



## Modernizing the Infrastructure Permitting Process

### Goal Leaders

**Mary Neumayr**, Chief of Staff, Council on Environmental Quality (CEQ)

**Angela Colamaria**, Acting Executive Director, Federal Permitting Improvement Steering Council (FPISC)

**Dustin Brown**, Deputy Assistant Director for Management, Office of Management & Budget (OMB)

Fiscal Year 2018, Quarter 2 Update



## 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.



## 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.
- **Council on Environmental Quality (CEQ)**: 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 also is developing 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 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
- The Morris K. Udall and Stewart L. Udall Foundation
- 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**
  - Oversight: OMB
  - Implementation: Agencies
- 1.3: Engage Senior Agency Leadership**
  - Oversight: 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
  - 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



### Success Stories

- The Permitting Council has had recent successes in both systematic and project-specific permitting process improvements:
  - Nexus Gas Transmission Project: Saved the project sponsor from an estimated six-month delay and \$300 million in capital costs by coordinating closely with Federal agencies to avoid unnecessary delay during the National Historic Preservation Act review, allowing subsequent authorizations to move forward.
  - Mid-Barataria Sediment Diversion Project: Successfully reduced the permitting timetable by 22 months, providing for all permit decisions to be finalized by 2020. This expedited timeline should allow the State of Louisiana and Federal Trustees to move forward on the proposed project two years earlier than previously scheduled.

### One Federal Decision Memorandum

- On March 20<sup>th</sup>, OMB and CEQ issued a memo ("*M-18-13: One Federal Decision Framework for the Environmental Review and Authorization Process for Major Infrastructure Projects under Executive Order 13807*") outlining a framework for implementing a "One Federal Decision" policy for processing environmental reviews and authorizations for major infrastructure projects to improve Federal agency coordination and provide a more predictable, transparent and timely process.
- The memo directs each Federal agency with responsibility for conducting environmental reviews or making authorization decisions to enter into a Memorandum of Understanding for Implementation of One Federal Decision (MOU). The MOU outlines the roles and responsibilities for agencies, and the process by which they should jointly and cooperatively process environmental reviews and make authorization decisions for major infrastructure projects.





## 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
<b>1.1 Ensure Effective One Federal Decision (OFD) Implementation</b>					
• Publish OFD guidance document – OMB/CEQ issued <a href="#">Memorandum M-18-13</a> on March 20, 2018	Q2 FY18 Q3 FY18	Complete	Better	CEQ/OMB	
• Begin OFD implementation	Q3 FY18 Q4 FY18	On Track	Better	Agencies	
• Begin publishing OFD implementation data	Q1 FY19	On Track	No Change	OMB	
<b>1.2 Require Agencies to Develop and Use Collaborative Permitting Timetables for all Major Infrastructure Projects</b>					
• Provide guidance on developing and using permitting timetables	Q3 FY18	On Track	No Change	OMB	
• Begin using permitting timetables for all major infrastructure projects	Q4 FY18	On Track	No Change	Agencies	
• Begin publishing permitting table usage data	Q1 FY19	On Track	No Change	OMB	
<b>1.3 Develop Standard Processes to Engage Senior Agency Leadership on Major Infrastructure Projects</b>					
• Provide guidance on standard processes to engage senior agency leadership	Q3 FY18	On Track	No Change	OMB	
• Begin implementing processes for engaging senior agency leadership	Q4 FY18	On Track	No Change	Agencies	
• Begin publishing data on senior agency leadership engagement	Q1 FY19	On Track	No Change	OMB	
<b>1.4 Issue Fee Regulations to Provide Additional Resources for Interagency Coordination on FAST-41 Covered Projects</b>					
• Publish FAST-41 initiation fee Notice of Proposed Rulemaking	Q3 FY18	On Track	No Change	FPISC, OMB	
• Publish FAST-41 initiation fee final rule	Q4 FY18	On Track	No Change	FPISC, OMB	

Please note: Additional milestones beyond Q1 FY19 will be added in future quarterly updates.





## 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 [Permitting Dashboard](#) 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
<b>2.1 Ensure Effective Use of the Infrastructure Permitting Dashboard</b>					
• Begin tracking certain infrastructure projects on the Permitting Dashboard	Q4 FY18	On Track	No Change	OMB, Agencies	
• Conduct quarterly assessment of agency's use of the Permitting Dashboard for FAST-41 covered projects	Ongoing – Quarterly	On Track	No Change	FPISC, OMB	
<b>2.2 Expand Opportunities for Early and Open Coordination and Engagement with Key Stakeholders</b>					
• Issue FY 2018 “best practices” recommendations for enhancing early and open stakeholder engagement/coordination	Q1 FY18	Complete	No Change	FPISC	
• Assess agency performance in implementing engagement/coordination best practices for FAST-41 projects for release in April Annual Report to Congress	Q1 FY19	On Track	No Change	FPISC	

Please note: Additional milestones beyond Q1 FY19 will be added in future quarterly updates.





## 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
<b>3.1 Develop and Implement an Infrastructure Permitting Accountability System</b>					
• Publish accountability system guidance document	Q3 FY18	On Track	No Change	OMB	
• Begin accountability system implementation	Q4 FY18	On Track	No Change	Agencies	
• Begin publishing accountability system performance indicator data	Q1 FY19	On Track	No Change	OMB	
<b>3.2 Incorporate Permitting-Related Performance Goals in Agency Strategic Plans and Annual Performance Plans</b>					
• Provide guidance on incorporating performance goals in agency plans	Q3 FY18	On Track	No Change	OMB	
• Submit draft FY 2020 annual performance plans w/ permitting-related goals	Q4 FY18	On Track	No Change	Agencies	
<b>3.3 Integrate Permitting-Related Performance Goals into Appropriate Agency Personnel Performance Plans</b>					
• Provide guidance on personnel performance plans	Q1 FY19	On Track	No Change	OMB, OPM	

Please note: Additional milestones beyond Q1 FY19 will be added in future quarterly updates.







## 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
<b>4.1 Identify Recommended Best Practices to Improve the Federal Environmental Review and Authorization Process</b>					
• Issue FY 2018 <a href="#">“Recommended Best Practices for Environmental Reviews and Authorizations for Infrastructure Projects” report</a>	Q1 FY18	Complete	No Change	FPISC	
• Issue FY 2019 Best Practices Report	Q1 FY19	On Track	No Change	FPISC	
<b>4.2 Ensure Best Practices are Implemented Within and Across Agencies</b>					
• Assess if agencies are implementing best practices	Q2 FY19	On Track	No Change	FPISC	

Please note: Additional milestones beyond Q2 FY19 will be added in future quarterly updates.





Please note this slide is under review. Information about performance indicators and timelines will be updated once the Infrastructure Permitting Accountability System is finalized.

Performance indicators for the CAP Goal will be tracked through the Infrastructure Permitting Accountability System and data will be published quarterly on the [Permitting Dashboard](#) beginning in Quarter 1, FY 2019. The performance indicators will be rolled out in three phases:

**Phase 1 Indicators:** Agencies begin reporting data in Quarter 4, FY 2018:

1. One Federal Decision Implementation – If major infrastructure projects are processed using One Federal Decision
2. Permitting Timetables – If major infrastructure projects have a complete permitting timetable
3. Meeting Milestones – If established milestones for major infrastructure projects are being met
4. Elevation Procedures – If agencies have established and implemented, as necessary, a process that automatically elevates to senior agency officials, instances in which permitting timetable milestones are missed or extended, or are anticipated to be missed or extended

**Phase 2 Indicators:** Agencies begin reporting data in Quarter 2, FY 2019:

5. Time to Complete Environmental Review - Length of time it takes to complete the processing of environmental reviews and authorizations, for each major infrastructure project
6. Costs of Environmental Reviews - Cost of the environmental reviews and authorizations for each agency, for each major infrastructure project
7. Implementation of Best Practices – If agencies are implementing best practices from FPISC's annual "Recommended Best Practices for Environmental Reviews and Authorizations for Infrastructure Projects" report

**Phase 3 Indicators:** Agencies begin reporting data in Quarter 3, FY 2019:

8. Organizational health performance indicators (still under development) will measure how well the overall permitting authorization and environmental review process is functioning.



### **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**

- 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 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

