TESTIMONY OF MICHAEL SKELLY
CO-FOUNDER AND CEO
GRID UNITED

US HOUSE OF REPRESENTATIVES
ENERGY AND COMMERCE COMMITTEE, ENERGY SUBCOMMITTEE

Hearing: "*Wires, Rates, and States: Permitting Transmission for Reliable and Affordable Power*"

May 13, 2026

Chairman, Ranking Member, and Members of the Subcommittee—thank you for the opportunity to testify today on the urgent need to permit and build transmission so we can deliver reliable, affordable power for American families and businesses.

I am Michael Skelly, co-founder and CEO of Grid United. We develop and finance large, multi-state transmission projects that connect regions, move low-cost power to where it is needed, and strengthen reliability. Done right, transmission delivers three core benefits: (1) lower costs by relieving congestion and accessing the lowest-cost generators, in other words, helping markets operate more efficiently; (2) higher reliability by sharing reserves and balancing weather and outages across regions; and (3) better resilience by providing alternate pathways when extreme weather or equipment failures stress the grid.

Finally, new transmission lines can help mitigate the need to build new generation. This attribute is particularly important at a time when demand is exploding and new generation equipment is hard to come by.

Those benefits are not abstract concepts for us — they reflect the reality of trying to build major transmission projects in today's permitting and planning environment.

On behalf of Grid United, I am not here to advocate for any single technology, fuel, or political viewpoint. We are transmission developers doing the hard work on the ground—working with regulators, utilities, landowners, and communities across both red states and blue states—to strengthen the power grid itself. Our projects are generation agnostic. They are networked infrastructure: they connect regions to each other, not to any individual generator, and are designed to improve reliability and reduce costs for the system as a whole.

Many Members of this Subcommittee represent districts where Grid United projects are actively being developed. We appreciate your continued engagement on the challenge of building a more reliable and more connected power system—it is an issue that matters deeply to the communities you serve and to our nation as a whole.

Our business model is straightforward: we work collaboratively with incumbent utilities, regulators, landowners, and communities to design projects that deliver measurable reliability and cost benefits to the customers utilities serve.

One of the clearest examples of how interregional transmission delivers these benefits is already moving forward today in the North Plains Connector Project, a 3000 MW connection that connects the eastern and western grids of the United States. Our line begins near Bismarck, North Dakota and goes west 420 miles to Colstrip, Montana. A grid-to-grid connection like North Plains Connector allows the grids on each side to lean on each other during times of high demand and helps markets operate more efficiently. We partner with utilities on each side, and these electric companies will be the ultimate owners – with each owning a slice to meet their customers' needs. The project is in an advanced state of development and we hope to begin construction on what is one of the largest grid projects in the country, in late 2027.

The reason projects like this matter is because today's grid is failing to move power efficiently between regions — and customers are paying for it. In order to demonstrate the very real ways in which our current system does not serve us in the most cost efficient way, I'd like to quote some real time numbers to cite how the grid is not working. Here are some wholesale prices from around the country Sunday evening at 8:30 pm EST.

- In most of Midwest – Minnesota, Kansas, Iowa, prices were around 3 cents per kWh
- In Virginia, prices were around 4.5 cents per kWh, or 50% higher than in the midwest.
- In Colorado, prices were lower still, at negative 0.6 cents
- In New England, around 5 cents
- And in California, negative 0.5 cents – it was probably still sunny.

In other words, during this particular hour, if you had a perfectly efficient grid, and you could get power from the Midwest to the Atlantic coast, you'd save one third of the cost. And if you could get power from the west coast to the east coast, you'd save countless millions.

The reason prices are so different across the country is that our transmission system can't help us get the cheapest power to where we need it.

The fastest way to expand the capacity of the existing grid is through interregional transmission. By better connecting regions that already have generation and reserve margins to those experiencing shortages, we can move more power, more quickly, without waiting years to site, permit, and build new generation or local infrastructure.

So how do we get the reliable, efficient grid we need – the grid that will save us money and be more reliable? To get this grid, Congress should focus on two changes: (1) permitting certainty—clear timelines, coordinated federal processes and disciplined judicial review; and (2) cost-allocation reform—rules that align costs with demonstrable benefits and enable interregional projects that improve reliability and reduce price volatility.

Permitting: The First Half of the Solution

Even if Congress and regulators do everything right on planning and technology, we will not build the grid at the pace required if the permitting process remains slow, duplicative, and litigation-prone. For large, multi-jurisdictional transmission lines, the timeline to reach a final federal decision can stretch many years—and even after agencies complete extensive analysis, a single lawsuit can reset the clock. The result is a process that is both too slow and too fragile for infrastructure that the economy depends on.

Countless projects never make it past a line on the map, because there simply are not enough well capitalized Don Quixotes to even try.

As Congress considers a broader permitting package, I urge a focus on a few practical reforms that would materially improve outcomes for critical grid infrastructure:

- Time-certain judicial review for major energy infrastructure decisions, including clear statutes of limitation and accelerated schedules for resolving challenges. Permitting of major projects is difficult enough, and open-ended timeframes for challenging permit decisions results in high costs of capital for projects – with deleterious impacts on consumers, and a much weaker grid.
- Clean Water Act (CWA) permitting certainty by removing barriers to more efficiently implement the Section 404 Nationwide Permit Program and reducing duplicative reviews by ensuring that Section 401 processes are limited to their intended function - water quality protections.
- National Historic Preservation Act (NHPA) Section 106 improvements that promote meaningful consultation, ensure consistent process, expand federal and state agency capacity (as well as Tribes), while preventing uncertainty late in development.
- One-stop federal coordination for qualifying interstate transmission projects—building on coordinated interagency approaches (such as DOE-led coordination models) so that agencies work from a single schedule and single record, greatly consolidating reviews. Our company has had good success with DOE's Coordinated Interagency Transmission Authorization and Permits ("CITAP") process, and believe it should be a model for other streamlining efforts.

Today, it is often too easy to say "no" to a project—and extraordinarily difficult to say "yes," even when federal environmental reviews requirements are met and the record shows net

public benefits. We need permitting reforms that provide certainty while maintaining strong environmental protections: a coordinated "one federal review" approach across agencies; enforceable review timelines; clear standards that prevent serial, duplicative litigation; and a disciplined statute of limitations so judicial review does not become an indefinite veto. Clean water protections, historic preservation, and community engagement are essential—but they must operate within a process that can reach a final and timely decision. Death often comes not from a thousand cuts, but a thousand small delays.

Cost Allocation: The Second Half of the Solution

Align costs with benefits and enable interregional lines. The other major barrier is how we allocate the costs of much-needed transmission expansion. Today, we plan the grid one region at a time. The result is a weakly connected national grid, which produces the price disparities and inefficiencies cited above.

We have no processes whatsoever to harness the benefits of interregional transmission—reliability, reserve sharing, and lower price volatility.

For our projects, the benefits of grid-to-grid connections are so clear and readily identifiable that we can assemble a consortium of utilities to push big projects over the top. The regional transmission organizations to which we connect, most notably the Midcontinent Independent System Operator and the Southwest Power Pool in the east and the Western Power Pool in the west, are coming up with rules and mechanisms that both recognize the reliability benefits of these connections and award those benefits to the utilities that fund the transmission line. However, many of the other benefits of interregional lines accrue to customers who do not pay for the project.

We will never get the grid that we desperately need unless we address this free-rider problem. Until we solve interregional cost allocation, the predictable result is paralysis: projects with broad interregional or even national benefits will never see the light of day as long as we take a parochial view of the grid.

No witness from Texas can escape the challenge of bragging about the Lone Star state.

Texas offers a practical example of planning at the scale of the challenge. Texas is actively working to address the kind of regional price disparities we live with across the country today—recognizing that without sufficient transmission, consumers pay more and reliability suffers.

Rather than relying only on incremental upgrades, or arguing endlessly about who benefits from transmission, Texas is planning a new 765-kV backbone to move bulk power long distances with fewer constraints. The near-term focus is the Permian Basin, where rapid growth—driven by oilfield electrification, new industrial activity, and large loads—has

outpaced the ability of the existing network to deliver power reliably. A 765-kV “spine” is designed to deliver large volumes of power into the Permian while also increasing transfer capability between resource-rich areas and load centers statewide. Just as important, it opens up generation resource areas: when developers can count on a high-capacity backbone, new or existing generation can interconnect where the resources are best and still reach customers—turning abundant energy into affordable, reliable power.

That same principle applies nationally: strengthening the connections between regions is the quickest way to unlock existing resources and expand usable grid capacity without starting from scratch.

Conclusion: The United States has the resources, technology, and capital to build the grid we need—but we must modernize the rules of the road. If we improve permitting certainty and fix cost allocation, we can deliver more reliable, more affordable power, strengthen competitiveness, and reduce emissions—while meeting the power demands of the future. From rural communities to major load centers, the need for more transmission is no longer theoretical—it is showing up every day in prices, reliability risks, and missed opportunities.