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Estimating the US Energy System Impacts of the Bipartisan American Affordability and Jobs Act

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The Bipartisan American Affordability and Jobs Act (BAAJA) is currently under consideration in the US Senate. If passed, the bill makes substantial changes to federal environmental permitting laws and how electric power transmission lines are planned, permitted, and paid for. Here we've modeled key components of the initial version of BAAJA, introduced on September 30, focused on reducing barriers to building linear infrastructure (i.e., transmission lines and gas pipelines) and on protecting ratepayers from higher grid costs due to AI data center buildout. Our results reflect the additional impacts of the BAAJA provisions beyond a baseline of current policy without BAAJA. We project that the combined impact of these provisions would reduce household electricity bills by $50-78 per year in 2040 compared to without BAAJA, both because easier permitting would allow lower-cost resources to connect to the grid and because the bill explicitly prohibits charging non-data center customers for data center costs. The transmission provisions of the bill enable accelerated average interregional transmission build rates nearly triple that of the last decade or more and drive an additional 17-249 GW of clean resources to be built through 2040. The bill as a whole increases liquefied natural gas (LNG) export levels by 8-15% beyond a 76-145% increase already happening under current policy. Taken together, these provisions uniformly reduce economywide greenhouse gas (GHG) emissions by 5-148 million metric tons annually in 2040 and as much as 1.5 gigatons cumulatively, compared to without BAAJA.

An opportunity to act on federal permitting

The US Senate is soon scheduled to take up floor action on the Bipartisan American Affordability and Jobs Act (BAAJA), a sweeping set of federal permitting reforms negotiated over many months by the Republican chairs and Democratic ranking members of the Senate Environment and Public Works Committee (Senators Shelley Moore Capito

and Sheldon Whitehouse) and the Senate Energy and Natural Resources Committee (Senators Mike Lee and Martin Heinrich). In this note, we provide estimates of the energy system, consumer, and emissions impacts of key components of BAAJA as it was introduced in late September.

A (very) brief history of permitting reform efforts

Historically speaking, Congress rarely acts to change federal permitting rules. The last piece of legislation that made major changes to federal permitting was the Energy Policy Act of 2005 (EPAct 2005), which passed by wide bipartisan margins. EPAct 2005 expanded federal authority over energy permitting by giving the Federal Energy Regulatory Commission (FERC) greater transmission siting power, increasing federal coordination on energy projects, and shortening National Environmental Policy Act (NEPA) review timelines for certain projects.

SMALLER TWEAKS SINCE EPACT

Since EPAct 2005, Congress has made marginal additional advances to revise federal permitting frameworks. FAST-41, passed as part of surface transportation reauthorization in 2015, created new streamlined ways of doing federal permitting by creating the Federal Permitting Improvement Steering Council, project-specific permitting timetables, and a public dashboard to track project changes. The Fiscal Responsibility Act (FRA), passed in 2023, streamlined NEPA by narrowing the circumstances that trigger a review, setting time and documentation limits in submissions, and requiring a lead agency in multi-agency reviews.

RECENT REFORM ATTEMPTS

There are several recent examples of unsuccessful efforts to make major permitting reforms. Senator Joe Manchin (I-WV) introduced his Energy Independence and Security Act of 2022 after Congress passed the Inflation Reduction Act. The Senate voted on the bill as an amendment to the annual defense spending bill in December 2022, but it failed to pass. Manchin took another bite at the apple with the Energy Permitting Reform Act of 2024 (EPRA), cosponsored with then Senate Energy and Natural Resources ranking member John Barrasso (R-WY). The bill advanced out of their committee on a bipartisan 15-4 vote but was not taken up on the floor.

Why reform is needed

It takes a long time to build large-scale infrastructure in the United States. A major federally funded water or highway project can take 8-10 years to build on average, while a high-voltage interstate transmission line takes 10 years on average, if it gets built at all. To be sure, these are generally large-scale, complicated, capital-intensive projects, and so planning for and executing on them should be done deliberately. But reform can make a difference—Germany has sharply increased transmission approvals since streamlining its permitting process. In 2025, its federal grid regulator approved 45% more kilometers of high-voltage lines than the year before.

One of the key complaints about the status quo is that the system of federal rules and regulations that the US has put in place over the past 70 years hampers the country's ability to build infrastructure rapidly. Complex interagency permitting processes, years (or decades) of review without clear timelines, and substantial litigation risk once federal

agencies *do* make a decision all increase the cost of building and dampen developer enthusiasm for large projects.

THE NEED FOR SPEED

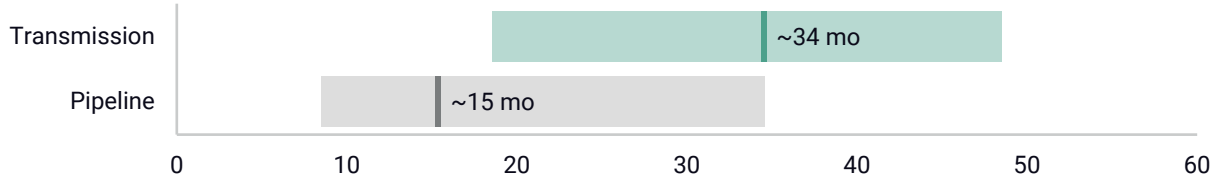
Over the past few decades in the energy space, the US has been able to muddle through despite these limitations, largely due to the fact that electricity demand growth has been exceptionally low since the 2000s. Put another way, the US power sector hasn't needed to build much stuff—replace some retiring coal power plants with gas and renewables, struggle to maintain the poles and wires that comprise the backbone of the electric grid, and hold the whole enterprise together with the grid equivalents of duct tape and baling wire.

Today, the US outlook for load growth is fundamentally different. To meet growing electricity demand, whether from AI data centers or electric vehicles, heat pumps, and other electrified end uses, the US needs to build new energy infrastructure at a pace far faster and on a much larger scale than at any time this century. Constraints on building new generators and transmission lines are already slowing energy deployment and will remain a critical bottleneck to meeting future demand with clean power absent reform. As of the end of 2025, more than 2 TW of generation and storage capacity were seeking grid interconnection in the US, and renewable sources and storage represented 85% of this stranded capacity.[1] Clearer interconnection processes and better regional grid planning can unlock this capacity.

The US also has an abysmal recent record of building high-voltage transmission lines, with 2021-2024 representing the four slowest years of construction since at least 2010. Beyond lowering emissions by connecting clean energy to the grid, transmission has the potential to improve grid reliability and lower electricity prices. Despite its benefits, interstate transmission faces barriers to deployment primarily due to a lack of a uniform nationwide permitting process, robust planning requirements, and clear cost allocation rules. Interstate transmission is currently not treated the same way as other interstate infrastructure, like pipelines. Historical data show that Environmental Impact Statements (EIS), the most detailed and time-consuming level of review under NEPA, take more than twice as long for transmission as for pipelines. The median transmission project takes about 34 months to complete EIS review, compared with the median pipeline project taking just 15 months (Figure 1). Furthermore, longer transmission lines (such as those connecting renewable generation) are correlated with even longer EIS reviews.

[1]Some of this capacity is speculative and therefore, not all queued projects would be built even under enabling conditions.

FIGURE 1
On average, NEPA EIS reviews for transmission have taken twice as long as for pipelines
Months of review by technology (the 25th to 75th percentile of projects in bars, median indicated)



Source: CATF analysis of National Environmental Policy Act Text Corpus (NEPATEC) 2.0 dataset; Rhodium Group. Notes: Only including projects that triggered an EIS where CATF was able to find bounding dates on the NEPA review and with NEPA review start date >= 1/1/2010; full data set includes additional technologies and historical data. This represents data from 53 transmission EIS and 35 pipeline EIS.

These challenges are becoming increasingly urgent as load growth intensifies pressure on an already aging, constrained grid and exposes the limitations of the current federal energy infrastructure development process. Without changes to the permitting system, lengthy review timelines risk further delaying the expansion of the energy infrastructure needed to connect new generation and move power across regions.

Unpacking the impacts of BAAJA

BAAJA is a sprawling, 417-page bill that touches many aspects of federal permitting. Describing every change the bill makes is beyond the scope of a short note. The Bipartisan Policy Center has an explainer article that unpacks nearly every section of the bill, and a recent Volts podcast episode with Daniel Palken takes a deeper dive into many of the provisions. We categorize the bill's changes into five major categories:

- **Transmission:** BAAJA simplifies the federal backstop siting authorities for interstate transmission lines, institutes new interregional planning requirements and codifies existing regional planning requirements, creates new cost allocation rules for transmission, and creates a new consolidated interconnection planning process. The bill also requires deployment of advanced transmission technologies, the use of AI for interconnection queues, and it improves market access for virtual power plants (VPP). Finally, the bill includes an ambitious attempt to require data centers to pay for the costs they impose on the grid and prohibits shifting those costs to other customers.

- **National Environmental Policy Act (NEPA) and judicial review:** BAAJA narrows the definition of a "major federal action" to limit what requires NEPA review, establishes deadlines for environmental reviews and decisions beyond what was required in the 2023 FRA, alters standing for who can sue under NEPA and changes the statute of limitations for such suits to 150 days, and reduces the available remedy when finding against the federal government to remand without vacatur.

- **National Historic Preservation Act (NHPA):** In the realm of NHPA, BAAJA narrows what gets reviewed under the statute and excludes non-federal portions of projects from inclusion in the "area of potential effects" that NHPA studies. It also adds deadlines for key steps of the NHPA process and changes how state and tribal consultation is concluded.

- **Other environmental statutes:** BAAJA limits Clean Water Act §401 state review to specific water quality requirements, establishes firm timelines for such reviews, and makes changes to §404 dredge and fill permitting processes. It also shortens Endangered Species Act (ESA) timelines and allows states to assume §7 consultation responsibilities in certain circumstances.

- **Permit certainty:** Sections 1401 and 1402 of the bill take novel approaches to attempt to limit executive branch interference with the federal permitting process. BAAJA limits an agency's ability to revoke already-issued permits and enables project developers to sue if they can prove that disparate permitting treatment for their class of facilities led to an improper denial or unreasonable delay in permit issuance. The bill also authorizes substantial damage payments if either of these permit-certainty provisions is violated. There is currently a robust debate around the scope of what these provisions would enable and prevent.

This is far from an exhaustive list. The bill also contains a long list of geothermal provisions that will be quite helpful to that burgeoning industry, deals with various staffing and funding issues, and makes a number of other nitty-gritty changes to the way the federal government approaches permitting. In addition, modeled emissions impacts capture only part of the broader range of potential impacts of BAAJA. These provisions have implications for water quality and other environmental metrics and tribal and community consultation that are beyond the scope of this analysis.

How we model the bill

Many of the provisions discussed above are difficult to model in an economy-wide energy system model like RHG-NEMS, the core tool we use for analyzing the US energy system. We've narrowed our analysis to focus on the provisions where interpretation of the bill is clear and which are most likely to affect the evolution of the energy system: provisions that enable the build-out of linear infrastructure like transmission lines and gas pipelines. In our modeling, we reduce the cost and speed of the pace of building interregional transmission lines and spur lines that connect generators to the grid, we reduce barriers in the existing interconnection process, and we similarly reduce the cost and accelerate the speed of building interregional natural gas pipelines. We also model the ratepayer protection provisions of the bill by doing separate model runs with and without expected demand growth from data centers and allocate all incremental costs of meeting that load growth to data centers.

Critically, our preliminary modeling does not include an attempt to reflect the permit certainty provisions of the bill. There is currently considerable uncertainty in the interpretation of these sections of the bill, which may be resolved by the amendment process. If so, we will attempt to incorporate those impacts in future rounds of modeling. We also do not currently model the geothermal, advanced transmission technology, or VPP market access provisions of the bill. RHG-NEMS also doesn't allow us to model local congestion reduction benefits of the transmission title of the bill. Taken together, we would anticipate these non-modeled provisions (apart from permit certainty) to result in more cost reductions in a faster time period and even greater emission reductions; as such, the results we discuss in this note are conservative estimates of impacts.

CAPTURING FUTURE ENERGY MARKET UNCERTAINTY

The other source of uncertainty is how future energy market and technology cost trends will evolve over time. Following the approach we use in our Taking Stock reports, we estimate the impact of this bill under three scenarios reflecting different future market and technology conditions. Our low-emissions scenario pairs continued meaningful cost declines for clean technologies with more expensive fossil fuel prices. Our high-emissions scenario assumes the opposite: much less reduction in the cost of clean resources paired with very low prices for fossil fuels. We also present a mid-emissions scenario that is a middle ground between these two extremes. Our deterministic modeling approach doesn't enable us to put probabilities on the likelihood of any of these outcomes. The low and high-emissions scenarios represent bounding scenarios constructed using our best judgment. We also discuss the impacts of the bill in a scenario with very fast growth in data center electricity demand later in the note. Across all scenarios, we hold all other current policy constant, which includes reflecting clean energy tax credits as modified in the One Big Beautiful Bill Act and removing a number of EPA regulations like the GHG standards for power plants and oil and gas methane standards.

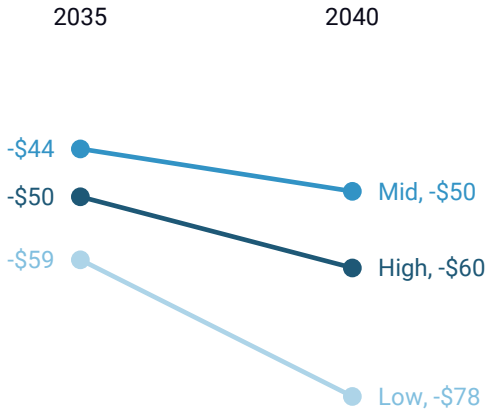
BAAJA reduces electricity bills and emissions and enables a more robust grid

The provisions of BAAJA that we modeled deliver consistent results: lower electricity rates and bills, more capacity added to the grid, and lower emissions. The magnitude of those impacts depends on the underlying market and technology conditions, as we illustrate across our low, mid, and high-emissions scenarios.

BAAJA lowers residential electricity prices and reduces household electricity bills

In 2040, BAAJA drives electricity prices down, in inflation-adjusted terms, by 0.5-1.0 cents per kilowatt-hour, a 3-5% reduction compared with prices without BAAJA. This translates into average annual household electricity bills that are $50-78 lower in 2040 than without BAAJA (Figure 2). BAAJA achieves this outcome through two different mechanisms. First, the provisions of the bill that enable more build-out of linear infrastructure, especially electric power transmission, result in lower prices. Second, the ratepayer provisions prevent data center-related costs from being imposed on residential ratepayers. The first mechanism improves access to lower-cost and more efficient generating resources, lowering demand for natural gas as a fuel input, thereby lowering its price, and enabling the sharing of resources across regions for reliability purposes. This effect drives 61%, 4%, and 50% of the price decline in the low, mid, and high emissions scenarios in 2040, respectively. The ratepayer protection provisions require utility regulators to attribute the cost impacts of meeting increased demand from large computational loads (i.e., large AI data centers) only to those customers on the grid, preventing subsidization of those costs by residential ratepayers and other customer classes.

FIGURE 2
BAAJA reduces electricity bills by an additional $50-78 per year in 2040
Change in average annual household electricity bill caused by BAAJA in 2035 and 2040, 2025 USD



Source: Rhodium Group

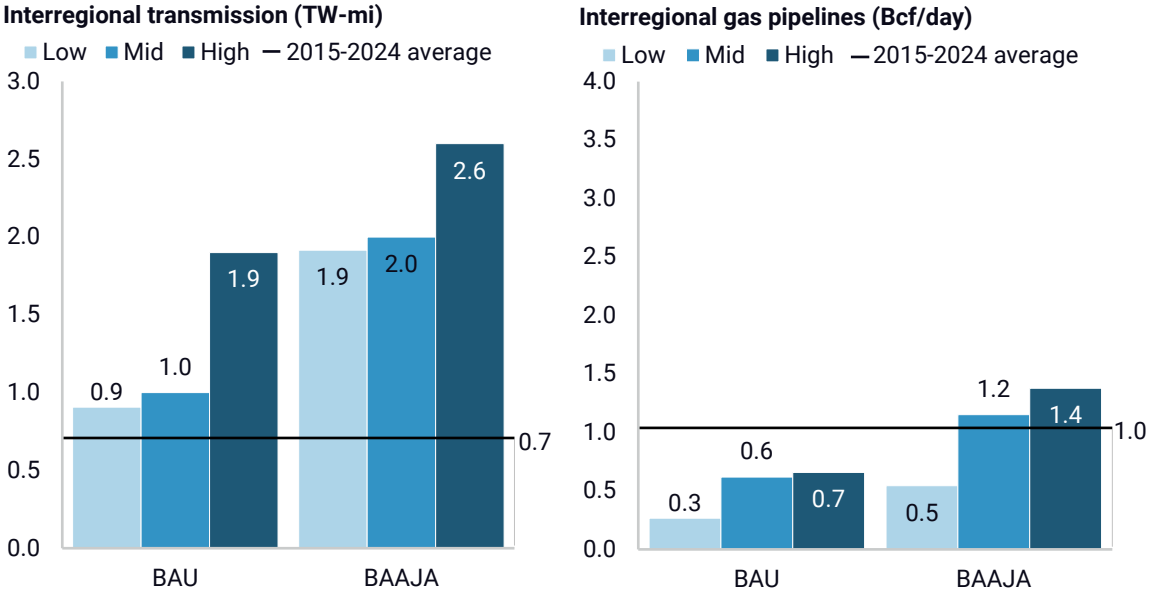
A more robust grid, mixed outcomes for gas pipelines

When we represent the policies in BAAJA by giving the energy system the ability to build linear infrastructure more cheaply and quickly in our modeling, the model finds economic value in constructing more electric transmission and pipelines.

POWERING UP THE PACE OF TRANSMISSION CAPACITY ADDITIONS

The recent annual pace of construction of new high-voltage transmission lines in the US is anemic, with just 0.7 terawatt-miles (TW-mi) of new lines added on an annual basis from 2015 to 2024. This ten-year average rate masks an even slower overall pace in the 2020s. We project new interregional transmission construction to remain quite limited through 2040 under business-as-usual transmission policies, averaging just 0.9-1.9 TW-mi of annual additions over the next 15 years (Figure 3, left panel). With BAAJA in place, we project the rate of new interregional transmission additions to the grid to increase by 167-262% relative to the pace over the last decade, reaching an average annual pace of 1.9-2.6 TW-mi of new interregional transmission capacity additions through 2040, exceeding all but one year of historical additions since 2010. Accelerating transmission build-out cuts ratepayer costs, enhances reliability, and accelerates deployment of clean generation.

FIGURE 3
Average annual additions of linear infrastructure compared to historical average rates, 2026-2040



Source: Rhodium Group

GAS PIPELINES MOSTLY STAY THE COURSE

The story is more nuanced for interregional natural gas pipelines (our proxy for FERC-jurisdictional gas transportation infrastructure that would be impacted by BAAJA). The interregional gas grid is already extensive, and market fundamentals don't point to substantial increases in construction. As a result, we project the pace of new pipeline additions to drop relative to the last decade in all cases without BAAJA reforms (Figure 3, right panel). With BAAJA reforms, gas pipeline construction is still lower than its recent historical pace in the low-emissions scenario and is 12% and 34% higher in the mid and high-emissions cases, respectively.

There is considerable discussion around the impacts of powering data centers off-grid with gas capacity. The types of gas infrastructure needed for these projects are generally lateral lines to connect to the larger gas trunk line system. These lateral pipelines typically don't cross state boundaries and don't need federal permits. As such, they would be substantially less affected by the provisions in BAAJA and are also not represented in the interregional capacity measures.

A SHIFT TOWARDS A CLEANER ELECTRIC POWER SYSTEM

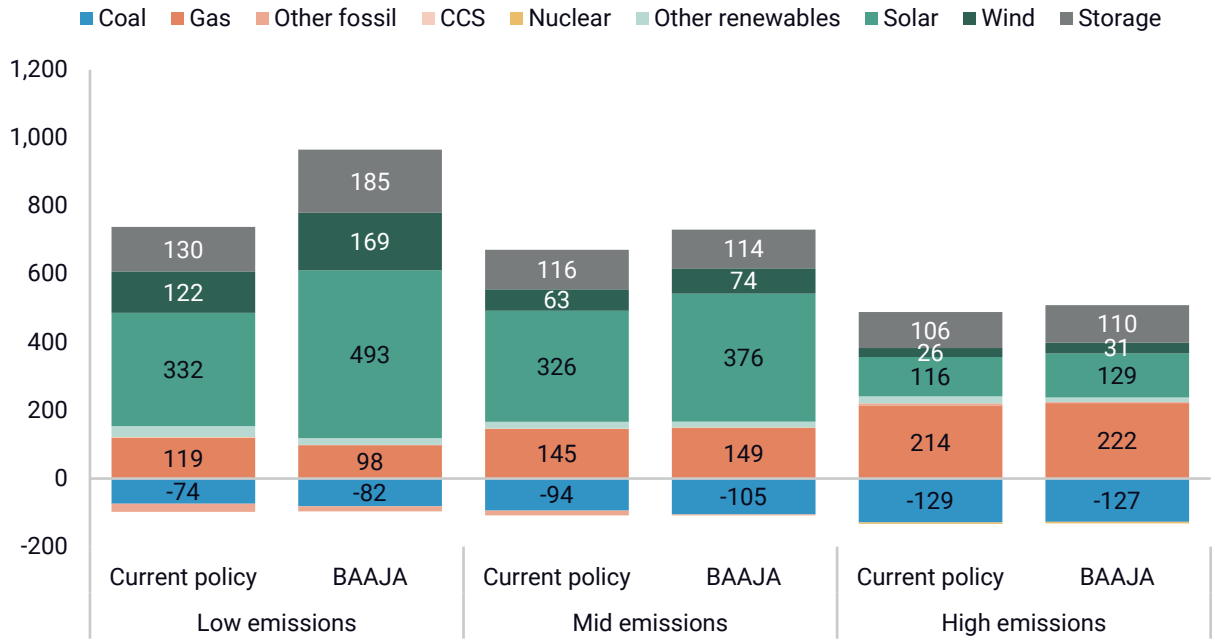
The combination of BAAJA provisions that drive more linear infrastructure (both transmission and natural gas pipelines), reform interconnection queue processes, and solidify regional transmission planning requirements results in substantial new capacity being added to the grid. BAAJA results in 17-249 GW of additional clean capacity installed through 2040 compared to current policy (Figure 4). Strong economic fundamentals for clean resources compared to gas in the low-emissions scenario drive the largest increase in clean capacity to the grid. They also lead to less new gas added to the grid and more coal retirements. In the mid-emissions case, BAAJA drives 56 GW of new clean additions

while gas capacity remains effectively flat and coal capacity declines. In the high case, there are smaller increases in clean capacity and little change in coal capacity. There is a 4% increase in the amount of new gas capacity in this scenario, though generation from the gas fleet as a whole increases by less than 1% in 2040.

FIGURE 4

BAAJA enables the addition of 17-249 GW of clean capacity to the grid

Net capacity change by technology, 2025-2040, GW



Source: Rhodium Group

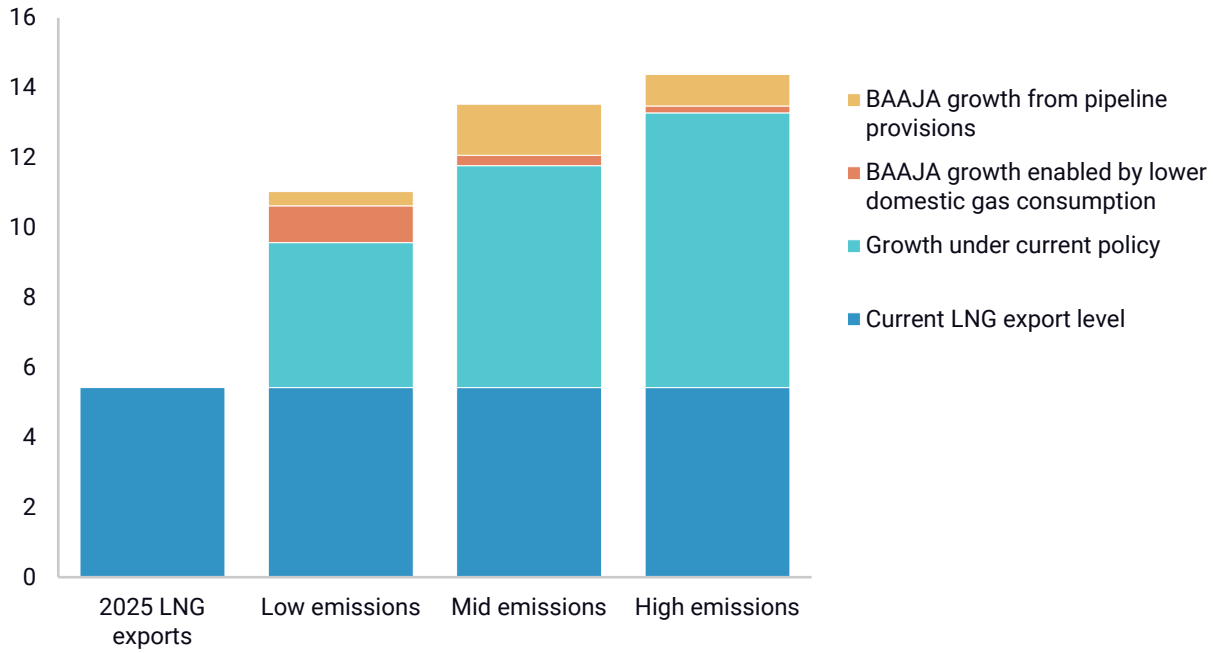
Modestly higher LNG exports on top of already expected expansion

Since 2015, the US has gone from exporting effectively no liquefied natural gas (LNG) to the world's largest LNG exporter, sending around 5.5 trillion cubic feet (Tcf) of gas through export terminals last year. There is a massive amount of additional LNG export capacity that is already under construction, and even more in advanced planning stages that have received all necessary permits and secured long-term offtake agreements for their cargoes. This surge in export capacity is unrelated to any provision contained in BAAJA. The war in Iran and associated closure of the Strait of Hormuz and damage to Qatari gas export capacity have put upward pressure on global demand for US gas. All of these dynamics lead us to estimate that the US will export 76-145% more LNG in 2040 as compared to 2025 levels (Figure 5) under current policy before considering the impacts of BAAJA.

Exports increase modestly with BAAJA in place. We estimate LNG export volumes would increase by an additional 8-15% beyond what happens under current policy. There are two drivers of this increase. First, given the increases in clean capacity added to the grid, the US power sector consumes less natural gas as a fuel by 19% and 3% in the low and mid cases in 2040, and demand is flat in the high case. Especially in the low-emissions scenario, this frees up more gas to be exported, and we find that this effect drives 72% of

the increase in that scenario. This scenario also sees the largest percentage increase in LNG exports from BAAJA. Second, BAAJA provisions that make it easier to build new gas pipelines result in more construction of gas pipeline capacity from production basins to export terminals, enabling more gas to be exported. Our model does not provide us visibility into what energy sources US exports of LNG are displacing around the world.

FIGURE 5
LNG export volumes increase by 8-15% beyond growth under current policy
LNG export volumes, Tcf/year



Source: Rhodium Group

US GHG emissions decline in all scenarios

BAAJA results in economy-wide emissions declines across the low, mid, and high emissions scenarios, and the magnitude of these declines is driven by the relative economic competitiveness of clean versus fossil resources. In the low-emissions scenario, current constraints on grid interconnection and interregional transmission act as a substantial barrier to the build-out of clean resources that would otherwise make economic sense. As a result, alleviating this barrier through BAAJA provisions results in 1.5 gigatons (GT) of cumulative emissions reductions through 2040, and a single-year impact of 148 MMT reduction in 2040 beyond current policy (Figure 6). On the flip side, in the high-emissions scenario, clean resources are less competitive with natural gas when gas is incredibly cheap, so the BAAJA provisions drive a much smaller reduction in emissions—only around 5 MMT in 2040. In the mid-emissions scenario, emissions decline by 107 MMT in 2040 with BAAJA in place compared to current policy, and cumulative emissions reductions through 2040 amount to 368 MMT in total. Our analysis captures the impacts of the provisions in BAAJA that we modeled and how those impacts interact across the entire US energy system. The vast majority of emission reductions from BAAJA are concentrated in the power sector, where sector-wide emissions decline by 18%, 7%,

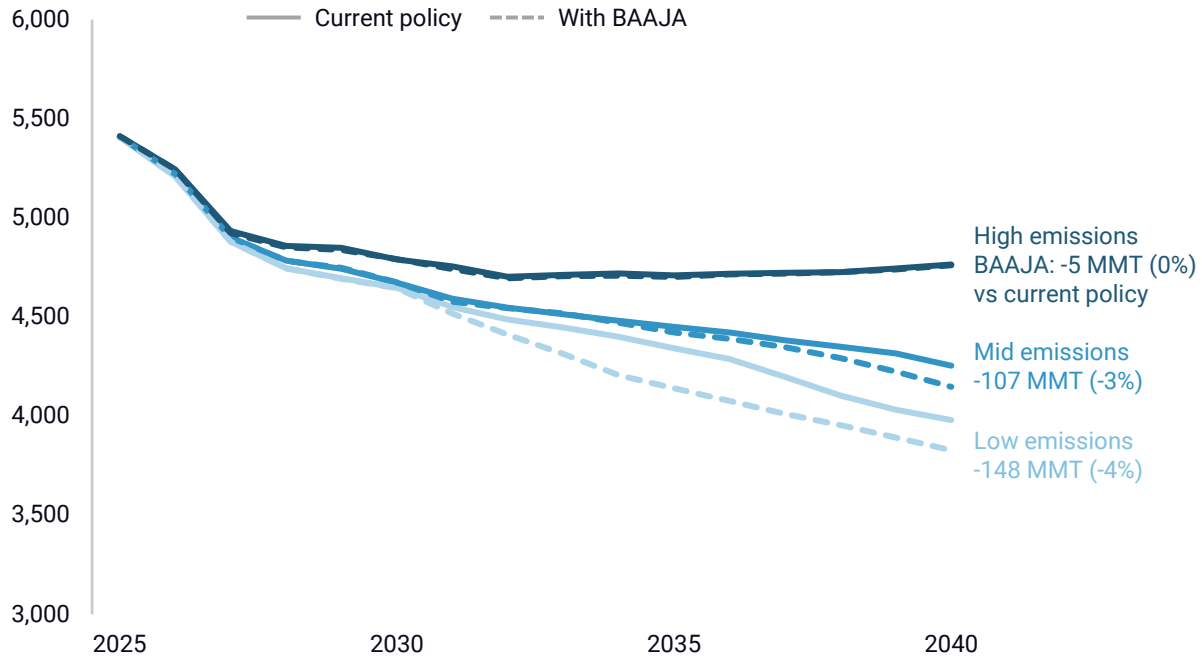
and 1% in the low, mid, and high scenarios, respectively, beyond current policy without BAAJA.

We use the same national GHG accounting approach as EPA traditionally used, which is fully consistent with Intergovernmental Panel on Climate Change guidance. We account for the emissions associated with the domestic production, processing, transportation, and use of fossil fuels and other process emissions, but we do not quantify global emissions impacts associated with the use of US-exported fossil fuels abroad. The latter is contingent on what US exports do to displace other energy sources, including renewables, coal, and other sources of gas. Analysis conducted during debate on EPRA, the last Senate permitting bill that had a more substantial impact on LNG, found increased exports could raise or lower emissions by roughly equal amounts depending on what US exports displace.

FIGURE 6

Modeled BAAJA provisions reduce GHG emissions by as much as 1.5 gigatons cumulatively through 2040 beyond current policy

Economy-wide emissions, MMT of CO_2-equivalent



Source: Rhodium Group

Grid-connected power uniformly reduces emissions from additional data center demand

The impact of data center electricity demand is a major source of uncertainty in modeling the future of the US energy system. Our core modeling assumes that data centers are grid-connected and account for 17% of total US electricity demand in 2040, consistent with our Taking Stock 2026 report. In this section, we model a faster data center demand growth pathway, drawn from EPRI's Powering Intelligence 2026 report. This high data center pathway assumes a growth rate 60% faster than Taking Stock's and results in data

centers making up 26-27% of total electricity demand in 2040. This additional potential scenario is not driven by BAAJA. Instead, this is an alternative data center demand scenario under which enactment of BAAJA may have different impacts.

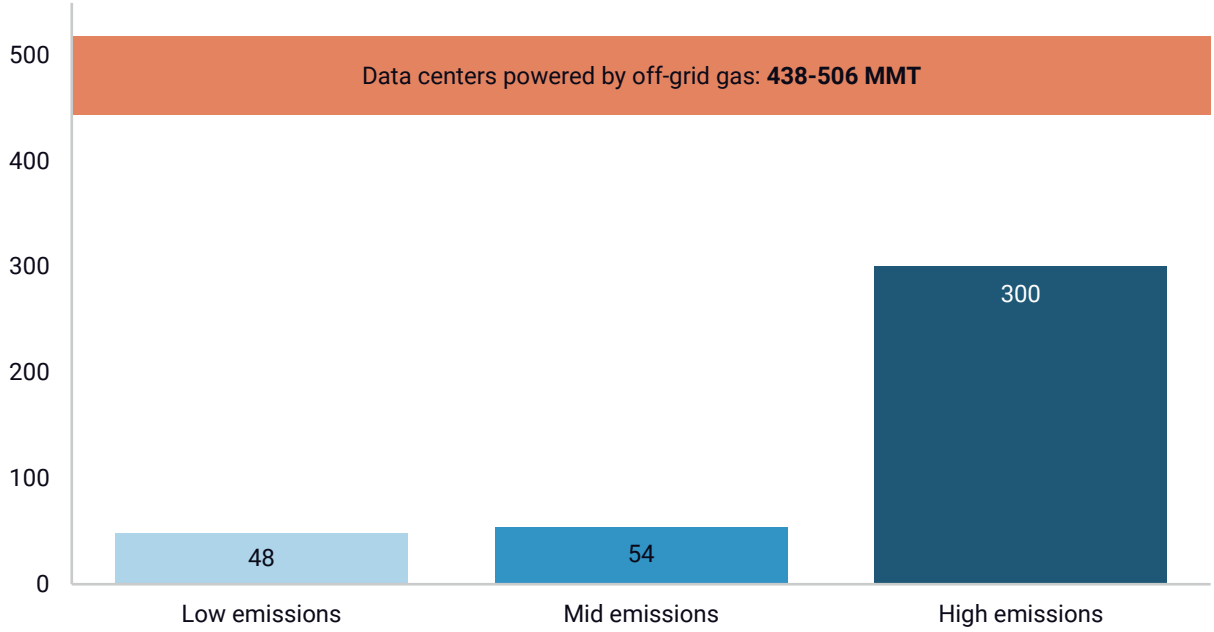
To quantify those impacts, we compare two ends of the spectrum for meeting the additional demand beyond our Taking Stock projections: fully grid-connected with BAAJA-driven changes in linear infrastructure or fully off-grid using gas generators. These are not predictions about how additional data center demand *will* be met, but rather illustrative examples to underscore tradeoffs.

Meeting additional data center demand with grid-connected electricity results in 31-90% lower GHG emissions than powering this demand with off-grid gas (Figure 7). These estimates account for emissions from electricity generation as well as upstream emissions associated with the production, transportation, and processing of any increases in fossil fuel used in these power plants. We also consider two sources for what gas capacity would meet this additional demand: announced gas facilities linked to data centers in Global Energy Monitor's (GEM) Oil and Gas Plant Tracker and the turbines currently deployed at xAI's Colossus 2 facility in Southaven, MS.

In the low and mid-emissions cases, BAAJA-enabled electric supply growth enables 82-87% of additional electricity demand to be met by clean resources. The result is that meeting additional data center demand yields 88-90% lower GHG emissions compared to off-grid gas.

In the high-emissions scenario, increases in gas generation meet 82% of additional data center demand, while clean resources meet another 10% of additional demand. Despite gas being the dominant resource meeting new demand, GHG emissions are still 31-40% lower than using off-grid gas. There are two main reasons behind this difference. First, the types of gas generators being used at off-site data centers are, on average, much less efficient than on-grid counterparts. More than half of announced gas capacity in the GEM data is either simple-cycle gas turbines or reciprocating internal combustion engines (RICE), both of which have higher heat rates than combined-cycle gas plants. RICE generators can also leak uncombusted methane. The turbines installed at the Colossus 2 facility lean even more heavily toward simple-cycle turbines. Second, given the relative emissions intensity of these off-grid gas generators, any increase in clean generation as a response on the grid—even the 10% response we see in the high emissions case—yields substantial emissions benefits.

FIGURE 7
Meeting additional data center demand with on-grid power results in 31-90% lower GHG emissions than off-grid gas
Million metric tons of CO2-e



Source: Rhodium Group, Global Energy Monitor Oil and Gas Plant Tracker

BAAJA provisions may both enable and discourage grid-connected data centers. As discussed above, the transmission and interconnection provisions make it easier and faster to bring more generators onto the grid to meet growing demand from data centers and to get that electricity to sources of load. At the same time, the ratepayer protection provisions of the bill likely increase the cost of that grid-connected power by apportioning all incremental costs incurred in order to meet data center demand to those data centers. If fully implemented in this fashion, we estimate it would result in an 88-102% increase in the retail price for electricity that data centers pay for their grid-connected power. Using EpochAI's total cost of ownership model, we estimate that translates into a 10-11% increase in total annualized capital and operating costs for a 1 GW data center. There are substantial advantages to data center developers for pursuing on-grid power beyond the emissions impacts, including better reliability, less direct exposure to fuel price fluctuations, potentially lower energy costs than off-grid power depending on the technology and configuration, and potential improvements in social license to operate. Predicting the extent to which this basket of advantages justifies a 10% increase in costs is beyond the scope of this analysis.

The road to reform runs through the lame duck

Capitol Hill watchers expect the Senate to take a cloture vote on or around November 9 upon their return from the election recess. An affirmative vote is required for the bill to move to the Senate floor. Assuming bill sponsors can muster the 60 votes needed to invoke cloture, there will be some period of debate and amendments, including a much-

anticipated manager's amendment that will make technical corrections to the initial draft of the bill that was released on September 30. If the bill passes in the Senate, it will proceed to the House for a vote before landing on President Trump's desk for signature.

We will be watching a few key issues that could have implications for the energy system, consumer, and emissions impacts of the bill as the legislative text proceeds through this process. Chief among these are any changes to improve the clarity of the permit certainty provisions in sections 1401 and 1402 of the bill. There is currently robust debate around the scope of what these sections will or won't do. With greater detail, we hope to incorporate permit certainty into our overall modeling. We will also closely monitor the transmission provisions of the bill as they yield the largest system impacts in our modeling. We will also keep an eye on any evolution in the ratepayer protection provisions of the bill, some of which take a pretty novel approach to cost allocation that could carry implementation challenges without changes.

The clock is ticking. There are 16 and 18 legislative days in the House and Senate, respectively, for the lame duck session that lies ahead. If the bill doesn't pass, then the process begins anew in January with a new Congress and new members in leadership positions—likely with different priorities. We will soon learn the fate of the latest attempt at major federal permitting reform.

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