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One BAAJA Blast, Please

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Takeaways

- This week, a group of senators introduced the Bipartisan American Affordability and Jobs Act of 2026, or BAAJA. Its reforms to federal permitting would enable the US to fix our aging, unreliable grid.
- This bill would expedite new transmission lines and energy projects, protect ratepayers from data center growth, preserve environmental standards, and fortify our grid against rising demand, extreme weather, and national security threats.
- Today's permitting system is broken. We encourage all policymakers, advocates, and stakeholders reviewing this bill to get it over the finish line, and hope that political purity doesn't undermine our energy future.

We Have a Chance at Permitting Reform

After months of negotiations, setbacks, and last-minute doubts, a bipartisan group of senators has announced a deal for permitting reform. The [Bipartisan American Affordability and Jobs Act of 2026](#), introduced by Senators Martin Heinrich, Mike Lee, Shelley Moore Capito, and Sheldon Whitehouse, is a real opportunity to address the federal permitting bottleneck holding back the US energy system.

Third Way has written extensively about how federal permitting prevents new energy from reaching American ratepayers and businesses. Last year, we [interviewed 200 industry experts](#), from developers to utilities to construction firms, and found that federal permitting can last well over two years. It is more onerous than state or local permitting processes, including for renewable energy.

Because of this broken system, we are not building new energy projects fast enough to meet rising demand. We also don't have a transmission system that can deliver the cheapest energy from where it's produced to where it's needed.

The status quo is making energy too expensive.

Whatever your top priority may be—the environment, grid reliability, economic competitiveness, or national security—the inability to build affects everything. In the energy sector, it's true across transmission, wind, solar, storage, pipelines, mining, and drilling.

This is a problem that both Democrats and Republicans agree needs a solution—and fast. The Bipartisan American Affordability and Jobs Act is our best opportunity.

Third Way's Top Three Arguments for BAAJA

1. We Will Build and Upgrade Transmission

Transmission is how energy literally flows across the country. To meet our growing energy demand affordably and reliably, Third Way experts have called for 5,000 miles of new transmission every year for the next decade.

But in 2024, we only built 900 miles.

BAAJA would change that with common-sense fixes. If states cannot agree where to build essential long-distance transmission lines, BAAJA would make the federal government the backstop decision-maker. Additionally, it would improve regional and interregional planning. That means neighboring areas of the country must work together to anticipate electricity demand better and find cost-effective ways to meet it.

This legislation sets the stage for ambitious deployment of new energy projects, but it also upgrades the infrastructure we already have. Utilities would study how to fortify existing power lines and be incentivized to deploy grid-enhancing technologies (GETs) and Advanced Transmission Technologies (ATTs), improvements that can be added quickly without new infrastructure and often at lower cost than alternatives.

2. Data Centers Will Pay Their Fair Share

Beyond voluntary ratepayer-protection pledges, BAAJA will require data centers to pay for grid upgrades **and more**. They will have to pay for all costs associated with delivering power to their facilities, as well as any additional strain they place on the existing transmission system. This will protect American families and small businesses from getting stuck with a bill for hidden costs.

Additionally, the federal government would begin tracking how much energy data centers actually use, ensuring that policymakers and the public can see exactly how these facilities affect their communities.

3. Projects Would Be Protected from Politics

After years of lawsuits, executive actions, and other obstacles, BAAJA would protect energy projects from ideological and political interference. Specifically, the bill says that the federal government could no longer revoke or suspend lawfully issued federal permits or unfairly delay an entire category of energy projects in the permitting process.

Though a favorite target of President Trump, renewables are not the only projects assured fair treatment under BAAJA. These protections are technology-neutral and would span multiple presidential administrations, ensuring America can pursue an all-of-the-above energy strategy to meet its economic, security, and climate goals.

Don't Let Tradeoffs Kill this Legislation

The Bipartisan American Affordability and Jobs Act is a net positive for our energy sector, climate, and country. Already, we've seen objections from advocacy groups on both sides of the aisle and calls for Democrats to roll the dice and try to get a "better deal" after the midterms. Environmental groups have been particularly skeptical about specific provisions, and some of this hesitation is understandable. It isn't perfect—a bipartisan permitting reform package was inevitably going to involve tradeoffs and hard calls.

But there is no perfect political moment, and every year of delay is another year of energy kept off the grid. Permitting reform needs to happen now.
