

# GAO Highlights

Highlights of [GAO-18-693T](#), a testimony before the Subcommittees on Intergovernmental Affairs and the Interior, Energy, and the Environment, Committee on Oversight and Government Reform, House of Representatives

## Why GAO Did This Study

Congress recognizes the harmful effects of permitting delays on infrastructure projects and has passed legislation to streamline project reviews and hold agencies accountable. For example, in 2015 Congress passed the Fixing America's Surface Transportation Act, which included provisions streamlining the permitting process. Federal agencies, including the Department of the Interior and FERC, play a critical role by reviewing energy infrastructure projects to ensure they comply with federal statutes and regulations.

This testimony discusses factors GAO found that can affect energy infrastructure permitting timeliness and efficiency. To do this work, GAO drew on reports issued from July 2012 to December 2017. GAO reviewed relevant federal laws, regulations, and policies; reviewed and analyzed federal data; and interviewed tribal, federal, state and industry officials, among others.

## What GAO Recommends

GAO has made numerous recommendations about ways to improve energy infrastructure permitting processes. Federal agencies have implemented a number of GAO's recommendations and taken steps to implement more efficient permitting, but several of GAO's recommendations remain open, presenting opportunities to continue to improve permitting processes.

View [GAO-18-693T](#). For more information, contact Frank Rusco at (202) 512-3841 or [RuscoF@gao.gov](mailto:RuscoF@gao.gov).

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# ENERGY INFRASTRUCTURE PERMITTING

## Factors Affecting Timeliness and Efficiency

### What GAO Found

GAO's prior work has found that the timeliness and efficiency of permit reviews may be affected by a range of factors. For the purposes of this testimony, GAO categorized these factors into five categories.

- **Coordination and Communication.** GAO found that better coordination between agencies and applicants is a factor that could result in more efficient permitting. Coordination practices that agencies can use to streamline the permitting process include the following:
  - **Designating a Lead Coordinating Agency.** GAO found having a lead agency to coordinate the efforts of federal, state, and local stakeholders is beneficial to permitting processes. For example, in a February 2013 report on natural gas pipeline permitting, industry representatives and public interest groups told GAO that the interstate process was more efficient than the intrastate process because in the interstate process the Federal Energy Regulatory Commission (FERC) was lead agency for the environmental review.
  - **Establishing Coordinating Agreements among Agencies.** In the February 2013 report, GAO reported that FERC and nine other agencies signed an interagency agreement for early coordination of required environmental and historic preservation reviews to encourage the timely development of pipeline projects.
- **Human Capital.** Agency and industry representatives cited human capital factors as affecting the length of permitting reviews. Such factors include having a sufficient number of experts to review applications. GAO reported in November 2016 on long-standing workforce challenges at the Department of the Interior's Bureau of Indian Affairs (BIA), such as inadequate staff resources and staff at some offices without the skills to effectively conduct such reviews. GAO recommended that Interior incorporate effective workforce planning standards by assessing critical skills and competencies needed to fulfill its responsibilities related to energy development. Interior agreed with this recommendation, and BIA stated that its goal is to develop such standards by the end of fiscal year 2018.
- **Collecting and Analyzing Accurate Milestone Information.** GAO's work has shown that a factor that hinders efficiency and timeliness is that agencies often do not track when permitting milestones are achieved, such as the date a project application is submitted or receives final agency approval. Having quality information on permitting milestones can help agencies better analyze process deficiencies and implement improvements.
- **Incomplete Applications.** Agency officials and agency documents cited incomplete applications as affecting the duration of reviews. For example, in a 2014 budget document, BLM reported that—due to personnel turnover in the oil and gas industry—operators were submitting inconsistent and incomplete applications for drilling permits, delaying permit approvals.
- **Significant Policy Changes.** Policy changes unrelated to permitting can affect permitting time frames. For example, after the 2010 Deepwater Horizon incident and oil spill, Interior issued new safety requirements for offshore drilling. GAO found that review times for offshore oil and gas drilling permits increased after these safety requirements were implemented.