

State-Level Siting and Permitting Reform Policy Principles

Overview

Advanced Energy United (United) is the only industry association in the U.S. that represents the full range of advanced energy technologies and services, both large-scale and distributed. We educate, engage, and advocate for policies that allow our member companies to compete to power our economy with 100% clean energy, and we support a broad range of technologies, products, and services that will get us to that goal.

This document outlines key principles that decisionmakers and stakeholders should incorporate in the development of effective state policies for the siting and permitting of large scale renewable and energy storage projects.

Key Principles

The passage of the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA), coupled with the rising demand for clean electricity, is intensifying the focus on deployment of new solar, wind, and battery storage projects across the country. At the same time, developing and constructing new clean resources is becoming more and more difficult as local governments reject proposals, or move otherwise to restrict or ban where projects can be built. To achieve United's mission of 100% clean energy, states and local communities will need to adopt more favorable policies that remove barriers and create more streamlined, predictable and expedited paths for developers to construct more large-scale wind, solar, and energy storage projects.

Even with policy reforms enacted at the state level, local governmental jurisdiction and community engagement will remain an essential element of getting more wind, solar, and battery storage capacity built. Advanced Energy United will work to advance frameworks that create clear and consistent siting standards and permitting processes aimed at accelerating and scaling deployment while still giving voice to local processes and authorities.

Broadly, large scale developers require:

- Uniform, or reasonable ranges of siting criteria and permitting conditions, such as setback distances, screening, fencing, road use agreements, decommissioning requirements, interconnection, fire and/or spill prevention, good neighbor requirements, height requirements, decibel thresholds, and design and readiness requirements that align with the general process of development;
- Predictable and consistent permitting environments that clearly spell out steps in application and review processes; required studies, public noticing and hearings; clear and reasonable application fees, hard deadlines and/or clear timelines that can be expected for review, remedy, and approval/denial; and clarity in recourse for denied applications such as appealing a decision to a court or agency;
- The absence of local moratoria, or bans, on development whether they are explicit or *de facto*. Similarly, there should be adequate protection against “poison pill” requirements on developers that can take place after permit approval, such as what can be required in terms of community benefit/host agreements, project labor agreements, onerous monitoring and reporting requirements, and/or any special tax or fee obligations.

Policy Considerations

Effective siting reform policies enacted at the state level should adequately solve for existing barriers in that state and meaningfully improve the permitting process to create a more certain and predictable outcome:

- **Cut red tape and streamline in order to right-size the process(es).** Consolidate permitting processes to reduce and eliminate inefficiencies, redundancies, and areas of inconsistency between the various authorities involved. Affirm the validity of the authorities involved in existing local and state processes for project review and approval by clarifying what they are responsible for, and how the various agencies will navigate hand-offs and aligning timelines. Strive to create expedited processes that eliminate or speed up unnecessary steps or reduce the number of authorities.
- **Establish clear and enforceable timelines for permit application processes.** Projects are often held in limbo because deadlines for decisions and the proper authorities have not been identified. Setting dates by which authorities must approve or deny permits creates a more certain business environment and aligns the renewable industry with all



other energy industry permitting processes. Establish “constructive approval” for project applications where the permitting agency does not meet the decision timeline.

- **Clarify and consolidate the appeals process.** Current appeals processes have frequently been used to delay the start or completion of projects. Explore ways to limit the duration and scale of any appeals after a decision has been issued. One potential improvement is to consolidate the avenues for appeal.
- **Explore options with respect to taxes.** Proactive tax policy reform that is advanced before or in conjunction with siting and permitting reform efforts has the potential to soften opposition to project development and provide necessary resources to communities involved in project review and approval.
- **Explore options with respect to incentives.** Incentives can be used to obtain support from the community, local officials, and agreement from the state. These incentives can either be presented in the form of additional revenue to the state and community, or in the form of energy sharing. Either way, a clear path should be established to create a fund or incentive mechanisms that allow communities ultimate control on how those incentives can be used.
- **Consider community benefit agreements.** Community benefit agreements are becoming a more common and useful mechanism by which developers provide long-term benefits to a community above and beyond the project’s base tax obligation, but they are not one-size-fits-all. These agreements should be sought out, when possible, but we should be wary of poison pill language that will negatively impact the project’s implementation. The agreements should encourage maximum room for flexibility and collaboration between developers and the community to strengthen community relationships and benefits while avoiding a one-size-fits-all approach that may undermine project viability.
- **Promote industry best practices around decommissioning.** Codifying best and most common practices for decommissioning, component recycling, and site remediation could proactively address concerns for project equipment as it approaches the end of its lifespan while avoiding delays or cancellations due to unclear or unreasonable decommissioning requirements.

