TESTIMONY OF
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BEFORE THE
SUBCOMMITTEE ON ENERGY
COMMITTEE ON ENERGY AND COMMERCE
U.S. HOUSE OF REPRESENTATIVES

ASSURRING ABUNDANT, RELIABLE AMERICAN ENERGY TO POWER INNOVATION HEARING

APRIL 30, 2025

Chairman Latta, Vice Chairman Weber, Ranking Member Castor, and Members of the Subcommittee:

Good morning. My name is Amy Andryszak, and I serve as the President and Chief Executive Officer of the Interstate Natural Gas Association of America (INGAA), which is a federally focused trade association representing North American interstate natural gas transmission pipeline and storage companies. INGAA's members transport most of the natural gas consumed in the United States through a network of approximately 200,000 miles of interstate natural gas transmission pipelines. Our large capacity, critical infrastructure systems span multiple states or regions and provide natural gas to local distribution companies, electricity generators, industrial manufacturers, and LNG export facilities.

Thank you for the opportunity to share INGAA's perspectives on the legislative discussion drafts the Committee is considering today. Given the natural gas infrastructure focus of the INGAA membership, I am best able to provide perspective on the Improving Interagency Coordination for Review of Natural Gas Pipelines Act, the Promoting Cross-Border Energy Infrastructure Act and H.R. 1949, the Unlocking our Domestic LNG Potential Act of 2025. Additionally, I will provide comments on the Reliable Power Act and the Reliability Protection for States Act.

We appreciate the Committee's leadership and efforts to advance policy measures to help provide reliable adequate baseload power and necessary infrastructure to meet growing energy demands at home and abroad. INGAA's member companies, which build and operate the interstate natural gas pipelines and storage facilities necessary for delivering this vital energy source nationwide, are integral to ensuring reliable, dispatchable energy is delivered to American homes and businesses.

U.S. electricity demand is projected to continue growing due to electrification, re-shoring of manufacturing, and an expansion of AI and data centers. Estimates vary for how many

additional GW of power generation capacity will be needed, but the U.S. Energy Information Administration's (EIA) recent Annual Energy Outlook projected that by 2050 American electricity net generation will rise by more than 45 percent. To put this into perspective, since 2001 domestic electricity net generation increased by only 15 percent. This is a paradigm shift for the electric power sector, and to meet this surge in demand, we do not have the luxury of relying on only a select few technologies. All forms of energy will be needed.

In addition to heating, cooking, and manufacturing usages, natural gas is the largest national electricity fuel source currently providing 43% of the electricity generated in this country. According to EIA, in 2024, U.S. natural gas consumption averaged a record 90.3 billion cubic feet per day (Bcf/d) and set new winter and summer monthly records in January and July. Overall, U.S. consumption in 2024 increased one percent (0.9 Bcf/d) from 2023. In January 2024, natural gas consumption was up 12 percent (12.5 Bcf/d) compared with January 2023 consumption, and in July 2024, consumption increased by three percent (2.5 Bcf/d) compared with July 2023.

Demand will continue to grow. The EIA's latest projections show natural gas consumption will be higher in 2025 and 2026 compared to the already record levels in 2024.

To meet this growing demand, our country will need significant new energy infrastructure of all kinds, from pipelines to power lines. In a report earlier this year, Rystad Energy calculated that utilities are planning a staggering 17.5 GW of new natural gas capacity in the coming years, the highest level since 2017. A Goldman Sachs analysis shows an additional 47 GW of electric generation capacity will be required to support data center power demand growth by 2030, and it estimates 60 percent will come from gas and 40 percent will be derived from renewables. That equates to an additional 3.3 Bcf/d of natural gas pipeline capacity to meet the demand growth from data centers by 2030. Calculations by S&P Global suggest additional gas demand could be as high as 6 Bcf/d by 2030. It is self-evident that we will not meet this scale of growing demand for natural gas without adding new pipeline and storage capacity, and the status quo regulatory regime that discourages investment in infrastructure will not get us there.

Pipelines are the safest, cleanest and most reliable transportation option for delivering energy. The U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) recognizes these linear infrastructure networks as the safest way to transport large energy quantities like natural gas. To ensure necessary pipeline infrastructure to transport North America's abundant natural gas safely, affordably and reliably can be built, Congress must enact comprehensive statutory reforms to create a durable system for permitting energy infrastructure. Some of the needed statutory changes are within the Committee's jurisdiction and others fall outside it, but to address the regulatory and legal challenges facing the development of energy infrastructure, statutory changes to the National Environmental Policy Act (NEPA), the Clean Water Act (CWA), and judicial review reforms are necessary. Such reforms, along with adequate staffing and expertise across federal agencies responsible for the permitting and oversight of energy infrastructure, will allow interstate natural gas pipelines and storage facilities, as well as other energy infrastructure, to be built to meet our nation's demand. I provide more specifics on how to statutorily improve permitting processes and reduce significant litigation risks later in this testimony.

Energy and Commerce Committee Proposals.

Improving Interagency Coordination for Review of Natural Gas Pipelines Act.

The Federal Energy Regulatory Commission (FERC) has exclusive authority to grant the certificate of public convenience and necessity required to construct new or expanded interstate natural gas pipelines under the Natural Gas Act, and thus leads the NEPA review of proposed interstate natural gas, storage and LNG projects. Numerous federal and state agencies are responsible for granting other environmental and land use permits and approvals that must be obtained prior to pipeline operators commencing construction. State and other federal permitting agencies, however, are taking longer, and in certain cases, are electing not to initiate their reviews until FERC has either completed or nearly completed its review of a proposed pipeline project. These disjointed, sequential reviews cause delay and create the need for FERC to conduct supplemental environmental analyses if the agency identifies a potential environmental impact that FERC had not considered in its environmental document.

Though Congress attempted to streamline, expedite, and improve coordination amongst infrastructure permitting agencies as part of Energy Policy Act of 2005 (EPAct 2005), including designating lead agencies to coordinate applicable federal authorizations, the complex regulatory framework, which requires compliance with federal, state, tribal and local environmental statutory and regulatory requirements, remains inefficient at best. At its worst, opponents of energy infrastructure exploit the current framework to delay project development. Because there is no direct accountability for lack of engagement, states or agencies may ignore or delay their response to requests by FERC to participate in the review of a proposed pipeline and refuse to adhere to FERC's NEPA timeline without consequence.

INGAA appreciates and supports the Improving Interagency Coordination for Review of Natural Gas Pipelines. This proposal attempts to address these conflicts and reinforces the intent of Congress in EPAct 2005 by clarifying and strengthening the role of FERC as the lead federal agency for complying with NEPA and further defines the process for participating federal and state agencies to coordinate with FERC to complete environmental reviews. This legislation also attempts to bring more transparency and accountability for participating agencies to the environmental review process. The proposal provides greater certainty relating to the schedule for reviewing and acting upon permit applications and better coordination among the agencies that are responsible for issuing permits without diminishing the substantive requirements that must be obtained to construct an interstate natural gas pipeline.

By further defining the participation process for federal and state agencies, the proposal would encourage all participating federal agencies to identify their concerns earlier in the FERC-led NEPA process and to keep on FERC's timeline with regular updates. It would require participating agencies that did not meet a review deadline to notify FERC and Congress why it could not meet the deadline and when it will.

The measure would also require that agencies conduct reviews concurrently and in conjunction with the project-related review conducted by FERC in compliance with NEPA. It also provides that federal and state agencies may accept remote aerial surveys, which are widely accepted practices employed by operators and many federal agencies, to complement other proven survey

methods conducted on the ground for data collection. This would allow federal and state agencies to proceed more efficiently and earlier with their permit reviews, particularly if the applicant does not have physical access to the land.

As the Committee considers this measure, INGAA encourages including the Water Quality Impacts section that was contained in the 118th Congress version of this legislation. This important provision would prevent a state's misuse of the CWA water quality certification process. Under CWA Section 401 (CWA 401), applicants for a federal license or permit for a project which may result in discharges into navigable waters must obtain a certification from the state where the discharge may occur. Most states use their CWA 401 authority as Congress intended—to work with project developers to avoid or mitigate adverse water quality impacts. Certain states, however, have inappropriately used this authority to purposefully delay or block interstate natural gas projects which FERC has already determined to be in the national public interest.

Under the Water Quality Impacts provision, an interstate natural gas pipeline applicant for federal authorization would not be required to obtain its CWA 401 certification from a state. Instead, FERC would incorporate the water quality certification into its NEPA review, with necessary terms or conditions proposed by states participating in the review process. Thus, the legislation ensures that state voices are heard, environmental protections are preserved, and the risk of duplicative or obstructive reviews is reduced.

Should Congress grant this authority to FERC, Congress will also need to ensure the Commission can hire staff with the necessary expertise to fulfill these obligations. INGAA's members, who pay user fees that fully fund FERC's operations, would support the additional agency resources needed to incorporate the water quality reviews into the FERC-led NEPA process.

Promoting Cross-Border Energy Infrastructure Act.

Our nation has benefitted greatly from the vigorous and dynamic cross-border trade with Canada and Mexico of energy resources, including natural gas.

INGAA supports the intended goal of the Promoting Cross-Border Energy Infrastructure Act to establish a more uniform process for oil, natural gas, and the transmission of electricity to obtain a certificate to cross an international border. As it relates to natural gas pipeline infrastructure, the proposed legislation would continue to require a natural gas pipeline crossing the border to secure a certificate of public convenience and necessity from FERC under the Natural Gas Act. It would also require FERC to issue a separate certificate approving the crossing, replacing the current Presidential permit requirement.

INGAA applauds the removal of the "Presidential permit" requirement which was established in 1953 when President Eisenhower signed Executive Order 10485. We believe that a statutorily directed, FERC-led authorization process, as proposed in the legislation, will create a more uniform, transparent cross border review process. Additionally, we support the proposed legislation's presumption that a border-crossing facility is in the public interest of the United States.

While we are supportive of this proposal, INGAA's members seek clarity on some provisions within the legislation. We offer to work with the bill sponsor prior to introduction to ensure the legislative text provides FERC with clear and objective standards for protecting the U.S.'s legitimate national security concerns yet remains consistent with the purposes of existing free trade agreements and encourages cross border infrastructure.

H.R. 1949, the Unlocking our Domestic LNG Potential Act of 2025.

INGAA agrees that energy security equals national security. Increased LNG exports enhance energy security and economic growth by providing our trading partners abroad a reliable source of natural gas and a reduced dependence on other energy sources. For these reasons, we support the Unlocking our Domestic LNG Potential Act, which would streamline the permitting process for LNG exports.

This legislation attempts to unravel the confusing bifurcated approval process for certificating the import and export of natural gas. The current process is not a statutory construct, but rather one that has evolved over time as authorities under Section 3 of the Natural Gas Act were transferred from FERC's predecessor agency to the Secretary of Energy and then certain authorities were delegated from the Department of Energy back to FERC. This led to the present system whereby FERC has the authority under Section 3 of the Natural Gas Act to approve the authorization for the siting, construction, expansion, or operation of a facility to export or import natural gas, whereby DOE authorizes the import or export of the commodity.

These overlapping jurisdictions provide an additional layer of government review, on separate timelines, not in place for exports of many other energy products, including coal and refined petroleum products. They contribute to unnecessary regulatory reviews and delays that have chilled project applicants' confidence to make a Final Investment Decision—the indicator that a project developer has committed to executing the project.

Congress should enact policies—like those prescribed in H.R. 1949—that fully adapt to changing natural gas market conditions and ensure greater durability and predictability for the permitting process. The U.S. continues to have a fundamental interest in advancing the infrastructure needed to assist our allies abroad and to match our country's abundant natural gas supply, which continues to play an instrumental role in reducing domestic greenhouse gas emissions and lowering the carbon footprint in developing nations, with the international demand for energy.

Reliable Power Act.

INGAA supports the intention of the Reliable Power Act, which would ensure that proposed federal regulations do not inadvertently imperil the reliability of the bulk power system (BPS). The proposed legislation seeks to accomplish this goal by requiring the electric reliability organization (in this case the North American Electric Reliability Corporation) to assess annually whether the BPS has adequate dispatchable generation resources. If NERC finds the risk of inadequate dispatchable capacity, it must notify FERC, and FERC would require the federal agency developing the rulemaking(s) affecting BPS generation to submit the draft rule to FERC

within 90 days before publication. The agency would then confirm receipt of FERC's formal order assessing reliability impacts and be prohibited from promulgating "covered agency actions" (i.e., regulations) until the FERC finds that it is unlikely to cause a "significantly negative impact" on reliability or generation adequacy.

The Reliable Power Act would ensure that a reasonable, balanced regulatory approach through federal agencies is employed. INGAA would like to work with the bill sponsor before introduction of the legislation to ensure that proposed federal regulations directed at interstate natural gas pipelines, which may (or will) inadvertently imperil the reliability of the BPS, are included in the legislation.

Reliability Protection for States Act.

Conceptually, INGAA supports the Reliability Protection for States Act, which would require state regulatory authorities to evaluate state policies on intermittent energy. The legislation accomplishes this by expanding the Public Utility Regulatory Policies Act to require every state that implements an "intermittent energy policy" (e.g., Renewable Portfolio Standard, Clean-Energy Standard) to complete, within one year of enactment, a public evaluation of that policy's effects on:

- Ten-year resource adequacy and bulk-power-system reliability;
- Ability of compliant resources to meet demand during peaks/extreme weather;
- Retail-rates;
- Whether retired "reliable generation facilities" (defined as 30-day, on-site-fuel, dispatchable units) can be replaced with equivalently accredited capacity; and
- The degree of out-of-state firm-energy reliance required to maintain reliability.

States must publish the evaluation within one year of completing it and must revisit the analysis whenever they adopt a new intermittent-energy mandate.

This proposal would bring transparency to the impact of state policies on the state's ability to deliver electricity to its consumers, and hopefully, disincentivizes states from making unrealistic assumptions and forecasts that limit or prevent deployment of critical energy infrastructure as part of a holistic fuel source portfolio.

We are supportive of the Reliability Protection for States Act but would request to work with the bill sponsor to seek clarity on the definitions of reliable generation facilities to ensure natural gas is included as a component of a state's requirements to comply with the proposal.

The Need for Comprehensive Statutory Permitting Reform.

The United States' permitting system—originally designed to protect against harm—has become an overly complex, unduly burdensome obstacle to unlocking America's abundant energy resources and meeting the country's growing energy needs. Today, federal agencies spend an average of 4.5 years on NEPA review of all forms of infrastructure. Litigation drags that timeline out even further, chilling investment in new infrastructure and locking in the status quo.

The permitting system poses a particular challenge to interstate natural gas pipelines, which typically span multiple states, since they must obtain approvals from numerous federal and state agencies. The onerous, often duplicative review of natural gas pipelines and the inevitable litigation relating to permits often make projects unviable.

The United States has paid a heavy price for failing to maintain a focused, efficient environmental review process. For example, from 2012-2023, FERC issued certificates of public convenience and necessity to five interstate natural gas pipelines that ultimately abandoned their projects due to permitting obstacles or after protracted litigation: Atlantic Coast Pipeline, Constitution Pipeline, Northeast Energy Direct Pipeline, Northeastern Supply Enhancement, and PennEast Pipeline. Despite FERC's determination that the national public interest required each of these pipelines, permitting obstacles and delays forced the developers to cancel all five projects. The cancellations led to a loss of 5 Bcf/d of natural gas capacity—the equivalent of fuel for 25.5 million homes—and more than 40,000 jobs.

The legislation before this Committee represents an important step towards addressing the United States' permitting problems, but we need additional action. Congress should also enact statutory reforms to the CWA, NEPA, and judicial review of federal permits to establish reasonable timelines, define agency roles, clarify the scope of review, and avoid redundancy.

Specifically, we call on Congress to enact the following changes.

Restore NEPA to its Role as a Tool for Analysis, Not a Means to Frustrate All Infrastructure Development. Congress enacted NEPA more than 50 years ago to ensure that each federal agency examined the previously unquantified environmental effects of major actions. NEPA's goal was to create an analytical procedure for federal agencies, not a substantive environmental regulatory regime. In the intervening years, Congress enacted new statutes and established new federal agencies to regulate specific types of environmental effects, such as the CWA and the Clean Air Act.

Despite Congress' clear intent that NEPA dictate the procedure for reviewing environmental impacts and not outcomes of agency decision-making, today the NEPA review process frequently creates unnecessary delay and/or litigation risk which ultimately leads to the cancellation of projects that an agency approved (or would have approved) under its governing statute. While the enactment of the Fiscal Responsibility Act (FRA) provided incremental NEPA modifications, additional streamlining of the agency review process with enforceable timelines and measures to reduce litigation risk is still needed. Opponents of infrastructure development routinely go to court and claim that minor or procedural "flaws" in an agency's environmental analysis violate NEPA. The resulting delays and uncertainty can lead to cancellation of a project even when the opponent's claims are unsuccessful.

Congress can refocus NEPA from a tool for delaying or disrupting a proposed project to a tool for sound environmental analysis by:

- Clarifying that an agency is only to consider environmental effects that have a close causal relationship to the proposed action or alternative, that a "but for" relationship is insufficient, and that the federal agency must have the ability to prevent the effect.

- Requiring that any alternatives analyzed by the federal agency be within the jurisdiction of the agency and meet the purpose and need of the proposed agency action.
- Changing the definition of "major federal action" to projects that significantly affect the quality of the human environment.
- Modifying the categorical exclusion definition to encourage cross-agency usage.
- Requiring:
    - Public comments on NEPA analyses to be exhaustive, timely, and as specific as possible."
    - Individuals challenging an environmental assessment or an environmental impact statement to describe their concerns with enough specificity to allow the agency the opportunity to address them.
    - Claimants to have participated meaningfully in the NEPA process before litigating.
- Providing reasonable timelines:
    - 60-day statute of limitation to challenge final agency action.
    - 180-day deadline for agency to rule on NEPA challenges.

While Congress attempted to address some of these clarifications in the FRA, it has not stopped litigants from continuing to challenge agency NEPA analyses on these very issues. The United States needs further legislation.

Establish Reasonable Guardrails Against Misuse of CWA Section 401. As discussed, the cooperative federalism framework created by CWA 401 works well in most states, but some states have misused CWA 401 to frustrate, suspend, or outright veto critical energy infrastructure projects deemed by FERC to be in the national public interest, especially natural gas pipelines.

Congress can protect against misuse of CWA 401 and preserve the states' role in protecting water quality by:

- Clarifying that the state's scope of review is potential water quality impacts directly occurring from the project's point source discharges and not the whole activity.
- Clarifying that water quality certification conditions must be necessary to ensure that the discharge will comply with applicable water quality standards.
- Instituting a single CWA 401 certification process for natural gas pipelines as part of the NEPA analysis by FERC in which all affected agencies participate.
- Requiring:
    - Environmental Protection Agency to define what constitutes a "complete" certification request using one, uniform set of conditions.
    - The lead federal permitting agency to establish the timeline for a project's review within or at the statutory one-year period from receipt of the certification request based on project complexity, and nature of potential point source discharge.
    - Preclusion of unilateral pausing/tolling by the certifying agency.
    - Applicant's approval for any modifications to a certification after its issuance.

Promote Certainty and Durability in the Army Corps' Nationwide Permit Program. Section 404 of the Clean Water Act ("CWA 404") prohibits the discharge of dredged or fill material into waters of the United States, including wetlands, without authorization from the Army Corps of

Engineers. CWA 404 allows the Corps to establish a general permit that authorizes discharges that have minimal adverse environmental effects. The general permit reduces the length of review for discharges that have minimal effects and meet the strict set of conditions established in the permit. The Corps' most recent set of general permits (Nationwide Permits (NWPs)) became effective on February 25, 2022, and will expire on March 14, 2026.

The NWPs are essential to maintaining secure, reliable, and affordable access to natural gas in the United States. Pipelines rely on NWP 12, which authorizes discharges from utility lines crossing waters of the United States, including natural gas pipelines, to complete myriad maintenance, repair, and modernization projects that must be conducted quickly to preserve the integrity and safety of our systems.

Although the Corps limits use of the NWPs to projects with only minimal effects on waters of the United States, opponents of natural gas infrastructure have targeted the NWPs, and NWP 12 specifically, as a means of blocking natural gas pipeline projects.

Congress can protect the NWPs and promote certainty by:

- Creating a statutory definition of a "Single and Complete Project" that provides specific direction for "Linear Projects."
- Clarifying that the reissuance of a general permit on a nationwide basis does not require Endangered Species Act consultation and preparation of an environmental assessment to satisfy NEPA.
- Requiring the Army Corps to maintain a NWP for the activities required for the construction, maintenance, repair, operation, and removal of oil and natural gas pipelines.
- Confirming that the activities authorized under the current set of NWPs have minimal effects on the environment by retaining the half-acre limit on loss of jurisdictional waters.
- Set permanent period of applicability so that NWPs, once issued, are not sunsetted.

Decrease Litigation Risk. Many of the recommendations above would provide clarity on the scope of judicial review for federal permits and reduce litigation risk. Opponents of natural gas infrastructure development may nonetheless pursue legal challenges because the delay created by the challenge could still kill the project. Congress can reduce or mitigate litigation risk by:

- Requiring clear and convincing evidence to overturn an agency's permit for any interstate gas pipeline or LNG export facility.
- Establishing a timeline for agency action following a federal court's remand or vacatur.

Conclusion.

INGAA and the companies we represent stand ready to work in a bipartisan manner to enact comprehensive permitting reform provisions. Modernizing current laws while preserving environmental protections would enable development of the energy infrastructure necessary to continue delivering the benefits of natural gas to the American people.

In conclusion, I truly appreciate the opportunity to testify in front of the Subcommittee today and look forward to your questions.