

# FASTER ACT

FACILITATING AMERICA'S SITING OF TRANSMISSION AND ELECTRIC RELIABILITY

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**Problem:** It can take a decade or more to build a high voltage, interregional transmission line. Fragmented state, local, and federal jurisdiction over transmission siting, the lack of coordination and communication between cooperating agencies, inadequate staff resources, and incomplete applications are among the top factors slowing down interregional transmission development.

**Solution:** The FASTER Act builds upon the best practices established by Fixing America's Surface Transportation (FAST) Act to improve upon existing transmission siting and permitting practices, without compromising environmental standards.

## **Background:**

The FAST Act established a series of important permitting reforms such as requiring coordination of Federal agency review of projects, regular communication with permit applicants, and processes to hold cooperating agencies accountable. It has substantially reduced the permitting timeline for energy infrastructure projects without weakening environmental standards.

However, many of these best practices have no forcing mechanism and vary across individual agencies.

**The FASTER Act aligns state, county, project developer, and community incentives to improve the siting, planning, and permitting process for interregional transmission lines.**

## **Best Practice #1: Designate a Lead Permitting Agency**

Establishes FERC as the lead agency to coordinate state, local, and federal authorizations.

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- Gives FERC authority to site and permit certain high-voltage lines that are capable of transmitting electricity at a rating of not less than 345 kilovolts and not less than 750 megawatts in capacity, crosses two states *or* a designation from DOE that the route proposed by a developer is consistent with the purpose of a National Interest Electric Transmission Corridor.
- Requires FERC to prepare a single environmental review document as the basis for all permitting decisions.
- Provides certainty to project sponsors that if FERC approves a permit, the notice to proceed must be granted no more than 3 years after the application process began.

- Authorizes FERC to impose firm time limits for environmental reviews by requiring that all permit decisions and related environmental reviews must be completed within 1 year.
- Allows FERC to expand the list of categorical exclusions applicable to *existing infrastructure*, such as repair, maintenance, upgrade, optimization, or minor addition to existing transmission and distribution infrastructure if the categorical exclusions would reduce processing times or costs without adverse consequences to the human environment.
- Applies Fast-41 procedures to projects, including legal protection for projects by creating a 2-year limitation period on any judicial claim that challenges an agency decision to issue or deny a permit.

### **Best Practice #2: Require Cooperating Agencies to Participate in a Pre-Filing Process**

The Federal Permitting Improvement Steering Council has identified pre-applications as a recommended permitting best practice. Although it is acknowledged to be a best practice, cooperating agencies and project developers are not required to participate in pre-application meetings, which can avoid foreseeable delays.

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- Requires agencies to participate in the pre-filing process to ensure developers have an opportunity to communicate with cooperating agencies before the formal application process is underway.
- Requires the Executive Director of the Permitting Council to take into consideration whether an agency participated in the pre-filing process when determining the amounts available for cost recovery from the Environmental Review and Improvement Fund.
- Provides certainty to transmission developers that if FERC approves a permit, the notice to proceed must be granted no more than 3 years after the application process began.
- Allows FERC to appeal to the President to resolve interagency disputes under Federal Power Act 216(h).
- Allows FERC to impose firm time limits for environmental reviews by requiring that all permit decisions and related environmental reviews must be completed within 1 year.
- Maintains state-led permitting in current law that provides states with one year to issue or deny a permit before FERC can issue a permit. The Federal government should not exclude PUCs from advancing their state's energy policy goals.

### **Best Practice #3: Engage Communities Early and Often**

There is bipartisan consensus that early and meaningful community engagement must be at the center of any permitting reform effort. However, community engagement is commonly conducted toward the end of the permitting and review process when site selection, designs, and funding are already in place.

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- Requires developers to start the community engagement process during the pre-filing process, an established process that FERC uses to permit LNG terminals and oil and gas pipelines. FERC must approve a developers' pre-application to proceed to a formal application.
- Ensures greater applicant involvement by developing clear protocols to help communities negotiate enforceable community benefit agreements.
- Defines a community benefit agreement as a legally enforceable agreement between the project sponsor and any parties significantly impacted by a national interest electric transmission facility.

#### **Best Practice #4: Make Benefits Tangible**

Interregional transmission projects often face local opposition because the benefits provided by transmission are intangible, widespread and diffuse by nature. One of the great challenges facing large transmission projects is to ensure that transmission projects directly benefit communities, counties, tribes and states.

#### **FASTER:**

- Reduces the burden of grantmaking requirements for communities that negotiate a community benefit agreement (CBA). Currently the \$760 million-dollar Transmission Siting and Economic Development Grant (TSEDG) program is only available only to states, counties, and tribes. The CBA acts as a public-private partnership, allowing a project sponsor to apply for on behalf of, or jointly with, the CBA party. CBAs are only funded when construction begins.
- Allocates \$532 million from the TSEDG to fund economic development initiatives and provide support to communities that are among the most significantly impacted by project development, construction, or local operations activities.
- Allocates \$228 million from the TSEDG to fund state and county siting activities, such as analyzing the benefits of proposed interregional transmission.
- Directs transmission rentals, fees, or other payments under a right-of-way, permit, leases to counties, communities, and states. The bill sends 25 percent to the state where development occurs, 25 percent to the counties of origin, 15 percent for the purposes of more efficiently processing permit applications and reducing the backlog of renewable energy permits and 35 percent deposited into a fund for conservation purposes.