Capitol Leaders

# Energy Abundance

## ENSURING A SUSTAINABLE AND ABUNDANT ENERGY FUTURE

Abundant, affordable, reliable energy is vital for society. Energy starts your car, charges your phone, cooks your food, and enables global travel. Our society is reliant on abundant energy. Unfortunately, certain groups leverage the government to pass regulations that hinder the infrastructure needed for energy abundance. These regulations erect barriers to the energy abundance needed for innovation, **opportunity**, and **prosperity** every American desires.

To secure energy abundance, states should pursue reforms that streamline regulations and modernize U.S. energy production and consumption, empowering consumers.

## UNLEASHING INNOVATION AND EXPANDING ENERGY CHOICE

Policies like Right of First Refusal (ROFR) laws and other anti-competitive mandates, limit choice, raise costs, and slow progress. These rules advantage incumbent utilities giving them exclusive rights, blocking other developers from competing and providing a cheaper alternative. Other countries are modernizing quickly to attract investment. However, the US has the opportunity to lead in this area by removing barriers to expand energy options, lower costs, and empower consumers and businesses to choose what works best for them.

We can expand energy choice and drive innovation by embracing an all-of-the-above approach instead of top-down mandates, like Renewable Portfolio Standards. Energy sources, whether they are fossil fuels or renewables, should be able to compete on equal grounds. Competition allows consumers to choose where they buy their electricity , instead of being forced to purchase unnecessary costly forms of energy.

Increasing competition in the energy industry can unlock economic potential, allowing innovation and investment to flourish. Reliable and affordable energy drives human progress, and equal treatment of energy sources expands supply and cuts costs. Restrictive policies mean higher prices and fewer choices. Removing these barriers unleashes American energy and creates opportunity for millions. As of 2026, 32 states and Washington, D.C. have introduced energy deregulation policies, promoting competition, consumer protection, and innovation.

## STATE SOLUTIONS

- **Right of First Refusal (ROFR):** Reform ROFR policies to promote competition, lower project costs, and encourage innovation from independent developers.
  - Ohio is leading the nation in free-market energy policy by passing House Bill 15, which implements competitive bidding for standard service rates, bans electric utilities from owning new generation facilities, and requires refunds to ratepayers for any charges later ruled unlawful by Ohio courts.
- **Consumer-Regulated Electricity Laws:** Enable off-grid energy production and delivery outside of traditional utility systems. This fosters innovation, increases competition, and helps ease demand pressures on existing grids.
  - In August 2025, New Hampshire became the first state to allow off-grid electricity providers, permitting independent, deregulated off-grid electricity providers, to address rising energy prices and encourage infrastructure development.
- **Stabilize Energy Rates:** Limit utilities from cost recovery for unfinished or unreliable energy projects. Utilities earn guaranteed returns, which encourages investments that increase profit over reliability. By correcting these incentives, we protect consumers, strengthen regulatory oversight, and prioritize reliable energy.
  - Louisiana Act 462 legalized prioritizing "dispatchable and reliable energy," encouraging legislators to reject projects that don't stabilize the grid or keep bills low.
- **Expedite Microgrids and Data Centers:** Streamline approvals for microgrids and data centers to accelerate industrial developments, support growth, and strengthen grid scalability to meet rising energy demand.
  - West Virginia's House Bill 2014, the "Power Generation and Consumption Act," created a Certified Microgrid Program to encourage data center development and create a fund for income tax cuts. It established specialized tax treatment for high-impact data centers and streamlined regulatory oversight by overriding local zoning for microgrids
- **Legalize Third-Party Sales:** Allows non-utility providers to sell power directly to consumers and enable municipalities to aggregate energy purchases.
  - The Arkansas Solar Access Act authorized third-party solar services agreements, such as solar leases and Power Purchase Agreements, allowing expansion for solar energy supplier and benefits for non-taxed entities consuming solar energy.
- **Expand Market Access for New Competitors:** Expand energy choice by removing barriers so providers can supply energy from a wide range of sources, such as nuclear, hydropower, solar, and wind, based on what best meets consumer needs.
  - Virginia is expanding competition by passing SB 1338, adding nuclear fusion to its list of qualifying carbon-free sources alongside other clean energy options.
  - Pennsylvania is advancing energy choice by passing SB 311, known as the "Energy Choice" bill, which prevents municipalities from banning specific fuel sources for home or business appliances.