

**Testimony of Tony Campbell**  
**CEO, East Kentucky Power Cooperative**  
**United States House of Representatives, Committee on Natural Resources**

“Permitting Purgatory: Restoring Common Sense to NEPA Reviews”

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Chairman Westerman, Ranking Member Huffman, and Members of the Committee, thank you for the opportunity to testify before you today. My name is Tony Campbell, and I am CEO of East Kentucky Power Cooperative (EKPC). I represent an electrical generation and transmission utility that is one of nearly 900 electric cooperatives (co-ops) serving approximately 42 million people in 48 states and across 56% of the nation’s landscape. I appreciate the opportunity to testify today and offer a perspective on behalf of both East Kentucky Power Cooperative and the National Rural Electric Cooperative Association (NRECA).

Our cooperative and NRECA are firmly committed to environmental responsibility and support thorough evaluation of potential impacts from energy and broadband infrastructure projects. However, over the past five decades, the National Environmental Policy Act (NEPA) process has become increasingly burdensome and inefficient. What was originally intended as a procedural tool for informed decision-making has evolved into a complex, unpredictable, and time-consuming process with substantive concerns that hinder the development of critical infrastructure. We appreciate the recent efforts by Congress, the Executive Branch, and the courts to course correct the broken permitting process by addressing longstanding issues with NEPA; however, more needs to be done.

As demand for electricity continues to surge—driven by residential growth, economic development, technological innovation, and the evolving requirements of modern industry—the need to build and maintain energy generation becomes even more urgent. Make no mistake, the competition to develop and operate energy resources is an effort that is global in scale, historic in scope, and imperative in nature. There is no scenario in which the United States remains the premier innovator in technology development, the leader in state-of-the-art healthcare, or the home of industrial strength that is not predicated upon an open, robust and resilient energy infrastructure. But accomplishing these things requires using common sense governance to encourage investment in our energy future. I thank this committee for taking decisive action to streamline the federal permitting process, reduce unnecessary delays, and provide the regulatory certainty needed to ensure communities across the country have access to the electricity they rely on every day.

**About East Kentucky Power Cooperative**

EKPC generates and transmits affordable, reliable electric power to 16 owner-member distribution cooperatives that serve over 1 million residents across 89 Kentucky counties. Founded in 1941, EKPC was born from the cooperative principle of bringing reliable electricity to communities left behind. Today, we operate a vast and complex system to meet the region’s

evolving power needs, spanning nearly 3,000 miles of high-voltage transmission lines and an expanding portfolio of generation facilities.

The portion of Kentucky we serve has seen more than its fair share of economic hardship. As we told the EPA and the courts in our challenges to the Biden Administration's Greenhouse Gas Rule, closures in mines, trucking companies, restaurants and other businesses have taken their toll. The unemployment rate is 60% higher than the national average. Anywhere from 30% to 54% of total income in most of the counties EKPC serves comes from government assistance programs. Forty-two percent of these electricity users are 65 years or older.

As a not-for-profit cooperative, we are owned by the members we serve. This means that any increase in permitting or operating costs for us is passed on to our consumer-members at the end of the line in the form of increased electricity bills. Because we operate on a not-for-profit basis, our singular focus is upon providing safe and reliable electricity at rates that are competitive. The formula works well. I am pleased to say that Kentucky's electric rates are the lowest of any state east of the Mississippi River and our rates are among the lowest in Kentucky.

Because approximately two-thirds of our accounts are residential, rising energy costs—especially those driven by excessive regulations and federal mandates—disproportionately impact those least able to absorb them, including rural and suburban families. Therefore, EKPC is focused on identifying cost-saving opportunities and ensuring those savings benefit the consumer-members served by cooperatives.

### **Responding to Growing Energy Demand**

The demand for electricity is growing. EKPC has set new peak demands in three of the past four winter seasons. In fact, EKPC's peak loads have grown almost 25% in the last three years, and EKPC's energy load is expected to grow more than 25% in the next 15 years. There are several factors driving this exceptional load growth. First, more and more of our world is being electrified – meaning that we are seeing more applications for electricity in industries and appliances that were typically fueled by other sources. Second, we are seeing a substantial amount of onshoring of our manufacturing base as companies recognize the stability of investing in manufacturing facilities and maintaining dependable supply chains here in the United States. Finally, and perhaps most significantly, we are seeing a very large interest in the deployment of data centers, whose electric capacity needs are orders of magnitude higher than anything we have witnessed previously in our industry.

EKPC is meeting the energy needs of our members through a diverse and evolving generation portfolio. Historically, EKPC has relied heavily on coal to generate electricity, in line with Kentucky's long-standing access to plentiful coal resources. Our primary baseload generation comes from two coal-fired facilities: the H.L. Spurlack Station, with a total generating capacity of over 1,300 megawatts, and the John Sherman Cooper Station, contributing over 300 additional megawatts of coal-based capacity. To support peak demand and ensure grid reliability, EKPC operates over 1,500 megawatts of winter capacity combustion turbine units fueled by natural gas at both our Bluegrass Station and J.K. Smith Station.

In 2017, we commissioned Cooperative Solar Farm One in Winchester, one of the largest solar installations in Kentucky. This 60-acre facility features over 33,000 solar panels and produces enough electricity to power approximately 1,000 homes. EKPC also operates five renewable

generation facilities that capture methane gas from landfills, converting waste byproducts into useful electricity. Additionally, we purchase hydroelectric power through the Southeastern Power Administration, sourced from the Laurel and Wolf Creek dams. These investments reflect our broader commitment to meeting our communities' evolving needs.

Through this balanced and forward-looking portfolio, EKPC remains committed to providing reliable, affordable, and increasingly sustainable energy to the more than one million Kentuckians we serve.

### **Preparing Today for the Grid of the Future**

To meet the electrical needs of our members, EKPC needs a streamlined and predictable path to future generation. Streamlining regulatory permitting can ensure our members have access to the full range of power supply resources. These are not idle requests, but rather real needs with immediate timeframes.

At the heart of our generation strategy is the responsible integration of natural gas and renewable energy to diversify our fuel mix and ensure system reliability. EKPC is moving forward with the construction of a 745-megawatt combined-cycle natural gas facility at our John Sherman Cooper Generating Station. This major infrastructure investment will significantly improve our ability to meet increasing demand by tripling the plant's current generating capacity.

In tandem with this expansion, we are retrofitting existing coal units to allow for the use of natural gas alongside coal. This approach allows EKPC to respond more flexibly to market conditions and maintain system resilience during periods of peak demand or fuel price volatility.

Building on the success of Cooperative Solar Farm One, we have committed to developing additional new solar capacity over the next several years. These projects will bring affordable, zero-emission power to our members. We are also building EKPC's first new power plant in decades. Our cooperative is investing \$500 million to establish the new Liberty Station in Casey County. This power plant is designed to support rapid ramping and grid stabilization, both of which are critical as intermittent renewable resources are added to the system.

Rising electricity demand requires a robust and resilient grid capable of delivering power reliably to where it is most needed. EKPC currently owns approximately 3,000 circuit miles of high voltage transmission lines in various voltages, mostly 69kV and greater. EKPC has 77 free-flowing interconnections with its neighboring utilities.

In total, EKPC's planned additions will bring 1,100 megawatts of new generation online by the end of this decade, while the planned conversions will protect nearly 1,600 megawatts of reliable, always-available resources. These investments are designed to meet the increasing demands of the communities we serve in an environmentally responsible and economically prudent way.

### **Modernize Permitting to Meet Urgent Energy Needs**

Our growth is not unique: many of our nation's more than 900 electric cooperatives, which serve 56% of the nation's landscape, are experiencing strong growth in electric demand. This growth is being driven not only by residential expansion but also by the onshoring of manufacturing and the addition of large-scale users such as data centers and manufacturing facilities. These new

demands bring opportunities for system optimization but also necessitate both upgrades to existing generation and transmission infrastructure and new sources of generation and transmission capacity. In many cases, this will also require investments in new and upgraded natural gas pipelines as well.

Expanding capacity requires long-term planning and timely execution, both of which are often hindered by regulatory delays. Environmental reviews under NEPA can take years to complete, and project sponsors face further uncertainty due to the risk of extended litigation. These delays don't just stall the construction of new generation assets and transmission infrastructure. They also hinder routine maintenance and vegetation management—activities that are essential to maintaining grid reliability and preventing catastrophic events such as wildfires. In areas where electric infrastructure crosses public lands or national forests, basic upkeep like clearing vegetation from rights-of-way or creating a right-of-way access point can be delayed for months or even years due to full NEPA reviews and lengthy approval processes. Overgrown vegetation can increase the risk of wildfire, equipment failure, and outages, posing serious threats to public safety, property, and electric reliability. A more responsive and risk-based permitting approach would safeguard the grid and the communities we serve by allowing co-ops to reduce avoidable hazards through proactive maintenance.

Federal agencies should be empowered and directed to focus their attention on projects with substantial environmental implications while allowing low-impact infrastructure work to move forward under expedited, clearly defined procedures. This would enable utilities to better serve the public, make infrastructure more resilient, and deliver on national priorities for clean energy integration without sacrificing environmental safeguards and standards.

In addition to meeting power needs, many cooperatives are expanding broadband access, particularly in underserved areas. These efforts often use existing utility infrastructure. Partnerships between electric utilities and broadband providers can rapidly and cost-effectively extend high-speed internet to homes and businesses.

For projects with minimal environmental impact, such as installing broadband fiber along existing utility poles and rights-of-way, categorical exclusions and streamlined review processes should be consistently and broadly applied. These types of deployments typically involve little to no significant ground disturbance or environmental footprint and have long been recognized as low risk. However, duplicative or excessive permitting requirements can delay such deployments despite the use of previously approved rights-of-way and minimal environmental impact. This not only strains agency resources but also creates unnecessary roadblocks for communities awaiting broadband access, improved infrastructure, and improved electric service.

## **NEPA Reform Recommendations**

The current federal permitting system is struggling to keep pace with the rapidly growing demand for electricity and broadband, underscoring the urgent need for additional reforms to the NEPA process. Without permitting reform, it is increasingly likely that our communities will experience rolling blackouts – something unthinkable when I began my career in this industry – while also being forced to pay the costs of project delays. For the people who use the electricity EKPC generates and transmits, power outages could mean they are left in the dark and exposed to the cold or heat. Many of our consumers have limited backup options. Some consumers depend on electricity to power needed medical in-home equipment. Certainly, extended outages

during extreme temperatures can become matters of public health and safety, resulting in pain and suffering for the most vulnerable populations. Existing NEPA permitting delays could hurt the very communities it was intended to help.

We commend this Committee for its leadership in advancing meaningful NEPA reforms through the 2023 Fiscal Responsibility Act. That legislation codified important BUILDER Act elements such as enforceable deadlines for environmental reviews, enhanced engagement opportunities for project sponsors, and expanded adoption of categorical exclusions for low-impact projects. These changes represent a significant step toward improving the efficiency and predictability of the federal permitting process, helping to accelerate critical infrastructure development.

The U.S. Supreme Court's recent landmark NEPA decision, *Seven County Infrastructure Coalition v. Eagle County, Colorado*, 145 S. Ct. 1497 (2025), aligns with our recommendations. It narrowed the scope of NEPA reviews to the project at hand, relieving agencies of the need to conduct broad reviews of downstream or unrelated potential effects of an action. It also clarified that lower courts should provide deference to an agency's judgment about the scope and contents of an environmental impact statement under consideration. Ultimately, the decision reinforced the longstanding principle that NEPA is a purely procedural statute that does not mandate particular results or the elevation of environmental concerns over other considerations.

To bolster the 2023 statutory amendments and address continued challenges, we offer the following policy recommendations:

1. **Limit unnecessary litigation of NEPA reviews.** Most NEPA litigation allows parties to file lawsuits up to six years after final agency action. This extended statute of limitations, and the resulting extended legal challenges, have been used to indefinitely block projects and undermine the effectiveness of NEPA reviews. While respecting judicial prerogative to manage busy dockets, Congress should impose some reasonable and enforceable time limits on when parties can file legal challenges following a final agency decision. Additionally, parties seeking to challenge a NEPA determination should be required to have submitted their concerns during the designated public comment period and have some nexus to the project under consideration. These types of reforms would ensure that stakeholders have a vested interest and are heard at the appropriate time, reduce litigation-related delays, and provide greater certainty to project sponsors.
2. **Keep NEPA procedural and technology-neutral.** As the U.S. Supreme Court reinforced in the *Seven County* decision, NEPA was never intended to dictate policy outcomes, only to ensure informed decision-making. Agencies should not be compelled to prioritize one type of energy resource over another unless required by statute. A technology-neutral, project-specific approach is essential to meeting electric reliability needs across diverse regions and use cases.
3. **Further clarify the scope of NEPA reviews.** In the past, agencies under threat of litigation often widened their NEPA reviews to consider downstream or tenuously related actions, even those beyond the regulatory authority or expertise of the agency. The *Seven County* decision has provided additional clarity as to the scope of NEPA reviews, which should reduce unnecessary analysis and position agencies to focus their expertise on the

project at hand. NEPA reviews should focus on direct and foreseeable environmental effects within an agency's legal mandate. NEPA should return to its original intent.

### **Conclusion**

As energy and broadband demand rises across the nation, the need for regulatory modernization grows. Electric cooperatives are committed to delivering safe, reliable and affordable service to their communities, but the current federal permitting system threatens our ability to invest in needed infrastructure to keep pace with demand.

We appreciate this Committee's attention to these challenges and its ongoing efforts to improve the permitting process. A streamlined, efficient, and legally practicable and durable permitting framework will support energy reliability and broadband expansion to empower rural communities.

Thank you for the opportunity to speak with you today. I welcome any questions you may have.