Permitting and Transmission Reform:

Reducing Electricity Costs for U.S. Homes and Businesses

The Bipartisan American Affordability and Jobs Act (BAAJA) would help curb rising energy costs, ensure access to reliable power, and accelerate development of grid infrastructure critical to supporting surging demand.

Without reform,

$121 billion

in additional energy costs for American households and businesses if permitting processes do not treat all resources equally.

Without reform,

22% higher

electricity prices in Texas, the hardest-hit region, if new solar and wind resources are constrained.

By implementing key reforms,

3.7x cost savings

for every $1 invested in new transmission lines by 2035.

Importance of energy infrastructure permitting and transmission reform:

The U.S. has abundant energy resources, but an antiquated permitting process has slowed down construction of power plants critical to meeting surging power demand.

These power plants need transmission lines to connect them to the system; but transmission projects are also hamstrung by burdensome regulatory processes.

The solution? The technology-neutral transmission and permitting reforms proposed in BAAJA would accelerate development of critical generation and transmission capacity, alleviating price pressures on American homes and businesses, improving access to reliable power, and improving financing certainty for businesses seeking to invest in critical energy infrastructure.

BAAJA reduces each portion of a utility bill through reforms, not subsidies:

AFFORDABILITY	NEAR TERM	LONGER TERM
Energy	Permitting neutrality and certainty allows all energy resources to compete, continue construction, and enables access to the lowest-cost resources (Sec. 1401, 2102, 2109).	By connecting low-cost, clean resources, transmission lines between regions ease $17 billion in annual congestion costs (Sec. 2101, 2103).
Delivery	Data centers pay for their own costs (Sec. 2107).	Those who benefit from new transmission lines pay for them; project developers compete for the work, reducing project costs (Sec. 2101, 2103, 2105).
Reliability	Customer-owned batteries are compensated to help meet peak demand; greater flexibility for hydropower operations (Sec. 2108, 2233).	Interregional transmission lines can carry available power to weather-stricken areas, keeping the lights on; this helps cost-effectively strengthen the grid against future challenges (Sec. 2103).
Risk and financing	Lawsuits against projects must be filed within 150 days; issued permits cannot be revoked (Sec. 1110, 1401, 2201).	Enforceable review deadlines and technology-neutral protections outlast changes in administrations (Sec. 1106, 1402).

Technology-Neutral Permitting and Transmission Reform Benefits:

NEAR TERM · MONTHS TO ~3 YEARS

Add capacity to curb price pressure

- **Connect clean energy.** Prevent issued permits from being revoked and limit lawsuits against projects to a 150-day window, improving investment certainty and keeping 400+ gigawatts of wind and solar in play (Sec. 1401, 2201).
- **Upgrade existing lines.** Cut red tape for cost-effective technologies that can increase power line capacity by more than 20% (Sec. 2102, 2109).
- **Connect power to the grid faster.** Automate reviews for connecting new power plants to the grid; set 15-day deadlines for utilities to share grid data (Sec. 2110, 2111).
- **Bolster energy resilience.** Batteries at homes and businesses could sell power back to the grid, offering support when the grid is stressed (Sec. 2108).
- **Ratepayer protection.** Data centers of 20 megawatts or more would pay at least their full cost to serve, avoiding any added costs for households (Sec. 2107).

LONGER TERM · 3-10+ YEARS

Build a cost-effective grid

- **Expand low-cost supply.** Hasten federal permitting processes for all energy resources, establishing predictable timelines and strong legal safeguards (Title II).
- **Increase market competition between regions.** Better interregional transmission planning could save ~$125 billion in grid costs through 2040; the first plans for lines between regions are due within two years (Sec. 2103).
- **Build big lines faster.** Federal regulators can approve major interstate power lines when states stall, ensuring capacity is constructed to reduce expensive congestion on the system and increase access to more affordable power (Sec. 2101).
- **Improve investment certainty.** New power plants know upfront what it will cost to connect, with fixed prices set by area (Sec. 2106).
- **Beneficiary pays.** Customers only pay for lines in proportion to the benefits they receive, and those new lines are built competitively (Sec. 2101, 2103, 2105).

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Sources: Senate draft bill (KAT26642); NERA analysis on behalf of CEBA, June 2026; C2ES/GLI, September 2026; Jamal et al./Grid Strategies, "Transmission Congestion for 2025," September 2026; Brooks/Grid Strategies, "Capacity Value of Interregional Transmission," July 2026; Goggin/Grid Strategies, "MISO Shows Value of Interregional Transmission with Record Imports during Heat Wave," July 2026; Heatmap, "The Senate's Big Bipartisan Permitting Deal, Explained," September 2026; Hale/S&P Global, "US Senate permitting package aims to curb NEPA lawsuits, boost energy output," September 2026.