

Energizing Our Communities Act of 2025

Led in the Senate by: Senators Peter Welch (D-Vt.); John Hickenlooper (D-Colo.)

Introduced in the House by: Representative Sean Casten (D-IL-06)

Background: The <u>rapid progression of climate change</u> has resulted in higher household energy prices and <u>increased electricity demand</u> across the United States. To effectively mitigate the impacts of climate change and meet goals for economic growth, the U.S. must urgently drive down greenhouse gas emissions by boosting transmission capacity. <u>Growing the electric grid</u> is vital to bringing new clean energy projects online, avoiding time-consuming interconnection processes, project delays, and higher energy costs for ratepayers.

While modernizing the electric grid will yield far-reaching benefits—such as economic growth, lower energy prices, and reduced emissions—it is essential that the communities hosting new transmission lines enjoy their fair share. Guaranteeing communities receive an economic incentive from these developments will spur economic growth in rural areas and accelerate the buildout of critical infrastructure by achieving local support for these projects.

Legislation: The *Energizing Our Communities Act of 2025* would support the community-developer relationship by providing automatic benefits to towns, counties, and tribes hosting transmission projects backed by the Department of Energy (DOE). Specifically, the bill would:

- Create a fund with revenues DOE generates from certain transmission development programs.
- Require DOE to provide towns, counties, and tribes that host transmission projects sponsored by those programs with a one-time award from the fund. DOE would establish a formula to distribute these grants.
- Require that the host communities receive awards no later than 18 months after construction begins.
- Allow communities to use up to 80% of the award for public infrastructure (hospitals, parks, broadband, schools, etc.) or workforce training.
- Allow communities to use 20% of the award for conservation projects.
- Allow parties to negotiate further community benefits in addition to those provided by DOE through the fund.

Supporting Organizations:

The *Energizing Our Communities Act* is endorsed by Grid Action; National Association of Counties (NACo); National League of Cities (NLC); Pathway Power; Protect Our Winters (POW); Vermont Electric Power Company (VELCO); and the Vermont League of Cities and Towns (VLCT).