

H.R. 1 – Lower Energy Costs Act Improving Water Quality Certifications & American Energy Infrastructure

Purpose:

• H.R.1 promotes the development of the Nation's energy infrastructure by streamlining the permitting process under Section 401 of the *Clean Water Act (CWA)* and clarifying Section 401's focus on water quality.

Summary:

- Section 401 of the CWA allows states or tribes to issue water quality certifications for any applicant seeking a Federal permit or license for activity that "may result in any discharge into navigable waters."
- Projects requiring certification under Section 401 include those needing Federal permits under Sections 402 and 404 of the *CWA* and the *Rivers and Harbors Act*, as well as from the Federal Energy Regulatory Commission (FERC).
- In recent years, states, such as Washington, Oregon, and New York, have weaponized Section 401 to deny certification to projects such as a coal export terminal, a natural gas pipeline, and liquefied natural gas export facility for reasons outside Section 401's scope.
- H.R. 1 amends Section 401 of the CWA and clarifies that the scope of Section 401 review is restricted to CWA water quality impacts and states may only issue final decisions based on water quality.
- The bill requires states to publish clear requirements for their water quality certifications and clarifies that states may only consider discharges as a result of the Federally permitted or licensed activity, not from other sources.
- In 2020, the Trump Administration issued the "Clean Water Act Section 401 Certification Rule," which included many of these clarifications. However, the Biden Administration initiated a rulemaking to repeal and replace the 2020 rule.
- These provisions of H.R. 1 were initially introduced as separate legislation (H.R. 1152) on February 24, 2023, by Water Resources and Environment Subcommittee Chairman David Rouzer (R-NC) and Aviation Subcommittee Chairman Garret Graves (R-LA), as an original cosponsor. It was ordered reported out of the Committee on Transportation and Infrastructure on February 28, 2023, without amendment, by voice vote.



Amendment to H.R. 1 – One Federal Decision (OFD) for Pipelines

Purpose:

• This amendment streamlines the environmental review process to allow important pipeline infrastructure projects to move forward more efficiently without compromising environmental protections.

Summary:

- A longer review process does not ensure environmental protections. It does ensure increased costs and delays that can kill important energy projects that benefit the economy and peoples' daily lives.
- OFD consolidates and streamlines the environmental review process among various government agencies so that major pipeline infrastructure projects can move forward faster. Currently, OFD only applies to major projects for Federal highways.
- Specifically, this amendment would apply the following reforms to the Federal environmental review process for pipeline projects, as applicable:
 - o Setting the goal of limiting the time required for environmental reviews and authorizations to **two years**.
 - o Requiring Federal agencies to develop a <u>single permitting timetable</u> for environmental review and authorization decisions.
 - Requiring all Federal authorizations and project reviews to rely on a **single environmental document**.
 - Requiring agencies to make all decisions on authorizations for a major project within 90 days of the issuance of a record of decision.
- The amendment's commonsense reforms will reduce project delays and save money without reducing environmental protections.
- This amendment was introduced by Subcommittee on Highways and Transit Chairman Rick Crawford (AR-01).