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EPA: 'Big rollout' coming to streamline energy permits

Kelsey Brugger and Hannah Northey, E&E News reporters Wednesday, May 13, 2020

Industry sources are expecting EPA to soon finalize a regulation intended to enhance federal control over pipeline approvals while diminishing states' ability to block energy projects.

The agency is set to release a rule this week or next that would ban states from considering issues other than water quality when issuing permits for pipelines or coal terminals, four sources said yesterday.

EPA Chief of Staff Mandy Gunasekara yesterday also **told** "The Gallo Show," a Mississippi radio program, that "we've got a big rollout coming out."

"We have a regulatory action likely coming out later this week that will be a follow-up step to that which will improve the process by which states can assess projects and their impact to local water quality, but not use that as a means to unnecessarily slow that down," she said.

Some states, like New York and Washington, have used the state certification process to raise questions about climate change or other issues. Critics say some blue states have intentionally dragged out a decision on the permit (*Greenwire*, Aug. 20, 2019).

The Trump administration plans to change that. The EPA proposal is part of a larger Trump effort to boost the oil and gas industry — one that many environmentalists loathe.

The EPA final rule that sources are anticipating is formally known as "Updating Regulations on Water Quality Certification" and was proposed last August. According to that proposal, the updated <u>rule</u> would "allow for efficient energy infrastructure permitting processes and increased regulatory certainty."

Specifically, it would limit the scope of the permit. And it would mandate the state to approve or disapprove the permit within a year.

The rulemaking stems from an executive order President Trump signed in April 2019 in Crosby, Texas, surrounded by men in hard hats, to "promote energy infrastructure and economic growth" (*Energywire*, April 11, 2019).

The order directed EPA to finalize the rule within 13 months, and according to the Trump regulatory plan, the rule should be released this month.

Gunasekara further explained that Trump had issued an executive order aimed at streamlining energy projects like the Keystone XL pipeline. The order built on a "presidential permit" that Trump issued to push the controversial crude pipeline.

EPA declined to say which regulatory action Gunasekara was referring to on the radio program. An EPA spokesperson noted via email that the water quality certification rule was still under review at the White House Office of Information and Regulatory Affairs. According to OIRA's website, the last stakeholder meeting on the rule was last Thursday. No more are scheduled.

The Office of Management and Budget, which houses OIRA, did not respond to questions by deadline.

An industry source said the rulemaking was believed to be on track. At one point, the rule was expected to be part of a larger Trump regulatory package to aid struggling businesses amid the COVID-19 pandemic. But it is unclear if that is still the plan.

After the EPA regulation is finalized, other agencies such as the Federal Energy Regulatory Commission and the Army Corp of Engineers have three months to finalize similar guidance.