



Streamlining Residential Energy Permits

H.R. 5335, 116th Congress

Sponsors: Reps. Paul Tonko (D-NY), Jeff Fortenberry (R-NE) & Susie Lee (D-NV)

“Distributed energy systems make it possible for homeowners to generate and store their own electricity, saving them money and reducing carbon emissions. The American people shouldn’t have to deal with red tape when they opt for these systems.”

❖ Paul Tonko

Residential energy permitting can be complicated & costly

- The U.S. has **18,000 local jurisdictions** responsible for maintaining rules & permitting systems
- ‘Soft costs’ such as permitting make up as much as **64% of the price** of residential solar installation
 - This is **significantly more than in Australia, Japan, and Germany**
- ‘Distributed energy systems’ include rooftop solar, small wind power, residential battery storage, hydrogen fuel cells, and level 2 electric vehicle charging
- **Cutting red tape and standardizing permits** could help consumers and clean energy businesses achieve thousands of dollars in savings per system

Our U.S. Department of Energy plays a vital role

- Federal R&D investments have delivered major cost reductions for residential energy systems
 - Non-hardware factors—a.k.a. soft costs—remain a significant overall cost driver
 - Soft costs include system permitting, installation, and interconnection
- The National Renewable Energy Laboratory (NREL) has initiated efforts to reduce the time and costs for permitting, inspecting, and interconnecting distributed solar and storage projects installed behind the meter through standardized requirements and online application systems

Congress Can Help Simplify this System!

H.R. 5335, the **American Energy Opportunity Act** provides the U.S. Department of Energy the tools to work with local municipalities to streamline the permitting process for distributed energy systems.

The American Energy Opportunity Act

1. Establishes the **National Distributed Energy Opportunity Council** responsible for developing and maintaining a voluntary program for online permitting
 - Program would expedite, standardize, and streamline the process by certifying local installers and providing technical assistance for participating municipalities
2. Empowers the Secretary of Energy to recognize and certify participating municipalities as “Energy Opportunity Communities” if they adopt and implement the model permitting protocol
3. Authorizes \$20 million annually through Fiscal Year 2025 to carry out this work

Congress has the opportunity to bring down consumer costs and simplify the permitting of home clean energy installations. The time to act is now!

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