days - and finalize a rule not later than one year after enactment - that establishes a minimum interregional transfer capability between any two Order No. 1000 planning regions based on expected needs and net benefits over the next 20 years, using a common set of metrics that predictably allocates costs roughly commensurate with benefits.
- Analyze transmission projects using a single environmental review, including any corridor designation reviews.
- Require that the federal permitting process for regionally significant and interregional transmission take no longer than five years - from initiation of pre-application to issuance of a notice to proceed, including the record of decision.

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<sup>25</sup> Brophy, Greg. "The TransWest Express Transmission Line Is a Win for Rural Communities. Why Did Approval Take 15 Years?" *Utility Dive*, 16 May 2023.

<sup>26</sup> TransWest Express. *TransWest Express Transmission Project*, [www.transwestexpress.net](http://www.transwestexpress.net). Accessed 20 Mar. 2025.

<sup>27</sup> *Ibid.*

- Prohibit federal agencies from delaying deadlines without applicant agreement while limiting delays to no more than six months. Applicant requests for delays should be accommodated.
- Ensure an early warning system to identify interagency conflicts, maintain the Federal Power Act Section 216(h) appeals process when a federal agency fails to make a deadline and empower the lead agency responsible for conducting a unified environmental review to timely resolve all identified conflicts.
- Shorten the judicial review period for consistency with other infrastructure projects (e.g., the FAST Act provides two years for seeking an appeal).
- Include appropriate pre-application notice and consultation with stakeholders consistent with that currently provided for other linear infrastructure, as well as consideration of technical assistance and ongoing funding for impacted communities.
- Maximize the responsible use of categorical exclusions on previously disturbed lands existing rights of way, and other activities as appropriate. To the extent permits by rule or other permitting reform approaches are considered, they should apply equally to transmission projects of regional significance.

Please don't hesitate to reach out to Christina Hayes ([christina.hayes@gridaction.org](mailto:christina.hayes@gridaction.org)) or Bill Parsons ([bill.parsons@gridaction.org](mailto:bill.parsons@gridaction.org)) with any questions, and thank you in advance for your consideration of these recommendations. Grid Action appreciates your leadership on federal permitting reform and welcomes the opportunity to work with the Committee and the Trump Administration on the full range of our nation's transmission and energy infrastructure priorities.