Congress of the United States
Washington, DC 20515

March 23, 2022

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Republican Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi, Leader Schumer, Leader McCarthy, and Leader McConnell:

We write to request that any Conference Committee to reconcile the differences between H.R. 4521, the America COMPETES Act of 2022, and S. 1260, the United States Innovation and Competition Act (USICA) be directed to address robust reforms to federal permitting, licensing, and regulatory regimes that pose significant barriers to building a more competitive economy. Specifically, we are concerned that these government-imposed barriers are preventing the United States from securing its energy future, which is the key to remaining the world's dominant economy through the 21st century and beyond. These are issues that cannot be solved through government investments in research and development (R&D) and subsidies alone. Passing this legislation without addressing real reforms to ensure the United States is energy secure would be a missed opportunity and would fail to meet the legislation's goal of increasing America's global competitiveness. It would cede our future to the Chinese Communist Party (CCP) and Russia.

Federal rules and regulations for permitting, licensing, and environmental reviews have made it incredibly difficult and expensive to build in the United States. Everything from laying broadband fiber and installing 5G small cells, to building pipelines and solar farms, to manufacturing semiconductors is more difficult, time consuming, and costly in the United States than other developed countries. Our inability to build cutting edge manufacturing, energy infrastructure, and a critical mineral supply chain has weakened our competitive advantage and made us reliant on foreign adversaries such as China and Russia. Both the COVID-19 pandemic and Russia's invasion of Ukraine have exposed how dependent we are on unreliable foreign supply chains that make us susceptible to bad actors. This weakens our national and economic security. The importance of American energy security and the dangers of relying on authoritarian regimes for our energy supply chains recently has become particularly apparent.

Energy security is foundational to our economic and national security. Without it, we have no hope of continuing to lead the world in technological innovations. The United States is blessed with abundant natural resources and the ability to develop clean energy technologies that together can ensure our energy security, power our innovation economy, and provide clean, affordable, and reliable energy for the rest of the free world. We need reliable, affordable, and abundant energy, including lower gasoline prices, to incentivize companies to invest and innovate in America. To ensure the goals of this legislation are met, addressing the barriers to unleashing American energy and lowering energy costs must be included in the H.R. 4521 Conference.

We are seeing firsthand in Europe the results of relying on authoritarian regimes for energy. We cannot afford to follow Europe's mistaken, blind rush to green, which would weaken our domestic energy security, increase our dependence on authoritarian regimes for dirtier oil and gas, and make us dangerously dependent on the CCP for the critical minerals and materials needed for renewables. Instead, we must flip the switch to unleash American energy by reducing barriers to extracting our cleaner, abundant oil and natural gas, increase the responsible mining and processing of critical minerals to build up our domestic supply chain, and reduce the permitting and licensing barriers to building and improving new and existing energy infrastructure.

The Shale Revolution that began over a decade ago was transformational for America's economic and energy security. By utilizing our abundant reserves of natural resources through technological innovation, hundreds of thousands of jobs were created, prices of oil and gas decreased for consumers, and the U.S. led the world in emissions reductions. However, the maximum benefits from this revolution in American resource utilization have been stymied by a regulatory assault on fossil energy infrastructure, including drilling operations, pipelines, and export terminals. At the same time, radical environmentalists have weaponized the judicial process with frivolous lawsuits that seek to force federal agencies to issue regulations that advance their special interests.

We are on the verge of other tremendous breakthroughs in energy innovations and technologies. Advanced and Small Modular Reactors (SMR) will revolutionize nuclear energy. Carbon Capture, Utilization, and Storage (CCUS) will make fossil energy even cleaner and more sustainable. Renewables such as solar and wind farms, as well as increase battery storage capacity, also have the potential to add to our energy mix and make us more energy secure. However, none of these exciting innovations, including the renewables championed by environmentalists, will be able to achieve their full potential under the current regulatory and permitting regime in the United States. Moving ahead without addressing this will make us even more dependent on China's supply chains.

Right now, we are lagging the rest of the world in building new and innovative infrastructure critical to our energy security in a responsible and timely manner. For instance, here are estimates of how long it can take to obtain the necessary permits to begin construction of certain energy infrastructure and facilities in the United States:

- Nuclear Reactor – Up to 5 years
- Natural Gas Pipeline – 1.5-3+ years

- Mine – 10 years
- Liquified natural gas (LNG) Export Terminal – 4+ years
- Hydropower Dam – 8 years to relicense
- Solar Farm – 3-5 years
- Wind Farm – Multiple years on federal land/water vs. several months on private
- Natural Gas/Oil Drilling Site – 1 year

As you establish the Conference Committee, we ask that Conferees be instructed to address the permitting challenges that lead to these projects languishing for years before they are fully operational. The processes and bureaucratic red tape at federal agencies that have jurisdiction over these critical projects must be reformed and streamlined to ensure America remains competitive and our dependence on China is reduced. This includes, but is not limited to:

- The Environmental Protection Agency (EPA)
- The Department of Energy (DOE)
- The Department of the Interior (DOI)
- The Federal Energy Regulatory Commission (FERC)
- The Nuclear Regulatory Commission (NRC)
- The Council on Environmental Quality (CEQ)
- The U.S. Department of Agriculture's Forest Service (FS)
- The U.S. Army Corps of Engineers (USACE)
- The Department of Transportation (DOT)

We all support the goal of making America more competitive. Doing so, however, requires taking more concrete action than increasing government spending in R&D alone. We stand ready to work with you and the rest of our colleagues on addressing these real barriers and ensuring the United States wins the future.

Sincerely,

Cathy McMorris Rodgers
Ranking Member
House Committee on Energy
and Commerce

Sam Graves
Ranking Member
House Committee on Transportation
and Infrastructure

Bruce Westerman
Ranking Member
House Committee on Natural
Resources