

Sponsors: Northern California Power Agency; Michigan Municipal Electric Association; Illinois Municipal Electric Agency; Southern California Public Power Authority; California Municipal Utilities Association

In Support of Streamlining the National Environmental Policy Act Review Process

1 The National Environmental Policy Act (NEPA) was enacted in 1970 as a procedural statute requiring
2 federal agencies to review and consider the environmental consequences of proposed major federal
3 actions, such as constructing electric infrastructure. Environmental reviews under NEPA have grown in
4 complexity over the last four decades with delays lasting years, and the statute has been the subject of
5 numerous lawsuits. These delays have created a significant backlog that slows the construction and
6 availability of energy infrastructure projects nationwide.

7
8 NEPA requires federal agencies to develop environmental assessments and environmental impact
9 statements that outline project alternatives and their potential environmental impacts. These impacts
10 include water and ground pollution, endangered species and protected habitats, and other direct
11 consequences of a potential action. These documents are developed through a public notice-and-comment
12 period, providing opportunities for public participation in determining the project's impact. As the NEPA
13 process has become more complex, agencies increasingly use the comment period and document issuance
14 process to delay controversial projects that may be subject to immediate legal challenge.

15
16 Sensible reforms to NEPA will enable public power utilities to invest in generation and transmission
17 infrastructure in a timely and cost-effective manner, while maintaining appropriate environmental
18 oversight. The U.S. Supreme Court decision in *Seven County Infrastructure Coalition, et al. v. Eagle County,*
19 *Colorado, et al.*, 605 U.S. 168 (2025) affirms that NEPA reviews should be narrowly focused on the environmental
20 effects of the specific “proposed action” under direct federal control and federal agencies need not
21 consider upstream and downstream impacts that are separate in time or location from the proposed
22 project. The decision also affirms that federal agencies have broad discretion to limit analysis of a
23 project's environmental impacts. Federal agencies must only examine environmental effects that are
24 proximately caused by their proposed action.

25
26 Congress has also taken action to amend NEPA to rein in the complexity that causes delays. The Fiscal
27 Responsibility Act of 2023 (P.L. 118-5) updated the statute to speed up environmental reviews by
28 requiring agencies to finish environmental assessments within one year and environmental impact
29 statements within two years, while also limiting their length. These changes were designed to reduce
30 delays and improve efficiency for critical infrastructure and environmental projects.

31

32 In the 119th Congress, the House of Representatives passed H.R. 4776, the Standardizing Permitting and
33 Expediting Economic Development (SPEED) Act, with provisions that streamline the review process by
34 limiting the scope of environmental review to immediate proximate effects of a proposed action, adding
35 programmatic document and decision deadlines, and creating new judicial review requirements. APPA
36 supports this legislation and is encouraged by bipartisan cooperation to move the bill forward.

37

38 **NOW, THEREFORE, LET IT BE RESOLVED:** That the American Public Power Association (APPA)
39 supports reforming the National Environmental Policy Act (NEPA) permitting process to limit the scope
40 of environmental reviews to proximate effects of the proposed action; and

41

42 **BE IT FURTHER RESOLVED:** That APPA supports expanding the use of categorical exclusions and
43 relying on programmatic review options and tiering to reduce unnecessary red tape for review of
44 proposed actions when appropriate; and

45

46 **BE IT FURTHER RESOLVED:** That APPA supports narrowing the scope of a NEPA analysis to
47 “reasonably foreseeable” environmental effects of the proposed agency action as codified in the Fiscal
48 Responsibility Act of 2023; and

49

50 **BE IT FURTHER RESOLVED:** That APPA supports providing clarification for federal grant recipients
51 that receiving federal funding does not constitute a “major federal action” requiring a NEPA analysis; and

52

53 **BE IT FURTHER RESOLVED:** That APPA supports efforts by Congress to address NEPA project
54 delays and reform the statute to streamline the environmental review process and limit frivolous litigation.

**Adopted at the Legislative & Resolutions Committee Meeting
February 24, 2026
Sunsets in March 2034**