

**Chairman Manchin’s Opening Remarks During a Hearing to  
Examine Opportunities for Congress to Reform the Process for  
Permitting Electric Transmission Lines, Pipelines, and Energy  
Production on Federal Lands**

- The Committee will come to order.
- Today we continue the important work of considering reforms to our energy permitting system and the state of energy on our public lands and waters.
- Permitting reform is essential for more reliable and affordable energy, and to make our country more secure and competitive.
- Congress took a meaningful step forward in June with the Fiscal Responsibility Act—the debt deal—with several common sense reforms that I know had bipartisan support from our committee members.
- That included firm deadlines to complete reviews, requirements that agencies work simultaneously on a single environmental review, and several others.
- But there is still much more to do.
- Our committee is uniquely situated to be able to make real progress by coming together in a bipartisan fashion around a targeted set of top priorities for both Democrats and Republicans.

- We had a constructive hearing on overall energy permitting reform back in May.
- Today we are going to drill deeper on some of our committee members' top priorities based on the various permitting bills that have been referred to us.
- This includes responsibly addressing issues that are slowing down or blocking energy infrastructure critical for energy security and reliability, like pipelines and transmission lines.
- That discussion will be coupled with one on leasing and permitting of all types of energy on federal land and in federal waters, which is a tremendous energy resource and a critical piece of our jurisdiction.
- Let me begin with transmission.
- Over the last year there has been an attempt to paint transmission permitting reform as just another subsidy for intermittent renewable energy.
- If that were the case, I would not support it. But this simply isn't true, and we should not politicize infrastructure that has long enjoyed bipartisan support.
- Here are the facts as I see them.

- **Number 1:** Big, interstate transmission lines just aren't getting built. 2021 had the lowest build out of extra high voltage transmission construction in the last decade.
- **Number 2:** The process for siting, paying for, and planning large, interstate, and interregional transmission is different from other types of infrastructure and requires unique fixes.
- **Number 3:** Transmission is a key electric reliability tool, particularly during weather events that span hundreds of miles.
- Long-distance transmission and inter-connectivity enables power to move to where it's needed
- And as we've seen in Texas and other parts of the country, the areas that need the power aren't just blue states with aggressive climate targets that some of us may not agree with.
- Of course transmission infrastructure alone isn't enough for reliability—we also need dispatchable generation like coal, natural gas, hydropower, and nuclear.
- But without transmission, that generation has nowhere to go and can't help the areas that need it.
- Let me be clear, states are currently in the driver's seat on transmission projects, and I believe in most cases that's where decisions should be made.

- But in the limited instances where there is a project that is in the national interest and it gets stuck at the state level, we need an efficient federal backstop to provide a pathway for the project to get the permits and be fairly paid for, based on benefits received.
- The solution set for other types of energy projects looks different than transmission.
- And one critical element which wasn't included in the debt deal that would benefit all types of energy projects—from pipelines, to offshore wind, to mining projects—are judicial reforms.
- In my home state of West Virginia, just one project—the Mountain Valley Pipeline—has faced dozens of lawsuits in the 5-plus years since they received all necessary federal permits.
- While the debt deal shrunk NEPA review timelines down to no more than 2 years, as we all know, litigation on the back end can add many more years to the permitting process after agencies complete their work.
- There are three stages of the litigation process that we should look at streamlining—the filing, the case, and the remedy.
- On the first issue, right now, in many cases parties can file suit and begin litigation up to 6 years after a permit has been issued.
- Allowing three times as long to challenge a NEPA review as we're allowing for agencies to issue one makes no sense at all.

- The second issue is the length of the court case itself.
- Given how behind we are building the energy infrastructure this country needs for our security, Congress should direct the courts to expedite proceedings for these projects.
- Third is what happens if a court sends a permit back to an agency for more work.
- Usually when a court sends a permit back, it identifies a few specific issues that must be fixed.
- Yet we have agencies taking almost as long on these fixes as it took them to write the whole permit from scratch.
- All of these parts of the judicial process can and should be structured so that everyone gets their day in court, but project developers of all kinds have more certainty.
- Our second panel today will discuss how we can bring some timeliness, certainty, and efficiency to building and producing on Federal lands and waters.
- We need to be clear about what we mean by “permitting” here because the conversation tends to blur two distinct steps.
- Whether it’s an oil and gas well in New Mexico, a solar project in Arizona, geothermal in Nevada, offshore wind off the California coast, or an oil and gas platform in Gulf of Mexico,

the first step is to navigate the Department of the Interior leasing and right-of-way process.

- Then there is the separate process of getting permits to build or drill on that particular lease.
- Both steps have environmental reviews and approval processes, each with litigation risk.
- Energy producers on Federal lands and waters, like those on private or state lands, want legal certainty about their leases and a steady flow of future sales to justify long-term investments in infrastructure and skilled workforces.
- Continued production of these federal resources is incredibly beneficial, not just to our energy security but also to fund Western state priorities like education and national priorities like the Land and Water Conservation Fund.
- I have been concerned about efforts by the Administration to throttle back oil and gas leasing and production, so I made sure that the Inflation Reduction Act tied the ability to issue wind and solar leases to whether or not Interior is holding significant oil and gas lease sales, both on- and offshore.
- And because that's now the law, the unprecedented delay in finalizing the next five year offshore oil and gas plan is now putting both offshore wind and offshore oil & gas at risk.

- On top of that, just last week, the Administration and environmental groups released a voluntary settlement agreement—negotiated behind closed doors—that would take 11 million acres in the Gulf off the table from leasing and impose restrictions that only apply to oil and gas leaseholders.
- If the settlement agreement goes through, you'll have oil and gas vessels barred from operating at night or restricted to slow speeds while commercial shipping, passenger vessels, and fisherman would be completely unaffected.
- I don't know if there is a better example of this Administration's targeting of American energy production than this—a domestic energy provider literally held back while a tanker ship importing foreign crude can cruise on by, unrestricted.
- Onshore, while they still have work to do, I'm glad to see that the IRA has pushed BLM to finally resume holding lease sales, including New Mexico's record-setting sale back in May.
- But, as I said, once you've got a lease, you've then got to permit the project itself.
- I am interested to hear from our witnesses how Interior's permitting process affects each of their industries. I imagine there is a lot of common challenges, regardless of the energy type.

- As the superpower of the world with abundant natural resources, a strong workforce, and the ability to produce cleaner than anyone else, there is no reason for us not to have a robust energy production program on our federal lands and waters.
- As the Chairman of this Committee, I'm committed to continuing to convene my colleagues for open dialogue and negotiations on how to make more progress on permitting this year.
- Let me end with some housekeeping since we've got two panels today with two separate topics.
- For the first hour and a half, we'll have the opening statements and then ask questions of our first panel of witnesses on transmission lines and pipelines.
- Then, we'll hear the opening statements and ask questions of our second panel on energy projects on federal lands and waters.
- With that, I'll turn to Senator Barrasso, for his opening remarks.



## **Panel 1 – Pipelines and Transmission – Witness Introductions and Statements**

- Thank you, Senator Barrasso.
- I'd like to welcome our first panel of witnesses to the Committee and thank you all again for being here today.
- Today we have:
  - Mr. Antonio Smyth, Executive Vice President – Grid Solutions & Government Affairs, American Electric Power (AEP)
  - Mr. Jason Stanek, Former Chairman, Maryland Public Service Commission
  - Mr. Chad Teply, Senior Vice President, Transmission and Gulf of Mexico, Williams
- Mr. Smyth, we'll begin with your opening remarks.
- Next we'll go to Mr. Stanek
- Finally, Mr. Teply.
- Thank you all again for being available to share your perspective. We'll now begin with questions.
- [At end of questions] Thank you to our first panel for an excellent discussion. For our second panel, panelists please join us at the table.

## **Panel 2 – Leasing – Witness Introductions and Statements**

- Welcome to our second panel of witnesses to the Committee and thank you all again for being here today.
- Today we have:
  - Ms. Kelly Speakes-Backman, Executive Vice President, Public Affairs, Invenergy
  - Mr. Erik G. Milito, President, National Ocean Industries Association (NOIA)
  - Mr. Pete Obermueller, President, Petroleum Association of Wyoming
- Ms. Speakes-Backman, we'll begin with your opening remarks.
- Next we'll go to Mr. Milito.
- **Finally, I will turn to Senator Barrasso to introduce Mr. Obermueller for his opening remarks.**
- Thank you all again for being available to share your perspective. We'll now begin with questions.