



H.R. 1, The Lower Energy Costs Act

ClearPath Action proudly supports H.R. 1, the Lower Energy Costs Act. This legislation would unleash American energy, lower costs, and get clean American energy produced sooner, while protecting the safety and environmental concerns of our communities. The bill is a comprehensive bill to modernize the permitting process for energy deployment.

H.R. 1 has the opportunity to serve as the foundation to enact real, meaningful permitting reform this Congress. It is abundantly clear that permitting reform is absolutely necessary to unlock American resources to reduce emissions and boost global energy security.

SUMMARY

The Lower Energy Costs Act restores American energy independence by increasing domestic energy production, reforming the permitting process for all industries, streamlining energy infrastructure and exports, and boosting the production and processing of critical minerals.

HISTORY:

Major infrastructure projects require pre-approval from federal, state, and local regulators before the beginning of construction and operations. These regulations include compliance with major federal environmental laws, including the Clean Air Act, Clean Water Act, and Endangered Species Act, among others. At the federal level, the process to comply with these legal requirements is generally lumped under the National Environmental Policy Act of 1969 (NEPA).

For the most intensive review process, known as an environmental impact statement (EIS), reviews by relevant federal agencies can last for years. Average review times vary between agencies, but can take upwards of five years to complete for Department of the Interior and Department of Transportation projects.¹ Efforts to streamline this review process have been ongoing for more than two decades with limited success. A geothermal energy project on federal land, for example, could be required to go through the environmental review process up to six times before commercial operation.

America's energy demands are increasing, and we need to build more clean energy infrastructure projects faster to keep up. The current regulatory environment causes long delays that make projects more expensive, distract regulatory resources, and impede America's ability to deploy billions of dollars in federal appropriations for clean energy demonstration projects passed during the 117th Congress. Senator Joe Manchin (D-WV) proposed a series of limited reforms to the federal permitting process; Senator Shelley Moore Capito (R-WV) introduced an alternative proposal to codify permitting regulations brought forward by the Trump Administration. Neither passed.

SPECIFICS:

H.R. 1 will specifically take action to deploy more Clean Innovative American Energy by:

- Accelerating environmental review for all types of energy projects and sets deadlines for agency reviews;
- Allowing agencies to use existing environmental review documents for previously studied impacts;

- Limiting frivolous lawsuits filed after permits have already been issued;
- Repealing rate increases passed in the Inflation Reduction Act that penalize energy producers;
- Removing barriers to exporting US LNG around the globe to protect American interests at home and abroad;
- Codifying key parts of One Federal Decision to remove bureaucratic uncertainty;
- Removing regulatory barriers to deploying geothermal energy on federal lands;
- Creating certainty for future energy lease sales & increasing revenue sharing with States for all forms of energy production.
- Securing America's supply chains by requiring assessments of vulnerabilities in the nation's supply of critical energy resources and minimizing delays for mining projects on federal land.

ORIGINAL SPONSORS: Majority Leader Steve Scalise (R-LA), Rep. McMorris Rodgers (R-WA), Rep. Westerman (R-AR), Rep. Graves (R-MO)

SUPPORT: ClearPath Action, American Chemistry Council (ACC), American Exploration & Mining Association, American Farm Bureau Federation, American Forest & Paper Association (AF&PA), American Fuel and Petrochemical Manufacturers, American Gas Association, American Pipeline Contractors Association, American Public Gas Association (APGA), American Petroleum Institute (API), Associated Builders and Contractors, Associated General Contractors of America, Center for LNG (CLNG), Citizens for Responsible Energy Solutions (CRES), Distribution Contractors Association, Energy Workforce & Technology Council, Essential Minerals Association, GPA Midstream, International Association of Drilling Contractors, Interstate Natural Gas Association of America (INGAA), Independent Petroleum Association of America (IPAA), National Association of Home Builders (NAHB), National Association of Manufacturers, National Federation of Independent Business (NFIB), National Mining Association, National Stone Sand and Gravel Association (NSSGA), National Utility Contractors Association, Power and Communication Contractors Association, U.S. Chamber Global Energy Institute, Water and Sewer Distributors of America, Western Energy Alliance.

CONGRESS.GOV LINK: <https://www.congress.gov/bill/118th-congress/house-bill/1>