

# H.R. 3668, IMPROVING INTERAGENCY COORDINATION FOR PIPELINE REVIEWS ACT

## ***BUILDING PIPELINES IS KEY TO LOWERING ELECTRICITY PRICES***

**Topline:** H.R. 3668, the Improving Interagency Coordination for Pipeline Reviews Act, led by Rep. Hudson (NC-09), modernizes the federal permitting process for interstate natural gas pipelines by bolstering FERC's role as the lead agency for environmental reviews, bringing state water quality reviews under its coordination. This legislation will help lower energy costs, provide natural gas to power our economy, and strengthen our nation's energy security.

### **Background:**

- Under current law, the Federal Energy Regulatory Commission (FERC) is designated as the lead agency for coordinating necessary environmental reviews and associated federal authorizations for interstate natural gas pipelines.
  - Unfortunately, pipeline infrastructure approvals are often delayed due to a lack of coordination—or inaction—among states and other federal agencies involved in the process.
- In 2026, the U.S. Energy Information Administration expects natural gas demand to reach an all-time high of over 107 billion cubic feet per day, accounting for more than 40 percent of electric generation in the U.S. next year.
- The build-out of interstate natural gas pipeline infrastructure, which is essential to meeting growing electricity demand, has faced significant statutory challenges.
  - During the 2013-2021 period, several pipeline projects were canceled, jeopardizing the energy needs of the 25.5 million homes they were planned to serve daily.
- Under Section 401 of the Clean Water Act (CWA), the issuance or waiver of a state water quality certification is required for FERC to issue authorizations for the construction and operation of natural gas pipelines.
  - Some activist States have used this delegated authority to block interstate natural gas pipelines, regardless of the economic and security benefits they may bring, leading to energy shortages in key regions of the country, especially the Northeast.

### **The Solution:**

- H.R. 3668 would strengthen FERC's lead agency role and further define the process for participating federal and state agencies. The legislation would require participating agencies to comply with the schedules established by FERC.
- H.R. 3668 also requires agencies to conduct reviews concurrently, and in conjunction with the project-related review by FERC in compliance with NEPA.
- Under H.R. 3668, instead of having to get a CWA Section 401 certification from a state, FERC would incorporate the water quality certification into its existing NEPA review, including terms or conditions proposed by states that are required for compliance with the CWA.
- Nothing in this legislation exempts projects from abiding by the CWA for any federal or state authorization.

### Impacts of Cancelled Interstate Natural Gas Pipeline Projects (2013–2021)



**5B**  
CUBIC FEET  
Additional natural gas  
capacity lost per day



**25.5M**  
HOMES  
Cancelled Capacity  
could have helped  
serve 25.5M  
homes each day



**\$11.23**  
BILLION  
Lost investment  
due to permitting  
delays and  
challenges



**40,000+**  
Total  
projected  
lost, including  
union jobs

