





# **Modernizing the Infrastructure Permitting Process**

### **Goal Leaders**

Mary Neumayr, Chairman, Council on Environmental Quality (CEQ)

**Alex Herrgott**, Executive Director, Federal Permitting Improvement Steering Council (FPISC)

**Peter Warren,** Associate Director, Office of Management & Budget (OMB)

# September 2019





### **Goal Statement**

- Reduce the time for the Federal Government's processing of environmental reviews and authorization decisions for new major infrastructure projects to an average of 2 years.
- Provide consistent, coordinated, and predictable Federal environmental reviews and authorization processes for infrastructure projects.



### Challenge

• The American people rely on infrastructure improvements to benefit our economy, society, and environment. However, inefficient decision processes, including for environmental reviews and permit decisions or authorizations, have delayed infrastructure investments and increased project costs.



## **Opportunity**

- Improving the Federal environmental review and authorization process will enable infrastructure project sponsors to start construction sooner, create jobs earlier, and fix our Nation's infrastructure faster while also ensuring that a project's potential impacts on environmental and community resources are considered and managed throughout the planning process.
- Infrastructure investment strengthens our economic platform, makes America more competitive, creates jobs, increases wages for American workers, and reduces the costs of goods and services for American families and consumers.



# Leadership

### **Core Team:**

- Office of Management & Budget (OMB): OMB's Office of Personnel and Performance Management oversees the day-to-day
  management of the Infrastructure Permitting CAP Goal and provides direction on goal-related policy development. OMB also
  oversees the accountability system, including how agencies incorporate related performance goals in agency and personnel
  plans.
- <u>Council on Environmental Quality (CEQ)</u>: CEQ's National Environmental Policy Act (NEPA) team provides policy direction on NEPA regulations and environmental policies and may mediate disputes relating to implementation of substantive environmental statutes/regulations. CEQ has developed the One Federal Decision framework with OMB.
- Federal Permitting Improvement Steering Council (Permitting Council or FPISC): The Permitting Council's Office of the Executive Director is charged with coordinating "covered projects" across agencies to improve the Federal environmental review and authorization process, including developing and tracking agencies' adoption of recommended "best practices" for a range of permitting activities, such as early stakeholder engagement, timely decision-making, and interagency coordination.

### **Agency Partners:**

- Advisory Council on Historic Preservation
- Department of the Army
- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Energy
- Department of Homeland Security
- U.S. Institute for Environmental Conflict Resolution

- Department of Housing and Urban Development
- Department of the Interior
- Department of Transportation
- Environmental Protection Agency
- Federal Energy Regulatory Commission
- Nuclear Regulatory Commission
- General Services Administration





# Modernizing the Infrastructure Permitting Process Goal Leaders: OMB, CEQ, FPISC

### **STRATEGY 1:**

Standardize Interagency
Coordination

### **Major Actions**

### 1.1: One Federal Decision

- -Oversight: CEQ/OMB
- -Implementation: Agencies

# **1.2: Permitting Timetables** (OFD)

- -Oversight: OMB
- Implementation: Agencies

# 1.3: Engage Senior Agency Leadership

- -Oversight: CEQ/OMB
- Implementation: Agencies

### 1.4: Fee Regulations

- -Oversight: FPISC/OMB
- -Implementation: FPISC

### **STRATEGY 2:**

Improve Predictability & Transparency

### **Major Actions**

### 2.1: Permitting Dashboard

- -Oversight: FPISC/OMB
- -Implementation: Agencies

### 2.2: Early Coordination

- -Oversight: FPISC
- -Implementation: Agencies

### **STRATEGY 3:**

Increase Agency Accountability

### **Major Actions**

### 3.1: Accountability System

- Oversight: OMB
- Implementation: Agencies

### 3.2: Performance Goals

- Oversight: OMB
- Implementation: Agencies

### 3.3: Personnel Plans

- -Oversight: OMB
- -Implementation: Agencies

### **STRATEGY 4:**

Identify and Implement
Best Practices

### **Major Actions**

### **4.1: Identify Best Practices**

- -Oversight: FPISC
- -Implementation: Agencies

# 4.2: Implement and Institutionalize Best Practices

- Oversight: FPISC
- Implementation: Agencies





# **Summary of Progress Since Last Update**

# **One Federal Decision & Major Infrastructure Projects**

- Federal agencies are continuing to identify and track major infrastructure projects ("MIPs," as defined by EO 13807) on the <u>Permitting Dashboard</u>.
- In September, OMB published the second quarterly <u>Accountability Scorecards for Major Infrastructure</u> <u>Projects</u> on agency performance which includes data from Quarter 3 of FY 2019. Highlights include:
  - Major Infrastructure Projects: Federal agencies initiated the environmental review process for nine additional major infrastructure projects (MIP) during the last quarter. There are now 23 MIPs being tracked on the Permitting Dashboard and assessed under the accountability system which include sectors such as surface transportation (highways), aviation, renewable energy (wind and solar), conventional energy (oil and gas), water resources, ports and waterways, and pipelines.
  - <u>Permitting Timetable Completeness:</u> Seventeen of 23 MIPs have complete permitting timetables (i.e., all relevant project actions and milestone target dates are listed) published on the Permitting Dashboard. Fourteen were published on time while three timetables were submitted late. Five projects had incomplete timetables while one project failed to publish a timetable.
  - One Federal Decision Implementation: Lead agencies reported that 22 MIPs are using the One Federal Decision framework to jointly and cooperatively process the environmental reviews and make authorization decisions. Of those projects, one lead agency has granted three projects an exception to the requirement to issue a single Record of Decision, but has reported it is planning to implement all other relevant aspects of One Federal Decision. One project was not implementing One Federal Decision at the time of assessment.





# **Summary of Progress Since Last Update**

# **FAST-41** and the Federal Permitting Improvement Steering Council

- **Project Success:** The environmental review and authorization decision process for the Gulf LNG Liquefaction Project was deemed complete on July 31, 2019, 78 days ahead of schedule.
  - The Permitting Council's interagency coordination for this \$8 billion project led to all permitting actions being completed by or before their target dates.
  - DOE issued the Natural Gas Export Permit for the project 78 days ahead of the original scheduled completion date of October 17, 2019.
  - NOAA was also able to complete the ESA consultation nearly a month prior to the target date.
- **New Projects:** Two new projects became FAST-41 projects: Port of Corpus Christi Authority Channel Deepening Project (Ports & Waterways) and the Borderlands Wind Project (Renewable Energy)
  - Coordinated Project Plans (CPP) and Dashboard timetables are on track for completion by the end of August, 2019.
  - The Permitting Council held a pre-CPP workshop in Corpus Christi for the Channel Deepening Project, hosted and led by USACE as the lead agency, that included officials from cooperating and participating agencies (Federal and State) and the project sponsor.
  - The draft environmental impact statement (DEIS) for the Borderlands Wind Project was published as anticipated on August 9, 2019.
- **Stakeholder Engagement:** The Permitting Council continues extensive outreach efforts to all stakeholders following its first annual Stakeholder Engagement Forum in April, which focused on industry and potential project sponsors.
  - OED hosted a joint session with the National Association of the Tribal Historic Preservation Officers (NATHPO) at the 2019 Annual Arizona Historic Preservation Conference, in Prescott, AZ, on June 12th-14th, 2019.
  - OED's Executive Director presented on FIPSC's role in creating a predictable and transparent permitting framework and held a listening session with Tribal Historic Preservation Officers from AZ.
- Annual Report to Congress: On June 26, 2019 the Permitting Council's Office of the Executive Director sent agencies questionnaires to complete for the Annual Report to Congress. These questionnaires will help with assessing the performance of Permitting Council member agencies based on the implementation of recommended best practices.





## **Strategy 1: Standardize Interagency Coordination**

- **Problem Targeted:** The Federal environmental review and permitting process for major infrastructure projects has historically been fragmented and uncoordinated. Up to 18 Federal agencies and 35 bureaus are responsible for individual, independent permitting and review decisions based on different statutory responsibilities that have developed over time.
- **Theory of Change:** Federal agencies should follow transparent and coordinated processes to eliminate duplication of effort among agencies, improve the efficiency of project delivery, and make better-informed decisions.

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion	
1.1 Ensure Effective One Federal Decision (OFD) Implementation						
Begin publishing OFD implementation data	Q3 FY19	Complete	No Change	ОМВ		
Track agency progress of OFD implementation	Ongoing - Quarterly	In Progress	No Change	OMB/CEQ		
Conduct initial analysis of OFD data to identify potential inefficiencies and areas for improvement	Q1 FY21	On Track	New Milestone	CEQ/OMB	May not have enough data to draw conclusions	
1.2 Require Agencies to Develop and Use Collaborative Permitting Timetables for all Major Infrastructure Projects						
Begin publishing permitting timetable usage data	Q3 FY19	Complete	No Change	ОМВ		
Track whether permitting timetables are complete and updated	Ongoing - Quarterly	In Progress	No Change	OMB		
Begin publishing data on the extent to which agencies are meeting major milestones in the permitting timetable	Q1, FY20	On Track	New Milestone	OMB		





# Strategy 1: Standardize Interagency Coordination (continued)

- **Problem Targeted:** The Federal environmental review and permitting process for major infrastructure projects has historically been fragmented and uncoordinated. Up to 18 Federal agencies and 35 bureaus are responsible for individual, independent permitting and review decisions based on different statutory responsibilities that have developed over time.
- **Theory of Change:** Federal agencies should follow transparent and coordinated processes to eliminate duplication of effort among agencies, improve the efficiency of project delivery, and make better-informed decisions.

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion	
1.3 Develop Standard Processes to Engage Senior Agency Leadership on Major Infrastructure Projects						
Begin publishing data on senior agency leadership engagement	Q3 FY19	Complete	No Change	OMB		
Track whether processes to engage senior agency leadership is used when appropriate	Ongoing - Quarterly	In Progress	No Change	ОМВ		
Coordinate interagency meetings of senior agency leadership to discuss issues related to OFD and MIPs	Ongoing - Quarterly	In Progress	New Milestone	CEQ		
1.4 Issue Fee Regulations to Provide Additional Resources for Interagency Coordination on FAST-41 Covered Projects						
<ul> <li>Publish FAST-41 initiation fee Notice of Proposed Rulemaking – NOPR published on <u>Federal Register</u> on September 4, 2018</li> </ul>	Q4 FY18	Complete	No Change	FPISC/OMB		
Publish FAST-41 initiation fee final rule	Q3 FY20 <del>Q4 FY19</del>	Delayed	Status and Milestone Due Date Changed	FPISC/OMB	FPISC is revising the rule based on comments received.	





# **Strategy 2: Improve Predictability & Transparency**

- **Problem Targeted:** The Federal environmental review and permitting process for infrastructure projects is perceived to be unpredictable and lack transparency. Variance in project review timelines can affect critical financing and siting decisions; delay needed upgrades, replacements, or new development; and ultimately, negatively affect American competitiveness.
- Theory of Change: Public reporting of environmental reviews and authorizations timelines and increased early and open coordination with key stakeholders can help improve predictability and transparency in the permitting process. The <a href="Permitting Dashboard">Permitting Dashboard</a> is an online tool for Federal agencies, project developers, and interested members of the public to track the Federal government's environmental review and authorization processes for large or complex infrastructure projects, increasing predictability for project sponsors and promoting government accountability in the review process.

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion	
2.1 Ensure Effective Use of the Infrastructure Permitting Dashboard						
Conduct quarterly assessment of agency's use of the Permitting     Dashboard for FAST-41 covered and major infrastructure projects	Ongoing – Quarterly	In Progress	No Change	FPISC/OMB		
Conduct a pilot program to sync an agency's internal database with the Permitting Dashboard to reduce burden and duplicative data entry	Q2 FY20	On Track	New Milestone	CEQ/OMB/ DOT		
2.2 Expand Opportunities for Early and Open Coordination and Engagement with Key Stakeholders						
<ul> <li>Issue FY 2019 "best practices" recommendations for enhancing early and open stakeholder engagement/coordination</li> </ul>	Q3 FY19	Complete	New Milestone	FPISC		
Implement efforts to engage in productive outreach with state, local and Tribal governments.	Ongoing	In Progress	New Milestone	FPISC		





# Strategy 3: Increase Agency Accountability

- **Problem Targeted:** It has been difficult to track the Federal government's performance in processing environmental reviews and authorizations due to the lack of reliable, comprehensive data on the time and costs to complete such activities.
- **Theory of Change:** The infrastructure permitting accountability system will begin collecting data on time and cost measures and will hold agencies accountable for their performance. This information will allow agencies to determine the appropriate focus of resources, diagnose problems, and find opportunities for improvement.

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion		
3.1 Develop and Implement an I	3.1 Develop and Implement an Infrastructure Permitting Accountability System						
Begin publishing accountability system performance indicator data	Q3 FY19	Complete	No Change	ОМВ			
Publish <u>quarterly scorecards</u> on agency performance	Ongoing - Quarterly	In Progress	No Change	ОМВ			
Begin publishing data on the time it takes to complete the processing of environmental reviews and authorization decisions for MIPs	Q2 FY20	On Track	New Milestone	OMB			
3.2 Incorporate Permitting-Related Performance Goals in Agency Strategic Plans and Annual Performance Plans							
<ul> <li>Submit draft FY 2021 annual performance plans (APP) w/ permitting- related goals</li> </ul>	Q4 FY19	On Track	New Milestone	Agencies			
Publish FY 2021 APP w/ permitting-related goals	Q2 FY20	On Track	New Milestone	Agencies			
3.3 Integrate Permitting-Related Performance Goals into Appropriate Agency Personnel Performance Plans							
Provide guidance on personnel performance plans	Q4 FY20	Delayed	Milestone Due Date Changed	OMB/OPM	Chose to prioritize other key OFD and Dashboard initiatives		





# **Strategy 4: Identify and Implement Best Practices**

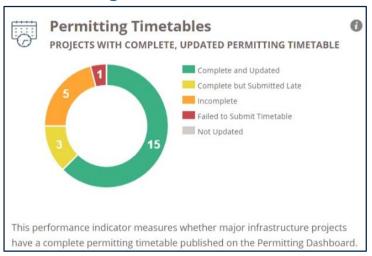
- **Problem Targeted:** Best practices to improve the permitting and environmental review process for infrastructure projects are not consistently implemented.
- **Theory of Change:** Identifying and implementing best practices will enable Agencies to streamline and improve the Federal permitting process by increasing transparency and accountability, and improving early coordination and synchronization of Federal environmental reviews and authorizations.

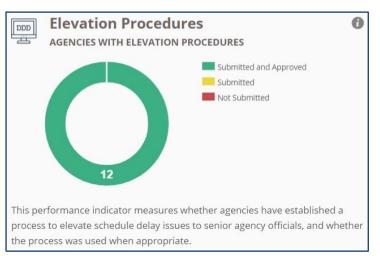
Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion	
4.1 Identify Recommended Best Practices to Improve the Federal Environmental Review and Authorization Process						
Issue FY 2019 Best Practices Report	Q3 FY19	Complete	No Change	FPISC		
Issue FY 2020 Best Practices Report	Q2 FY20	On Track	New Milestone	FPISC		
4.2 Ensure Best Practices are Implemented Within and Across Agencies						
<ul> <li>Assess if agencies are implementing best practices for FAST-41 projects in FY 2018 Annual Report to Congress</li> </ul>	Q3 FY19	Complete	No Change	FPISC		
<ul> <li>Assess if agencies are implementing best practices for FAST-41 projects in FY 2019 Annual Report to Congress</li> </ul>	Q3 FY20	On Track	New Milestone	FPISC		

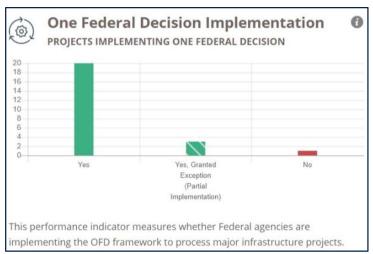


### **Key Indicators**

Performance indicators for the CAP Goal will be tracked through the Infrastructure Permitting Performance Accountability System and data will be published quarterly on the Permitting Dashboard. Below is data from the second scorecard which includes data from Quarter 3 of FY 2019. For more detailed information, visit the <a href="Permitting Dashboard">Permitting Dashboard</a>.







Additional performance indicators on whether major infrastructure projects are meeting major milestone target dates and the time and cost to complete environmental reviews and making authorization decisions will be be published in future scorecards after more milestone data has been collected and as major infrastructure projects have completed the environmental review process.





### **Contributing Programs**

### **Advisory Council on Historic Preservation**

• Office of Federal Agency Programs

#### **Executive Office of the President**

- Council on Environmental Quality
- National Economic Council
- Office of Management and Budget

### **United States Department of Agriculture**

- United States Forest Service
- Rural Utility Service

### **United States Department of the Army**

Office of the Assistant Secretary of the Army for Civil Works

### **United States Department of Commerce**

- National Oceanic and Atmospheric Administration
- Office of Coastal Management
- National Marine Fisheries Service

### **United States Department of Defense**

 $\bullet \quad \hbox{Office of the Deputy Under Secretary of Defense/Installations \& Environment}\\$ 

### **United States Department of Energy**

Office of the Secretary

### **United States Department of Homeland Security**

- United States Coast Guard Bridge Program
- Federal Emergency Management Agency

### **United States Department of Housing and Urban Development**

- Office of Environment and Energy
- Community Planning and Development/Community Development Fund

### **United States Department of the Interior**

- The Bureau of Land Management
- Bureau of Ocean Energy Management
- Land and Minerals Management
- National Park Service
- Fish and Wildlife Service
- · Bureau of Indian Affairs

### **United States Department of Transportation**

- Office of the Secretary
- Federal Aviation Administration
- Federal Highway Administration
- Federal Railroad Administration
- Federal Transit Administration
- John A. Volpe National Transportation Systems Center

### **United States Environmental Protection Agency**

- Office of Enforcement and Compliance Assurance
- NEPA Compliance Division

### **Federal Energy Regulatory Commission**

### **Nuclear Regulatory Commission**

#### **General Services Administration**

#### Morris K. Udall and Stewart L. Udall Foundation

• US Institute for Environmental Conflict Resolution

