

LPPC PRIORITIES FOR PERMITTING REFORM

LPPC members currently power over 18% of the nation's AI and data center load and account for approximately **36% of expected new data center interconnections** over the next five years. Public power utilities are essential to supporting AI growth, advanced manufacturing, and American economic and national security objectives.

Congress should enact broad permitting reforms that reduce delay, improve certainty, and help build the generation, transmission, and maintain the hydropower infrastructure needed to serve rising demand.

Permitting Reforms to Get Projects Built

National Environmental Policy Act (NEPA)

SUPPORTING LEGISLATION

LPPC POSITION

Speed Act (H.R. 4776)

Narrow reviews to relevant impacts, expand appropriate categorical exclusions, and reduce litigation-driven delays for critical energy infrastructure

Clean Water Act (CWA)

SUPPORTING LEGISLATION

LPPC POSITION

Permit Act (H.R. 3898)

Enforce the one-year deadline for Section 401 state water quality certifications, limit review to direct water-quality impacts, improve Section 404 dredge-and-fill permitting, and establish clear timelines for judicial review

Endangered Species Act

SUPPORTING LEGISLATION

LPPC POSITION

Endangered Species Act
Amendments of 2025 (H.R. 1897)

Improve certainty for energy infrastructure projects while ensuring decisions remain grounded in objective, science-based standards

Permitting Certainty

LPPC POSITION

Establish faster, more transparent technology-neutral agency and judicial review timelines and protect fully permitted projects from revocation or delay

Hydro Licensing/Relicensing

SUPPORTING LEGISLATION

LPPC POSITION

FLOWs Act S. 3518, Hydropower Licensing
Affordability Act (H.R. 9337/S. 5048)

Clarify that routine maintenance and non-substantial alterations do not require license amendments. In addition, improve interagency coordination, reduce unnecessary relicensing burdens, and tie mandatory conditions under FPA sections 18 and 4(e) to project effects

About LPPC

LPPC represents 29 of the nation's largest public power utilities. Our members have issued over **\$100 billion** in tax-exempt bonds to finance critical generation, transmission, and distribution infrastructure. Today, LPPC member utilities serve over **30 million customers** with **80 gigawatts of generation**. Over the next decade, LPPC members expect to invest **\$166 billion** in electric infrastructure and build approximately **59 gigawatts** of new generation across natural gas, nuclear, pumped hydro, storage, wind, and solar to meet unprecedented demand growth from data centers, artificial intelligence, advanced manufacturing, and electrification.

LPPC Principles for Transmission

LPPC supported Federal Energy Regulatory Commission (FERC) Order No. 1920 because it strengthened long-term **regional transmission planning** while **preserving longstanding Federal Power Act (FPA) protections** for non-jurisdictional public power. If Congress includes transmission provisions in permitting legislation — including FERC siting authority or changes to regional planning — **the bill should follow the same approach.**

Here are the guardrails that should govern transmission:

Communities across America are counting on Congress to deliver a modernized, efficient, predictable, and transparent permitting process — one that provides the project certainty needed to secure investment today, unlock economic growth, and foster innovation that creates opportunity and a stronger future for families and neighborhoods.

— U.S. Chamber of Commerce letter to the U.S. Senate on behalf of 600 national, regional, and state organizations, February 2026

1

Net customer benefits should be the core test for project certification.

All projects offer some benefit. Transmission projects should be certified only when they deliver tangible net benefits to the customers who will fund them, relative to reasonable alternatives such as generation, storage, demand-side resources, reconductoring, or grid-enhancing technologies. Costs should be assigned in accordance with cost causation and customers should not be involuntarily allocated project costs that exceed their benefits.

2

Project certification should be tied to a long-term regional planning process approved by FERC.

Congress should build on existing planning frameworks, not create another overlapping process, and should ensure any certified project is anchored to an appropriate framework for cost allocation and cost recovery. Any federal transmission framework should require meaningful consultation with affected states, landowners, and the public. Interregional projects should only be selected with the approval of each participating region.

3

Project certification should be revisited before construction begins if material facts change.

If project costs materially rise, projected customer benefits decline, load forecasts change, or other key assumptions shift after project selection, there should be an opportunity to reassess whether the project remains the right choice for customers.

4

Efforts to shorten interconnection timelines should be practical, flexible, and grounded in real-world system conditions.

Automation software, advanced computing, and other process improvements can help accelerate generator interconnection. But Congress should not impose a hard deadline based on an assumption that those tools will work in every case, especially for complex projects where transmission providers determine that the tools are not cost-effective or that meeting the deadline would be infeasible or inconsistent with reliable system operations.

5

Any rate authority should be limited to the certified project.

Any FERC rate or service authority for regional or interregional transmission projects involving FPA Section 201(f) entities should be limited to the certified project itself and should not expand broader Federal Power Act jurisdiction over non-jurisdictional public power.

6

FPA Section 201(f) utilities should retain opt-out protections.

Section 201(f) utilities have a history of self-supply and should be able to opt out of a FERC-approved regional planning framework and its associated cost allocations, rather than be compelled to participate and then dispute whether their customers benefit.