



**Testimony of Ernest “Chip” Jakins
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United States House of Representatives, Committee on Natural Resources**

Legislative Hearing on H.R. ____, H.J.Res. 168, and H.R. 6129

September 11, 2024
10:00am ET
1324 Longworth House Office Building

Chairman Westerman, Ranking Member Grijalva, and members of the Committee, thank you for the opportunity to testify today. My name is Chip Jakins, and I am CEO of Jackson Electric Membership Cooperative (EMC). Jackson EMC is one of about 900 electric cooperatives (co-ops) providing electricity to approximately 42 million people in 48 states covering 56% of America’s landmass. I appreciate the opportunity to testify today and offer a perspective on behalf of both Jackson EMC and the National Rural Electric Cooperative Association (NRECA).

Electric co-ops support appropriate consideration of potential environmental impacts for energy and broadband projects, but the National Environmental Policy Act (NEPA) has become unworkable, outdated, and is in need of reform. Existing NEPA permitting processes present significant challenges to our ability to meet the future needs of our consumer-members and communities. The process for conducting federal environmental reviews should be modernized for all projects, regardless of fuel source or type, to give more certainty as we build for the future and ensure electric co-ops can continue to provide safe, reliable, and affordable electricity to American families and businesses. As this Committee works to develop the next steps forward in permitting reform, electric cooperatives believe there are great opportunities to make improvements to NEPA and to address litigation that unnecessarily delays these projects.

About Jackson Electric Membership Cooperative

Jackson EMC is one of the nation's largest electric cooperatives and the largest of Georgia’s 41 electric cooperatives. As a not-for-profit cooperative, we are owned by the members we serve. When we completed our first year of supplying power in 1940, Jackson EMC served fewer than 2,000 electric meters on only 680 miles of power lines with two substations. In 2024, we provide power to more than 264,000 homes and businesses on 15,226 miles of power lines with 84 substations. Back in 1940, we finished the year with just nine employees. In 2024, we now have 436 employees. We’re also honored that our members named us number one in Customer Satisfaction among electric cooperatives by the J.D. Power 2023 Electric Utility Residential Customer Satisfaction Study.

Together, Jackson EMC and other Georgia electric cooperatives jointly provide power to roughly 4.5 million people. We do this through a “Family of Companies” that are jointly owned and operated to the benefit of our members. The “Family of Companies” includes Oglethorpe Power

Corporation (OPC), Green Power EMC, Georgia Transmission Corporation (GTC), and Georgia System Operations Corporation (GSOC).

I am currently a board member of three of those four companies: OPC, Green Power EMC and GSOC. Oglethorpe Power Corporation is among the nation's largest generation cooperatives and one of the primary energy producers in Georgia. Green Power EMC is dedicated to helping Georgia's electric cooperatives find renewable energy sources and is the largest operational green power program in the Southeast. GSOC manages and operates the statewide telecommunication and fiber network that delivers secure network communications and real-time monitoring services. This cooperative family provides electric generation, transmission, and system monitoring resources needed to serve our members.

Given that electric cooperatives are not-for-profit entities, any new costs borne by an electric cooperative must ultimately be passed to the end-of-the-line consumer-members. Because our system is made up of 90% residential accounts, any increase in the cost of energy due to burdensome regulations and federal red tape is disproportionately borne by the rural and suburban families we serve. Jackson EMC actively identifies ways to lower energy costs and pass those savings to our consumer-members as part of our commitment to providing affordable and reliable electric service.

Our ability to deliver affordable, cost-effective power allows us to support the community in various impactful ways. Our tagline is "Your Power. Your Community." This shows that we go beyond providing power; we also invest in our community. Jackson EMC is known for and proud of our commitment to community service, with employees and leadership alike emphasizing that we are more than just a power provider—we are dedicated to genuinely improving lives.

Our employees have made significant contributions, including volunteering over 1,200 hours with 15 local nonprofits. The Jackson EMC Foundation has expanded its role from granting funds to also training nonprofits, with contributions from our Operation Round Up program totaling over \$1.3 million in the past year alone. This program is funded by our members who agree to round up their bills each month. One hundred percent of these funds go to support various causes, such as local food banks, health clinics, youth programs and emergency shelters. Since its inception, the Jackson EMC Foundation has donated more than \$20.6 million to support local charitable organizations. The more efficient we are in our delivery of power to our members, the more we can support the community with the resources it needs.

Meeting Growing Community Needs

To meet the electrical needs of our members, Jackson EMC needs a streamlined and predictable path to future generation. Over the past year, Jackson EMC has added more than 8,200 meters to our distribution system, raising the total to over 264,000 meters. Our service area, which includes some of the fastest-growing communities in the U.S., has seen a 14 percent increase in meter count over the past five years. In fact, the U.S. Census Bureau recently named the area centering on Jefferson – where our cooperative headquarters is located – as the fastest growing "micro" area in the U.S. Our members used over 5.7 billion kilowatt hours of electricity last year. To

keep up with this growth, we invested over \$87 million in our distribution network and plan to invest \$213 million over the next four years to upgrade lines, improve reliability, and accommodate our expanding membership. We anticipate adding more than 15,500 new meters by the end of 2026.

In addition to natural growth, we are seeing an increase in non-traditional demands on our system due to data centers. Meeting these demands will require a greater emphasis on streamlined and predictable permitting and planned growth. These large-scale loads can benefit the system because of their high-capacity factor. The nature and shape of their load profiles can help cooperatives like Jackson EMC use their power supply resources more efficiently and effectively, thus benefiting all members. Cooperatives like Jackson EMC are exploring ways to serve these data center loads by working in a pro-competitive multiple-cooperative approach. As cooperatives evolve to meet the demands of our members, our permitting procedures must also evolve and adapt.

Streamlining regulatory permitting can ensure our members have full access to the range of power supply resources that are available. Jackson EMC's energy portfolio includes a range of resources such as natural gas, hydroelectric, solar, nuclear and coal-fired power.

This year the electric cooperatives in Georgia marked a historic achievement with the safe and successful commercial operation of Plant Vogtle Unit Four, completing our nuclear expansion project that is now the largest generator of clean energy in the United States. This is the first new, advanced nuclear project to come online in the US in more than 30 years. Jackson EMC is proud of our large ownership stake, a \$2.2 billion investment by Jackson EMC alone. This investment will now provide emission-free baseload energy to Georgians for the next 60-80 years.

Jackson EMC also has a substantial renewable energy portfolio. In 2023, our members enjoyed 120 million kilowatt hours of renewable energy through our partnership with Green Power EMC, with solar power making up more than half of that - enough to power over 5,500 homes. Electric cooperatives around the country are also committed to closing the digital divide and connecting rural homes and businesses with reliable broadband service. In 2022, Jackson EMC partnered with TruVista and North Georgia Network (NGN) to provide access to our existing fiber network. This allowed these companies to quickly and efficiently build "last mile" fiber broadband service to 8,000 homes and businesses within our service territory. Jackson EMC worked closely with the Georgia General Assembly to ensure we could continue to use of our existing fiber network to help our members get access to highspeed internet. Additionally, in an effort to expand rural broadband to all unserved areas in Georgia, Jackson EMC and our cooperative colleagues, partnered with the Georgia Public Service Commission to create a financial incentive for broadband providers to serve rural territories.

Planning for Tomorrow's Energy Demands Today

As noted above, Jackson EMC and other Georgia electric cooperatives are owners of and are provided power by Oglethorpe Power and Green Power EMC. Generation cooperatives such as these are committed to exploring any energy source that keeps electricity reliable and affordable. By having a diverse portfolio of generation facilities, we are able to keep costs down and the power on for our consumer-members.

Over the years, our generation cooperative, Oglethorpe Power has proactively made strategic shifts in its generation portfolio to lower its carbon footprint, even while generating more electricity. Over the last 15 years, Oglethorpe Power has strategically decreased our coal generation and increased our investment in natural gas, with eight acquisitions representing more than 3,600 MW. Oglethorpe Power projects that its carbon emissions intensity rate will decline by 41% in 2025 over 2005 levels, even while the annual energy generation has increased by 68%.

Despite our recent achievements with new nuclear, solar and natural gas generation in Georgia, our state needs more energy capacity. As Jackson EMC adds approximately 8,000 new meters a year, we need new capacity to meet our future needs. To help meet that rising demand, Oglethorpe Power has announced plans to invest approximately \$2.3 billion in the construction of two new natural gas generation projects in Georgia.

First, a new 1,200-megawatt combined-cycle plant will be constructed in Forsyth, Georgia. This \$2 billion facility will be one of the most efficient and lowest-emitting natural gas plants in the state. Additionally, Oglethorpe Power will begin construction on a new 240-megawatt peaking plant at the Talbot Energy Facility in Box Springs, Georgia. This \$360 million project will feature dual-fuel capability and enhance year-round resiliency. Both natural gas facilities are expected to enter commercial operation by mid-2029.

These projects are part of Oglethorpe Power's broader strategy to shift its generation portfolio toward cleaner and more efficient energy sources. To meet the growing demand for renewable energy, Jackson EMC and other cooperatives rely on Green Power EMC. Green Power EMC is a not-for-profit organization dedicated to helping Georgia's electric cooperatives find renewable energy sources. It's the largest operational green power program in the Southeast. Green Power EMC works with Georgia-based providers to secure renewable energy from sources like solar, landfill gas, hydro, wood waste and wind. Currently, the program supports a portfolio that produces over 1,540 megawatts of energy, enough to power more than 265,000 electric cooperative households each year, with 1,500 megawatts coming from solar. By 2025, the capacity is expected to grow to over 2,100 megawatts.

Growing demands for electricity require an effective and resilient transmission system to deliver energy where it is needed. As mentioned earlier, this is supported in Georgia by a "family of companies," approach which includes three key not-for-profit organizations: Oglethorpe Power Corporation (OPC), Georgia Transmission Corporation (GTC), and Georgia System Operations (GSOC). Our transmission cooperative, GTC, is jointly owned by Georgia's 38 electric cooperatives, and plays the crucial role of planning, building, and maintaining the high-voltage transmission lines and substations needed to transport power from generation facilities to local electric cooperatives, such as Jackson EMC. Cooperatives rely on GTC to develop and build the necessary transmission infrastructure, making it a vital partner in our network. In addition, we have the Georgia Integrated Transmission System (ITS), which is a uniquely shared transmission ownership model between cooperatives, municipalities, and an investor-owned utility. The ITS has provided increased transmission access and lower cost to Georgians for more than 50 years.

Permitting Reform is Needed

As energy demand rapidly grows, it is also vital that we have a timely and predictable permitting process. In general, NEPA establishes a process by which federal agencies assess the environmental impacts of proposed major infrastructure projects. Specific, substantive reviews required by other federal laws – like the Endangered Species Act (ESA), Clean Water Act (CWA), and others – are layered within the federal permitting process. Over the last 40 years, this already complicated and often redundant federal permitting process has continually expanded, requiring more time and resources than originally intended to complete needed infrastructure projects.

Electric cooperatives are often subject to the NEPA process for projects that require federal permits, rights-of-way, and other approvals such as building and modernizing electric and broadband infrastructure, bringing cleaner energy to the grid, and adding capacity as electricity demand increases. They also often are subject to NEPA for approvals to conduct routine operations and maintenance work, vegetation management, and wildfire mitigation activities when they operate across public lands and national forests. Many electric co-ops also receive federal loans and grants that trigger NEPA reviews.

A reasonable and reliable regulatory process requires transparent and predictable environmental review and permitting processes that result in durable decisions to enable informed investments. The current NEPA landscape of years-long, unconstrained reviews, followed by extended litigation risk deprives the American public of needed projects and infrastructure and undermines electric co-ops' provision of affordable, reliable, and safe electricity. It also impedes cooperatives' ability to conduct basic operations in their existing facilities, raising the risk of service interruptions and blackouts. For example, co-ops often can't conduct necessary, basic maintenance and vegetation management operations in a timely fashion, which increases the risk of adverse events like wildfire.

NEPA also plays a role in rural broadband deployment. Fiber broadband installation along electric utility infrastructure not only expands access to reliable, high-speed internet service, but also improves grid resiliency and reliability, enables the integration of new generation sources, and allows for real-time monitoring of the electric network. However, if excess fiber is leased to a third party for retail broadband, or if an electric co-op decides to use that fiber to also provide retail broadband, this could result in the permitting agency requiring a duplicative environmental review. This unnecessary action can take years and present a significant cost, even when the utility is seeking to leverage the same right-of-way and same utility poles that provide electric service to the same communities. Streamlined approaches to actions that are known to have minimal environmental impacts, such as aerial broadband deployment on existing electric infrastructure, would allow federal agencies to focus their time and resources on projects that truly have a significant environmental impact.

Permitting Reform Recommendations

The federal permitting process is not keeping pace with rising demand for electricity and broadband service in our everyday lives, making these discussions around NEPA reform all the more necessary.

We appreciate the Committee's desire to build upon last year's efforts and to continue improving the federal environmental review and permitting process. Based on electric cooperatives' experiences with environmental reviews and NEPA, I'd like to recommend four permitting priorities for consideration:

1. **Fortify 2023 Fiscal Responsibility Act (FRA) Reforms.** We appreciate this Committee's work to enact historic NEPA reforms, including recommendations from electric cooperatives, as part of last year's FRA. This legislation established firm time limitations for NEPA reviews, introduced new opportunities for project sponsors to engage directly throughout the NEPA process, and broadened use of "categorical exclusions" (CEs) for projects that do not have significant environmental impacts.

Unfortunately, the Council on Environmental Quality's (CEQ) recent NEPA "Phase 2" regulations, which provides direction to all federal agencies on how to conduct environmental reviews, undermines the effectiveness of the FRA modernization provisions. The NEPA Phase 2 Rule expands analysis of climate change-related and environmental justice effects, adopts mitigation requirements for which NEPA provides no authority, and imposes new requirements making CEs less efficient and more burdensome. This NEPA Phase 2 Rule will complicate environmental reviews, increase litigation risk for essential electric infrastructure projects, increase risks of adverse events like wildfire, and further complicate our ability to maintain affordable, reliable, and safe electricity.

2. **Limit unnecessary litigation of NEPA reviews.** Attempts to litigation-proof NEPA reviews lead to unnecessarily expansive NEPA documents and lengthy permitting timelines. If a NEPA document is challenged, legal action can lead to further delays. This results in inflated costs, excessive paperwork, and unnecessary delays in the permitting process that are particularly impactful for not-for-profit electric cooperatives. To mitigate these issues, Congress should establish reasonable time limits for filing lawsuits after a final agency decision. Additionally, parties wishing to challenge a NEPA review should be required to have raised their concerns during the public comment period. This would ensure that agencies are notified of potential issues and have the opportunity to address them before any legal action is taken.
3. **Ensure NEPA remains a procedural statute and project neutral.** The fundamental goal of NEPA is to ensure that federal agencies carefully consider the significant environmental impacts of their decisions. Congress should ensure that NEPA, as a procedural statute, does not favor one particular outcome and that the NEPA process does not elevate certain environmental considerations above others inconsistent with NEPA's objective, project-specific approach. For example, agencies should not be required to consider renewable energy alternatives to fossil fuel projects as mitigation measures, particularly when that does not meet the project sponsor's needs of providing reliable and affordable power, as has been proposed by recent CEQ NEPA Greenhouse Gas Interim Guidance.

4. **Clarify the scope of NEPA reviews.** The scope of NEPA reviews – which CEQ expanded through the NEPA Phase 2 rule – opens up new avenues for litigation challenges thus causing agencies to prepare more expansive, longer, and duplicative NEPA analyses in an attempt to reduce litigation risk. For example, requiring federal agencies to study environmental effects beyond their statutory authority and expertise increases litigation risk and results in permitting delays. The result is overbroad NEPA documents that do not advance NEPA’s objective of informing the agency’s decision and delay infrastructure projects that are critical to communities across the nation. Congress took meaningful steps to narrow the scope of NEPA reviews through the reforms it enacted last year and should make further amendments to clarify that federal agencies must only analyze environmental impacts that are within their jurisdiction.

Conclusion

Protracted and often unnecessary litigation coupled with lengthy reviews and administrative burdens only add to the challenge of navigating the federal permitting process. Electric cooperatives like Jackson EMC are deeply committed to serving our communities with reliable and affordable electricity. I am grateful for the opportunity to share the cooperative perspective today and look forward to working with this committee to improve the permitting process.

Thank you for your time and I am happy to answer any of your questions.