



March 24, 2023

The Honorable Sam Graves
Chair, Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

The Honorable Rick Larsen
Ranking Member, Committee on Transportation and
Infrastructure
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Graves and Ranking Member Larsen,

The Distribution Contractors Association (DCA) represents contractors, suppliers and manufacturers who provide distribution construction services including installation, replacement and rehabilitation of natural gas distribution systems as well as gas transmission pipelines in communities across the country. DCA fully supports the Lower Energy Costs Act (HR 1), which would update and expedite the approval process for energy production and transportation as well as curbing states' ability to block important energy projects that run through their waters.

The permitting process to approve pipeline projects remains the biggest hurdle to delivering valuable energy to communities that need it, and Section 401 of the Clean Water Act (CWA 401) remains especially problematic. CWA 401 provides states the authority to determine whether any discharges from infrastructure projects are in compliance with water quality standards in that state. However, while the intent is to ensure that states can more effectively regulate local land and infrastructure, in several states this has become a method to delay or create cost-prohibitive roadblocks to the development of interstate natural gas and oil pipelines.

Several longstanding goals held by the energy and construction industries are addressed in HR 1, including provisions that would:

- End the abuse of the water quality certification process by streamlining the permitting process under Section 401 of the Clean Water Act and limiting review to water quality impacts only;
- Prohibit the president from banning hydraulic fracturing, leaving policy decisions related to fracking to the states;
- Reform the National Environmental Policy Act (NEPA) permitting process to streamline federal reviews for all sectors of the economy, including at international borders;
- Limit the scope of environmental review under NEPA to foreseeable and economically feasible impacts;
- Set deadlines for completion of NEPA reviews;
- Encourage concurrent review of project permit applications by federal and state entities;
- Repeal the \$6 billion natural gas tax established in the Inflation Reduction Act; and
- Require the Department of the Interior to resume lease sales on federal lands and waters.

Although project permit reform legislation failed to pass before the end of 2022, the committee will have the opportunity to advance project permit reform legislation early in the 118th Congress, DCA fully supports passage of HR 1, and we appreciate your leadership on these issues and we are happy to provide information to the committee as Congress works to provide sound energy policy at this important time.

Best Regards,

A handwritten signature in black ink, appearing to read "Rob Darden", written over a white background.

Rob Darden
Executive Vice President