

Chairman Manchin’s Opening Remarks During a Hearing to Examine the Opportunities for Congress to Reform the Energy and Mineral Permitting Process.

- The Committee will come to order.
- Today we’re going to continue our conversations about the opportunities for and the need to reform the permitting process for all types of energy projects.
- We’ve talked with the Secretaries of Energy and Interior and the FERC Commissioners about this important topic over the last several weeks.
- But this effort to improve our permitting process really took off last summer, when I secured a commitment from the President and Democratic Congressional leadership to support permitting reform and bring a bill up for a vote.
- After working with a small bipartisan group of members and making some adjustments to incorporate feedback from Republicans that both sides could accept, the Senate voted on the resulting legislation in December.
- 40 Democrats and 7 Republicans supported that bill – which sets permitting deadlines for energy and mineral projects, expedites litigation, requires different agencies to coordinate on reviews, ensures we get 2 billion cubic feet per day of natural gas into the market through the Mountain Valley Pipeline, and much more.

- This is the only comprehensive energy permitting reform legislation that has received bipartisan support in the Senate.
- It received support from the majority of members on this committee, and both the Chairman and Ranking Member of the Environment and Public Works Committee.
- I reintroduced that bill last week to kickstart bipartisan negotiations again this Congress, because we absolutely need to get permitting reform done for the good of our country.
- Is the bill perfect? Of course not.
- Could I go farther, of course. I'm the only Democrat on record supporting the majority of the provisions that Republicans are pushing that weren't included in our compromise legislation.
- But to get legislation through the Senate, we've got to get to 60 votes.
- So we can't let the perfect – or the politics – be the enemy of the good and continue to live with an outdated permitting process that kills much-needed projects.
- Whether you're more inclined towards renewables or fossil, towards pipelines or transmission lines, you can't get anything done unless we can do it in a timely fashion.
- And we desperately need to get permitting reform done for our country to maintain its status as the leader of the free world.

- So I am happy that there is strong, bipartisan interest in permitting reform in this Committee and this Congress.
- We all know that to build an energy system fit for the 21st century, we'll need to ensure our permitting agencies are conducting effective reviews focused on the most important issues, get to decisions much faster, and put a stop to endless second-guessing of those decisions in court.
- Now, I'm a believer in an all-of-the-above energy policy, which is what Congress has consistently reaffirmed as American energy policy through the Energy Act of 2020, the Bipartisan Infrastructure Law, and the Inflation Reduction Act.
- We know that we will need to produce and transport more energy than ever in the coming decades—energy of all types.
- The Energy Information Administration indicates that demand for our fossil energy – oil, gas, and coal – will increasingly be driven by our allies and trading partners who want a reliable supplier able to produce cleaner than anywhere else.
- So this means we'll need to build pipelines, export terminals, and more energy transportation infrastructure, or our partners may have to source their fuel from other countries that do not share our democratic or environmental values.

- And as all four FERC Commissioners told us last week, we cannot eliminate coal today or in the near future if we want to have a reliable electric grid.
- We will also need to mine and process minerals here in the United States if we are actually serious about lessening our current dependence on China for energy technologies—if we don't, this dependence will get worse.
- I've been clear that I don't agree with the Administration's efforts to push an accelerated climate agenda in a way that puts our transportation sector and some components of our energy sector in the hands of China.
- As the superpower of the world with abundant natural resources and a strong workforce, there is no reason we should be asking others to do what we can do for ourselves.
- But producing the American energy that we need, and the world needs, is nearly impossible with our current permitting system.
- For example, it takes decades to permit new mines. It's a failure and it's setting us up to rely on countries who are hostile to our way of life.
- You know you have a broken system when getting a domestic mine permitted in less than 10 years is like winning the lottery, but it takes less than a year to begin importing products full of critical minerals mined or processed in China.

- The Mountain Valley Pipeline has been undergoing permitting and litigation for more than 8 years—that includes 8 NEPA reviews and 9 court cases in the Fourth Circuit.
- And siting, permitting, litigation, and decision-making on how to pay for long-distance, high voltage transmission lines tie up these projects for over a decade, if they ever get built. These challenges threaten the reliability of our grid.
- Some reforms will help all sectors – such as setting and enforcing deadlines, expediting litigation, etc.
- Some will require sector-specific fixes.
- But no energy sector is immune to permitting roadblocks.
- Despite every administration and Congress in recent memory—and every sector of the energy industry—identifying permitting reform as a vital need, the problem is getting worse, not better.
- As shown in the chart behind me, we're slowing down in building both pipelines and transmission lines.
- According to the Energy Information Administration, in 2022 we had the lowest amount of FERC-regulated natural gas pipeline infrastructure built since EIA began tracking in 1995.

- And the story is the same on transmission—in 2021 we built the fewest miles of high voltage transmission in any year going back to 2010.
- We all know it's possible to do better than 5, 10, 15 year timelines without bypassing important environmental protections and community input.
- Our allies in Australia and Canada have permitting processes designed to finish in 3 years or less.
- And in Europe, which has a reputation for being even more difficult to build in than the U.S., the weaponization of energy by Russia forced them to realize they have a problem.
- Recently the EU has rolled out new targets for timelines—9 months to 2 years for energy, manufacturing, and minerals projects.
- Our Committee has a real responsibility to address energy and minerals permitting reform. It's the agencies under our jurisdiction doing most of the permitting for these projects.
- Over 80% of NEPA Environmental Impact Statements (EIS) for energy and minerals projects are completed by agencies under this committee's jurisdiction—and that's almost half of the EISs done across the entire federal government.

- EISs are the most intensive form of NEPA reviews intended for major projects with the potential for significant impacts. They take 4.5 years on average, and often several years beyond that.
- So, the agencies our committee oversees are responsible for a large portion of the federal government's most significant and time-consuming environmental reviews.
- Members of this Committee have a wide range of views regarding what the future of American energy should look like, but no matter what you want to build, it takes too long.
- This is why the bill I introduced and 47 bipartisan Senators voted for last year would set enforceable timelines for agencies to complete reviews, limit the length of these reviews, and require agencies to coordinate on one government-wide, simultaneous review instead of multiple uncoordinated reviews.
- It would accelerate the court process for energy projects by requiring courts to set these cases for expedited review and shortening deadlines to bring lawsuits from 6 years to less than 6 months.
- This will provide certainty that if agencies approve a project, it won't then get delayed by endless litigation.
- And the bill would also make sure agencies spend most of their time on the most important reviews by ensuring that simple projects are not subject to drawn out reviews.

- I was pleased to see similar ideas in the bills recently introduced by our Republican colleagues.
- On electric transmission, our bill recognizes that states have primary authority to site and allocate costs for transmission projects.
- But we made reasonable improvements to FERC's authority to step-in in cases where states cannot reach agreement after one year, so that long-distance, inter-state transmission that are in the national interest and needed for the reliability of our nation's grid can still move forward.
- And I've heard my Republican friend's concerns about how costs are allocated, so we put language in there to make sure that only those who actually see electric benefits pay and that it's proportional.
- By the way, even the oil and gas industry agrees electric transmission reforms are an essential part of a comprehensive permitting package.
- Six of the leading oil and gas trade groups sent us a letter this morning outlining their top priorities and acknowledging the importance of pairing transmission reforms with steps like improving NEPA and judicial reforms.
- So it's time for us to roll up our sleeves and do our jobs.

- As the Chairman of this Committee, I'm committed to continuing to convene my colleagues for open dialogue and negotiations.
- At this point we have the legislation I filed that received bipartisan support, the House and Senate Republican proposals, and Senator Carper's forthcoming proposal on the table.
- Now, just as we did with the Bipartisan Infrastructure Bill, we all need to sit down and negotiate in good faith—putting politics aside—to craft the Bipartisan Permitting Reform Bill.
- And I intend to hold more sector-specific energy permitting hearings in the weeks ahead to inform that work.
- Make no mistake, actually getting something done will require compromise and prioritization. Many ideas that are priorities for some Senators are strongly opposed by other Senators.
- But we cannot let the pursuit of the perfect bill mean we fail once again in getting a good, impactful bill signed into law.
- I'm grateful to our witnesses who have joined us today to help discuss what this committee's priorities should be for permitting reform.
- They represent a diverse group of interests who all stand to gain from commonsense, bipartisan energy permitting reform.
- With that, I turn to Senator Barrasso, for his opening remarks.

- Thank you, Senator Barrasso.
- I'd like to welcome all of our witnesses to the Committee and thank you all again for being here today.
- Today we have:
 - Mr. Jason Grumet, President & CEO, American Clean Power Association
 - Ms. Elizabeth Shuler, President, American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)
 - Mr. Rich Nolan, President & CEO, National Mining Association
 - Mr. Paul Ulrich, Vice President, Jonah Energy and Member, Wyoming Energy Authority Board of Directors
- Mr. Grumet, we'll begin with your remarks.
- Next, we'll go to President Shuler.
- And Mr. Nolan
- **Finally, I will turn to Senator Barrasso to introduce Mr. Ulrich for his opening remarks.**
- Thank you all again for being available to share your perspective. We'll now begin with questions.