

.....  
(Original Signature of Member)

119TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To provide relief from high energy bills, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mr. CASTEN introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To provide relief from high energy bills, and for other  
purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Energy Bills Relief Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REVERSING ATTACKS ON LOW-COST, CLEAN ENERGY

Subtitle A—Restoring Tax Credits for Low-cost, Clean Energy

Sec. 101. Repealing H.R. 1 rollbacks of low-cost, clean energy tax credits.

Subtitle B—Stopping Administration Overreach Against Low-cost, Clean Energy

- Sec. 111. Reversing grant terminations for low-cost, clean energy.
- Sec. 112. Prevention of administrative abuse of Federal permitting of low-cost, clean energy.
- Sec. 113. Ratepayer protection against uneconomic power generation.

TITLE II—CUTTING ENERGY BILLS FOR AMERICAN FAMILIES

- Sec. 201. Lowering household heating and cooling bills.
- Sec. 202. Home weatherization.
- Sec. 203. Reflective roofing.
- Sec. 204. Domestic natural gas price protection.
- Sec. 205. Rural energy savings.

TITLE III—UNCLOGGING THE LOW-COST, CLEAN ENERGY BOTTLENECK

- Sec. 301. Expedited generator interconnection.
- Sec. 302. Advanced transmission technologies.
- Sec. 303. Electricity transformers.
- Sec. 304. Streamlining permitting of distributed energy.
- Sec. 305. Community solar.
- Sec. 306. Low-cost, clean energy in United States territories.

TITLE IV—BUILDING OUT A 21ST CENTURY ELECTRICITY GRID

Subtitle A—Amendments to the Federal Power Act

- Sec. 401. Definitions.
- Sec. 402. Interregional electric transmission planning.
- Sec. 403. Allocation of costs of electric transmission facilities of national significance.
- Sec. 404. Minimum interregional transfer capability.
- Sec. 405. Increased FERC transmission siting authority.
- Sec. 406. Prohibiting expensive, unjust queue jumping.

Subtitle B—Tax and Grants

- Sec. 411. Transmission investment tax credit.
- Sec. 412. Reduced wildfire risks to the grid.

Subtitle C—Transmission Governance Reform

- Sec. 421. FERC staffing.
- Sec. 422. FERC fee assessments.
- Sec. 423. State public utility commission capacity grants.
- Sec. 424. Independent transmission monitors.
- Sec. 425. Aggregator bidding into organized wholesale electric markets.
- Sec. 426. RTO and ISO governance and participation.
- Sec. 427. Modernized grid data and analytics.

TITLE V—DEPLOYING LOW-COST, CLEAN ENERGY RESPONSIBLY ON PUBLIC LANDS AND WATERS

Subtitle A—Public Land Renewable Energy Development

- Sec. 501. Public land renewable energy development.
- Sec. 502. Geothermal cost recovery.
- Sec. 503. Geothermal Gold Book development.

Subtitle B—Offshore Renewable Deployment

- Sec. 511. Responsible development of offshore renewable energy.
- Sec. 512. Compensation for offshore renewable energy projects.
- Sec. 513. Interoperability of offshore electric transmission infrastructure.

TITLE VI—PROTECTING CONSUMERS IN ELECTRICITY  
REGULATION

- Sec. 601. Utility earnings tied to ratepayer benefits.
- Sec. 602. Consumer protection from energy market manipulation.
- Sec. 603. Avoiding cost shifts onto families.
- Sec. 604. True costs and value of energy for economic and public benefit.
- Sec. 605. Grid performance disclosure.

TITLE VII—COLLABORATING WITH COMMUNITIES FOR  
SUCCESSFUL DEPLOYMENT

- Sec. 701. Federal permitting capacity.
- Sec. 702. Interagency environmental data system.
- Sec. 703. Timely public release of NEPA documentation.
- Sec. 704. Community benefits agreements.
- Sec. 705. Intervenor funding at FERC Office of Public Participation.
- Sec. 706. Senior community engagement officers and Tribal community engagement officers.
- Sec. 707. Capacity grants for permitting and community engagement.

1 **TITLE I—REVERSING ATTACKS**  
2 **ON LOW-COST, CLEAN ENERGY**  
3 **Subtitle A—Restoring Tax Credits**  
4 **for Low-cost, Clean Energy**

5 **SEC. 101. REPEALING H.R. 1 ROLLBACKS OF LOW-COST,**  
6 **CLEAN ENERGY TAX CREDITS.**

7 (a) REPEAL.—Subchapter A of chapter 5 of subtitle  
8 A of title VII of Public Law 119–21 is hereby repealed.

9 (b) AMENDMENTS.—Each provision of law amended  
10 by such subchapter is amended to read as such provision  
11 would read if such subchapter had never been enacted.

1 (c) EFFECTS.—Each amendment made by subsection  
2 (b) shall take effect as if included in the provision of such  
3 subchapter to which such amendment relates.

4 **Subtitle B—Stopping Administra-**  
5 **tion Overreach Against Low-**  
6 **cost, Clean Energy**

7 **SEC. 111. REVERSING GRANT TERMINATIONS FOR LOW-**  
8 **COST, CLEAN ENERGY.**

9 (a) The Department of Energy, the Environmental  
10 Protection Agency, and the Department of Transportation  
11 may not terminate a Federal award in part or its entirety,  
12 require a renegotiation or rescoping of the Federal award,  
13 or decide not to fund a future budget period of a Federal  
14 award on the basis that the Federal award no longer effec-  
15 tuates the program goals or agency priorities, including  
16 pursuant to section 200.340(a)(4) of title 2, Code of Fed-  
17 eral Regulations.

18 (b) Any Federal award that was terminated, renegoti-  
19 ated, rescoped, or not progressed to future budget periods  
20 by the Department of Energy, the Environmental Protec-  
21 tion Agency, or the Department of Transportation after  
22 January 19, 2025, for no longer effectuating the program  
23 goals or agency priorities, including pursuant to section  
24 200.340(a)(4) of title 2, Code of Federal Regulations,

1 shall be reinstated by such agency or entity under its pre-  
2 vious terms and conditions.

3 **SEC. 112. PREVENTION OF ADMINISTRATIVE ABUSE OF**  
4 **FEDERAL PERMITTING OF LOW-COST, CLEAN**  
5 **ENERGY.**

6 (a) REQUIREMENT FOR PARITY.—The Council on  
7 Environmental Quality, in consultation with all applicable  
8 Federal agencies, shall ensure, via subsection (b), that the  
9 processing of applications, authorizations, or related ap-  
10 provals as well as denials and the activities referenced in  
11 subsection (g) for wind, solar, storage, or related electric  
12 transmission projects on Federal and nonfederal land and  
13 waters is not subject to more restrictive or burdensome  
14 procedural requirements than those applied to applications  
15 for oil, gas, or coal projects on Federal and nonfederal  
16 land and waters and does not bias Federal decision mak-  
17 ing in favor of oil, gas, or coal projects, including—

18 (1) requirements for elevated or discretionary  
19 review by the Secretary, Deputy Secretary, other po-  
20 litical appointees, or career employees;

21 (2) additional documentation or review not re-  
22 quired for oil, gas, or coal projects;

23 (3) withholding, delaying, or reversing decisions  
24 by local or regional entities for wind, solar, storage,

1 or related electric transmission projects for reasons  
2 not applied to oil, gas or coal projects; and

3 (4) denial of routine administrative approvals,  
4 such as testing permits or cost recovery agreements,  
5 or notices to proceed once all criteria have been met  
6 for approval, based on underlying technology.

7 (b) POLICY REVIEW.—

8 (1) REVIEW.—Not later than 90 days after the  
9 date of enactment of this section, the Council on En-  
10 vironmental Quality, in consultation with all applica-  
11 ble Federal agencies, shall—

12 (A) review all applicable regulations, guid-  
13 ance documents, policy manuals, departmental  
14 directives, Secretarial orders, and other proce-  
15 dures regarding energy development; and

16 (B) identify any provision of such regula-  
17 tions, documents, manuals, directives, orders,  
18 and procedures not otherwise required in stat-  
19 ute that do not comply with the requirements in  
20 subsection (a).

21 (2) RESCISSION.—Not later than 120 days  
22 after the date of enactment of this section, the appli-  
23 cable Secretary or Administrator shall rescind or  
24 amend as necessary any provision identified under  
25 subsection (a).

1 (c) ACCOUNTABILITY IN PERMITTING.—Not later  
2 than 180 days after the date of enactment of this section  
3 and annually thereafter, the Comptroller General of the  
4 United States shall submit to Congress a report on actions  
5 taken by all applicable Federal agencies related to permit-  
6 ting for energy projects, which shall include—

7 (1) an analysis of the procedures used by all  
8 applicable Federal agencies for processing applica-  
9 tions, authorizations, or approvals for wind, solar,  
10 storage, or related electric transmission projects on  
11 Federal and nonfederal land and waters and how  
12 those procedures compare to those used for oil, gas,  
13 or coal projects;

14 (2) an analysis of the number of days applicable  
15 Federal agencies took during the previous calendar  
16 year to process applications, authorizations or ap-  
17 provals for wind, solar, storage, or related electric  
18 transmission projects on Federal and nonfederal  
19 land and waters compared to the number of days to  
20 process applications, authorizations or approvals for  
21 oil, gas, or coal projects; and

22 (3) an assessment of whether applicable Fed-  
23 eral agencies treated wind, solar, storage, or related  
24 electric transmission projects the same as oil, gas, or  
25 coal projects during the previous calendar year.

1 (d) ENSURING ENERGY SECURITY.—

2 (1) LIMITATION ON ISSUANCE OF CERTAIN AP-  
3 PROVALS.—Beginning on the date of enactment of  
4 this Act—

5 (A) the Secretary of the Interior may not  
6 approve a permit to extract coal or to drill on  
7 an onshore oil or gas lease on Federal land un-  
8 less an approval for onshore wind or solar de-  
9 velopment has been issued during the 120-day  
10 period ending on the date of the issuance of the  
11 approval for oil or gas development; and

12 (B) the Secretary of the Interior may not  
13 approve a permit to drill on an offshore oil or  
14 gas lease on the Outer Continental Shelf under  
15 section 2(a) of the Outer Continental Shelf  
16 Lands Act (43 U.S.C. 1331(a)) unless an ap-  
17 proval for offshore wind development on the  
18 Outer Continental Shelf of similar scope has  
19 been issued during the 120-day period ending  
20 on the date of the issuance of the approval for  
21 oil or gas development.

22 (2) RULES OF CONSTRUCTION.—Nothing in  
23 this section shall be construed to require the Sec-  
24 retary to approve applications for a permit to drill

1 for onshore or offshore oil or gas development or a  
2 permit to extract coal.

3 (e) TIMELY FEDERAL REVIEW.—

4 (1) DEADLINES TO COMPLETE ENVIRON-  
5 MENTAL REVIEWS UNDER NEPA.—With respect to  
6 any proposed wind, solar, storage, or related electric  
7 transmission development on Federal land or waters,  
8 including the Outer Continental Shelf, requiring an  
9 environmental impact statement or environmental  
10 assessment pursuant to the National Environmental  
11 Policy Act of 1969 (42 U.S.C. 4321 et seq.), the  
12 Secretary shall complete such environmental impact  
13 statement or environmental assessment within the  
14 deadlines established under section 107(g) of the  
15 National Environmental Policy Act of 1969 (42  
16 U.S.C. 4336a(g)).

17 (2) DEADLINE FOR DETERMINATION OF RIGHT-  
18 OF-WAY.—Not later than 180 days after completion  
19 of the environmental impact statement or environ-  
20 mental assessment, as applicable, for wind, solar,  
21 storage, or related electric transmission development  
22 on Federal land or waters, including the Outer Con-  
23 tinental Shelf, the Secretary shall issue a right-of-  
24 way, except in the event that a no action alternative  
25 is selected.

1 (f) JUDICIAL REVIEW.—

2 (1) REVIEWABILITY.—

3 (A) IN GENERAL.—If a Federal agency  
4 suspends construction or operations of a wind,  
5 solar, storage, or related electric transmission  
6 project, or otherwise prevents a wind, solar,  
7 storage, or related electric transmission project  
8 from commencing and completing construction,  
9 operation, or related ancillary activities, includ-  
10 ing by revoking, rescinding, withdrawing, termi-  
11 nating, suspending, amending, altering, or oth-  
12 erwise rendering ineffective any authorization  
13 for a project or the final environmental docu-  
14 ment the authorization relies on, shall be con-  
15 sidered final agency action subject to judicial  
16 review under chapter 7 of title 5, United States  
17 Code.

18 (B) VENUE.—A person seeking judicial re-  
19 view for an action described in subparagraph  
20 (A) shall obtain review of such action in the  
21 United States Court of Appeals for any circuit  
22 wherein the project is located.

23 (2) TIMING.—For any claim brought regarding  
24 an action in paragraph (A), the court of competent

1 jurisdiction shall issue a decision for such chal-  
2 lenge—

3 (A) as expeditiously as practicable; and

4 (B) not later than the date that is 30 days  
5 after the date on which the civil action is filed,  
6 unless the court determines that additional time  
7 is required in the interests of justice.

8 (3) APPLICABILITY.—This section shall apply  
9 to any actions in paragraph (1) that occurred after  
10 January 19, 2025.

11 (g) ENSURING FAIRNESS ON FEDERAL LANDS AND  
12 WATERS.—

13 (1) FLPMA AMENDMENTS.—The Federal Land  
14 Policy and Management Act of 1976 is amended—

15 (A) in section 103(c) (43 U.S.C. 1702(c)),  
16 by striking “historical values;” and inserting  
17 “historical values, including the generation,  
18 transmission, and storage of renewable energy  
19 sources such as wind, solar, and geothermal en-  
20 ergy;” and

21 (B) in section 302 (43 U.S.C. 1732), by  
22 inserting at the end “(e) The Secretary shall  
23 manage the public lands to facilitate the gen-  
24 eration, transmission, and storage of renewable  
25 energy resources, consistent with the principles

1 of multiple use and sustained yield under this  
2 Act. For the purposes of this Act, such activi-  
3 ties are deemed to be consistent with multiple-  
4 use management.”.

5 (2) OCSLA AMENDMENTS.—Section 8(p) of the  
6 Outer Continental Shelf Lands Act (43 U.S.C.  
7 1337(p)) is amended by striking paragraph (4) and  
8 inserting the following:

9 “(4) REQUIREMENTS.—The Secretary shall en-  
10 sure that any activity under this subsection is car-  
11 ried out in a manner that provides for a balance  
12 of—

13 “(A) safety;

14 “(B) the protection of the environment;

15 “(C) the prevention of waste;

16 “(D) the conservation of the natural re-  
17 sources of the outer Continental Shelf;

18 “(E) coordination with relevant Federal  
19 agencies and Tribal, State, and local govern-  
20 ments;

21 “(F) the protection of the national security  
22 interests of the United States, including energy  
23 security;

24 “(G) the protection of correlative rights in  
25 the outer Continental Shelf, including the en-

1           ergy generation potential of other offshore re-  
2           newable energy leases;

3           “(H) a fair return to the United States for  
4           any lease, easement, or right-of-way under this  
5           subsection;

6           “(I) prevention of unreasonable inter-  
7           ference with other uses of the exclusive eco-  
8           nomic zone, the high seas, and the territorial  
9           seas, as determined by the Secretary;

10          “(J) consideration of—

11           “(i) the location of, and any schedule  
12           relating to, a lease, easement, or right-of-  
13           way for an area of the outer Continental  
14           Shelf; and

15           “(ii) any other use of the sea or sea-  
16           bed, including use for a fishery or fishery  
17           survey, a sealane, a regional coastal ob-  
18           serving system or other scientific observa-  
19           tion platform such as a buoy, a potential  
20           site of a deepwater port, or navigation;

21          “(K) public notice and comment on any  
22          proposal submitted for a lease, easement, or  
23          right-of-way under this subsection;

24          “(L) the oversight, inspection, research,  
25          monitoring, and enforcement relating to a lease,

1 easement, or right-of-way under this subsection;  
2 and

3 “(M) the consideration of any applicable  
4 Federal, Tribal, and State renewable energy  
5 mandates, targets, and goals.”.

6 **SEC. 113. RATEPAYER PROTECTION AGAINST UNECONOMIC**  
7 **POWER GENERATION.**

8 Section 202(c) of the Federal Power Act (16 U.S.C.  
9 824a) is amended—

10 (1) in paragraph (1)—

11 (A) by striking “Commission” after “Dur-  
12 ing the continuance of any war in which the  
13 United States is engaged, or whenever the” and  
14 inserting “Secretary of Energy (referred to in  
15 this subsection as the ‘Secretary’)”;

16 (B) by striking “exists” after “determines  
17 that an emergency” and inserting “currently  
18 exists or will occur within 6 months”;

19 (C) by striking “Commission” after “or  
20 other causes, the” and inserting “Secretary”;

21 (D) by inserting “As part of the order, the  
22 Secretary shall explain why such order best  
23 meets the emergency and serves the public in-  
24 terest.” after “serve the public interest.”; and

1 (E) by striking “Commission” after “car-  
2 rying out such order, the” and inserting “Fed-  
3 eral Energy Regulatory Commission (referred  
4 to in this subsection as the ‘Commission’);

5 (2) in paragraph (2)—

6 (A) by striking “Commission” after “law  
7 or regulation, the” and inserting “Secretary”;  
8 and

9 (B) by adding at the end the following:  
10 “The Secretary shall state in such orders—

11 “(A) that are in effect for 96 or fewer  
12 hours, the specific hours that are necessary to  
13 meet the emergency and serve the public inter-  
14 est; or

15 “(B) that are in effect for more than 96  
16 hours, the specific methodology by which such  
17 hours that are necessary to meet the emergency  
18 and serve the public interest were determined.”.

19 (3) in paragraph (4)—

20 (A) by striking “Commission” wherever it  
21 appears and inserting “Secretary”;

22 (B) in subparagraph (A), by striking “that  
23 may result in a conflict with a requirement of  
24 any Federal, State, or local environmental law  
25 or regulation”;

1 (C) in subparagraph (B)—

2 (i) by inserting “that may result in a  
3 conflict with a requirement of any Federal,  
4 State, or local environmental law or regula-  
5 tion” after “In renewing or reissuing an  
6 order under subparagraph (A)”;

7 (ii) by inserting “The Secretary shall  
8 make available to the public the primary  
9 Federal agency consulted.” after “prac-  
10 ticable.”; and

11 (D) by adding at the end—

12 “(C) Before renewing or reissuing an order  
13 under subparagraph (A), the Secretary shall  
14 undertake a robust study of available alter-  
15 natives that would reduce the net costs as com-  
16 pared to renewing or reissuing the order.

17 “(D) In the event the Secretary issues a  
18 renewed or reissued order under this para-  
19 graph, a petition for judicial review of such re-  
20 newed or reissued order may be filed under sec-  
21 tion 313(b) without filing a request for rehear-  
22 ing or otherwise complying with any require-  
23 ments of section 313(a).”;

24 (4) by adding at the end the following:

1           “(6)(A) Not later than 30 days after the date  
2           on which the Secretary issues an order under para-  
3           graph (1), the Commission shall publish—

4                   “(i) estimates of the costs that are ex-  
5                   pected to be incurred by any electric utility  
6                   and customers of such electric utility as a  
7                   result of the order; and

8                   “(ii) other expected impacts of the  
9                   order.

10           “(B) Not later than 60 days after the date  
11           on which the Secretary issues an order under  
12           paragraph (1), an electric utility that has been,  
13           or is expected to be, affected as a result of the  
14           order, including any electric utility described in  
15           subparagraph (A)(i), shall provide in writing to  
16           customers of the electric utility a description of  
17           the costs incurred due to the order, or costs ex-  
18           pected to be incurred as a result of the order,  
19           including any information relevant to the elec-  
20           tric utility and the customers of the electric  
21           utility published under subparagraph (A).”.

1           **TITLE II—CUTTING ENERGY**  
2           **BILLS FOR AMERICAN FAMILIES**  
3           **SEC. 201. LOWERING HOUSEHOLD HEATING AND COOLING**  
4                           **BILLS.**

5           (a) FUNDING.—Section 2602 of the Low-Income  
6 Home Energy Assistance Act of 1981 (42 U.S.C. 8621)  
7 is amended—

8                   (1) in subsection (b)—

9                           (A) by striking “section 2607A)” and in-  
10                           serting “section 2604(e), 2605(u), 2607A,  
11                           2607B, or 2607C)”;

12                           (B) by striking “\$2,000,000,000” and all  
13                           that follows and inserting “such sums as may  
14                           be necessary, including such sums as may be  
15                           necessary to enable the States to assist all  
16                           households that meet the eligibility require-  
17                           ments established under this title and to enable  
18                           States to implement home energy affordability  
19                           measures described in section 2605(b)(3).”;

20                   (2) in subsection (e), in the first sentence—

21                           (A) by striking “in each fiscal year”;

22                           (B) by striking “\$600,000,000” and in-  
23                           serting “\$2,000,000,000 for fiscal year 2026,  
24                           and \$2,000,000,000 plus such additional sums

1 as may be necessary for each fiscal year there-  
2 after,”; and

3 (C) by inserting “, or arising from a major  
4 disaster, as defined in section 2604(e)(1)” be-  
5 fore the period at the end; and

6 (3) by adding at the end the following:

7 “(f) There is authorized to be appropriated to carry  
8 out section 2607C, including making grants under that  
9 section, \$1,000,000,000 for fiscal year 2026, and  
10 \$1,000,000,000 plus such additional sums as may be nec-  
11 essary for each fiscal year thereafter.”.

12 (b) DEFINITIONS.—Section 2603 of the Low-Income  
13 Home Energy Assistance Act of 1981 (42 U.S.C. 8622)  
14 is amended—

15 (1) by redesignating paragraphs (4) through  
16 (6), (7) through (10), and (11), as paragraphs (6)  
17 through (8), (10) through (13), and (15), respec-  
18 tively;

19 (2) by inserting after paragraph (3) the fol-  
20 lowing:

21 “(4) The terms ‘extreme heat’ and ‘extreme  
22 cold’, used with respect to a period, means a period  
23 in which there is an increased risk of—

24 “(A) heat-related or cold-related, respec-  
25 tively, illness, hospitalization, or death; or

1                   “(B) failures or energy shutoffs of home  
2                   cooling or heating, respectively.

3                   “(5) The term ‘HEAP coordinator’ means an  
4                   employee—

5                   “(A) who administers a program funded  
6                   under section 2602(b); and

7                   “(B) whose salary is paid, partly or wholly,  
8                   with funds made available under that section.”;

9                   (3) by inserting after paragraph (8), as so re-  
10                  designated, the following:

11                  “(9) The term ‘local coordinating agency’  
12                  means any local organization or local office that re-  
13                  ceives funds under section 2602(b) to perform cus-  
14                  tomer intake, or approval of benefits, on behalf of  
15                  the State agency.”; and

16                  (4) by inserting after paragraph (13), as so re-  
17                  designated, the following:

18                  “(14) The term ‘State agency’ means any State  
19                  agency that administers the program funded under  
20                  section 2602(b).”.

21                  (c) ASSISTANCE FOR EMERGENCIES AND MAJOR DIS-  
22                  ASTERS, INCLUDING EXTREME HEAT AND COLD.—Sec-  
23                  tion 2604 of the Low-Income Home Energy Assistance  
24                  Act of 1981 (42 U.S.C. 8623) is amended—

1 (1) in subsection (a)(1)(B), by striking “section  
2 2605(b)(9)(B)” and inserting “section  
3 2605(b)(10)(B)”; and

4 (2) in subsection (e)—

5 (A) by striking “(e)” and inserting the fol-  
6 lowing:

7 “(e)(1) In this subsection:

8 “(2);

9 (B) in paragraph (1), by adding at the end  
10 the following:

11 “(A) The term ‘covered household’ means  
12 an eligible household in an area where the  
13 President, or the Secretary, as the case may be,  
14 has declared or determined the occurrence of a  
15 natural disaster, emergency, or major disaster.

16 “(B) The term ‘major disaster’ means—

17 “(i) a major disaster or emergency de-  
18 clared under section 401 or 501, respec-  
19 tively, of the Robert T. Stafford Disaster  
20 Relief and Emergency Assistance Act (42  
21 U.S.C. 5170, 5191);

22 “(ii) a public health emergency deter-  
23 mined under section 319 of the Public  
24 Health Service Act (42 U.S.C. 247d); or

1                   “(iii) a period of extreme heat or ex-  
2                   treme cold, as determined by the Sec-  
3                   retary.”;

4                   (C) in paragraph (2), as so designated, by  
5                   striking “natural disaster or other emergency  
6                   involved” and inserting “natural disaster, emer-  
7                   gency, or major disaster involved”; and

8                   (D) by adding at the end the following:

9                   “(3) Upon a declaration or a determination of  
10                  a natural disaster, emergency, or major disaster, for  
11                  an area, the Secretary and the Administrator of the  
12                  Federal Emergency Management Agency shall, to  
13                  the extent practicable, provide heating or cooling as-  
14                  sistance through such an allotment to a State for  
15                  covered households in that area.

16                  “(4) To receive assistance under this sub-  
17                  section, the State that has jurisdiction over the cov-  
18                  ered households shall provide assurances to the Sec-  
19                  retary that the State—

20                         “(A) will not preclude a household that re-  
21                         ceives heating assistance or cooling assistance  
22                         under this title during a calendar year, on the  
23                         basis of obtaining that assistance, from receiv-  
24                         ing cooling assistance or heating assistance, re-  
25                         spectively, under this title during that year;

1           “(B) will not require a household to indi-  
2           cate that a household member has a medical  
3           need for assistance under this title, to be eligi-  
4           ble for that assistance; and

5           “(C) will allow use of such assistance for  
6           purposes for which heating or cooling assistance  
7           is available under the program funded under  
8           section 2602(b), including for providing energy-  
9           efficient air conditioners, and other equipment  
10          needed for home cooling, to eligible house-  
11          holds.”.

12          (d) **ELIGIBLE HOUSEHOLDS.**—Section 2605 of the  
13 Low-Income Home Energy Assistance Act of 1981 (42  
14 U.S.C. 8624) is amended—

15           (1) in subsection (b)—

16           (A) in paragraph (1)(A), by striking  
17           “paragraph (5)” and inserting “paragraph  
18           (6)”;

19           (B) in paragraph (2)—

20           (i) in the matter preceding subpara-  
21           graph (A), by inserting “, subject to sub-  
22           section (c)(1)(A),” after “only”;

23           (ii) in subparagraph (B), by striking  
24           “(B)” and all that follows through clause  
25           (ii) and inserting the following:

1 “(B) households with incomes which do not  
2 exceed the greater of—

3 “(i) an amount equal to 250 percent  
4 of the poverty level; or

5 “(ii) an amount equal to 80 percent of  
6 the State median income,”; and

7 (iii) in the matter following subpara-  
8 graph (B)—

9 (I) by striking “may give” and  
10 inserting “shall give”; and

11 (II) by inserting before the semi-  
12 colon the following: “, and the State  
13 may not exclude a household from eli-  
14 gibility on the basis of citizenship of 1  
15 or more of the household members”;

16 (C) by redesignating paragraphs (3)  
17 through (16) as paragraphs (4) through (17),  
18 respectively;

19 (D) by inserting after paragraph (2) the  
20 following:

21 “(3) ENERGY BURDEN LIMITS.—To the extent  
22 practicable, the Secretary shall work with States  
23 using funding under section 2602(b) (supplemented  
24 by funding available through State-level energy pro-  
25 grams, utility affordability initiatives, or other mech-

1           anisms as determined by the State in consultation  
2           with the Secretary) to implement home energy af-  
3           fordability measures—

4                   “(A) to ensure that no household eligible  
5                   under paragraph (2) experiences an energy bur-  
6                   den for which the expenditures of the household  
7                   for home energy exceed 3 percent of household  
8                   income; and

9                   “(B) to prioritize the further reduction of  
10                  energy burdens for such eligible households  
11                  with the lowest incomes.”; and

12                  (E) in subparagraph (B) of paragraph  
13                  (10), as so redesignated, by striking “para-  
14                  graph (16)” and inserting “paragraph (17)”;  
15                  (2) in subsection (c)(1)—

16                  (A) in subparagraph (A), by striking “as-  
17                  sistance to be provided under this title, includ-  
18                  ing criteria” and inserting “assistance to be  
19                  provided under this title, including—

20                          “(i) certifying that the State and local  
21                          coordinating agencies in the State—

22                                  “(I) shall, to the greatest extent  
23                                  possible, use data sharing agreements  
24                                  with Federal and State low-income as-  
25                                  sistance programs, including the sup-

1            supplemental nutrition assistance pro-  
2            gram established under the Food and  
3            Nutrition Act of 2008 (7 U.S.C. 2011  
4            et seq.), the Medicaid program estab-  
5            lished under title XIX of the Social  
6            Security Act (42 U.S.C. 1396 et seq.),  
7            and the supplemental security income  
8            program established under title XVI  
9            of the Social Security Act (42 U.S.C.  
10          1381 et seq.), to verify eligibility;

11            “(II) shall implement simplified  
12            re-enrollment procedures for house-  
13            holds with fixed incomes or house-  
14            holds already determined to be eligible  
15            under other Federal and State low-in-  
16            come assistance programs, to reduce  
17            administrative burdens on applicants  
18            and agencies;

19            “(III) shall not require applicants  
20            to submit proof of citizenship to es-  
21            tablish status as an eligible household;  
22            and

23            “(IV) if neither the verification  
24            process described in subclause (I) nor  
25            the re-enrollment process described in

1 subclause (II) apply to a household,  
2 shall allow applicants to self-attest  
3 that the applicants meet the criteria  
4 established under this title for an eli-  
5 gible household, to the extent nec-  
6 essary to facilitate access to assist-  
7 ance and prevent undue hardship for  
8 applicants; and

9 “(ii) describing criteria.”;

10 (B) in subparagraph (E), by striking  
11 “paragraph (5)” and inserting “paragraph  
12 (6)”;

13 (C) in subparagraph (F), by striking  
14 “clauses (3), (4), (5), (6), (7), (8), (10), (12),  
15 (13), and (15) of subsection (b)” and inserting  
16 “paragraphs (4), (5), (6), (7), (8), (9), (11),  
17 (13), (14), and (16) of subsection (b)”;

18 (3) in subsection (e), by striking “subsection  
19 (b)(10)” and inserting “subsection (b)(11)”;

20 (4) in subsection (f), by adding at the end the  
21 following:

22 “(3) For purposes of section 401(c), and the re-  
23 mainder of title IV, of the Personal Responsibility  
24 and Work Opportunity Reconciliation Act of 1996 (8  
25 U.S.C. 1611(a), 1601 et seq.), assistance under this

1 title shall not be considered to be a Federal public  
2 benefit.”; and

3 (5) in subsection (j), by striking “the State may  
4 apply” and inserting “the State may, subject to sub-  
5 section (c)(1)(A)(i), apply”.

6 (e) CONDITIONS FOR FUNDING.—Section 2605 of the  
7 Low-Income Home Energy Assistance Act of 1981 (42  
8 U.S.C. 8624) is amended—

9 (1) in subsection (b)—

10 (A) in paragraph (1)(C), by inserting be-  
11 fore the semicolon the following: “, using toxics-  
12 free materials that do not contain asthmagens  
13 or respiratory sensitizers, giving priority in the  
14 use of those funds under this subparagraph, to  
15 the greatest extent practicable, to supporting  
16 emergency home repairs that foster energy effi-  
17 ciency, decarbonization, and household resil-  
18 ience, including through beneficial electrifica-  
19 tion of heating and cooling”;

20 (B) in paragraph (8), as so redesignated—

21 (i) in subparagraph (C), by striking  
22 “and” at the end; and

23 (ii) by adding at the end the fol-  
24 lowing:

25 “(E) ensure that—

1           “(i) the home energy supplier will not  
2 charge late fees for any payment, by a  
3 household receiving assistance through the  
4 program funded under section 2602(b),  
5 during the period beginning 6 months be-  
6 fore and ending 6 months after a date on  
7 which the supplier receives funds through  
8 the program for the household; and

9           “(ii) if the supplier receives funds  
10 through the program for such a household  
11 and charged such late fees during that pe-  
12 riod, the supplier shall refund the fees to  
13 the household not later than 7 days after  
14 the date the supplier receives the funds;

15          “(F) ensure that the home energy supplier  
16 will not shut off home energy from a household  
17 that received assistance through the program  
18 funded under section 2602(b), within the 2-year  
19 period beginning on the date the household re-  
20 ceived the assistance;

21          “(G) ensure that the home energy supplier,  
22 in return for receiving funds through the pro-  
23 gram funded under section 2602(b)—

24               “(i) will provide to the State data on  
25 households that have not paid their home

1 energy bills, to enable the State and the  
2 supplier to carry out coordinated outreach  
3 concerning assistance available through the  
4 program funded under section 2602(b);  
5 and

6 “(ii) will, when sending a notice of  
7 late payments to such households, include  
8 information on such assistance, on how to  
9 access such assistance through the pro-  
10 gram, and on eligibility criteria for the  
11 program; and

12 “(H) ensure that the home energy supplier  
13 will, not later than 2 years after the date of en-  
14 actment of the Energy Bills Relief Act, in re-  
15 turn for receiving assistance under the program  
16 funded under section 2602(b) and through a  
17 partnership with the State, offer a low-income  
18 energy affordability payment program;” and

19 (C) in paragraph (10), as so redesign-  
20 nated—

21 (i) in subparagraph (A)—

22 (I) by striking “10 percent” and  
23 inserting “15 percent”; and

24 (II) by striking “and” at the end;

25 and

1 (ii) by adding at the end the fol-  
2 lowing:

3 “(C) in planning and administering that  
4 program, the State shall use the portion of the  
5 amount described in subparagraph (A), that ex-  
6 ceeds 10 percent of the funds described in sub-  
7 paragraph (A), to expand the State program  
8 funded under section 2602(b) so that the State  
9 operates the program on a year-round basis;  
10 and

11 “(D) in planning and administering that  
12 program, the State—

13 “(i) shall make technological changes  
14 to allow, not later than 5 years after the  
15 date of enactment of the Energy Bills Re-  
16 lief Act, for online submission of applica-  
17 tions for assistance through that program;  
18 and

19 “(ii) shall, to the extent practicable—

20 “(I) conduct outreach activities,  
21 including activities to increase enroll-  
22 ment as described in subsection (p);

23 “(II) ensure that all HEAP coor-  
24 dinators in the State receive wages,  
25 for administration funded under sec-

1           tion 2602(b), at not less than the  
2           greater of \$15 per hour or the appli-  
3           cable Federal, State, or local min-  
4           imum wage rate;

5                   “(III) conduct training for  
6           HEAP coordinators, State agency  
7           staff, and community partners on best  
8           practices for outreach, application  
9           processing, and assisting eligible  
10          households;

11                   “(IV) as needed, conduct out-  
12          reach relating to the program funded  
13          under section 2602(b) to rural electric  
14          cooperatives, home energy suppliers  
15          owned by a political subdivision of a  
16          State, such as a municipally owned  
17          electric utility, and home energy sup-  
18          pliers owned by any agency, authority,  
19          corporation, or instrumentality of a  
20          political subdivision of a State; and

21                   “(V) ensure autoenrollment of el-  
22          igible households into the program  
23          funded under section 2602(b), and in  
24          the process document any potential  
25          barriers to autoenrollment that need

1 to be clarified or otherwise addressed  
2 at the Federal level;”;

3 (2) in subsection (c)(1)—

4 (A) in subparagraph (G), by striking  
5 “and” at the end;

6 (B) by redesignating subparagraph (H) as  
7 subparagraph (I); and

8 (C) by inserting after subparagraph (G)  
9 the following:

10 “(H) describes how the State will expand the  
11 State program funded under section 2602(b) so that  
12 the State operates the program on a year-round  
13 basis in accordance with subsection (b)(10)(C) and  
14 the measures the State has taken so far to carry out  
15 that expansion; and”;

16 (3) by adding at the end the following:

17 “(m) The Secretary shall allow, to the greatest extent  
18 possible, eligible households to obtain assistance with  
19 minimal administrative burden, by carrying out subsection  
20 (c)(1)(A)(i).

21 “(n) The Secretary shall, by grant or contract, pro-  
22 vide for a study that examines the rates of home energy  
23 shutoffs and assessments of late fees among eligible house-  
24 holds, relative to those rates for households that are not  
25 eligible households, over a period of several years.

1           “(o) The Secretary shall provide technical assistance  
2 to States to support partnerships described in subsection  
3 (b)(8)(H).

4           “(p)(1) The Secretary, in consultation with the Sec-  
5 retary of Education, shall issue guidance for use of funds  
6 for administrative activities described in subsection  
7 (b)(10) to increase, through partnerships with elementary  
8 schools, secondary schools, and local educational agencies,  
9 enrollment in the program funded under section 2602(b)  
10 among eligible households that include children and that  
11 have high energy burdens.

12           “(2) The Secretary shall issue guidance for use by  
13 States on outreach relating to assistance through the pro-  
14 gram funded under section 2602(b) to high-risk individ-  
15 uals, with relevant medical conditions, that benefit from  
16 the use of medical equipment that requires electricity, in-  
17 cluding a ventilator, an oxygen concentrator, or another  
18 medical device that requires electricity.

19           “(3) The Secretary shall issue guidance for use by  
20 States on how to ensure that eligible households are aware  
21 of additional grants, tax credits, and rebates, made avail-  
22 able under Public Law 117–169, or an amendment made  
23 by such law.

24           “(q) Not later than 1 year after the date of enact-  
25 ment of the Energy Bills Relief Act, the Secretary shall

1 require each State receiving funds under this title, includ-  
2 ing allotments under subsection (a) or (e) of section 2604,  
3 to develop and update as necessary, an action plan for a  
4 period of extreme heat, which shall describe how the State  
5 will use its allotments under this title to assist eligible  
6 households in covering cooling costs and mitigating heat-  
7 related health risks.

8       “(r) Not later than 1 year after the date of enactment  
9 of the Energy Bills Relief Act, the Secretary shall conduct  
10 a review of eligibility criteria for assistance under this title  
11 and identify additional vulnerable populations to include  
12 under such criteria, such as pregnant women, children,  
13 and individuals with medical conditions exacerbated by a  
14 period of extreme heat.

15       “(s) The Secretary, in consultation with the Sec-  
16 retary of Energy, shall require State energy offices receiv-  
17 ing Federal funds under this title to develop plans—

18               “(1) to retrofit low-income housing stock to  
19 adapt to rising temperatures and address environ-  
20 mental hazards, including—

21                       “(A) deploying highly efficient cooling sys-  
22 tems, including heat pumps;

23                       “(B) expanding weatherization and passive  
24 cooling strategies;

1           “(C) addressing structural and health haz-  
2           ards, including mold, lead, asbestos, and pest  
3           infections; and

4           “(D) ensuring that necessary electrical  
5           panel and wiring upgrades are completed to  
6           support the installation of cooling systems and  
7           energy efficiency improvements; and

8           “(2) to assess and adapt existing (as of the  
9           date of development of the plan) shutoff policies to  
10          protect all households while considering the impact  
11          on energy affordability and energy grid reliability.

12          “(t)(1) Not later than 1 year after the date of enact-  
13          ment of the Energy Bills Relief Act, the Secretary, in con-  
14          sultation with the Secretary of Housing and Urban Devel-  
15          opment, shall submit a report to Congress that—

16               “(A) identifies safe residential temperature  
17               standards for federally assisted dwelling units, con-  
18               sidering risks of periods of extreme heat and ex-  
19               treme cold and regional climate variations; and

20               “(B) proposes strategies to ensure compliance  
21               with the standards, including permitting covered  
22               utility allowances to be used for cooling assistance  
23               where feasible, taking into account regional climate  
24               variations and housing stock differences.

1       “(2) In this subsection, the term ‘covered utility al-  
2 lowance’ means a utility allowance—

3           “(A) applicable to public housing dwelling units  
4 under section 3 of the United States Housing Act of  
5 1937 (42 U.S.C. 1437a); or

6           “(B) under the housing choice voucher program  
7 under section 8(o)(2)(D) of the United States Hous-  
8 ing Act of 1937 (42 U.S.C. 1437f(o)(2)(D)).”.

9       (f) WEATHERIZATION.—Section 2605(k) of the Low-  
10 Income Home Energy Assistance Act of 1981 (42 U.S.C.  
11 8624(k)) is amended—

12           (1) in paragraph (1), by striking “15 percent”  
13 and inserting “25 percent”; and

14           (2) in paragraph (2)—

15               (A) in subparagraph (A), in the matter  
16 preceding clause (i)—

17                   (i) by striking “subparagraph (B)”  
18 and inserting “subparagraph (C)”; and

19                   (ii) by striking “the greater of 25 per-  
20 cent” and inserting “a portion equal to the  
21 greater of 35 percent”;

22               (B) by redesignating subparagraph (B) as  
23 subparagraph (C); and

24               (C) by inserting after subparagraph (A)  
25 the following:

1 “(B) The State—

2 “(i) shall, to the extent practicable—

3 “(I) use the portion described in subpara-  
4 graph (A) for energy-related home repair that  
5 reduces dependence on fossil fuel energy  
6 sources; and

7 “(II) use the portion to facilitate the use  
8 of funds made available under section 2602(b)  
9 to increase the participation of eligible house-  
10 holds in community solar programs, or to other-  
11 wise increase access to and ownership of dis-  
12 tributed renewable energy infrastructure among  
13 eligible households; and

14 “(ii) shall if possible give the highest priority to  
15 using the portion for home repair that replaces ap-  
16 pliances that rely on fossil fuels with appliances that  
17 use electric heating or cooling technology, powered  
18 by renewable energy.”.

19 (g) HOME ENERGY PAYMENT ARREARS DATA COL-  
20 LECTION.—Section 2605 of the Low-Income Home En-  
21 ergy Assistance Act of 1981 (42 U.S.C. 8624), as amend-  
22 ed by subsection (e), is further amended by adding at the  
23 end the following:

24 “(u)(1)(A) The Secretary, in consultation with the  
25 Secretary of Energy, shall develop a standardized template

1 for States and home energy suppliers to use to track and  
2 report data on eligible households in arrears in home en-  
3 ergy payments, including data on the related fees and dis-  
4 connections for such households.

5 “(B) The template developed under subparagraph  
6 (A) shall—

7 “(i) include a definition of an eligible household  
8 in arrears, with respect to home energy payments, as  
9 an eligible household that has not made payment on  
10 a home energy bill for more than 60 to 90 days, as  
11 determined by the State agency or local coordinating  
12 agency, unless otherwise specified by State law;

13 “(ii) include metrics on related disconnections,  
14 late fees, reconnections, and arrearage balances for  
15 eligible households; and

16 “(iii) align with existing (as of the date of the  
17 development) Federal and State reporting mecha-  
18 nisms where applicable.

19 “(2) Not later than 1 year after the date of enact-  
20 ment of the Energy Bills Relief Act, the Secretary shall,  
21 in consultation with the Secretary of Energy, issue guid-  
22 ance on best practices for States (including through part-  
23 nerships with home energy suppliers) to pay for home en-  
24 ergy payment arrearages with assistance provided through  
25 the program funded under section 2602(b), including by

1 paying for such arrearages at the time of dissemination  
2 of assistance through that program. Such guidance shall  
3 prohibit any home energy supplier receiving funds through  
4 the program from recovering arrearage assistance costs  
5 through rate increases or other charges to customers, in-  
6 cluding cost recovery mechanisms that disproportionately  
7 impact low-income households.

8 “(3) To the extent practicable, the Secretary and the  
9 Secretary of Energy shall jointly—

10 “(A) implement a data tracking system, aligned  
11 with the standardized reporting template developed  
12 under paragraph (1), to collect aggregate data re-  
13 garding the number of eligible households in arrears  
14 and their respective energy burdens and develop rec-  
15 ommendations to HEAP coordinators on how to  
16 minimize energy burdens for the households; and

17 “(B) issue guidance to home energy suppliers  
18 with recommendations for working with State agen-  
19 cies to address home energy payment arrearages of  
20 eligible households.

21 “(4) The Secretary, in consultation with the Sec-  
22 retary of Energy, may make grants to States to assist the  
23 States in implementing data tracking and reporting re-  
24 quirements under this subsection.

1       “(5) There are authorized to be appropriated to carry  
2 out this subsection such sums as may be necessary.”.

3       (h) PROGRAM NAME CHANGE.—

4           (1) LIHEAP.—The Low-Income Home Energy  
5 Assistance Act of 1981 is amended—

6           (A) in section 2607A(b) (42 U.S.C.  
7 8626a(b)), in the matter preceding paragraph  
8 (1), by striking “low-income” the first place it  
9 appears; and

10           (B) in section 2607B(e)(2)(B)(ii) (42  
11 U.S.C. 8626b(e)(2)(B)(ii)), by striking “Low-  
12 Income”.

13           (2) OTHER LAW.—A reference in any other  
14 Federal law (other than that Act), Executive order,  
15 rule, regulation, or delegation of authority, or any  
16 document, of or relating to the Low-Income Home  
17 Energy Assistance Program, shall be deemed to  
18 refer to the Home Energy Assistance Program.

19           (i) JUST TRANSITION GRANTS.—The Low-Income  
20 Home Energy Assistance Act of 1981 is amended by in-  
21 serting after section 2607B (42 U.S.C. 8626b) the fol-  
22 lowing:

1 **“SEC. 2607C. HEAP ENERGY AFFORDABILITY AND RESIL-**  
2 **IENCE GRANTS.**

3 “(a) GRANT PROGRAM.—The Secretary and the Sec-  
4 retary of Energy shall jointly carry out a grant program  
5 under this section. In carrying out the program, the Secre-  
6 taries shall make grants for a period of 3 years to States,  
7 Tribes, and local governments to support the development  
8 and implementation of interagency plans to reduce energy  
9 burdens for eligible households with high home energy use.  
10 The plans shall promote the reduction of those burdens  
11 in a manner that supports sustained reductions in house-  
12 hold energy costs through improved energy efficiency, reli-  
13 ability, and access to cost-saving technologies. The Secre-  
14 taries shall make the grants for a period of 3 years.

15 “(b) PREFERENCES.—In making the grants, the Sec-  
16 retary shall give a preference to States, Tribes, and local  
17 governments, who set up coordination systems—

18 “(1) to identify eligible households, that are re-  
19 cipients of assistance through the program funded  
20 under section 2602(b), with high home energy use;

21 “(2) to prioritize eligible households with the  
22 highest energy burdens and lowest incomes, in align-  
23 ment with the priority provisions in paragraphs (2)  
24 and (3) of section 2605(b), to receive emergency re-  
25 pair, weatherization, and retrofit assistance that re-

1       sults in decarbonization and reductions in energy  
2       use; and

3               “(3) to partner with entities carrying out work-  
4       force development initiatives, unions, or business en-  
5       terprises owned by individuals that are socially dis-  
6       advantaged to provide emergency repairs, weather-  
7       ization, and retrofit assistance.

8       “(c) REPORT TO CONGRESS.—At the conclusion of  
9       the 3-year grant period, the Secretaries shall—

10              “(1) conduct an evaluation of the program’s  
11       outcomes; and

12              “(2) prepare and submit to Congress a report  
13       containing the results of the evaluation and policy  
14       recommendations.”.

15       (j) CONFORMING AMENDMENTS.—The Low-Income  
16       Home Energy Assistance Act of 1981 (42 U.S.C. 8621  
17       et seq.) is amended—

18              (1) in section 2607B(e)(2)(K) (42 U.S.C.  
19       8626b(e)(2)(K)) by striking “paragraphs (2), (3),  
20       (4), (5), (7), (9), (10), (11), (12), (13), and (14) of  
21       section 2605(b)” and inserting “paragraphs (2), (4),  
22       (5), (6), (8), (10), (11), (12), (13), (14), and (15)  
23       of section 2605(b)”; and

24              (2) in section 2610(b)(1) (42 U.S.C. 8629) by  
25       striking “clauses (2), (5), (8), and (15) of section

1       2605(b)” and inserting “paragraphs (2), (6), (9),  
2       and (16) of section 2605(b)”.

3       **SEC. 202. HOME WEATHERIZATION.**

4       (a) ENHANCEMENT AND INNOVATION.—Section  
5       414D of the Energy Conservation and Production Act (42  
6       U.S.C. 6864d) is amended by striking subsection (k).

7       (b) AVERAGE COST PER DWELLING UNIT.—Section  
8       415(c)(1) of the Energy Conservation and Production Act  
9       (42 U.S.C. 6865(c)(1)) is amended by striking “\$6,500”  
10      and inserting “\$12,000”.

11      (c) CLARIFICATION OF REWEATHERIZATION LIMITA-  
12      TION.—Section 415(c)(2) of the Energy Conservation and  
13      Production Act (42 U.S.C. 6865(c)(2)) is amended—

14              (1) by striking “, or under other Federal pro-  
15              grams”;

16              (2) by striking “, may” and inserting “may”;  
17              and

18              (3) by striking “or under other Federal pro-  
19              grams, or from receiving non-Federal assistance for  
20              weatherization”.

21      (d) RENEWABLE ENERGY SYSTEMS.—Section 415(c)  
22      of the Energy Conservation and Production Act (42  
23      U.S.C. 6865(c)) is amended by striking paragraph (4).

24      (e) WEATHERIZATION READINESS PROGRAM.—

1           (1) IN GENERAL.—The Energy Conservation  
2           and Production Act is amended by adding after sec-  
3           tion 414E (42 U.S.C. 6864e) the following section:

4   **“SEC. 414F. WEATHERIZATION READINESS PROGRAM.**

5           “(a) IN GENERAL.—Not later than 1 year after the  
6           date of enactment of this section, the Secretary shall es-  
7           tablish a weatherization readiness program to provide  
8           grants to States, Indian tribes, and tribal organizations  
9           to implement measures to make dwelling units occupied  
10          by low-income persons ready to receive weatherization  
11          measures pursuant to the weatherization program con-  
12          ducted under this part by addressing structural, plumbing,  
13          roofing, and electrical issues and environmental hazards,  
14          and implementing other measures that the Secretary de-  
15          termines to be appropriate, to reduce the frequency of de-  
16          ferrals of such weatherization measures when the condi-  
17          tion of a dwelling unit renders delivery of weatherization  
18          measures unsafe or ineffective.

19          “(b) ALIGNMENT OF REQUIREMENTS.—Except as  
20          otherwise provided in this section, to the extent possible,  
21          the Secretary shall, in establishing the weatherization  
22          readiness program under this section—

23                  “(1) align the requirements of such weatheriza-  
24          tion readiness program with the requirements of the

1 weatherization program conducted under this part;  
2 and

3 “(2) seek to reduce barriers to leveraging other  
4 sources of funding for weatherization readiness  
5 measures.

6 “(c) SAVINGS-TO-INVESTMENT RATIO.—The weath-  
7 erization readiness program established under this section  
8 shall not include a savings-to-investment ratio require-  
9 ment.

10 “(d) PREVIOUS WEATHERIZATION.—Weatherization  
11 readiness measures implemented pursuant to the weather-  
12 ization readiness program established under this section  
13 shall not be considered previous weatherization for pur-  
14 poses of section 415(c)(2).

15 “(e) AVERAGE COST PER DWELLING UNIT.—The  
16 Secretary shall establish, or require a State grantee to es-  
17 tablish, a limit for expenditures for weatherization readi-  
18 ness measures, including labor, materials, and related  
19 matters, to be implemented with respect to a dwelling unit,  
20 on an average cost per unit basis, pursuant to the weath-  
21 erization readiness program established under this section.

22 “(f) ALLOCATION OF FUNDS.—

23 “(1) IN GENERAL.—The Secretary shall allo-  
24 cate funding made available under this section to  
25 States and tribal organizations in a manner con-

1       sistent with the allocation of financial assistance for  
2       weatherization assistance under the weatherization  
3       program conducted under this part.

4               “(2) UPDATED ALLOCATION.—Not sooner than  
5       October 1, 2029, the Secretary, in consultation with  
6       States and tribal organizations, may, by rule, update  
7       the method to allocate funding to States and tribal  
8       organizations under this section to more accurately  
9       reflect the relative need for funding for weatheriza-  
10      tion readiness measures among low-income persons  
11      throughout the States and Indian tribes.

12              “(g) ADMINISTRATIVE EXPENSES.—Not more than  
13      an amount equal to 15 percent of any grant made by the  
14      Secretary under this section may be used for administra-  
15      tive purposes, except that not more than one-half of such  
16      amount may be used by any State for such purposes.

17              “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
18      is authorized to be appropriated \$50,000,000 for each of  
19      fiscal years 2026 through 2030 to carry out this section.”.

20              “(2) TABLE OF CONTENTS AMENDMENT.—The  
21      table of contents for the Energy Conservation and  
22      Production Act is amended by adding after the item  
23      relating to section 414E the following:

      “Sec. 414F. Weatherization readiness program.”.

24              “(f) REAUTHORIZATION OF WEATHERIZATION ASSIST-  
25      ANCE PROGRAM.—Paragraph (2) of section 422 of the

1 Energy Conservation and Production Act (42 U.S.C.  
2 6872) is amended by striking “2025” and inserting  
3 “2030”.

4 **SEC. 203. REFLECTIVE ROOFING.**

5 (a) ESTABLISHMENT.—The Secretary shall establish  
6 and carry out a program to provide rebates to eligible  
7 households for the purchase and installation of eligible  
8 cool roof products.

9 (b) REBATE AMOUNT.—The amount of a rebate pro-  
10 vided under the program established under subsection (a)  
11 shall be—

12 (1) with respect to an eligible cool roof product  
13 installed on a low-sloped roof—

14 (A) \$0.25 per square foot if such eligible  
15 cool roof product has—

16 (i) a minimum 3-year aged solar re-  
17 flectance of 0.65 and a minimum 3-year-  
18 aged thermal emittance of 0.75; or

19 (ii) a minimum 3-year aged Solar Re-  
20 flectance Index of 78; and

21 (B) \$0.75 per square foot if such eligible  
22 cool roof product has—

23 (i) a minimum 3-year aged solar re-  
24 flectance of 0.75 and a minimum 3-year-  
25 aged thermal emittance of 0.75; or

1 (ii) a minimum 3-year aged Solar Re-  
2 flectance Index of 92; and

3 (2) with respect to an eligible cool roof product  
4 installed on a steep-sloped roof—

5 (A) \$0.25 per square foot if such eligible  
6 cool roof product has—

7 (i) a minimum 3-year aged solar re-  
8 flectance of 0.25 and a minimum 3-year-  
9 aged thermal emittance of 0.75; or

10 (ii) a minimum 3-year aged Solar Re-  
11 flectance Index of 23; and

12 (B) \$0.75 per square foot if such eligible  
13 cool roof product has—

14 (i) a minimum 3-year aged solar re-  
15 flectance of 0.40 and a minimum 3-year-  
16 aged thermal emittance of 0.75; or

17 (ii) a minimum 3-year aged Solar Re-  
18 flectance Index of 43.

19 (c) COMBINING REBATES.—Nothing in this section  
20 shall be construed to prohibit an eligible household from  
21 receiving any other grant, rebate, or other financial assist-  
22 ance with respect to the same eligible cool roof product  
23 for which a rebate is provided under the program estab-  
24 lished under subsection (a).

1 (d) LOW-INCOME AND HIGH ENERGY BURDEN  
2 HOUSEHOLDS.—In implementing this section, the Sec-  
3 retary shall ensure that not less than 40 percent of total  
4 incremental energy savings achieved under this program  
5 in a given year shall accrue to households that in the de-  
6 termination of the Secretary are low-income or experience  
7 a disproportionately high energy burden.

8 (e) PARTICIPATION STATEMENTS.—Each State and  
9 each retail electricity supplier shall publish on an annual  
10 basis an impact statement that disaggregates participation  
11 under this section by income and demographic characteris-  
12 tics, savings, and health outcomes.

13 (f) TERMINATION DATE.—The program established  
14 under subsection (a) shall terminate on September 30,  
15 2030.

16 (g) REPORTING REQUIREMENT.—Not later than 6  
17 months after the program established under subsection (a)  
18 terminates, the Secretary shall submit to Congress a re-  
19 port describing, for each program participant—

20 (1) whether the participant used the rebate to  
21 help retrofit an old roof or install a new roof;

22 (2) if the participant retrofitted an old roof,  
23 which older roof product the new eligible cool roof  
24 product replaced or covered; and

1           (3) what eligible cool roof product the partici-  
2           pant purchased using the rebate.

3           (h) AUTHORIZATION OF APPROPRIATIONS.—There is  
4           authorized to be appropriated to carry out this section  
5           \$25,000,000 for each of fiscal years 2026 through 2030.

6           (i) DEFINITIONS.—In this Act:

7           (1) 3-YEAR AGED.—The term “3-year aged”  
8           means, with respect to solar reflectance or thermal  
9           emittance of an eligible cool roof product, the solar  
10          reflectance or thermal emittance is tested after com-  
11          pleting 3 years of field exposure, or tested after lab-  
12          oratory exposure that has replicated the effects of 3  
13          years of natural exposure if the eligible cool roof  
14          product has begun but not yet completed field expo-  
15          sure, in accordance with the most recent standard  
16          issued by the American National Standard Institute  
17          and Cool Roof Rating Council, S100–2021.

18          (2) ELIGIBLE COOL ROOF PRODUCT.—The term  
19          “eligible cool roof product” means a product that  
20          has a rating from the Cool Roof Rating Council.

21          (3) ELIGIBLE HOUSEHOLD.—

22                 (A) IN GENERAL.—Except as provided in  
23                 subparagraph (B), the term “eligible house-  
24                 hold” means an individual or family—

1 (i) residing in a single-family or multi-  
2 family building;

3 (ii) the total annual income of which  
4 is less than 200 percent of the median in-  
5 come of the zip code in which the indi-  
6 vidual or family resides (as reported by the  
7 Department of Housing and Urban Devel-  
8 opment); and

9 (iii) residing in a ZIP Code Tabula-  
10 tion Area that is in the 75th percentile or  
11 higher of the Heat and Health Index of  
12 the Centers for Disease Control and Pre-  
13 vention.

14 (B) ALASKA, HAWAII, AND TERRITORIES.—  
15 With respect to an individual or family residing  
16 in Alaska, Hawaii, or a territory of the United  
17 States, until the date that their respective State  
18 or territory is added to the Heat and Health  
19 Index of the Centers for Disease Control and  
20 Prevention, the term “eligible household”  
21 means that such individual or family—

22 (i) resides in a single-family or multi-  
23 family building; and

24 (ii) has a total annual income that is  
25 less than 200 percent of the median in-

1                   come of the zip code in which the indi-  
2                   vidual or family resides (as reported by the  
3                   Department of Housing and Urban Devel-  
4                   opment).

5                   (4) INCIDENT SOLAR FLUX.—The term “inci-  
6                   dent solar flux” means the solar power per unit area  
7                   that strikes a surface.

8                   (5) LOW-SLOPED ROOF.—The term “low-sloped  
9                   roof” means a roof with a slope (ratio of rise to run)  
10                  of 2:12 or less.

11                  (6) RADIANT HEAT FLUX.—The term “radiant  
12                  heat flux” means the radiant power per unit area.

13                  (7) REFLECTED SOLAR FLUX.—The term “re-  
14                  flected solar flux” means the solar power per unit  
15                  area reflected from a surface.

16                  (8) SECRETARY.—The term “Secretary” means  
17                  the Secretary of Energy.

18                  (9) SOLAR REFLECTANCE.—The term “solar re-  
19                  flectance” means the ratio of reflected solar flux to  
20                  the incident solar flux.

21                  (10) SOLAR REFLECTANCE INDEX.—The term  
22                  “Solar Reflectance Index” means a calculated value  
23                  that combines solar reflectance with thermal  
24                  emittance into a single metric, in accordance with

1 section 2.2.9. of the Cool Roof Rating Council's  
2 Roof Product Rating Program Manual.

3 (11) STEEP-SLOPED ROOF.—The term “steep-  
4 sloped roof” means a roof with a slope (ratio of rise  
5 to run) greater than 2:12.

6 (12) THERMAL EMITTANCE.—The term “ther-  
7 mal emittance” means the ratio of the radiant heat  
8 flux emitted by a material tested at a temperature  
9 near 300 kelvin.

10 **SEC. 204. DOMESTIC NATURAL GAS PRICE PROTECTION.**

11 (a) EXPORTATION OF NATURAL GAS.—

12 (1) EXPORTATION OF NATURAL GAS.—Section  
13 3 of the Natural Gas Act (15 U.S.C. 717b) is  
14 amended by adding at the end the following:

15 “(g) EXPORTATION OF NATURAL GAS.—

16 “(1) ORDER REQUIRED.—No person shall ex-  
17 port any natural gas from the United States to a  
18 foreign country without first having secured an  
19 order of the Secretary of Energy authorizing it to do  
20 so. The Secretary of Energy may issue such order  
21 upon application only if, after opportunity for hear-  
22 ing, the Secretary of Energy finds that the proposed  
23 exportation will be consistent with the public inter-  
24 est. The Secretary of Energy may by its order grant  
25 such application, in whole or in part, with such

1 modification and upon such terms and conditions as  
2 the Secretary of Energy may find necessary or ap-  
3 propriate, and may from time to time, after oppor-  
4 tunity for hearing, and for good cause shown, issue  
5 such supplemental order for such exportation as it  
6 may find necessary or appropriate.

7 “(2) DEADLINE.—The Secretary of Energy  
8 shall find whether proposed exportation of natural  
9 gas will be consistent with the public interest under  
10 paragraph (1) by not later than the date that is 1  
11 year after the later of—

12 “(A) the date on which the Secretary of  
13 Energy receives the final environmental impact  
14 statement for such proposed exportation from  
15 the Federal Energy Regulatory Commission;  
16 and

17 “(B) the date on which the Secretary com-  
18 pletes each assessment required by paragraph  
19 (4).

20 “(3) PUBLIC INTEREST FINDING.—The Sec-  
21 retary of Energy may find that proposed exportation  
22 of natural gas for which an application is submitted  
23 under paragraph (1) will be consistent with the pub-  
24 lic interest under such paragraph only if the Sec-  
25 retary of Energy determines, based on the applicable

1 assessment under paragraph (4), that the proposed  
2 exportation of natural gas will not be likely to—

3 “(A) significantly contribute to climate  
4 change, including by slowing the global energy  
5 transition needed to achieve deep reductions of  
6 global greenhouse gas emissions within the next  
7 decade and net-zero global greenhouse gas  
8 emissions not later than 2050;

9 “(B) materially increase energy prices or  
10 energy price volatility for any segment of  
11 United States consumers; or

12 “(C) create a disproportionate cumulative  
13 burden of adverse human or environmental im-  
14 pacts on Tribes and communities with environ-  
15 mental justice concerns, including in rural and  
16 urban low-income areas.

17 “(4) ASSESSMENTS.—

18 “(A) CLIMATE CHANGE ASSESSMENT.—A  
19 determination under paragraph (3)(A) shall be  
20 based on an assessment of the expected impact  
21 of the proposed exportation of natural gas on  
22 climate change. Such assessment shall be based  
23 on the latest scientific information and use the  
24 20-year global warming potential of methane,  
25 and shall include—

1           “(i) quantified estimates of the green-  
2           house gas emissions associated with the  
3           full lifecycle of the natural gas proposed  
4           for exportation, including emissions associ-  
5           ated with the extraction, transportation,  
6           liquefaction, storage, regasification, and  
7           consumption of such natural gas;

8           “(ii) a comparison of the estimated  
9           greenhouse gas emissions in clause (i) to a  
10          baseline that is consistent with the need to  
11          achieve deep reductions of global green-  
12          house gas emissions within the next decade  
13          and deep decarbonization pathways toward  
14          net-zero global greenhouse gas emissions  
15          not later than 2050;

16          “(iii) an assessment of the potential  
17          effects of the proposed exportation of nat-  
18          ural gas on clean energy alternatives, in-  
19          cluding—

20                 “(I) any decrease in global in-  
21                 vestment in and deployment of renew-  
22                 able energy, electrification, and energy  
23                 efficiency and conservation tech-  
24                 nologies; and

1                   “(II) any decrease in United  
2                   States exports of clean energy tech-  
3                   nologies;

4                   “(iv) quantified estimates of the social  
5                   cost of the estimated greenhouse gas emis-  
6                   sions in clause (i); and

7                   “(v) an identification of the extent to  
8                   which climate change is accelerating the  
9                   loss of economic value in the United States  
10                  and, separately, in other countries, due to  
11                  rising sea levels, more intense storms,  
12                  eroding coasts, increased risk and severity  
13                  of wild fires, and other impacts associated  
14                  with climate change.

15                  “(B) ECONOMIC ASSESSMENT.—A deter-  
16                  mination under paragraph (3)(B) shall be based  
17                  on an assessment of the expected economic im-  
18                  pact of the proposed exportation of natural gas,  
19                  including an assessment of the impact of the  
20                  proposed exportation on all United States con-  
21                  sumers, with specific estimates regarding each  
22                  of the following consumer subgroups:

23                               “(i) Low-income consumers.

24                               “(ii) Working families.

25                               “(iii) Small businesses.

1 “(iv) Manufacturers.

2 “(v) State, Tribal, and local govern-  
3 ments.

4 “(vi) Producers and users of fertilizer.

5 “(vii) Facilities with high electricity  
6 demand, including data centers.

7 “(C) ENVIRONMENTAL JUSTICE ASSESS-  
8 MENT.—A determination under paragraph  
9 (3)(C) shall be based on an assessment of the  
10 expected impact of the proposed exportation of  
11 natural gas on environmental justice (which  
12 shall be consistent with Executive Order 14096  
13 (42 U.S.C. 4321 note; relating to revitalizing  
14 our Nation’s commitment to environmental jus-  
15 tice for all), as published April 21, 2023), in-  
16 cluding assessments of impacts on—

17 “(i) the preexisting cumulative envi-  
18 ronmental burdens and social and health  
19 risks posed to Tribes and communities  
20 with environmental justice concerns, in-  
21 cluding in rural and urban low-income  
22 areas;

23 “(ii) local fisheries and the economic  
24 livelihood of the people employed by local  
25 fisheries;

1                   “(iii) racial and socioeconomic dispari-  
2                   ties in impacted communities; and

3                   “(iv) compliance with civil rights laws.

4                   “(5) PUBLIC PARTICIPATION.—The Secretary  
5 of Energy shall—

6                   “(A) provide to the public an opportunity  
7 to meaningfully participate, including by pro-  
8 viding comments, in—

9                   “(i) the finding of the Secretary of  
10 Energy on whether proposed exportation  
11 will be consistent with the public interest  
12 under paragraph (1); and

13                   “(ii) any study by the Department of  
14 Energy intended to inform such finding;  
15 and

16                   “(B) ensure that opportunities to meaning-  
17 fully participate under subparagraph (A) ad-  
18 dress barriers that affect members of commu-  
19 nities with environmental justice concerns, in-  
20 cluding those related to disability, language ac-  
21 cess, and lack of resources.

22                   “(6) MAJOR FEDERAL ACTION.—Issuing an  
23 order authorizing the exportation of natural gas  
24 under this subsection shall be considered a major  
25 Federal action under section 102(2)(C) of the Na-

1 tional Environmental Policy Act of 1969 (42 U.S.C.  
2 4332(2)(C)).”.

3 (2) CONFORMING AMENDMENTS.—Section 3 of  
4 the Natural Gas Act (15 U.S.C. 717b) is amended—

5 (A) in subsection (a)—

6 (i) by striking “export any natural gas  
7 from the United States to a foreign coun-  
8 try or”;

9 (ii) by inserting “to the United  
10 States” after “from a foreign country”;

11 and

12 (iii) by striking “exportation or”; and

13 (B) in subsection (c)—

14 (i) by striking “, or the exportation of  
15 natural gas to a nation with which there is  
16 in effect a free trade agreement requiring  
17 national treatment for trade in natural  
18 gas,”; and

19 (ii) by striking “or exportation”.

20 (b) PROCESS COORDINATION; HEARINGS; RULES OF  
21 PROCEDURE.—Section 15(b)(1) of the Natural Gas Act  
22 (15 U.S.C. 717n(b)(1)) is amended by striking “Commis-  
23 sion” and inserting “Federal Energy Regulatory Commis-  
24 sion”.

1           (c) **TERMINATION OF CATEGORICAL EXCLUSION FOR**  
2 **APPROVAL OR DISAPPROVAL OF THE EXPORTATION OF**  
3 **NATURAL GAS.**—The categorical exclusion under B5.7 of  
4 appendix B to subpart D of part 1021 of title 10, Code  
5 of Federal Regulations, (relating to export of natural gas  
6 and associated transportation by marine vessel) shall have  
7 no force or effect.

8           (d) **RULEMAKING.**—Not later than 1 year after the  
9 date of enactment of this Act, the Secretary of Energy  
10 shall, after public notice and comment, issue a rule to  
11 carry out this Act and the amendments made by this Act.

12 **SEC. 205. RURAL ENERGY SAVINGS.**

13           Section 6407 of the Farm Security and Rural Invest-  
14 ment Act of 2002 (7 U.S.C. 8107a) is amended—

15                   (1) in subsection (b)—

16                           (A) in paragraph (1)—

17                                   (i) in subparagraph (B), by striking  
18                                   “or” at the end;

19                                   (ii) by redesignating subparagraph  
20                                   (C) as subparagraph (D); and

21                                   (iii) by inserting after subparagraph  
22                                   (B) the following:

23                                   “(C) any Indian Tribe (as defined in sec-  
24                                   tion 4 of the Indian Self-Determination and

1 Education Assistance Act (25 U.S.C. 5304));”;

2 and

3 (2) in subsection (c)—

4 (A) in the subsection heading, by inserting

5 “AND GRANTS” after “LOANS”;

6 (B) by striking paragraph (1) and insert-

7 ing the following:

8 “(1) IN GENERAL.—Subject to the require-  
9 ments of this subsection, the Secretary shall pro-  
10 vide—

11 “(A) loans to eligible entities that agree to  
12 use the loan funds to make loans under sub-  
13 section (d) to qualified consumers for the pur-  
14 pose of implementing energy efficiency meas-  
15 ures; and

16 “(B) at the election of any eligible entity  
17 that receives a loan under subparagraph (A), a  
18 grant in accordance with paragraph (10).”;

19 (C) in paragraph (2)—

20 (i) in the paragraph heading, by in-  
21 serting “FOR LOANS” after “REQUIRE-  
22 MENTS”; and

23 (ii) in subparagraph (A)(i), by strik-  
24 ing “that is”;

25 (D) in paragraph (5)—

1 (i) by redesignating subparagraphs  
2 (A) and (B) as clauses (i) and (ii), respec-  
3 tively, and indenting the clauses appro-  
4 priately;

5 (ii) in the matter preceding clause (i)  
6 (as so redesignated), by striking “With re-  
7 spect to a loan under paragraph (1)” and  
8 inserting the following:

9 “(A) IN GENERAL.—Subject to subpara-  
10 graph (B), with respect to a loan under para-  
11 graph (1)(A)”;

12 (iii) by adding at the end the fol-  
13 lowing:

14 “(B) EXTENSIONS.—The Secretary may  
15 extend the term of a loan under subparagraph  
16 (A)(i), or the deadline for the repayment of an  
17 advance under subparagraph (A)(ii), as the Sec-  
18 retary determines to be appropriate.”;

19 (E) in paragraph (7)—

20 (i) in subparagraph (B), by striking  
21 “paragraph (1)” and inserting “paragraph  
22 (1)(A)”;

23 (ii) in subparagraph (C), in the mat-  
24 ter preceding clause (i), by striking “Re-  
25 payment of the special advance” and in-

1           serting “Subject to an applicable extension  
2           under paragraph (5)(B), repayment of a  
3           special advance under this paragraph”;

4           (F) in paragraph (8), by striking “para-  
5           graph (1)” and inserting “paragraph (1)(A)”;  
6           and

7           (G) by adding at the end the following:

8           “(10) GRANTS.—

9           “(A) IN GENERAL.—At the election of an  
10          eligible entity that receives a loan under this  
11          subsection, the Secretary shall provide to the el-  
12          igible entity a grant to pay for a portion of the  
13          costs incurred in—

14                 “(i) applying for the loan;

15                 “(ii) making a loan to a qualified con-  
16          sumer under subsection (d);

17                 “(iii) making repairs to the property  
18          of a qualified consumer that facilitate the  
19          energy efficiency measures for the property  
20          financed through a loan provided to the  
21          qualified consumer under subsection (d);

22                 “(iv) entering into a contract under  
23          subsection (e); or

24                 “(v) carrying out any other duties of  
25          the eligible entity under this section.

1 “(B) AMOUNT.—

2 “(i) IN GENERAL.—Except as pro-  
3 vided in clause (ii), the amount of a grant  
4 provided to an eligible entity under this  
5 paragraph shall be equal to not more than  
6 5 percent of the amount of the loan pro-  
7 vided to the eligible entity under this sub-  
8 section.

9 “(ii) PERSISTENT POVERTY COUN-  
10 TIES.—The amount of a grant provided  
11 under this paragraph to an eligible entity  
12 that will use the grant to make loans  
13 under subsection (d) to qualified con-  
14 sumers located in a persistent poverty  
15 county (as determined by the Secretary)  
16 shall be equal to 10 percent of the amount  
17 of the loan provided to the eligible entity  
18 under this subsection.”;

19 (3) in subsection (d)—

20 (A) in paragraph (1)—

21 (i) in the matter preceding subpara-  
22 graph (A), by inserting “or grant” before  
23 “funds”;

24 (ii) in subparagraph (B)—

1 (I) by striking “(B) shall fi-  
2 nance” and inserting the following:

3 “(B)(i) may have a term and amortization  
4 schedule the length of which is the useful life  
5 of the energy efficiency measures implemented  
6 using the loan, provided that the loan to the  
7 qualified consumer does not exceed 20 years;  
8 and

9 “(ii) shall finance”; and

10 (II) in clause (ii) (as so des-  
11 ignated), by striking “a loan term of  
12 not more than 10 years” and insert-  
13 ing “the applicable loan term de-  
14 scribed in clause (i)”;

15 (4) in subsection (e)—

16 (A) in the subsection heading, by inserting  
17 “OUTREACH,” after “TRAINING,”;

18 (B) in paragraph (1)—

19 (i) in subparagraph (A), by striking  
20 “and technical assistance of the program”  
21 and inserting “outreach, and technical as-  
22 sistance relating to the program under this  
23 section”; and

1 (ii) in subparagraph (B)(ii), by insert-  
2 ing “, outreach,” after “technical assist-  
3 ance”; and

4 (C) by adding at the end the following:

5 “(3) FUNDING.—Of the amounts made avail-  
6 able under subsection (i), the Secretary may use  
7 such sums as are necessary to provide outreach,  
8 training, and technical assistance under this sub-  
9 section.”; and

10 (5) in subsection (i), by striking “2023” and in-  
11 serting “2030”.

12 **TITLE III—UNCLOGGING THE**  
13 **LOW-COST, CLEAN ENERGY**  
14 **BOTTLENECK**

15 **SEC. 301. EXPEDITED GENERATOR INTERCONNECTION.**

16 (a) DEFINITIONS.—In this section:

17 (1) ADVANCED TRANSMISSION TECHNOLOGY.—

18 The term “advanced transmission technology”  
19 means any hardware or software that—

20 (A) increases the capacity, efficiency, reli-  
21 ability, resilience, or safety of transmission fa-  
22 cilities and transmission technologies;

23 (B) is installed in addition to new or exist-  
24 ing transmission facilities and transmission  
25 technologies—

1 (i) to give operators of the trans-  
2 mission facilities and transmission tech-  
3 nologies more situational awareness and  
4 control over the electric grid;

5 (ii) to make the transmission facilities  
6 and transmission technologies more effi-  
7 cient; or

8 (iii) to increase the transfer capacity  
9 of the transmission facilities and trans-  
10 mission technologies; and

11 (C) includes, but is not limited to, dynamic  
12 line ratings, advanced conductors, topology opti-  
13 mization, advanced power-flow controls, and  
14 other digital or physical systems that increase  
15 the usable transfer capability of the grid.

16 (2) COMMISSION.—The term “Commission”  
17 means the Federal Energy Regulatory Commission.

18 (3) ENERGY STORAGE PROJECT.—The term  
19 “energy storage project” means—

20 (A) any equipment that receives, stores,  
21 and delivers energy using batteries, compressed  
22 air, pumped hydropower, hydrogen storage (in-  
23 cluding hydrolysis), thermal energy storage, re-  
24 generative fuel cells, flywheels, capacitors,

1 superconducting magnets, or other technologies  
2 identified by the Commission; and

3 (B) any project for the construction or  
4 modification of equipment described in subpara-  
5 graph (A) as part of an effort to build-out  
6 transmission interconnection opportunities.

7 (4) GENERATION PROJECT.—The term “gen-  
8 eration project” means—

9 (A) any facility—

10 (i) that generates or injects electricity;

11 and

12 (ii) for which an interconnection re-  
13 quest is subject to the jurisdiction of the  
14 Commission; and

15 (B) any project for the construction or  
16 modification of a facility described in subpara-  
17 graph (A).

18 (5) INTERCONNECTION CUSTOMER.—The term  
19 “interconnection customer” means a person or entity  
20 that has submitted an interconnection request.

21 (6) INTERCONNECTION REQUEST.—The term  
22 “interconnection request” means a request sub-  
23 mitted to a public utility to interconnect a new gen-  
24 eration project or energy storage project to the elec-  
25 tric system of a public utility for the purposes of

1 transmission of electric energy in interstate com-  
2 merce or the sale of electric energy at wholesale.

3 (7) PUBLIC UTILITY.—The term “public util-  
4 ity” has the meaning given the term in section  
5 201(e) of the Federal Power Act (16 U.S.C. 824(e)).

6 (8) TRANSMISSION FACILITY.—The term  
7 “transmission facility” means a facility that is used  
8 for the transmission of electric energy in interstate  
9 commerce.

10 (9) TRANSMISSION PROVIDER.—The term  
11 “transmission provider” means a public utility that  
12 owns, operates, or controls 1 or more transmission  
13 facilities.

14 (10) TRANSMISSION SYSTEM.—The term  
15 “transmission system” means a network of trans-  
16 mission facilities used for the transmission of elec-  
17 tric energy in interstate commerce.

18 (b) RULEMAKING TO EXPEDITE GENERATOR INTER-  
19 CONNECTION PROCEDURES.—

20 (1) IN GENERAL.—Not later than 180 days  
21 after the date of enactment of this Act, the Commis-  
22 sion shall initiate a rulemaking—

23 (A) to address the inefficiencies and inef-  
24 fectiveness of existing procedures for processing  
25 interconnection requests to ensure that new

1 generation projects and energy storage projects  
2 can interconnect quickly, cost-effectively, and  
3 reliably;

4 (B) to invalidate expedited interconnection  
5 processes, using its section 206 authority, that  
6 have been adopted in 2025 or 2026 and which  
7 are not in the pro forma interconnection agree-  
8 ment and which use eligibility criteria that have  
9 disproportionately selected natural gas and coal  
10 projects in comparison to other projects such  
11 as, wind, solar and electric battery storage  
12 projects; and

13 (C) to revise the pro forma Large Gener-  
14 ator Interconnection Procedures and, as appro-  
15 priate, the pro forma Large Generator Inter-  
16 connection Agreement, promulgated pursuant to  
17 section 35.28(f) of title 18, Code of Federal  
18 Regulations (or successor regulations), to re-  
19 quire transmission providers—

20 (i) to develop and employ modeling as-  
21 sumptions for each resource type based on  
22 actual operating abilities and practices, for  
23 the purposes of studying an interconnec-  
24 tion request, provided that the Commission  
25 shall not rely on such modeling assump-

1 tions to study projects out of queue pri-  
2 ority;

3 (ii) to study interconnection requests  
4 in a manner consistent with the risk toler-  
5 ance of the interconnection customer;

6 (iii) to establish simplified and stand-  
7 ardized study pathways for small-scale or  
8 community-based generation projects, in-  
9 cluding distributed energy resources and  
10 projects serving low-income communities;

11 (iv) to select, as appropriate, 1 or  
12 more cost-effective solutions to address  
13 network reliability needs that may be iden-  
14 tified while studying an interconnection re-  
15 quest;

16 (v) to provide sufficient information to  
17 interconnection customers for the inter-  
18 connection customers to understand how a  
19 transmission provider has implemented the  
20 assumptions and solutions described in  
21 clauses (i) and (iv);

22 (vi) to share and employ, as appro-  
23 priate, queue management best practices,  
24 including with respect to the use of com-  
25 puting technologies, such as artificial intel-

1           ligence, machine learning, and automation,  
2           as well as standardized study criteria, in  
3           evaluating and processing interconnection  
4           requests, in order to expedite study results  
5           with respect to those requests; and

6                   (vii) to implement transparency and  
7           performance-enhancing measures and re-  
8           quirements that transmission providers  
9           consider advanced transmission tech-  
10          nologies to ensure timely and cost-con-  
11          scious construction of necessary network  
12          upgrades once an interconnection agree-  
13          ment has been executed.

14           (2) DEADLINE FOR FINAL RULE.—Not later  
15          than 12 months after the date of enactment of this  
16          Act, the Commission shall promulgate a final rule to  
17          complete the rulemaking initiated under paragraph  
18          (1).

19           (3) DEADLINE FOR COMPLIANCE FILINGS.—  
20          The Commission shall require each applicable Trans-  
21          mission Provider subject to the final rule issued pur-  
22          suant to this rulemaking to submit their compliance  
23          filings within 60 days of the issuance of the final  
24          order, and the Commission shall have 60 days there-  
25          after to approve or reject the compliance filing. Any

1 subsequent compliance filing thereafter shall be sub-  
2 ject to these same timing requirements.

3 (4) SAVINGS CLAUSE.—Nothing in this section  
4 alters, or may be construed to alter, the allocation  
5 of costs of the transmission system pursuant to the  
6 ratemaking authority of the Commission under sec-  
7 tion 205 of the Federal Power Act (16 U.S.C.  
8 824d).

9 **SEC. 302. ADVANCED TRANSMISSION TECHNOLOGIES.**

10 (a) DEFINITIONS.—In this section:

11 (1) COMMISSION.—The term “Commission”  
12 means the Federal Energy Regulatory Commission.

13 (2) ADVANCED TRANSMISSION TECHNOLOGY.—  
14 The term “advanced transmission technology”  
15 means any hardware or software that—

16 (A) increases the capacity, efficiency, reli-  
17 ability, resilience, or safety of transmission fa-  
18 cilities and transmission technologies;

19 (B) is installed in addition to new or exist-  
20 ing transmission facilities and transmission  
21 technologies—

22 (i) to give operators of the trans-  
23 mission facilities and transmission tech-  
24 nologies more situational awareness and  
25 control over the electric grid;

1 (ii) to make the transmission facilities  
2 and transmission technologies more effi-  
3 cient; or

4 (iii) to increase the transfer capacity  
5 of the transmission facilities and trans-  
6 mission technologies; and

7 (C) includes, but is not limited to, dynamic  
8 line ratings, advanced conductors, topology opti-  
9 mization, advanced power-flow controls, and  
10 other digital or physical systems that increase  
11 the usable transfer capability of the grid.

12 (3) SECRETARY.—The term “Secretary” means  
13 the Secretary of Energy.

14 (b) SHARED SAVINGS INCENTIVE FOR ADVANCED  
15 TRANSMISSION TECHNOLOGIES.—

16 (1) DEFINITION OF DEVELOPER.—In this sub-  
17 section, the term “developer”, with respect to ad-  
18 vanced transmission technology, means the entity  
19 that pays to install the advanced transmission tech-  
20 nology.

21 (2) ESTABLISHMENT OF SHARED SAVINGS IN-  
22 CENTIVE.—Not later than 18 months after the date  
23 of enactment of this Act, the Commission shall pro-  
24 mulgate a final rule to implement section 219(b)(3)  
25 of the Federal Power Act (16 U.S.C. 824s(b)(3)) by

1 providing a shared savings incentive that returns a  
2 portion of the savings attributable to an investment  
3 in advanced transmission technology to the developer  
4 of that advanced transmission technology, in accord-  
5 ance with this subsection. The Commission may also  
6 establish alternative incentive mechanisms, including  
7 performance-based rate adjustments, accelerated de-  
8 preciation, or return-on-equity adders, for utilities or  
9 transmission owners for which a shared-savings ap-  
10 proach is impracticable.

11 (3) REQUIREMENTS.—

12 (A) IN GENERAL.—The Commission shall  
13 determine the percentage of savings attributable  
14 to an investment in advanced transmission tech-  
15 nology that can be returned to the developer of  
16 that advanced transmission technology pursuant  
17 to the shared savings incentive established  
18 under paragraph (2), subject to the conditions  
19 that the percentage—

20 (i) is not less than 10 percent and not  
21 more than 25 percent;

22 (ii) is not determined on a per-project,  
23 per-investment, or case-by-case basis; and

24 (iii) is applied consistently to all in-  
25 vestments in advanced transmission tech-

1           nology eligible for the shared savings in-  
2           centive, regardless of the type of advanced  
3           transmission technology installed.

4           (B) TIME PERIOD FOR RECOVERY.—The  
5           shared savings incentive established under para-  
6           graph (2) shall return a percentage, determined  
7           in accordance with subparagraph (A), of the ap-  
8           plicable savings to the developer of the applica-  
9           ble advanced transmission technology over a pe-  
10          riod of 10 years.

11          (4) ELIGIBILITY.—Subject to paragraph (5),  
12          the shared savings incentive established under para-  
13          graph (2) shall apply with respect to—

14                (A) any developer, with respect to the in-  
15                vestment of that developer in advanced trans-  
16                mission technology that is installed as described  
17                in subsection (a)(2)(B); and

18                (B) any advanced transmission technology,  
19                including—

20                    (i) advanced transmission technology  
21                    that relates to new transmission facilities  
22                    or transmission technologies; and

23                    (ii) advanced transmission technology  
24                    that relates to existing transmission facili-  
25                    ties or transmission technologies.

1 (5) LIMITATIONS.—

2 (A) MINIMUM SAVINGS.—

3 (i) IN GENERAL.—The shared savings  
4 incentive established under paragraph (2)  
5 shall apply with respect to an investment  
6 in advanced transmission technology only  
7 if the expected savings attributable to the  
8 investment over the 3-year period de-  
9 scribed in paragraph (3)(B), as determined  
10 by the Commission and appropriately ad-  
11 justed to reflect net present value of the  
12 expected savings, are at least 2 times the  
13 cost of the investment.

14 (ii) DETERMINATION.—

15 (I) IN GENERAL.—The Commis-  
16 sion shall determine how to quantify  
17 the cost of an investment and the ex-  
18 pected savings attributable to an in-  
19 vestment for purposes of clause (i).

20 (II) COSTS.—For purposes of  
21 clause (i), the cost of an investment  
22 may include any costs associated with  
23 the permitting, installation, or pur-  
24 chase of the applicable advanced  
25 transmission technology.

1 (B) ALREADY INSTALLED ADVANCED  
2 TRANSMISSION TECHNOLOGIES.—The shared  
3 savings incentive established under paragraph  
4 (2) may not be applied with respect to advanced  
5 transmission technology that is already installed  
6 as of the date of enactment of this Act.

7 (C) CONSUMER PROTECTION.—The Com-  
8 mission shall determine appropriate consumer  
9 protections for the shared savings incentive es-  
10 tablished under paragraph (2).

11 (6) EVALUATION AND SUNSET OF SHARED SAV-  
12 INGS INCENTIVE.—

13 (A) EVALUATION.—Not earlier than 7  
14 years, and not later than 10 years, after the  
15 shared savings incentive is established under  
16 paragraph (2), the Commission shall—

17 (i) evaluate the necessity and efficacy  
18 of the shared savings incentive; and

19 (ii) determine whether to maintain,  
20 revise, or suspend the shared savings in-  
21 centive.

22 (B) CONSIDERATION OF ORDER NO.  
23 1920.—In conducting the evaluation under sub-  
24 paragraph (A)(i), the Commission shall con-  
25 sider—

1 (i) how the shared savings incentive  
2 aligns with the requirement that advanced  
3 transmission technologies be considered in  
4 long-term regional transmission planning  
5 under Order No. 1920 of the Commission,  
6 entitled “Building for the Future Through  
7 Electric Regional Transmission Planning  
8 and Cost Allocation” (89 Fed. Reg. 49280  
9 (June 11, 2024)) (or a successor order);

10 (ii) whether and how the shared sav-  
11 ings incentive should be revised to further  
12 align with that requirement; and

13 (iii) whether, in light of that require-  
14 ment, the shared savings incentive should  
15 be maintained or suspended.

16 (C) PUBLIC COMMENT.—In conducting the  
17 evaluation under subparagraph (A)(i), the Com-  
18 mission shall provide an opportunity for public  
19 comment, including by stakeholders.

20 (c) CONGESTION REPORTING.—

21 (1) ANNUAL REPORTS.—

22 (A) IN GENERAL.—Beginning on the date  
23 that is 1 year after the effective date of the rule  
24 promulgated under paragraph (2), all operators  
25 of transmission facilities or transmission tech-

1 nologies shall submit to the Commission annual  
2 reports containing data on the costs associated  
3 with congestion management with respect to the  
4 transmission facilities or transmission tech-  
5 nologies, including all relevant constraints.

6 (B) REQUIREMENT.—Each annual report  
7 submitted under subparagraph (A) shall iden-  
8 tify—

9 (i) with respect to each reported con-  
10 straint that caused more than \$500,000 in  
11 associated costs—

12 (I) the cause of the constraint,  
13 including physical infrastructure and  
14 transient disruptions; and

15 (II) the next limiting element  
16 type and its identified rating limit;  
17 and

18 (ii) each constraint that will be ad-  
19 dressed by planned future upgrades to in-  
20 frastructure and facilities.

21 (2) RULEMAKING.—Not later than 18 months  
22 after the date of enactment of this Act, the Commis-  
23 sion shall promulgate a final rule establishing a uni-  
24 versal metric and protocol for the measuring and re-  
25 porting of data under paragraph (1).

1 (3) USES OF DATA.—

2 (A) ANALYSES.—

3 (i) IN GENERAL.—The Commission  
4 and the Secretary shall each use the data  
5 submitted under paragraph (1) to conduct  
6 analyses, as the Commission or the Sec-  
7 retary, as applicable, determines to be ap-  
8 propriate.

9 (ii) COORDINATION.—The Commis-  
10 sion and the Secretary may coordinate  
11 with respect to any analyses conducted  
12 using the data submitted under paragraph  
13 (1).

14 (B) MAP.—The Commission and the Sec-  
15 retary, acting jointly, shall—

16 (i) use the data submitted under para-  
17 graph (1) to create a map of costs associ-  
18 ated with congestion management in the  
19 transmission system; and

20 (ii) update that map not less fre-  
21 quently than once each year.

22 (4) PUBLICATION OF DATA AND MAP.—The  
23 Commission and the Secretary shall make the data  
24 submitted under paragraph (1) and the map de-

1 scribed in paragraph (3)(B) publicly available on the  
2 websites of—

3 (A) the Commission; and

4 (B) the Department of Energy.

5 (d) ADVANCED TRANSMISSION TECHNOLOGY APPLI-  
6 CATION GUIDE.—

7 (1) DEFINITION OF DEVELOPER.—In this sec-  
8 tion, the term “developer” means a developer of  
9 transmission facilities or transmission technologies,  
10 including a developer of transmission facilities or  
11 transmission technologies that pays to install ad-  
12 vanced transmission technology with respect to those  
13 transmission facilities or transmission technologies.

14 (2) ESTABLISHMENT OF APPLICATION  
15 GUIDE.—Not later than 18 months after the date of  
16 enactment of this Act, the Secretary shall establish  
17 an application guide for utilities and developers  
18 seeking to implement advanced transmission tech-  
19 nologies.

20 (3) UPDATES.—The guide established under  
21 paragraph (2) shall be reviewed and updated annu-  
22 ally.

23 (4) TECHNICAL ASSISTANCE.—

24 (A) IN GENERAL.—On request of a utility  
25 or developer using the guide established under

1 paragraph (2), the Secretary shall provide tech-  
2 nical assistance to that utility or developer with  
3 respect to the use of advanced transmission  
4 technologies for particular applications.

5 (B) CLEARINGHOUSE.—In carrying out  
6 subparagraph (A), the Secretary shall establish  
7 a clearinghouse of previously completed ad-  
8 vanced transmission technology projects that  
9 the Secretary, utilities, and developers may use  
10 to identify issues and solutions relating to the  
11 use of advanced transmission technologies for  
12 particular applications.

13 (5) AUTHORIZATION OF APPROPRIATIONS.—  
14 There are authorized to be appropriated to carry out  
15 this Act, to remain available until expended—

16 (A) \$5,000,000 for fiscal year 2026; and

17 (B) \$1,000,000 for each of fiscal years  
18 2027 through 2037.

19 **SEC. 303. ELECTRICITY TRANSFORMERS.**

20 (a) DEFENSE PRODUCTION ACT.—There is author-  
21 ized to be appropriated \$2,100,000,000 for the President,  
22 acting through the Secretary of Energy, under the author-  
23 ity of title III of the Defense Production Act of 1950 (50  
24 U.S.C. 4531 et seq.), to expand domestic manufacturing  
25 of transformers and grid components, including amor-

1 phous steel, grain-oriented electrical steel, flexible trans-  
2 formers, circuit breakers, switchgear and substations to  
3 serve load and interconnect generation, and inverters and  
4 optimizers to integrate the influx of distributed genera-  
5 tors.

6 (b) STRATEGIC TRANSFORMER RESILIENCE PRO-  
7 GRAM.—

8 (1) DEFINITIONS.—In this section:

9 (A) BULK-POWER SYSTEM; ELECTRIC RE-  
10 LIABILITY ORGANIZATION.—The terms “bulk-  
11 power system” and “Electric Reliability Organi-  
12 zation” have the meanings given those terms in  
13 section 215(a) of the Federal Power Act (16  
14 U.S.C. 824o(a)).

15 (B) INDEPENDENT SYSTEM OPERATOR;  
16 REGIONAL TRANSMISSION ORGANIZATION;  
17 STATE REGULATORY AUTHORITY.—The terms  
18 “Independent System Operator”, “Regional  
19 Transmission Organization”, and “State regu-  
20 latory authority” have the meanings given those  
21 terms in section 3 of the Federal Power Act (16  
22 U.S.C. 796).

23 (C) SECRETARY.—The term “Secretary”  
24 means the Secretary of Energy.

25 (2) STRATEGY AND REPORT.—

1 (A) IN GENERAL.—Not later than 18  
2 months after the date of enactment of this Act,  
3 the Secretary shall develop a strategy, and sub-  
4 mit to the Committee on Energy and Natural  
5 Resources of the Senate and the Committee on  
6 Energy and Commerce of the House of Rep-  
7 resentatives a report identifying methods—

8 (i) to ensure that large power trans-  
9 formers, generator step-up transformers,  
10 power conversion equipment, grain-oriented  
11 electrical steel, and other critical electric  
12 grid equipment is strategically located to  
13 ensure timely replacement of that equip-  
14 ment as necessary to rapidly restore oper-  
15 ation and proper functioning of the electric  
16 grid in the event of severe damage to the  
17 electric grid due to physical attack, cyber  
18 attack, electromagnetic pulses, geo-  
19 magnetic disturbances, severe weather, cli-  
20 mate change, or seismic events; and

21 (ii) to facilitate the transportation of  
22 large power transformers, generator step-  
23 up transformers, power conversion equip-  
24 ment, grain-oriented electrical steel, and  
25 other critical electric grid equipment.

1 (B) CONSIDERATIONS.—

2 (i) IN GENERAL.—In developing the  
3 strategy under paragraph (1), the Sec-  
4 retary shall consider the need for, and the  
5 feasibility of establishing, 1 or more feder-  
6 ally owned strategic equipment reserves, as  
7 appropriate, to ensure nationwide access to  
8 large power transformers, generator step-  
9 up transformers, power conversion equip-  
10 ment, grain-oriented electrical steel, and  
11 other critical electric grid equipment.

12 (ii) EXISTING PROGRAMS.—In car-  
13 rying out subparagraph (A), the Secretary  
14 may consider existing spare transformer  
15 and equipment programs and requirements  
16 established by the private sector, Regional  
17 Transmission Organizations, Independent  
18 System Operators, and State regulatory  
19 authorities.

20 (C) CONSULTATION REQUIRED.—In car-  
21 rying out this subsection, the Secretary shall  
22 consult with—

23 (i) the Federal Energy Regulatory  
24 Commission;

1 (ii) the Electricity Subsector Coordi-  
2 nating Council;

3 (iii) the Electric Reliability Organiza-  
4 tion;

5 (iv) manufacturers of large power  
6 transformers, generator step-up trans-  
7 formers, power conversion equipment,  
8 grain-oriented electrical steel, and other  
9 critical electric grid equipment;

10 (v) owners and operators of critical  
11 electric infrastructure (as defined in sec-  
12 tion 215A(a) of the Federal Power Act (16  
13 U.S.C. 824o-1(a)));

14 (vi) owners and operators of military  
15 installations (as defined in section 2801(c)  
16 of title 10, United States Code) and de-  
17 fense sites (as defined in section 2710(e)  
18 of that title), including facilities designated  
19 as critical defense facilities under section  
20 215A(c) of the Federal Power Act (16  
21 U.S.C. 824o-1(c)); and

22 (3) TRANSFORMER RESILIENCE PROGRAM.—In  
23 addition to the strategy developed under subsection  
24 (b), the Secretary shall establish a program—

1 (A) to improve large power transformers,  
2 generator step-up transformers, power conver-  
3 sion equipment, grain-oriented electrical steel,  
4 and other critical electric grid equipment by re-  
5 ducing vulnerabilities identified with respect to  
6 that equipment;

7 (B) to develop, test, and deploy innovative  
8 equipment designs, including modular designs,  
9 that are more flexible and offer greater resil-  
10 iency with respect to the operation and func-  
11 tioning of the electric grid;

12 (C) to coordinate with industry and manu-  
13 facturers to standardize large power trans-  
14 formers, generator step-up transformers, power  
15 conversion equipment, and other critical electric  
16 grid equipment;

17 (D) to monitor and test large power trans-  
18 formers, generator step-up transformers, power  
19 conversion equipment, and other critical electric  
20 grid equipment that the Secretary determines  
21 may pose a risk to the bulk-power system or  
22 national security; and

23 (E) to facilitate the domestic manufac-  
24 turing of large power transformers, generator  
25 step-up transformers, power conversion equip-

1           ment, grain-oriented electrical steel, and other  
2           critical electric grid equipment through—

3                   (i) the issuance of grants and loans;

4                   and

5                   (ii) the provision of technical support.

6           (4) REQUIREMENT.—

7                   (A) IN GENERAL.—All laborers and me-  
8                   chanics employed by contractors or subcontrac-  
9                   tors in the performance of construction, alter-  
10                  ation, or repair work carried out, in whole or in  
11                  part, with financial assistance made available  
12                  under this section shall be paid wages at rates  
13                  not less than those prevailing on projects of a  
14                  character similar in the locality as determined  
15                  by the Secretary of Labor in accordance with  
16                  subchapter IV of chapter 31 of title 40, United  
17                  States Code.

18                  (B) AUTHORITY.—With respect to the  
19                  labor standards specified in this subsection, the  
20                  Secretary of Labor shall have the authority and  
21                  functions set forth in Reorganization Plan  
22                  Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C.  
23                  App.) and section 3145 of title 40, United  
24                  States Code.

1           (5) AUTHORIZATION OF APPROPRIATIONS.—  
2           There is authorized to be appropriated to carry out  
3           this subsection \$75,000,000 for each of fiscal years  
4           2026 through 2030, to remain available until ex-  
5           pended.

6 **SEC. 304. STREAMLINING PERMITTING OF DISTRIBUTED**  
7           **ENERGY.**

8           (a) DEFINITIONS.—In this section:

9           (1) AUTHORITY HAVING JURISDICTION.—The  
10           term “authority having jurisdiction” means any  
11           State, county, local, or Tribal office or official with  
12           jurisdiction—

13                   (A) to issue permits relating to qualifying  
14                   distributed energy systems;

15                   (B) to conduct inspections to enforce the  
16                   requirements of a relevant code or standard re-  
17                   lating to qualifying distributed energy systems;  
18                   or

19                   (C) to approve the installation of, or the  
20                   equipment and materials used in the installa-  
21                   tion of, qualifying distributed energy systems.

22           (2) QUALIFYING DISTRIBUTED ENERGY SYS-  
23           TEM.—The term “qualifying distributed energy sys-  
24           tem” means any equipment or materials installed in,

1 on, or near a residential building to support onsite  
2 or local energy use, including—

3 (A) to generate electricity from distributed  
4 renewable energy sources, including from—

5 (i) solar photovoltaic systems or simi-  
6 lar solar energy technologies; and

7 (ii) wind power systems;

8 (B) to store and discharge electricity from  
9 batteries with a capacity of at least 2 kilowatt  
10 hours;

11 (C) to charge a plug-in electric drive vehi-  
12 cle at a power rate of at least 2 kilowatts; or

13 (D) to refuel a hydrogen fuel cell electric  
14 vehicle.

15 (3) SECRETARY.—The term “Secretary” means  
16 the Secretary of Energy.

17 (b) PROGRAM.—Not later than 180 days after the  
18 date of enactment of this Act, the Secretary, in consulta-  
19 tion with trade associations and other entities representing  
20 distributed energy system installers and organizations rep-  
21 resenting State, local, and Tribal governments engaged in  
22 permitting, shall carry out a program to further develop,  
23 expand, and support the adoption of a voluntary stream-  
24 lined permitting and inspection process for authorities

1 having jurisdiction to use for the permitting of qualifying  
2 distributed energy systems.

3 (c) ACTIVITIES OF THE PROGRAM.—In carrying out  
4 the program established under subsection (b), the Sec-  
5 retary shall—

6 (1) further develop and expand an exemplary  
7 streamlined permitting process that includes an on-  
8 line permitting platform—

9 (A) for expediting, standardizing, and  
10 streamlining permitting; and

11 (B) that authorities having jurisdiction  
12 may voluntarily use to receive, review, and ap-  
13 prove permit applications relating to qualifying  
14 distributed energy systems;

15 (2) establish targets for the adoption of a  
16 streamlined, expedited permitting process by au-  
17 thorities having jurisdiction;

18 (3) provide technical assistance and training di-  
19 rectly or indirectly to authorities having jurisdiction  
20 on using and adopting the exemplary streamlined  
21 permitting process described in paragraph (1), in-  
22 cluding the adoption of any necessary building codes;

23 (4) develop a voluntary inspection protocol and  
24 related tools to expedite, standardize, and streamline

1 the inspection of qualifying distributed energy sys-  
2 tems, including—

3 (A) by investigating the potential for using  
4 remote inspections;

5 (B) by investigating the potential for sam-  
6 ple-based inspection for distributed energy sys-  
7 tem installers with a demonstrated track record  
8 of high-quality work; and

9 (C) by investigating opportunities to inte-  
10 grate the voluntary inspection protocol into the  
11 online permitting platform described in para-  
12 graph (1) and the platforms of government  
13 software providers; and

14 (5) take any other action to expedite, stand-  
15 ardize, streamline, or improve the process for per-  
16 mitting, inspecting, or interconnecting qualifying  
17 distributed energy systems.

18 (d) SUPPORT SERVICES.—The Secretary shall—

19 (1) support the provision of technical assistance  
20 to authorities having jurisdiction, any administrator  
21 of the online permitting platform described in sub-  
22 section (c)(1), government software providers, and  
23 any other entity determined appropriate by the Sec-  
24 retary in carrying out the activities described in sub-  
25 section (c); and

1           (2) provide such financial assistance as the Sec-  
2           retary determines appropriate from any funds appro-  
3           priated to carry out this section.

4           (e) **AUTHORITY HAVING JURISDICTION CERTIFI-**  
5 **CATION PROGRAM.—**

6           (1) **IN GENERAL.—**The Secretary may certify  
7           authorities having jurisdiction that implement the  
8           exemplary streamlined permitting process described  
9           in subsection (c)(1).

10          (2) **PROCESS.—**The Secretary may confer a cer-  
11          tification under paragraph (1) through existing pro-  
12          grams within the Department of Energy.

13          (3) **PRIZES.—**The Secretary may award prizes  
14          to authorities having jurisdiction, using funds appro-  
15          priated to the Secretary to carry out this section, to  
16          encourage authorities having jurisdiction to adopt  
17          the exemplary streamlined permitting process or the  
18          voluntary inspection protocol established under para-  
19          graphs (1) and (4) of subsection (c), respectively.

20          (f) **AUTHORIZATION OF APPROPRIATIONS.—**There is  
21          authorized to be appropriated to the Secretary to carry  
22          out this section \$20,000,000 for each of fiscal years 2027  
23          through 2030.

1 **SEC. 305. COMMUNITY SOLAR.**

2 (a) ESTABLISHMENT OF COMMUNITY SOLAR CON-  
3 SUMER CHOICE PROGRAM.—

4 (1) IN GENERAL.—Not later than 12 months  
5 after the date of enactment of this Act, the Sec-  
6 retary shall establish a program to increase the op-  
7 portunities for participation in community solar pro-  
8 grams by—

9 (A) individuals, prioritizing individuals  
10 that do not have regular access to onsite solar,  
11 including low- and moderate-income individuals  
12 and individuals living in energy communities;

13 (B) businesses;

14 (C) nonprofit organizations; and

15 (D) States and local and Tribal govern-  
16 ments.

17 (2) ALIGNMENT WITH EXISTING FEDERAL PRO-  
18 GRAMS.—The Secretary shall align the program es-  
19 tablished under paragraph (1) with existing Federal  
20 programs that serve low-income communities.

21 (3) ASSISTANCE TO STATE, TRIBAL, AND LOCAL  
22 GOVERNMENTS.—In carrying out the program estab-  
23 lished under paragraph (1), the Secretary shall—

24 (A) provide technical assistance to eligible  
25 entities for projects to increase the number of  
26 community solar facilities;

1 (B) assist eligible entities in the develop-  
2 ment of new and innovative financial and busi-  
3 ness models that leverage competitive processes  
4 in order to serve community solar subscribers;  
5 and

6 (C) use National Laboratories to collect  
7 and disseminate data to assist private entities  
8 in the financing of, subscription to, and oper-  
9 ation of community solar programs.

10 (b) FEDERAL GOVERNMENT PARTICIPATION IN COM-  
11 MUNITY SOLAR PROGRAMS.—The Secretary shall, as the  
12 Secretary determines appropriate, expand the existing  
13 grant, loan, and financing programs of the Department  
14 of Energy to include community solar programs.

15 (c) ESTABLISHMENT OF COMMUNITY SOLAR PRO-  
16 GRAMS.—

17 (1) IN GENERAL.—Section 111(d) of the Public  
18 Utility Regulatory Policies Act of 1978 (16 U.S.C.  
19 2621(d)) is amended by adding at the end the fol-  
20 lowing:

21 “(22) COMMUNITY SOLAR PROGRAMS.—

22 “(A) IN GENERAL.—Each electric utility  
23 shall offer a community solar program that pro-  
24 vides all ratepayers, including low-income rate-  
25 payers, equitable and demonstrable access to

1           such community solar program. Such programs  
2           may include community solar facilities owned or  
3           operated by non-utility entities and shall not re-  
4           strict participation to utility-owned facilities.

5           “(B) DEFINITIONS.—For the purposes of  
6           this paragraph:

7                   “(i) COMMUNITY SOLAR PROGRAM.—  
8                   The term ‘community solar program’  
9                   means a service provided to any electric  
10                  consumer that the electric utility serves  
11                  through which the value of electricity gen-  
12                  erated by a community solar facility may  
13                  be used to reduce total charges billed to  
14                  the electric consumer.

15                  “(ii) COMMUNITY SOLAR FACILITY.—  
16                  The term ‘community solar facility’ means  
17                  a solar photovoltaic system that—

18                          “(I) allocates electricity to mul-  
19                          tiple electric consumers of an electric  
20                          utility;

21                          “(II) is interconnected with the  
22                          electric grid; and

23                          “(III) is located either on or off  
24                          the property of the electric consumers  
25                          described in subclause (I).”.

1 (2) COMPLIANCE.—

2 (A) TIME LIMITATIONS.—Section 112(b)  
3 of the Public Utility Regulatory Policies Act of  
4 1978 (16 U.S.C. 2622(b)) is amended by add-  
5 ing at the end the following:

6 “(9)(A) Not later than 12 months after the  
7 date of enactment of this paragraph, each State reg-  
8 ulatory authority (with respect to each electric utility  
9 for which the State has ratemaking authority) and  
10 each nonregulated electric utility shall commence  
11 consideration under section 111, or set a hearing  
12 date for consideration, with respect to the standard  
13 established by paragraph (22) of section 111(d).

14 “(B) Not later than 24 months after the date  
15 of enactment of this paragraph, each State regu-  
16 latory authority (with respect to each electric utility  
17 for which the State has ratemaking authority), and  
18 each nonregulated electric utility shall complete the  
19 consideration and make the determination under sec-  
20 tion 111 with respect to the standard established by  
21 paragraph (22) of section 111(d).”.

22 (B) FAILURE TO COMPLY.—Section 112(c)  
23 of the Public Utility Regulatory Policies Act of  
24 1978 (16 U.S.C. 2622(c)) is amended—

1 (i) by striking “subsection (b)(2)” and  
2 inserting “subsection (b)”; and

3 (ii) by adding at the end the fol-  
4 lowing: “In the case of the standard estab-  
5 lished by paragraph (22) of section 111(d),  
6 the reference contained in this subsection  
7 to the date of enactment of this Act shall  
8 be deemed to be a reference to the date of  
9 enactment of that paragraph (22).”.

10 (C) PRIOR STATE ACTIONS.—

11 (i) IN GENERAL.—Section 112 of the  
12 Public Utility Regulatory Policies Act of  
13 1978 (16 U.S.C. 2622) is amended by add-  
14 ing at the end the following:

15 “(i) PRIOR STATE ACTIONS.—Subsections (b) and  
16 (c) shall not apply to the standard established by para-  
17 graph (22) of section 111(d) in the case of any electric  
18 utility in a State if, before the date of enactment of this  
19 subsection—

20 “(1) the State has implemented for the electric  
21 utility the standard (or a comparable standard);

22 “(2) the State regulatory authority for the  
23 State or the relevant nonregulated electric utility has  
24 conducted a proceeding to consider implementation

1 of the standard (or a comparable standard) for the  
2 electric utility; or

3 “(3) the State legislature has voted on the im-  
4 plementation of the standard (or a comparable  
5 standard) for the electric utility.”.

6 (ii) CROSS-REFERENCE.—Section 124  
7 of the Public Utility Regulatory Policies  
8 Act of 1978 (16 U.S.C. 2634) is amended  
9 by adding at the end the following: “In the  
10 case of the standard established by para-  
11 graph (22) of section 111(d), the reference  
12 contained in this subsection to the date of  
13 enactment of this Act shall be deemed to  
14 be a reference to the date of enactment of  
15 that paragraph (22).”.

16 (d) FEDERAL CONTRACTS FOR PUBLIC UTILITY  
17 SERVICES.—Section 501(b)(1) of title 40, United States  
18 Code, is amended by amending subparagraph (B) to read  
19 as follows:

20 “(B) PUBLIC UTILITY CONTRACTS.—A  
21 contract under this paragraph for public utility  
22 services may be for a period of not more than  
23 30 years.”.

24 (e) DEFINITIONS.—In this section:

1           (1) COMMUNITY SOLAR FACILITY; COMMUNITY  
2           SOLAR PROGRAM.—The terms “community solar fa-  
3           cility” and “community solar program” have the  
4           meaning give such terms in paragraph (22) of sec-  
5           tion 111(d) of the Public Utility Regulatory Policies  
6           Act of 1978 (16 U.S.C. 2621(d)), as added by sub-  
7           section (c) of this section.

8           (2) COMMUNITY SOLAR SUBSCRIBER.—The  
9           term “community solar subscriber” means an elec-  
10          tricity customer that receives or purchases a propor-  
11          tional share of the output of a community solar fa-  
12          cility under an ownership, subscription, or power  
13          purchase arrangement approved by the applicable  
14          regulatory authority.

15          (3) ELIGIBLE ENTITY.—The term “eligible enti-  
16          ty” means—

17                (A) a State or political subdivision of a  
18                State;

19                (B) a unit of local government;

20                (C) an Indian Tribe (as defined in section  
21                4 of the Indian Self-Determination and Edu-  
22                cation Assistance Act (25 U.S.C. 5304));

23                (D) a territory of the United States; or

24                (E) an authority, agency, or instrumen-  
25                tality of, or an entity owned by, 1 or more enti-

1           ties described in subparagraphs (A) through  
2           (D).

3           (4) ENERGY COMMUNITY.—The term “energy  
4           community” has the meaning given such term in  
5           section 45(b)(11) of the Internal Revenue Code of  
6           1986 (26 U.S.C. 45(b)(11)).

7           (5) NATIONAL LABORATORIES.—The term “Na-  
8           tional Laboratories” has the meaning given the term  
9           in section 2 of the Energy Policy Act of 2005 (42  
10          U.S.C. 15801).

11          (6) SECRETARY.—The term “Secretary” means  
12          the Secretary of Energy.

13 **SEC. 306. LOW-COST, CLEAN ENERGY IN UNITED STATES**  
14 **TERRITORIES.**

15          (a) CLEAN ENERGY GRANT PROGRAM.—

16           (1) ESTABLISHMENT.—Not later than 180 days  
17           after the date of enactment of this Act, the Sec-  
18           retary of Agriculture shall establish a renewable en-  
19           ergy program (in this section referred to as the  
20           “program”) under which the Secretary may award  
21           grants to covered entities to facilitate projects, in  
22           territories of the United States, described in para-  
23           graph (3).

24           (2) APPLICATIONS.—To be eligible for a grant  
25           under the program, a covered entity shall submit to

1 the Secretary an application at such time, in such  
2 form, and containing such information as the Sec-  
3 retary may require.

4 (3) GRANT USES.—

5 (A) IN GENERAL.—A covered entity receiv-  
6 ing a grant under the program may use grant  
7 funds for a project, in a territory of the United  
8 States—

9 (i) to develop or construct a renewable  
10 energy system;

11 (ii) to carry out an activity to increase  
12 energy efficiency or demand flexibility;

13 (iii) to develop or construct an energy  
14 storage system or device for—

15 (I) a system developed or con-  
16 structed under clause (i); or

17 (II) an activity carried out under  
18 clause (ii);

19 (iv) to develop or construct—

20 (I) a smart grid; or

21 (II) a microgrid; or

22 (v) to train residents of the territory  
23 of the United States to develop, construct,  
24 maintain, or operate a renewable energy  
25 system.

1 (B) LIMITATION.—A covered entity receiv-  
2 ing a grant under the program may not use  
3 grant funds to develop or construct a facility  
4 that generates electricity using energy derived  
5 from fossil fuels.

6 (4) TECHNICAL ASSISTANCE.—The Secretary of  
7 Energy shall ensure that Department of Energy na-  
8 tional laboratories offer to provide technical assist-  
9 ance to each covered entity carrying out a project  
10 assisted with a grant under the program.

11 (5) REPORT.—Not later than 2 years after the  
12 establishment of the program, and on an annual  
13 basis thereafter, the Secretary shall submit to Con-  
14 gress a report containing—

15 (A) an estimate of the amount of funds  
16 disbursed under the program;

17 (B) an estimate of the energy conservation  
18 achieved as a result of the program;

19 (C) a description of challenges encountered  
20 in implementing projects described in para-  
21 graph (3)(A);

22 (D) recommendations as to additional leg-  
23 islative measures to increase the use of renew-  
24 able energy in territories of the United States,  
25 as appropriate;

1 (E) recommendations for improving resil-  
2 ience and dependability of projects described in  
3 paragraph (3)(A);

4 (F) recommendations for furthering the  
5 long-term energy independence of U.S. terri-  
6 tories covered by this program; and

7 (G) findings regarding the effect of this  
8 program on consumer energy prices and how it  
9 can be improved to continue lowering those  
10 prices.

11 (6) AUTHORIZATION OF APPROPRIATIONS.—

12 There are authorized to be appropriated such sums  
13 as may be necessary to carry out this section.

14 (b) GAO STUDY AND REPORT.—

15 (1) IN GENERAL.—

16 (A) STUDY AND REPORT.—Not later than  
17 180 days after the date of enactment of this  
18 Act, the Comptroller General of the United  
19 States shall—

20 (i) conduct a study regarding renew-  
21 able energy, energy efficiency, and demand  
22 flexibility in territories of the United  
23 States; and

24 (ii) submit to Congress a report con-  
25 taining—

- 1 (I) the findings of the study; and  
2 (II) related recommendations.

3 (B) COMPONENTS.—The study conducted  
4 under subparagraph (A) shall consider, in rela-  
5 tion each territory of the United States, the po-  
6 tential—

- 7 (i) to modify existing electric power  
8 systems to use renewable energy sources;  
9 (ii) to expand the use of microgrids;  
10 and  
11 (iii) to improve energy resiliency.

12 (2) AUTHORIZATION OF APPROPRIATIONS.—  
13 There is authorized to be appropriated \$1,500,000  
14 to carry out this section.

15 (c) DEFINITIONS.—In this Act, the following defini-  
16 tions apply:

17 (1) COVERED ENTITY.—The term “covered en-  
18 tity” means a not-for-profit organization determined  
19 eligible by the Secretary of Agriculture for purposes  
20 of this Act.

21 (2) DEPARTMENT OF ENERGY NATIONAL LAB-  
22 ORATORIES.—The term “Department of Energy na-  
23 tional laboratories” has the same meaning as the  
24 term “National Laboratory” under section 2 of the  
25 Energy Policy Act of 2005 (42 U.S.C. 15801).

1           (3) MICROGRID.—The term “microgrid” means  
2           an electric system—

3                   (A) that serves the local community with a  
4           power generation and distribution system; and

5                   (B) that has the ability—

6                           (i) to disconnect from a traditional  
7           electric grid; and

8                           (ii) to operate autonomously when dis-  
9           connected.

10           (4) RENEWABLE ENERGY; RENEWABLE ENERGY  
11           SYSTEM.—The terms “renewable energy” and “re-  
12           newable energy system” have the meanings given  
13           those terms in section 9001 of the Farm Security  
14           and Rural Investment Act of 2002 (7 U.S.C. 8101).

15           (5) SMART GRID.—The term “smart grid”  
16           means an intelligent electric grid that uses digital  
17           communications technology, information systems,  
18           and automation to, while maintaining high system  
19           reliability—

20                   (A) detect and react to local changes in  
21           usage;

22                   (B) improve system operating efficiency;  
23           and

24                   (C) reduce spending costs.

1 (6) TERRITORY OF THE UNITED STATES.—The  
2 term “territory of the United States” means the  
3 Commonwealth of Puerto Rico, Guam, the United  
4 States Virgin Islands, American Samoa, and the  
5 Commonwealth of the Northern Mariana Islands.

6 **TITLE IV—BUILDING OUT A 21ST**  
7 **CENTURY ELECTRICITY GRID**  
8 **Subtitle A—Amendments to the**  
9 **Federal Power Act**

10 **SEC. 401. DEFINITIONS.**

11 Section 3 of the Federal Power Act (16 U.S.C. 796)  
12 is amended by adding at the end the following:

13 “(30) ENERGY STORAGE PROJECT.—The term  
14 ‘energy storage project’ means equipment that re-  
15 ceives, stores, and delivers energy using batteries,  
16 compressed air, pumped hydropower, hydrogen stor-  
17 age (including hydrolysis), thermal energy storage,  
18 regenerative fuel cells, flywheels, capacitors, super-  
19 conducting magnets, or other technologies identified  
20 by the Secretary of Energy.

21 “(31) GENERATING FACILITY.—The term ‘gen-  
22 erating facility’ means any facility that generates  
23 electricity.

24 “(32) GENERATOR TIE LINE.—The term ‘gen-  
25 erator tie line’ means a dedicated transmission line

1 that is used to transmit power from a generating fa-  
2 cility or an energy storage project to a transmission  
3 facility or a transmission system.

4 “(33) GREENHOUSE GAS.—The term ‘green-  
5 house gas’ includes each of the following:

6 “(A) Carbon dioxide.

7 “(B) Methane.

8 “(C) Nitrous oxide.

9 “(D) Sulfur hexafluoride.

10 “(E) Any hydrofluorocarbon.

11 “(F) Any perfluorocarbon.

12 “(G) Nitrogen trifluoride.

13 “(H) Any fully fluorinated linear,  
14 branched, or cyclic—

15 “(i) alkane;

16 “(ii) ether;

17 “(iii) tertiary amine; or

18 “(iv) aminoether.

19 “(I) Any perfluoropolyether.

20 “(J) Any hydrofluoropolyether.

21 “(K) Any other fluorocarbon, except for a  
22 fluorocarbon with a vapor pressure of less than  
23 1 mm of Hg absolute at 25 degrees Celsius.

1           “(34)    ADVANCED    TRANSMISSION    TECH-  
2           NOLOGY.—The term ‘advanced transmission tech-  
3           nology’ means any hardware or software that—

4                   “(A) increases the capacity, efficiency, reli-  
5                   ability, resilience, or safety of transmission fa-  
6                   cilities and transmission technologies;

7                   “(B) is installed in addition to new or ex-  
8                   isting transmission facilities and transmission  
9                   technologies—

10                   “(i) to give operators of the trans-  
11                   mission facilities and transmission tech-  
12                   nologies more situational awareness and  
13                   control over the electric grid;

14                   “(ii) to make the transmission facili-  
15                   ties and transmission technologies more ef-  
16                   ficient; or

17                   “(iii) to increase the transfer capacity  
18                   of the transmission facilities and trans-  
19                   mission technologies; and

20                   “(C) includes, but is not limited to, dy-  
21                   namic line ratings, advanced conductors, topol-  
22                   ogy optimization, advanced power-flow controls,  
23                   and other digital or physical systems that in-  
24                   crease the usable transfer capability of the grid.

1           “(35) INTERCONNECTION CUSTOMER.—The  
2 term ‘interconnection customer’ means an entity, or  
3 any affiliates or subsidiaries of an entity, that pro-  
4 poses to interconnect a generating facility or an en-  
5 ergy storage project to a transmission facility or  
6 transmission system.

7           “(36) TRANSMISSION BENEFITS.—The term  
8 ‘transmission benefits’ means the broad range of  
9 economic, operational, safety, resilience, public pol-  
10 icy, and environmental benefits (as assessed by the  
11 Commission in accordance with section 224(e)) and  
12 other reasonably anticipated benefits of constructing,  
13 modifying, or operating a transmission facility, in-  
14 cluding—

15                   “(A) improved reliability;

16                   “(B) improved resilience;

17                   “(C) improved safety;

18                   “(D) reduced congestion;

19                   “(E) reduced power losses;

20                   “(F) greater carrying capacity;

21                   “(G) reduced operating reserve require-  
22 ments;

23                   “(H) improved access to lower-cost elec-  
24 tricity generation;

1           “(I) improved access to electricity gener-  
2           ating facilities with no direct emissions of  
3           greenhouse gases;

4           “(J) improved public health from the clo-  
5           sure of electricity generation facilities that emit  
6           harmful pollution;

7           “(K) increased competition and market li-  
8           quidity in electricity markets;

9           “(L) improved energy resilience and resil-  
10          ience of Department of Defense installations;

11          “(M) improved ability to integrate new  
12          sources of electrical demand; and

13          “(N) other potential benefits of increasing  
14          the interconnectedness of the electric grid.

15          “(37) NETWORK UPGRADE.—The term ‘net-  
16          work upgrade’ means—

17                 “(A) any addition to or expansion of any  
18                 transmission facility or transmission system;

19                 “(B) the construction of a new trans-  
20                 mission facility that will become part of a trans-  
21                 mission system;

22                 “(C) the addition of an energy storage  
23                 project to a transmission facility or a trans-  
24                 mission system; or

1           “(D) any construction, deployment, or ad-  
2           dition of an advanced transmission technology  
3           to a transmission facility or a transmission sys-  
4           tem that eliminates or reduces the need to carry  
5           out any of the activities described in subpara-  
6           graphs (A) through (C).

7           “(38) PARTICIPANT FUNDING.—The term ‘par-  
8           ticipant funding’ means any cost allocation method  
9           under which an interconnection customer is required  
10          to pay, without reimbursement, all or a dispropor-  
11          tionate amount of the costs of a network upgrade  
12          that is determined by the Commission to be nec-  
13          essary to ensure the reliable interconnection of the  
14          interconnection customer’s generating facility or en-  
15          ergy storage project.

16          “(39) TRANSMISSION PLANNING REGION.—The  
17          term ‘transmission planning region’ means—

18                 “(A) when used in a geographical sense, a  
19                 region for which the Commission determines  
20                 that electric transmission planning is appro-  
21                 priate, such as a region established in accord-  
22                 ance with Order No. 1000 of the Commission,  
23                 entitled ‘Transmission Planning and Cost Allo-  
24                 cation by Transmission Owning and Operating

1 Public Utilities’ (76 Fed. Reg. 49842 (August  
2 11, 2011)); and

3 “(B) when used in a corporate sense,  
4 means the Transmission Organization or other  
5 entity responsible for planning or operating  
6 electric transmission facilities within a region  
7 described in subparagraph (A).

8 “(40) TRANSMISSION SYSTEM.—For purposes  
9 of sections 224 and 227, the term ‘transmission sys-  
10 tem’ means a network of transmission facilities used  
11 for the transmission of electric energy in interstate  
12 commerce.”.

13 **SEC. 402. INTERREGIONAL ELECTRIC TRANSMISSION PLAN-**  
14 **NING.**

15 Part II of the Federal Power Act (16 U.S.C. 824 et  
16 seq.) is amended by adding at the end the following:

17 **“SEC. 224. IMPROVING INTERREGIONAL ELECTRIC TRANS-**  
18 **MISSION PLANNING.**

19 “(a) IN GENERAL.—Not later than 6 months after  
20 the date of enactment of this section, the Commission  
21 shall issue regulations that require each pair or grouping  
22 of neighboring transmission planning regions to jointly de-  
23 velop and file with the Commission a process by which  
24 they will develop an interregional transmission plan to  
25 identify and to facilitate the construction or upgrade of

1 onshore and offshore electric transmission facilities that  
2 are efficient, cost-effective, and broadly beneficial. Such  
3 process must address the considerations in subsection (b)  
4 and be filed within 6 months after the regulations required  
5 by this paragraph are finalized. Such process must require  
6 development of an interregional transmission plan within  
7 at least 3 years of the promulgation of the regulations and  
8 that a new plan be developed at least every 3 years there-  
9 after, in alignment with long-term regional transmission  
10 plans developed under Orders 1920 and 1920–A (89 Fed.  
11 Reg. 49280 and 89 Fed. Reg. 97174).

12 “(b) CONSIDERATIONS.—In determining the require-  
13 ments for a process described in subsection (a), the Com-  
14 mission shall require that such process advance—

15 “(1) the development of transmission systems  
16 that can operate for a minimum of 20 years and  
17 across a wide range of scenarios, including scenarios  
18 that take into account—

19 “(A) Federal, State, and local laws and  
20 regulations, and other factors that affect elec-  
21 tricity demand and the current and future gen-  
22 eration resource mix;

23 “(B) trends in technology and fuel costs;

1           “(C) the retirement of generation facilities,  
2           energy storage projects, and transmission facili-  
3           ties;

4           “(D) generator interconnection requests  
5           and withdrawals; and

6           “(E) extreme weather events, including in  
7           anticipation of how the frequency and intensity  
8           of these events are projected to change over the  
9           planning period due to climate change;

10          “(2) the public interest;

11          “(3) the integrity of electricity markets;

12          “(4) the protection of consumers;

13          “(5) the optimization of transmission benefits;

14          “(6) the need for an individual interregional  
15          transmission project to secure approvals based on a  
16          comprehensive assessment of the multiple benefits  
17          provided;

18          “(7) the importance of synchronization of plan-  
19          ning processes in neighboring transmission planning  
20          regions, such as using a joint model on a consistent  
21          timeline with a single set of needs, input assump-  
22          tions, and benefit metrics;

23          “(8) the need for an individual interregional  
24          transmission project that is identified in the inter-  
25          regional transmission plan of a pair of transmission

1 planning regions not to be subject to any subsequent  
2 planning process by other transmission planning re-  
3 gions;

4 “(9) that evaluation of long-term scenarios  
5 should align with the expected life of an element of  
6 a transmission system;

7 “(10) that a pair of transmission planning re-  
8 gions should allow for the identification and joint  
9 evaluation of alternatives proposed by stakeholders,  
10 and ensure meaningful opportunities for States,  
11 Tribes, consumer advocates, labor organizations, and  
12 environmental justice communities to participate;

13 “(11) the need to eliminate arbitrary project  
14 voltage, size, or cost requirements for transmission  
15 projects;

16 “(12) the applicability of a broad range of al-  
17 ternatives to the construction of transmission facili-  
18 ties, including advanced transmission technologies,  
19 demand side flexibility, distributed storage, load  
20 management, dynamic line rating, and power flow  
21 control; and

22 “(13) the use of data and analyses provided by  
23 the Secretary of Energy, including as provided by  
24 the National Laboratories, regarding any of the  
25 items described in paragraphs (1) through (12).

1       “(c) REPORT.—Not later than 12 months after the  
2 issuance of regulations under subsection (a) and annually  
3 thereafter, the Commission shall publish in the Federal  
4 Register a report on the progress by each pair of trans-  
5 mission planning regions in identifying and facilitating the  
6 construction of interregional electric transmission  
7 projects, including a description of the transmission bene-  
8 fits associated with such projects.

9       “(d) ENVIRONMENTAL BENEFITS.—In assessing the  
10 environmental benefits associated with any activity under-  
11 taken pursuant to this Act, the Commission may use any  
12 relevant analysis or other information conducted or pro-  
13 vided by the Council on Environmental Quality and the  
14 Environmental Protection Agency.”.

15 **SEC. 403. ALLOCATION OF COSTS OF ELECTRIC TRANS-**  
16 **MISSION FACILITIES OF NATIONAL SIGNIFI-**  
17 **CANCE.**

18       Part II of the Federal Power Act (16 U.S.C. 824 et  
19 seq.) is further amended by adding at the end the fol-  
20 lowing:

21 **“SEC. 225. ALLOCATION OF COSTS OF TRANSMISSION FA-**  
22 **CILITIES OF NATIONAL SIGNIFICANCE.**

23       “(a) ALLOCATION OF COSTS.—

24               “(1) IN GENERAL.—Any transmitting utility  
25 that owns, controls, or operates a transmission facil-

1       ity of national significance, or proposes to own, con-  
2       trol, or operate a transmission facility of national  
3       significance, may file a tariff with the Commission  
4       in accordance with section 205 allocating the costs  
5       of constructing, modifying, and operating such  
6       transmission facility of national significance in ac-  
7       cordance with paragraph (2).

8               “(2) COST ALLOCATION PRINCIPLE.—The Com-  
9       mission shall require that any tariff described in  
10      paragraph (1) allocate the cost to construct, modify,  
11      and operate a transmission facility of national sig-  
12      nificance to customers within the applicable trans-  
13      mission planning region or regions in a manner that  
14      is roughly commensurate with the reasonably antici-  
15      pated transmission benefits. Additionally, the Com-  
16      mission shall require that any proposed calculation  
17      of reasonably anticipated transmission benefits make  
18      the assumptions and calculations behind such cal-  
19      culation public and included in any tariff described  
20      in paragraph (1).

21              “(3) COMMISSION AUTHORITY.—If the Commis-  
22      sion determines that no tariff filed under paragraph  
23      (1) provides for a just, reasonable, and not unduly  
24      discriminatory allocation of costs for a transmission  
25      facility of national significance, the Commission

1       may, after notice and opportunity for hearing, estab-  
2       lish or modify such allocation under section 206,  
3       provided, however, that nothing in this section shall  
4       prevent a transmitting utility from recovering such  
5       costs through voluntary agreement with its cus-  
6       tomers.

7       “(b) DEFINITION OF TRANSMISSION FACILITY OF  
8       NATIONAL SIGNIFICANCE.—In this section, the term  
9       ‘transmission facility of national significance’ means—

10           “(1) an interstate or interregional electric  
11           power transmission line (and any facilities necessary  
12           for the operation of such electric power transmission  
13           line)—

14                   “(A) that has a transmission capacity of  
15                   not less than 1,000 megawatts; and

16                   “(B) the construction of which is com-  
17                   pleted on or after the date of enactment of this  
18                   section;

19           “(2) an electric power transmission line or net-  
20           work, located in whole or in part offshore (including  
21           any radial, meshed, or shared facilities necessary for  
22           its operation), the construction of which is completed  
23           on or after the date of enactment of this section; or

24           “(3) an expansion of, or upgrade to, an inter-  
25           state electric power transmission line (and any facili-

1 ties necessary for the operation of such electric  
2 power transmission line) that—

3 “(A) increases the transmission capacity of  
4 such electric power transmission line by at least  
5 500 megawatts; and

6 “(B) the construction of which is com-  
7 pleted on or after the date of enactment of this  
8 section.

9 “(c) SAVINGS PROVISION.—This section does not af-  
10 fect the authority of the Commission to approve the alloca-  
11 tion of costs of transmission facilities other than trans-  
12 mission facilities of national significance.”.

13 **SEC. 404. MINIMUM INTERREGIONAL TRANSFER CAPA-**  
14 **BILITY.**

15 Part II of the Federal Power Act (16 U.S.C. 824 et  
16 seq.) is further amended by adding at the end the fol-  
17 lowing:

18 **“SEC. 226. PROTECTING ELECTRICITY RELIABILITY BY IM-**  
19 **PROVING INTERREGIONAL TRANSFER CAPA-**  
20 **BILITY.**

21 “(a) RULEMAKING.—Notwithstanding the require-  
22 ments of section 322 of the Fiscal Responsibility Act  
23 (Public Law 118–5), not later than 24 months after the  
24 date of enactment of the Energy Bills Relief Act, the Com-  
25 mission shall, pursuant to section 206, issue regulations

1 that establish requirements for minimum transfer capa-  
2 bility, as described under subsection (b), between trans-  
3 mission planning regions.

4 “(b) **MINIMUM TRANSFER CAPABILITY.**—The aggre-  
5 gate minimum interregional transfer capability for each  
6 transmission planning region and its neighboring trans-  
7 mission planning region shall be not less than 30 percent  
8 of its own peak electricity demand, or in the case of a  
9 transmission planning region that borders only 1 other  
10 transmission planning region, not less than 15 percent of  
11 its own peak electricity demand, unless the Commission  
12 finds, upon a showing by a transmission planning region,  
13 that a lower transfer capability can achieve the same or  
14 greater transmission benefits.

15 “(c) **REPORT.**—Not later than 5 years after the date  
16 of enactment of this section and every 5 years thereafter,  
17 the Commission shall report to Congress on the status of  
18 interregional transfer capability, including on risks to reli-  
19 ability associated with a lack of interregional transfer ca-  
20 pability.”.

21 **SEC. 405. INCREASED FERC TRANSMISSION SITING AU-**  
22 **THORITY.**

23 (a) **IN GENERAL.**—Part II of the Federal Power Act  
24 (16 U.S.C. 824 et seq.) is further amended by adding at  
25 the end the following:

1 **“SEC. 227. SITING OF CERTAIN INTERSTATE ELECTRIC**  
2 **TRANSMISSION FACILITIES.**

3 “(a) CERTIFICATE OF PUBLIC CONVENIENCE AND  
4 NECESSITY.—

5 “(1) IN GENERAL.—On receipt of an applica-  
6 tion under subsection (b)(1) relating to a trans-  
7 mission facility of national significance described in  
8 paragraph (2), the Commission, after making the  
9 finding described in paragraph (3) with respect to  
10 such transmission facility of national significance,  
11 shall, by order which is published in the Federal  
12 Register, issue to the person who submitted such ap-  
13 plication a certificate of public convenience and ne-  
14 cessity for the construction, modification, or oper-  
15 ation of such transmission facility of national signifi-  
16 cance, subject to such reasonable terms and condi-  
17 tions as the Commission determines to be appro-  
18 priate.

19 “(2) TRANSMISSION FACILITY OF NATIONAL  
20 SIGNIFICANCE DESCRIBED.—A transmission facility  
21 of national significance referred to in paragraph (1)  
22 is an interstate or interregional electric power trans-  
23 mission line (and any facilities necessary for the op-  
24 eration of such electric power transmission line)—

25 “(A) that has a transmission capacity of  
26 not less than 1,000 megawatts; and

1           “(B) the construction of which is com-  
2           pleted on or after the date of enactment of this  
3           section.

4           “(3) FINDING DESCRIBED.—The finding re-  
5           ferred to in paragraph (1) is a finding that—

6           “(A) the applicant for a certificate of pub-  
7           lic convenience and necessity is able and will-  
8           ing—

9           “(i) to carry out the activities and  
10          perform the services proposed in the appli-  
11          cation in a manner determined to be ap-  
12          propriate by the Commission; and

13          “(ii) to achieve compliance with the  
14          applicable requirements of—

15                  “(I) this part; and

16                  “(II) any rules and regulations  
17                  promulgated by the Commission pur-  
18                  suant to this part;

19          “(B) the transmission facility of national  
20          significance to be constructed, modified, or op-  
21          erated under the certificate of public conven-  
22          ience and necessity will—

23                  “(i) be interstate or interregional;

24                  “(ii) be used for the transmission of  
25          electric energy in interstate commerce; and

1                   “(iii) have a transmission capacity of  
2                   not less than 1,000 megawatts.

3                   “(4) RULEMAKING.—Not later than 18 months  
4                   after the date of enactment of this section, the Com-  
5                   mission shall issue regulations specifying—

6                   “(A) a pre-filing process during which a  
7                   person described in subsection (b)(1) and the  
8                   Commission shall consult with—

9                   “(i) the State commission for each  
10                  State through which the applicable trans-  
11                  mission facility of national significance will  
12                  traverse;

13                  “(ii) appropriate Federal agencies;

14                  “(iii) each Indian Tribe that may be  
15                  affected by the proposed project to con-  
16                  struct, modify, or operate a transmission  
17                  facility of national significance; and

18                  “(iv) the appropriate Transmission  
19                  Organization;

20                  “(B) the form of, and information to be  
21                  contained in, an application submitted under  
22                  subsection (b)(1);

23                  “(C) requirements for determining whether  
24                  the applicable transmission facility of national  
25                  significance will—

1 “(i) traverse not fewer than 2 States;

2 “(ii) be used for the transmission of  
3 electric energy in interstate commerce; and

4 “(iii) have a power capacity of not less  
5 than 1,000 megawatts;

6 “(D) criteria for determining the reason-  
7 able and economical use of—

8 “(i) existing rights-of-way; and

9 “(ii) the transmission capabilities of  
10 existing towers or structures;

11 “(E) the manner in which an application  
12 submitted under subsection (b)(1) shall be con-  
13 sidered, which, to the extent practicable, shall  
14 be consistent with State statutory and regu-  
15 latory policies concerning generation and retail  
16 sales of electricity in the States in which the  
17 electric energy transmitted by the transmission  
18 facility of national significance will be generated  
19 or sold; and

20 “(F) the manner in which the Commission  
21 will consider the needs of communities that will  
22 be impacted directly by the applicable trans-  
23 mission facility of national significance, includ-  
24 ing how any impacts of the transmission facility

1 of national significance could be mitigated or  
2 offset.

3 “(5) PUBLICATION, PUBLIC COMMENT, AND  
4 HEARINGS FOR CERTAIN NOTICE OF INTENT AND  
5 DRAFT ENVIRONMENTAL IMPACT STATEMENTS.—

6 “(A) PUBLICATION.—The Commission  
7 shall publish in the Federal Register a notice of  
8 intent to prepare an environmental document  
9 under the National Environmental Policy Act of  
10 1969 (42 U.S.C. 4321 et seq.) with respect to  
11 an application for a certificate of public conven-  
12 ience and necessity that has been submitted  
13 under subsection (b)(1).

14 “(B) PUBLIC COMMENT.—The Commission  
15 shall provide not less than 60 days for public  
16 comment on each notice of intent and draft en-  
17 vironmental impact statement published under  
18 subparagraph (A).

19 “(C) HEARING.—The Commission shall  
20 provide to the individuals and entities described  
21 in paragraph (6)(B) a reasonable opportunity  
22 for presentation, in at least 1 public hearing, of  
23 any views and recommendations on each notice  
24 of intent and each draft environmental impact  
25 statement published under subparagraph (A).

1           The Commission shall publish in the Federal  
2           Register notice of any hearing held under this  
3           subparagraph.

4           “(6) NOTICE AND OPPORTUNITY FOR A HEAR-  
5           ING ON APPLICATIONS.—

6                   “(A) IN GENERAL.—In any proceeding be-  
7           fore the Commission to consider an application  
8           for a certificate of public convenience and ne-  
9           cessity under this section, the Commission  
10          shall—

11                           “(i) publish a notice of the application  
12                           in the Federal Register;

13                           “(ii) provide written notice of such ap-  
14                           plication to all affected landowners in ac-  
15                           cordance with subsection (c); and

16                           “(iii) provide to the individuals and  
17                           entities described in subparagraph (B) a  
18                           notice and reasonable opportunity for the  
19                           presentation in at least 1 public hearing of  
20                           any views and recommendations with re-  
21                           spect to the need for, and impact of, the  
22                           construction, modification, or operation of  
23                           the transmission facility of national signifi-  
24                           cance proposed to be constructed, modi-  
25                           fied, or operated under the certificate.

1           “(B) INDIVIDUALS AND ENTITIES DE-  
2           SCRIBED.—The individuals and entities referred  
3           to in subparagraph (A) are—

4                   “(i) an agency, selected by the Gov-  
5                   ernor (or equivalent official) of the applica-  
6                   ble State, of each State in which the trans-  
7                   mission facility of national significance  
8                   proposed to be constructed, modified, or  
9                   operated under the applicable certificate of  
10                  public convenience and necessity is or will  
11                  be located;

12                   “(ii) each affected landowner; and

13                   “(iii) as determined by the Commis-  
14                  sion—

15                   “(I) each affected Federal agen-  
16                  cy; and

17                   “(II) each Indian Tribe that may  
18                  be affected by the proposed construc-  
19                  tion, modification, or operation.

20           “(C) PROHIBITION.—The Commission may  
21           not—

22                   “(i) require an applicant for a certifi-  
23                  cate of public convenience and necessity  
24                  under this section to provide any notice re-  
25                  quired under this section; or

1                   “(ii) enter into a contract to provide  
2                   any notice required under this section  
3                   with—

4                               “(I) the applicant for the applica-  
5                               ble certificate of public convenience  
6                               and necessity; or

7                               “(II) any other person that has a  
8                               financial interest in the project pro-  
9                               posed in the application for such cer-  
10                              tificate.

11           “(b) APPLICATIONS.—

12                           “(1) IN GENERAL.—A person desiring a certifi-  
13                           cate of public convenience and necessity under this  
14                           section shall submit to the Commission an applica-  
15                           tion at such time, in such manner, and containing  
16                           such information as the Commission may require.

17                           “(2) REQUIREMENT.—An application submitted  
18                           to the Commission under paragraph (1) shall include  
19                           all information necessary for the Commission to  
20                           make the finding described in subsection (a)(3).

21           “(c) NOTICE TO AFFECTED LANDOWNERS.—

22                           “(1) IN GENERAL.—The Commission shall pro-  
23                           vide written notice of an application submitted under  
24                           subsection (b)(1) to all affected landowners with re-  
25                           spect to the transmission facility of national signifi-

1       cance for which such application was submitted in  
2       accordance with this subsection.

3               “(2) REQUIREMENTS.—Any notice provided to  
4       an affected landowner under paragraph (1) shall in-  
5       clude the following:

6               “(A) The following statement in 14-point  
7       bold typeface:

8               ““The [name of applicant] has proposed build-  
9       ing power lines that will cross your property,  
10       and may also require building transmission tow-  
11       ers on your property. If the Federal Energy  
12       Regulatory Commission approves [applicant]’s  
13       proposed project, then [applicant] may have the  
14       right to build transmission towers on, and  
15       power lines over, your property, or use your  
16       property to construct the proposed project, sub-  
17       ject to paying you just compensation for the  
18       loss of your property.

19               ““If you want to raise objections to, offer sup-  
20       port for, or otherwise comment on this, or oth-  
21       erwise comment on this project, you can do so  
22       by submitting written comments to the Federal  
23       Energy Regulatory Commission Docket No.  
24       [\_\_\_\_\_]. You can do this electronically or by  
25       mail. To do so electronically [to be inserted by

1 the Commission]. To do so by mail [to be in-  
2 serted by the Commission].’.

3 “(B) A description of the proposed project  
4 to construct, modify, or operate a transmission  
5 facility of national significance, including—

6 “(i) the location of the proposed  
7 project (including a general location map);

8 “(ii) the purpose of the proposed  
9 project; and

10 “(iii) the timing of the proposed  
11 project.

12 “(C) The name of, and the location in the  
13 docket of the Commission at which may be  
14 found, each submission by the applicant to the  
15 Commission relating to the proposed project.

16 “(D) A general description of what the ap-  
17 plicant will need from the landowner if the pro-  
18 posed project is approved, including the activi-  
19 ties the applicant may undertake and the facili-  
20 ties that the applicant may seek to construct on  
21 the property of the landowner.

22 “(E) A description of how the landowner  
23 may contact the applicant, including—

24 “(i) a website;

25 “(ii) an email address;

1                   “(iii) a local or toll-free telephone  
2                   number; and

3                   “(iv) the name of a specific person to  
4                   contact who is knowledgeable about the  
5                   proposed project.

6                   “(F) A description of how the landowner  
7                   may contact the Commission, including—

8                   “(i) a website;

9                   “(ii) an email address;

10                   “(iii) a local or toll-free telephone  
11                   number; and

12                   “(iv) the name of a specific person to  
13                   contact who is knowledgeable about the  
14                   proposed project.

15                   “(G) A summary of the rights that the  
16                   landowner has—

17                   “(i) before the Commission; and

18                   “(ii) in other proceedings under—

19                   “(I) the Federal Rules of Civil  
20                   Procedure; and

21                   “(II) the eminent domain rules of  
22                   the relevant State.

23                   “(H) Any other information that the Com-  
24                   mission determines to be appropriate.

1           “(3) OBLIGATION OF APPLICANT.—An appli-  
2           cant for a certificate of public convenience and ne-  
3           cessity under this section shall submit to the Com-  
4           mission, together with the application for the certifi-  
5           cate, the name and address of each affected land-  
6           owner.

7           “(d) REGULATORY JURISDICTION.—

8           “(1) IN GENERAL.—Except as provided in para-  
9           graph (2) and notwithstanding section 216(i), no  
10          State shall regulate any aspect of the siting or per-  
11          mitting of a transmission facility of national signifi-  
12          cance constructed, modified, or operated under a  
13          certificate of public convenience and necessity issued  
14          under this section.

15          “(2) SAVINGS CLAUSE.—Nothing in this section  
16          affects the rights of States under—

17                 “(A) the Coastal Zone Management Act of  
18                 1972 (16 U.S.C. 1451 et seq.);

19                 “(B) the Federal Water Pollution Control  
20                 Act (33 U.S.C. 1251 et seq.);

21                 “(C) the Clean Air Act (42 U.S.C. 7401 et  
22                 seq.); or

23                 “(D) division A of subtitle III of title 54,  
24                 United States Code (formerly known as the  
25                 ‘National Historic Preservation Act’).

1           “(3) TRIBAL CONSENT FOR CERTAIN RIGHTS-  
2           OF-WAY.—No right-of-way over or across Tribal land  
3           may be granted pursuant to this section unless con-  
4           sent for the right-of-way has been obtained from the  
5           proper Tribal official in a manner consistent with  
6           the requirements of section 2 of the Act of February  
7           5, 1948 (62 Stat. 18, chapter 45; 25 U.S.C. 324).

8           “(e) JUDICIAL REVIEW.—

9           “(1) IN GENERAL.—Any person aggrieved by  
10          an order of the Commission issued under this sec-  
11          tion may obtain review of the order in—

12                 “(A) the court of appeals of the United  
13                 States for any judicial circuit in which the  
14                 transmission facility of national significance to  
15                 be constructed, modified, or operated under the  
16                 applicable certificate of public convenience and  
17                 necessity is or will be located; or

18                 “(B) the United States Court of Appeals  
19                 for the District of Columbia Circuit.

20          “(2) PETITION FOR REVIEW.—

21                 “(A) IN GENERAL.—A person may obtain  
22                 review under paragraph (1) by filing in the ap-  
23                 plicable court a written petition praying that  
24                 the order of the Commission be modified or set  
25                 aside in whole or in part.

1           “(B) TIMING.—A petition under subpara-  
2           graph (A) shall be filed by not later than 60  
3           days after the date on which the applicable  
4           order of the Commission is published in the  
5           Federal Register.

6           “(3) PERSON AGGRIEVED.—Notwithstanding  
7           any other provision of this Act, a person aggrieved  
8           by an order of the Commission issued under this  
9           section need not—

10           “(A) have been a party to the proceedings  
11           before the Commission in which that order was  
12           issued in order to obtain judicial review of the  
13           order under this subsection; or

14           “(B) have requested rehearing before the  
15           Commission prior to seeking judicial review.

16           “(f) RIGHT OF EMINENT DOMAIN FOR ELECTRIC  
17 TRANSMISSION FACILITIES.—

18           “(1) IN GENERAL.—The holder of a certificate  
19           of public convenience and necessity may acquire  
20           through the exercise of the right of eminent domain  
21           in a court described in paragraph (2) any right-of-  
22           way, land, or other property that is necessary to  
23           construct, modify, or operate a transmission facility  
24           of national significance in accordance with such cer-  
25           tificate if the holder has, in the determination of the

1 Commission, made good faith efforts to engage with  
2 landowners and other stakeholders early in the per-  
3 mitting process established under this section, and—

4 “(A) cannot acquire the necessary right-of-  
5 way, land, or other property by contract;

6 “(B) is unable to agree with the owner of  
7 the right-of-way, land, or other property with  
8 respect to the compensation to be paid for that  
9 right-of-way, land, or other property; or

10 “(C) cannot clear defective title with re-  
11 spect to the right-of-way, land, or other prop-  
12 erty.

13 “(2) COURT DESCRIBED.—A court referred to  
14 in paragraph (1) is—

15 “(A) the district court of the United States  
16 for the district in which the applicable right-of-  
17 way, land, or other property is located; or

18 “(B) the appropriate State court.

19 “(3) NOTICE OF ORDER ISSUING CERTIFI-  
20 CATE.—The holder of a certificate of public conven-  
21 ience and necessity may not exercise the right of  
22 eminent domain under this subsection with respect  
23 to any property covered by the certificate unless the  
24 Commission has first, in addition to publishing the  
25 notice of certificate of public convenience and neces-

1       sity in the Federal Register, provided all affected  
2       landowners with notice of—

3               “(A) the order; and

4               “(B) the procedures for obtaining judicial  
5       review of such order under subsection (e), in-  
6       cluding a description of the time period for  
7       seeking judicial review under that subsection.

8       “(g) CONDEMNATION PROCEDURES.—

9               “(1) APPRAISALS.—

10              “(A) IN GENERAL.—A holder of, or appli-  
11       cant for, a certificate of public convenience and  
12       necessity shall have any property that the hold-  
13       er or applicant seeks to acquire through the ex-  
14       ercise of the right of eminent domain under  
15       subsection (f) appraised in accordance with gen-  
16       erally accepted appraisal standards by an ap-  
17       praiser selected by the owner of the property,  
18       subject to subparagraph (D).

19              “(B) REQUIREMENTS.—

20              “(i) COSTS.—The applicable holder of,  
21       or applicant for, a certificate of public con-  
22       venience and necessity shall pay for each  
23       appraisal carried out under subparagraph  
24       (A).

1           “(ii) INSPECTIONS.—The owner of the  
2           applicable property (or a designated rep-  
3           resentative of the owner) shall be given the  
4           opportunity to accompany the appraiser  
5           during any inspection of the property that  
6           is part of an appraisal under subparagraph  
7           (A).

8           “(C) TIMING.—An appraisal under sub-  
9           paragraph (A) shall be carried out before—

10           “(i) the holder of, or applicant for, the  
11           certificate of public convenience and neces-  
12           sity makes an offer of just compensation  
13           under paragraph (2); or

14           “(ii) the holder of the certificate of  
15           public convenience and necessity com-  
16           mences an action or proceeding to exercise  
17           the right of eminent domain under sub-  
18           section (f).

19           “(D) SELECTION OF APPRAISER.—If the  
20           owner of the applicable property does not select  
21           an appraiser under subparagraph (A) by the  
22           date that is 60 days after the date on which the  
23           holder of, or applicant for, the applicable certifi-  
24           cate of public convenience and necessity re-  
25           quests that the owner do so, the holder or ap-

1           plicant shall have the right to select the ap-  
2           praiser.

3           “(2) OFFERS OF JUST COMPENSATION.—

4                   “(A) IN GENERAL.—Any offer of just com-  
5           pensation made to an affected landowner of  
6           property that is or will be covered by a certifi-  
7           cate of public convenience and necessity—

8                           “(i) shall be made in writing;

9                           “(ii) may not be for an amount less  
10           than the fair market value of the property,  
11           as determined by an appraisal carried out  
12           under paragraph (1); and

13                           “(iii) shall include compensation for—

14                                   “(I) any lost income from the  
15           property; and

16                                   “(II) any damages to any other  
17           property of the owner.

18                   “(B) TIMING.—The holder of a certificate  
19           of public convenience and necessity may not  
20           make an offer of just compensation to an af-  
21           fected landowner until the date that is 30 days  
22           after the date on which the Commission pro-  
23           vides a notice to the affected landowner under  
24           subsection (f)(3).

25           “(3) JURISDICTIONAL LIMITATIONS.—

1           “(A)       MINIMUM       JURISDICTIONAL  
2           AMOUNT.—A district court of the United States  
3           shall only have jurisdiction of an action or pro-  
4           ceeding to exercise the right of eminent domain  
5           under subsection (f) if the amount claimed by  
6           the owner of the property to be condemned ex-  
7           ceeds \$3,000.

8           “(B) TRIBAL LAND.—A district court of  
9           the United States shall have no jurisdiction to  
10          condemn any interest in Tribal land.

11          “(4) LIMITATION ON CONDEMNATION.—In any  
12          action or proceeding to exercise the right of eminent  
13          domain under subsection (f), a court—

14               “(A) may condemn an interest in property  
15               only to the extent necessary for the specific fa-  
16               cilities described in the applicable certificate of  
17               public convenience and necessity; and

18               “(B) may not—

19                       “(i) condemn any other interest; or

20                       “(ii) condemn an interest for any pur-  
21                       pose not described in that certificate.

22          “(5) RIGHT OF POSSESSION.—With respect to  
23          any action or proceeding to exercise the right of emi-  
24          nent domain under subsection (f), an owner of prop-  
25          erty that is covered by the applicable certificate of

1 public convenience and necessity shall not be re-  
2 quired to surrender possession of that property un-  
3 less the holder of the certificate—

4 “(A) has paid to the owner the award of  
5 compensation in the action or proceeding; or

6 “(B) has deposited the amount of that  
7 award with the court.

8 “(6) LITIGATION COSTS.—

9 “(A) IN GENERAL.—A holder of a certifi-  
10 cate of public convenience and necessity that  
11 commences an action or proceeding to exercise  
12 the right of eminent domain under subsection  
13 (f) shall be liable to the owner of any property  
14 condemned in that proceeding for the costs de-  
15 scribed in subparagraph (B) if the amount  
16 awarded to that owner for the property con-  
17 demned is more than 125 percent of the  
18 amount offered to the owner by the holder be-  
19 fore the commencement of that action or pro-  
20 ceeding.

21 “(B) COSTS DESCRIBED.—The costs re-  
22 ferred to in subparagraph (A) are litigation  
23 costs incurred for the action or proceeding de-  
24 scribed in that subparagraph by the owner of  
25 the property condemned, including—

1 “(i) reasonable attorney fees;  
2 “(ii) expert witness fees and costs;  
3 and  
4 “(iii) reasonable travel costs to par-  
5 ticipate in proceedings.

6 “(h) ENFORCEMENT OF CONDITIONS.—

7 “(1) IN GENERAL.—An affected landowner the  
8 property of which has been acquired by eminent do-  
9 main under subsection (f) shall have the right—

10 “(A) to enforce any condition in the appli-  
11 cable certificate of public convenience and ne-  
12 cessity; and

13 “(B) to seek damages for a violation of  
14 any condition described in subparagraph (A).

15 “(2) JURISDICTION.—The district courts of the  
16 United States shall have jurisdiction over any action  
17 arising under paragraph (1).

18 “(i) OTHER LANDOWNER RIGHTS AND PROTEC-  
19 TIONS.—

20 “(1) FAILURE TO TIMELY COMPLETE  
21 PROJECTS.—

22 “(A) SURRENDER OF CONDEMNED PROP-  
23 ERTY.—

24 “(i) IN GENERAL.—An individual or  
25 entity from which an interest in property is

1           acquired through the exercise of the right  
2           of eminent domain under subsection (f) by  
3           the holder of a certificate of public conven-  
4           ience and necessity that is issued for the  
5           construction, modification, or operation of  
6           a transmission facility of national signifi-  
7           cance may demand that the holder of the  
8           certificate surrender that interest to that  
9           individual or entity if—

10                   “(I)(aa) the transmission facility  
11                   of national significance is not in oper-  
12                   ation (as modified, in the case of a  
13                   modification of a transmission facility  
14                   of national significance) by the date  
15                   specified in the certificate (including  
16                   any modification of the certificate by  
17                   the Commission); and

18                   “(bb) there is no request for the  
19                   extension of that date pending before  
20                   the Commission; or

21                   “(II) subject to clause (ii), the  
22                   holder of the certificate, with the ap-  
23                   proval of the Commission, abandons  
24                   the portion of the transmission facility  
25                   of national significance that is located

1                   on the applicable property relating to  
2                   that interest.

3                   “(ii) REQUIREMENT.—The Commis-  
4                   sion may not approve in a certificate of  
5                   public convenience and necessity issued  
6                   under this section or in any subsequent  
7                   proceeding the abandonment of all or any  
8                   part of a transmission facility of national  
9                   significance unless the Commission re-  
10                  quires the holder of the applicable certifi-  
11                  cate of public convenience and necessity to  
12                  offer to each individual or entity described  
13                  in clause (i) the option of having the prop-  
14                  erty acquired from that individual or entity  
15                  as described in that clause restored to the  
16                  condition that the property was in prior to  
17                  the issuance of the certificate.

18                  “(B) REPAYMENT OF CONDEMNATION  
19                  AWARD.—If an individual or entity described in  
20                  subparagraph (A)(i) demands the surrender of  
21                  an interest under that subparagraph, the holder  
22                  of the applicable certificate of public conven-  
23                  ience and necessity shall be entitled to repay-  
24                  ment of an amount equal to not more than 50

1           percent of the condemnation award relating to  
2           the interest.

3           “(C) JURISDICTION.—The district courts  
4           of the United States shall have jurisdiction over  
5           any action arising under this paragraph.

6           “(2) MATERIAL MISREPRESENTATIONS.—

7           “(A) RESCISSION OF TRANSACTION.—

8           “(i) IN GENERAL.—An individual or  
9           entity from which an interest in property is  
10          acquired through the exercise of the right  
11          of eminent domain under subsection (f)  
12          that proves, by a preponderance of the evi-  
13          dence, that the individual or entity has  
14          granted a right-of-way or any other prop-  
15          erty interest based on a material misrepre-  
16          sentation made by or on behalf of an appli-  
17          cant for, or holder of, a certificate of pub-  
18          lic convenience and necessity under this  
19          section concerning the transmission facility  
20          of national significance to be constructed,  
21          modified, or operated under the certificate  
22          shall have the right to rescind the trans-  
23          action.

24          “(ii) JURISDICTION.—The district  
25          courts of the United States shall have ju-

1 jurisdiction over any action arising under  
2 clause (i).

3 “(B) CIVIL PENALTIES.—A material mis-  
4 representation made by an applicant for, or  
5 holder of, a certificate of public convenience and  
6 necessity, or on behalf of such an applicant or  
7 holder, to an affected landowner concerning the  
8 transmission facility of national significance to  
9 be constructed, modified, or operated under the  
10 certificate, shall be considered to be a violation  
11 of this part for purposes of section 316A and  
12 such applicant or holder shall be assessed a civil  
13 penalty by the Commission in accordance with  
14 such section 316A, except the amount of such  
15 civil penalty may not exceed \$10,000 per af-  
16 fected landowner to whom the misrepresenta-  
17 tion was made.

18 “(j) DEFINITIONS.—In this section:

19 “(1) AFFECTED LANDOWNER.—

20 “(A) IN GENERAL.—The term ‘affected  
21 landowner’ includes each owner of a property  
22 interest in land or other property described in  
23 subparagraph (B), including—

24 “(i) the Federal Government;

25 “(ii) a State or local government; and

1           “(iii) each owner noted in the most  
2           recent county or city tax record as receiv-  
3           ing the relevant tax notice with respect to  
4           that interest.

5           “(B) LAND AND OTHER PROPERTY DE-  
6           SCRIBED.—The land or other property de-  
7           scribed in this subparagraph is any land or  
8           other property—

9           “(i) that is directly affected by the  
10          proposed construction, modification, or op-  
11          eration of a transmission facility of na-  
12          tional significance, including all facility  
13          sites;

14          “(ii) that is located within the greater  
15          of—

16                 “(I) 0.25 miles from a proposed  
17          facility site for a transmission facility  
18          of national significance; or

19                 “(II) a minimum distance from  
20          the proposed transmission facility of  
21          national significance as specified by  
22          State law; or

23          “(iii) contains a residence that is  
24          within 3000 feet of a proposed facility site

1                   for a transmission facility of national sig-  
2                   nificance.

3                   “(2) ALTERNATING CURRENT TRANSMISSION  
4 FACILITY.—The term ‘alternating current trans-  
5 mission facility’ means a transmission facility that  
6 uses alternating current for the bulk transmission of  
7 electric energy.

8                   “(3) ELECTRIC POWER TRANSMISSION LINE.—  
9 The term ‘electric power transmission line’ means,  
10 as applicable—

11                   “(A) an alternating current transmission  
12 facility;

13                   “(B) a high-voltage, direct current trans-  
14 mission facility; or

15                   “(C) infrastructure associated with an al-  
16 ternating current transmission facility or a  
17 high-voltage, direct current transmission facil-  
18 ity, including substations and switchyards.

19                   “(4) FACILITY SITE.—The term ‘facility site’  
20 includes—

21                   “(A) an area covered by a right-of-way;

22                   “(B) an access road;

23                   “(C) a contractor yard where equipment  
24 and material are stored or where assembly work  
25 is conducted; and

1 “(D) any temporary workspace.

2 “(5) HIGH-VOLTAGE, DIRECT CURRENT TRANS-  
3 MISSION FACILITY.—The term ‘high-voltage, direct  
4 current transmission facility’ means a transmission  
5 facility that uses direct current for the bulk trans-  
6 mission of electric energy.

7 “(6) TRIBAL LAND.—The term ‘Tribal land’  
8 has the meaning given the term ‘Indian land’ in sec-  
9 tion 2601 of the Energy Policy Act of 1992 (25  
10 U.S.C. 3501).”.

11 (b) CONFORMING CHANGES TO THE FEDERAL  
12 POWER ACT.—

13 (1) SITING OF INTERSTATE ELECTRIC TRANS-  
14 MISSION FACILITIES.—Section 216 of the Federal  
15 Power Act (16 U.S.C. 824p) is amended—

16 (A) in subsection (b)(2), by inserting “(in-  
17 cluding transmission of electric energy from the  
18 outer Continental Shelf to a State)” after  
19 “interstate commerce”; and

20 (B) in subsection (h)—

21 (i) by amending paragraph (2) to read  
22 as follows:

23 “(2) LEAD AGENCY.—For the purposes of co-  
24 ordinating all applicable Federal authorizations and  
25 related environmental reviews—

1           “(A) the Commission shall act as the lead  
2 agency in the case of—

3           “(i) except as provided in subpara-  
4 graph (B), a transmission facility of na-  
5 tional significance in a national interest  
6 electric transmission corridor designated  
7 by the Secretary under subsection (a); or

8           “(ii) a transmission facility of national  
9 significance for which an application has  
10 been submitted for a certificate of public  
11 convenience and necessity under section  
12 227;

13           “(B) the Department of the Interior shall  
14 act as the lead agency in the case of a trans-  
15 mission facility of national significance in a na-  
16 tional interest electric transmission corridor  
17 designated by the Secretary under subsection  
18 (a) that is located on a lease, easement, or  
19 right-of-way granted by the Secretary of the In-  
20 terior under section 8(p)(1)(C) of the Outer  
21 Continental Shelf Lands Act (43 U.S.C.  
22 1337(p)(1)(C)); and

23           “(C) the Department of Energy shall act  
24 as the lead agency in the case of any other  
25 transmission facility of national significance.”.

1 (ii) in each of paragraphs (3), (4)(B),  
2 (4)(C), (5)(B), (6)(A), (7)(A), (8)(A)(i),  
3 and (9), by striking “Secretary” each place  
4 it appears and inserting “applicable lead  
5 agency”;

6 (iii) in paragraph (4)(A), by striking  
7 “As head of the lead agency, the Sec-  
8 retary” and inserting “The applicable lead  
9 agency”;

10 (iv) in paragraph (5)(A), by striking  
11 “As lead agency head, the Secretary” and  
12 inserting “The applicable lead agency”;  
13 and

14 (v) in paragraph (7)—

15 (I) in subparagraph (A), by strik-  
16 ing “after the date of enactment of  
17 this section” and inserting “after the  
18 date of enactment of the Energy Bills  
19 Relief Act”; and

20 (II) in subparagraph (B), by  
21 amending clause (i) to read as follows:

22 “(i) Not later than six months after the date of  
23 enactment of the Energy Bills Relief Act, the Sec-  
24 retary, the Commission, and the heads of all Federal  
25 agencies with authority to issue Federal authoriza-

1 tions shall enter into a memorandum of under-  
2 standing to ensure the timely and coordinated review  
3 and permitting of electric transmission facilities.”.

4 (2) TRANSMISSION INFRASTRUCTURE INVEST-  
5 MENT.—Section 219(b)(4)(B) of the Federal Power  
6 Act (16 U.S.C. 824s(b)(4)(B)) is amended by strik-  
7 ing “section 216” and inserting “sections 216 and  
8 227”.

9 **SEC. 406. PROHIBITING EXPENSIVE, UNJUST QUEUE JUMP-**  
10 **ING.**

11 Part II of the Federal Power Act (16 U.S.C. 824 et  
12 seq.) is further amended by adding at the end the fol-  
13 lowing:

14 **“SEC. 228. LIMITATION ON CERTAIN PROCEDURES TO EX-**  
15 **PEDITE INTERCONNECTION REQUESTS.**

16 “(a) LIMITATION.—The Commission may not estab-  
17 lish or authorize a covered procedure unless—

18 “(1) the Commission finds, by clear and con-  
19 vincing evidence and in accordance with subsection  
20 (b), that reliance upon existing procedures for proc-  
21 essing interconnection requests would jeopardize the  
22 reliable operation of the bulk-power system by fail-  
23 ing to address predicted demand for electric energy;

24 “(2) such covered procedure—

1           “(A) provides only for a one-time oppor-  
2           tunity to submit applications for generators to  
3           interconnect with the bulk power system;

4           “(B) only allows for the adjustment of a  
5           generator interconnection queue to prioritize an  
6           interconnection on the basis of the potential for  
7           such interconnection to address the continued  
8           reliable operation of the bulk-power system, as  
9           determined by the Commission consistent with  
10          subsection (c); and

11          “(C) does not provide for the prioritization  
12          of generating facilities or energy storage sys-  
13          tems based upon the means by which the en-  
14          ergy is generated or stored, respectively.

15          “(b) FINDING REQUIREMENTS.—In making the find-  
16          ing under subsection (a)(1), the Commission shall—

17                 “(1) use predictions of growth in the demand  
18                 for electric energy that are based on the best avail-  
19                 able data and account for the possibility of duplica-  
20                 tive load interconnection requests by customers with  
21                 high demand for electric energy, including by aver-  
22                 aging such predictions if there is a range; and

23                 “(2) account for the energy generation and  
24                 storage capacity likely to enter commercial operation  
25                 by using surplus interconnection service and gener-

1       ator replacement or interconnection right transfer  
2       processes.

3       “(c) DETERMINATIONS FOR PRIORITY.—To make a  
4       determination referred to in subsection (a)(2)(B), the  
5       Commission must determine—

6               “(1) the adjustment of a generator interconnec-  
7       tion queue has the demonstrated ability to allow a  
8       prioritized energy generating facility or storage sys-  
9       tem to commence operation prior to the potential  
10      unreliable operation of the bulk-power system, tak-  
11      ing into consideration factors such as if such  
12      prioritized facility or system—

13               “(A) has signed an engineering agreement;

14               “(B) has signed contracts for procurement  
15      or construction relating to such prioritized facil-  
16      ity or system;

17               “(C) has access to any equipment nec-  
18      essary to be procured in advance;

19               “(D) has access to any fuel necessary for  
20      the operation of such prioritized facility or sys-  
21      tem;

22               “(E) has obtained any necessary permits  
23      for the construction or operation of such  
24      prioritized facility or system; and

1           “(F) would require extensive construction  
2           or modification to relevant electric transmission  
3           or distribution infrastructure.

4           “(d) DEFINITIONS.—In this section:

5           “(1) BULK-POWER SYSTEM; RELIABLE OPER-  
6           ATION.—The terms ‘bulk-power system’ and ‘reliable  
7           operation’ have the meanings given those terms in  
8           section 215.

9           “(2) COVERED PROCEDURE.—

10           “(A) Except as provided in subparagraph  
11           (B), the term ‘covered procedure’ means a pro-  
12           cedure to expedite the study and processing of  
13           generator interconnection requests for certain  
14           generating facilities or energy storage systems  
15           that—

16           “(i) previously submitted such a re-  
17           quest; and

18           “(ii) but for such procedure, would  
19           otherwise be assigned a higher position in  
20           the generator interconnection queue.

21           “(B) The term ‘covered procedure’ shall  
22           not include any procedure to expedite requests  
23           for generator interconnection relating to re-  
24           quests for energy-resource interconnection serv-  
25           ice, connect-and-manage approaches, reas-

1 signing surplus interconnection service, or reas-  
2 signing generator interconnection rights after  
3 the retirement of a generating facility or energy  
4 storage system.”.

## 5 **Subtitle B—Tax and Grants**

### 6 **SEC. 411. TRANSMISSION INVESTMENT TAX CREDIT.**

7 (a) IN GENERAL.—Subpart E of part IV of sub-  
8 chapter A of chapter 1 of the Internal Revenue Code of  
9 1986 is amended by inserting after section 48E the fol-  
10 lowing:

#### 11 **“SEC. 48F. QUALIFYING ELECTRIC POWER TRANSMISSION** 12 **LINE CREDIT.**

13 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-  
14 tion 46, the qualifying electric power transmission line  
15 credit for any taxable year is an amount equal to 6 percent  
16 of the qualified investment for such taxable year with re-  
17 spect to any qualifying electric power transmission line  
18 property of the taxpayer.

19 “(b) QUALIFIED INVESTMENT.—

20 “(1) IN GENERAL.—For purposes of subsection  
21 (a), the qualified investment for any taxable year is  
22 the basis of any qualifying electric power trans-  
23 mission line property placed in service by the tax-  
24 payer during such taxable year.

1           “(2) CERTAIN QUALIFIED PROGRESS EXPENDI-  
2           TURES RULES MADE APPLICABLE.—Rules similar to  
3           the rules of subsections (c)(4) and (d) of section 46  
4           (as in effect on the day before the date of the enact-  
5           ment of the Revenue Reconciliation Act of 1990)  
6           shall apply for purposes of this section.

7           “(c) QUALIFYING ELECTRIC POWER TRANSMISSION  
8           LINE PROPERTY.—For purposes of this section, the term  
9           ‘qualifying electric power transmission line property’  
10          means any overhead, submarine, or underground prop-  
11          erty—

12           “(1) which is a qualifying electric power trans-  
13          mission line that transmits electricity—

14           “(A) across no fewer than 2 States or not  
15          less than 150 continuous miles, or

16           “(B) across the Outer Continental Shelf  
17          (as defined in section 2 of the Outer Conti-  
18          nental Lands Act (43 U.S.C. 1331)), or

19          “(2) which is related transmission property.

20          “(d) QUALIFYING ELECTRIC POWER TRANSMISSION  
21          LINE.—For purposes of this section—

22           “(1) IN GENERAL.—The term ‘qualifying elec-  
23          tric power transmission line’ means any applicable  
24          new transmission property and any modified existing  
25          transmission property.

1           “(2) APPLICABLE NEW TRANSMISSION PROP-  
2           ERTY.—

3           “(A) IN GENERAL.—The term ‘applicable  
4           new transmission property’ means any electric  
5           power transmission line which is—

6                   “(i) originally placed in service after  
7                   the date of the enactment of this section,

8                   “(ii) primarily used for 1 or more pur-  
9                   poses described in subparagraph (B), and

10                   “(iii) described in subparagraph (C).

11           “(B) PURPOSES DESCRIBED.—The pur-  
12           poses described in this subparagraph are—

13                   “(i) enhancing resilience to prepare  
14                   for, withstand, and recover rapidly from  
15                   disruptions from the impact of weather  
16                   events, wildfires, or natural disasters,

17                   “(ii) addressing clearance concerns,

18                   “(iii) facilitating the interconnection  
19                   of electric power generation capacity to the  
20                   bulk-power system (as defined in section  
21                   215 of the Federal Power Act), or

22                   “(iv) addressing high load needs of  
23                   2,000 ampere and above.

24           “(C) ADDITIONAL REQUIREMENTS FOR  
25           NEW TRANSMISSION PROPERTY.—An electric

1 power transmission line is described in this sub-  
2 paragraph if—

3 “(i) such transmission line—

4 “(I) includes an advanced trans-  
5 mission conductor, and

6 “(II) is capable of transmitting  
7 electricity at a voltage of not less than  
8 100 kilovolts, or

9 “(ii) such transmission line—

10 “(I) is a superconducting trans-  
11 mission line or is capable of transmit-  
12 ting electricity at a voltage of at least  
13 345 kilovolts, and

14 “(II) has a transmission capacity  
15 of not less than 750 megawatts or is  
16 a transmission line described in sub-  
17 paragraph (D).

18 “(D) MULTIPLE TRANSMISSION LINES LO-  
19 CATED IN THE SAME RIGHT-OF-WAY.—A trans-  
20 mission line is described in this subparagraph if  
21 such a transmission line—

22 “(i) is co-located in the same right-of-  
23 way or adjacent right-of-way as 1 or more  
24 other overhead, submarine, or underground  
25 transmission lines, and

1                   “(ii) together with the other trans-  
2                   mission lines described in subparagraph  
3                   (A), has a transmission capacity of not less  
4                   than 1,000 megawatts.

5                   “(3) MODIFIED EXISTING TRANSMISSION PROP-  
6                   ERTY.—The term ‘modified existing transmission  
7                   property’ means any electric power transmission line  
8                   which—

9                   “(A) was placed in service before the date  
10                  of the enactment of this section,

11                  “(B) is modified after the date of enact-  
12                  ment of this Act in a manner that—

13                         “(i) increases the transmission capaci-  
14                         ty of such transmission line by not less  
15                         than 500 megawatts, or

16                         “(ii) includes an advanced trans-  
17                         mission conductor that transmits electricity  
18                         at a voltage of not less than 100 kilovolts,  
19                         and

20                         “(C) after the completion of such modifica-  
21                         tion, is an electric power transmission line  
22                         which satisfies the requirements under sub-  
23                         clauses (ii) and (iii) of paragraph (2)(A).

24                   “(4) ADVANCED TRANSMISSION CONDUCTOR.—  
25                   The term ‘advanced transmission conductor’ means

1 a transmission conductor technology that uses re-  
2 cently developed technology or materials such as a  
3 composite core and such other future advances as  
4 determined by the Secretary, in consultation with  
5 the Secretary of Energy.

6 “(5) SUPERCONDUCTING TRANSMISSION  
7 LINE.—The term ‘superconducting transmission line’  
8 means a transmission line that conducts all of its  
9 current over a super-conducting material.

10 “(e) RELATED TRANSMISSION PROPERTY.—For pur-  
11 poses of this section—

12 “(1) IN GENERAL.—The term ‘related trans-  
13 mission property’ means any of the following:

14 “(A) TRANSMISSION PROPERTY USED FOR  
15 INTERCONNECTION OR GENERATOR TIE-LINE.—

16 Any electric power transmission line which is—

17 “(i) placed in service after the date of  
18 enactment of this section,

19 “(ii) primarily used—

20 “(I) as a generator interconnec-  
21 tion tie line at an associated facility  
22 that extends from the secondary  
23 (high) side of a generator step-up  
24 transformer to the point of inter-  
25 connection with the host transmission

1 owner from interconnecting new gen-  
2 eration resources or facilities to the  
3 electric grid, or

4 “(II) for network upgrades asso-  
5 ciated with the interconnection of new  
6 generation resources or facilities to  
7 the electric grid,

8 “(iii) primarily used for 1 or more  
9 purposes described in subsection (d)(2)(B),  
10 and

11 “(iv) capable of transmitting elec-  
12 tricity at a voltage of not less than 230  
13 kilovolts.

14 “(B) GRID ENHANCING TECHNOLOGY.—  
15 Any grid enhancing technology property used in  
16 the operation of the electric power transmission  
17 line described in paragraph (2) or (3) of sub-  
18 section (d).

19 “(C) SUBCOMPONENTS.—Any conductors  
20 or cables, towers, insulators, reactors, capaci-  
21 tors, circuit breakers, static VAR compensators,  
22 static synchronous compensators, power con-  
23 verters, transformers, synchronous condensers,  
24 braking resistors, and any ancillary facilities  
25 and equipment necessary for the proper oper-

1           ation of the electric power transmission line de-  
2           scribed in paragraph (2) or (3) of subsection  
3           (d) or for the proper operation of any property  
4           described in subsection (d)(2).

5           “(2) GRID ENHANCING TECHNOLOGY PROP-  
6           ERTY.—The term ‘grid enhancing technology prop-  
7           erty’ means power flow controls and transmission  
8           switching equipment, storage technology, and hard-  
9           ware or software that enables dynamic line ratings,  
10          advanced line rating management technologies, on  
11          new or existing transmission property for the pur-  
12          pose of enhancing the capacity, efficiency, resiliency,  
13          or reliability of an electric power transmission sys-  
14          tem and such other similar property determined by  
15          the Secretary, in consultation with the Secretary of  
16          Energy.

17          “(f) INCREASED CREDIT AMOUNT FOR CERTAIN  
18          TRANSMISSION LINE PROPERTY.—

19                 “(1) IN GENERAL.—In the case of any quali-  
20                 fying electric power transmission line property which  
21                 meets the requirements of paragraph (2), the  
22                 amount of credit determined under subsection (a)  
23                 (determined without regard to this subsection) shall  
24                 be equal to such amount multiplied by 5.

1           “(2) FACILITY REQUIREMENTS.—Qualifying  
2 electric power transmission line property shall be  
3 treated as meeting the requirements of this para-  
4 graph if—

5           “(A) the construction of such property  
6 meets rules similar to the rules of section  
7 48(a)(10) (relating to prevailing wage require-  
8 ments) and section 45(b)(8) (relating to ap-  
9 prenticeship requirements), or

10           “(B) the construction of such property be-  
11 gins before the date that is 60 days after the  
12 Secretary publishes guidance with respect to the  
13 requirements under subparagraph (A).

14           “(g) TERMINATION.—This section shall not apply to  
15 any property the construction of which begins after De-  
16 cember 31, 2035.”.

17           (b) PUBLIC UTILITY PROPERTY.—Paragraph (2) of  
18 section 50(d) of the Internal Revenue Code is amended—

19           (1) by striking “(as defined in section  
20 48(c)(6))” and inserting “(as defined in section  
21 48(c)(6), except that subparagraph (D) of such sec-  
22 tion shall not apply) or any qualifying electric power  
23 transmission line property (as defined by section  
24 48F(c))”, and

25           (2) in subparagraph (B)—

1 (A) by inserting “or qualifying electric  
2 power transmission line property” after “each  
3 energy storage technology”, and

4 (B) by inserting “or the qualifying electric  
5 power transmission line property” after “the  
6 energy storage technology”.

7 (c) TRANSFER OF CERTAIN CREDITS.—Section  
8 6418(f)(1)(A) of the Internal Revenue Code of 1986 is  
9 amended by adding at the end the following:

10 “(xiii) The qualifying electric power  
11 transmission line credit under section  
12 48F.”.

13 (d) CONFORMING AMENDMENTS.—

14 (1) Section 46 of the Internal Revenue Code of  
15 1986 is amended—

16 (A) in paragraph (6), by striking “and” at  
17 the end,

18 (B) in paragraph (7), by striking the pe-  
19 riod at the end and inserting “, and”, and

20 (C) by adding at the end the following:

21 “(8) the qualifying electric power transmission  
22 line credit.”.

23 (2) Section 49(a)(1)(C) of such Code is amend-  
24 ed—

1 (A) in clause (vii), by striking “and” at the  
2 end,

3 (B) in clause (viii), by striking the period  
4 at the end and inserting “, and”, and

5 (C) by adding at the end the following:

6 “(ix) the basis of any qualifying elec-  
7 tric power transmission line property under  
8 section 48F.”.

9 (3) The table of sections for subpart E of part  
10 IV of subchapter A of chapter 1 of such Code is  
11 amended by inserting after the item relating to sec-  
12 tion 48E the following new item:

“Sec. 48F. Qualifying electric power transmission line credit.”.

13 (e) EFFECTIVE DATE.—The amendments made by  
14 this section shall apply to property placed in service after  
15 December 31, 2025.

16 **SEC. 412. REDUCED WILDFIRE RISKS TO THE GRID.**

17 (a) DEFINITIONS.—In this section:

18 (1) ELIGIBLE ENTITY.—The term “eligible enti-  
19 ty” means—

20 (A) an electric grid operator;

21 (B) an electricity storage operator;

22 (C) an electricity generator;

23 (D) a transmission owner or operator;

24 (E) a distribution provider;

25 (F) a fuel supplier; and

1 (G) any other relevant entity, as deter-  
2 mined by the Secretary.

3 (2) POWER LINE.—The term “power line” in-  
4 cludes a transmission line or a distribution line, as  
5 applicable.

6 (3) PROGRAM.—The term “program” means  
7 the program established under subsection (b).

8 (b) ESTABLISHMENT OF PROGRAM.—Not later than  
9 days after the date of enactment of this Act, the Secretary  
10 shall establish a program under which the Secretary shall  
11 make grants to eligible entities, States, and Indian Tribes  
12 in accordance with this section.

13 (c) GRANTS TO ELIGIBLE ENTITIES.—

14 (1) IN GENERAL.—The Secretary may make a  
15 grant under the program to an eligible entity to  
16 carry out activities that—

17 (A) are supplemental to existing hardening  
18 efforts of the eligible entity planned for any  
19 given year; and

20 (B)(i) reduce the risk of any power lines  
21 owned or operated by the eligible entity causing  
22 a wildfire; or

23 (ii) increase the ability of the eligible  
24 entity to reduce the likelihood and con-  
25 sequences of wildfires.

1 (2) APPLICATION.—

2 (A) IN GENERAL.—An eligible entity desir-  
3 ing a grant under the program shall submit to  
4 the Secretary an application at such time, in  
5 such manner, and containing such information  
6 as the Secretary may require.

7 (B) REQUIREMENT.—As a condition of re-  
8 ceiving a grant under the program, an eligible  
9 entity shall submit to the Secretary, as part of  
10 the application of the eligible entity submitted  
11 under subparagraph (A), a report detailing  
12 past, current, and future efforts by the eligible  
13 entity to reduce the likelihood and consequences  
14 of wildfires.

15 (3) LIMITATION.—The Secretary may not  
16 award a grant to an eligible entity in an amount  
17 that is greater than the total amount that the eligi-  
18 ble entity has spent in the previous 3 years on ef-  
19 forts to reduce the likelihood and consequences of  
20 wildfires.

21 (4) PRIORITY.—In making grants to eligible en-  
22 tities under the program, the Secretary shall give  
23 priority to projects that, in the determination of the  
24 Secretary, will generate the greatest community ben-

1       efit (whether rural or urban) in reducing the likeli-  
2       hood and consequences of wildfires.

3           (5) SMALL UTILITIES SET ASIDE.—The Sec-  
4       retary shall ensure that not less than 30 percent of  
5       the amounts made available to eligible entities under  
6       the program are made available to eligible entities  
7       that sell not more than 4,000,000 megawatt hours  
8       of electricity per year.

9       (d) GRANTS TO STATES AND INDIAN TRIBES.—

10           (1) IN GENERAL.—The Secretary, in accord-  
11       ance with this subsection, may make grants under  
12       the program to States and Indian Tribes, which  
13       each State or Indian Tribe may use to award grants  
14       to eligible entities.

15           (2) ANNUAL APPLICATION.—

16           (A) IN GENERAL.—For each fiscal year, to  
17       be eligible to receive a grant under this sub-  
18       section, a State or Indian Tribe shall submit to  
19       the Secretary an application that includes a  
20       plan described in subparagraph (B).

21           (B) PLAN REQUIRED.—A plan prepared by  
22       a State or Indian Tribe for purposes of an ap-  
23       plication described in subparagraph (A) shall—

1 (i) describe the criteria and methods  
2 that will be used by the State or Indian  
3 Tribe to award grants to eligible entities;

4 (ii) be adopted after notice and a pub-  
5 lic hearing; and

6 (iii) describe the proposed funding  
7 distributions and recipients of the grants  
8 to be provided by the State or Indian  
9 Tribe.

10 (3) DISTRIBUTION OF FUNDS.—

11 (A) IN GENERAL.—The Secretary shall  
12 provide grants to States and Indian Tribes  
13 under this subsection based on a formula deter-  
14 mined by the Secretary, in accordance with sub-  
15 paragraph (B).

16 (B) REQUIREMENT.—The formula referred  
17 to in subparagraph (A) shall be based on the  
18 following factors:

19 (i) The total population of the State  
20 or Indian Tribe.

21 (ii)(I) The total area of the State or  
22 the land of the Indian Tribe; or

23 (II) the areas in the State or on  
24 the land of the Indian Tribe with a

1 low ratio of electricity customers per  
2 mileage of power lines.

3 (iii) The Wildfire Risk Index score  
4 and rating as calculated by the Federal  
5 Emergency Management Agency.

6 (iv) The probability of wildfires in the  
7 State or on the land of the Indian Tribe  
8 during the previous 10 years, as deter-  
9 mined based on the number of federally de-  
10 clared disasters or emergencies related to  
11 wildfires in the State or on the land of the  
12 Indian Tribe, as applicable, including—

13 (I) disasters for which Fire Man-  
14 agement Assistance Grants are pro-  
15 vided under section 420 of the Robert  
16 T. Stafford Disaster Relief and Emer-  
17 gency Assistance Act (42 U.S.C.  
18 5187);

19 (II) major disasters declared by  
20 the President under section 401 of  
21 that Act (42 U.S.C. 5170);

22 (III) emergencies declared by the  
23 President under section 501 of that  
24 Act (42 U.S.C. 5191); and

1 (IV) any other federally declared  
2 disaster or emergency in the State or  
3 on the land of the Indian Tribe.

4 (v) The number and severity, meas-  
5 ured by population and economic impacts,  
6 of wildfires experienced by the State or In-  
7 dian Tribe on or after January 1, 2015.

8 (vi) The total amount, on a per capita  
9 basis, of public and private expenditures  
10 during the previous 10 years to carry out  
11 mitigation efforts to reduce the likelihood  
12 and consequences of wildfires in the State  
13 or on the land of the Indian Tribe, with  
14 States or Indian Tribes with higher per  
15 capita expenditures receiving additional  
16 weight or consideration as compared to  
17 States or Indian Tribes with lower per cap-  
18 ita expenditures.

19 (C) ANNUAL UPDATE OF DATA USED IN  
20 DISTRIBUTION OF FUNDS.—Beginning 1 year  
21 after the date of enactment of this Act, the Sec-  
22 retary shall annually update—

23 (i) all data relating to the factors de-  
24 scribed in subparagraph (B); and

1 (ii) all other data used in distributing  
2 grants to States and Indian Tribes under  
3 this subsection.

4 (4) OVERSIGHT.—The Secretary shall ensure  
5 that each grant provided to a State or Indian Tribe  
6 under the program is allocated, pursuant to the ap-  
7 plicable plan of the State or Indian Tribe, to eligible  
8 entities for projects within the State or on the land  
9 of the Indian Tribe.

10 (5) PRIORITY.—In making grants to eligible en-  
11 tities using funds made available to the applicable  
12 State or Indian Tribe under the program, the State  
13 or Indian Tribe shall give priority to projects that,  
14 in the determination of the State or Indian Tribe,  
15 will generate the greatest community benefit (wheth-  
16 er rural or urban) in reducing the likelihood and  
17 consequences of wildfires.

18 (6) SMALL UTILITIES SET ASIDE.—A State or  
19 Indian Tribe receiving a grant under the program  
20 shall ensure that, of the amounts made available to  
21 eligible entities from funds made available to the  
22 State or Indian Tribe under the program, the per-  
23 centage made available to eligible entities that sell  
24 not more than 4,000,000 megawatt hours of elec-  
25 tricity per year is not less than the percentage of all

1 customers in the State or Indian Tribe that are  
2 served by those eligible entities.

3 (7) TECHNICAL ASSISTANCE AND ADMINISTRA-  
4 TIVE EXPENSES.—Of the amounts made available to  
5 a State or Indian Tribe under the program each fis-  
6 cal year, the State or Indian Tribe may use not  
7 more than 5 percent for—

8 (A) providing technical assistance under  
9 subsection (g)(1)(A); and

10 (B) administrative expenses associated  
11 with the program.

12 (8) MATCHING REQUIREMENT.—Each State  
13 and Indian Tribe shall be required to match 15 per-  
14 cent of the amount of each grant provided to the  
15 State or Indian Tribe under the program.

16 (e) USE OF GRANTS.—

17 (1) IN GENERAL.—A grant awarded to an eligi-  
18 ble entity under the program may be used for activi-  
19 ties, technologies, equipment, and hardening meas-  
20 ures to reduce the likelihood and consequences of  
21 wildfires, including—

22 (A) weatherization technologies and equip-  
23 ment;

24 (B) fire-resistant technologies and fire pre-  
25 vention systems;

1 (C) monitoring and control technologies,  
2 including digital tools;

3 (D) the undergrounding of electrical equip-  
4 ment;

5 (E) utility pole management;

6 (F) the relocation of power lines or the  
7 reconductoring of power lines with low-sag, ad-  
8 vanced conductors;

9 (G) vegetation and fuel-load management;

10 (H) the use or construction of distributed  
11 energy resources for enhancing system adaptive  
12 capacity during wildfires, including—

13 (i) microgrids; and

14 (ii) battery-storage subcomponents;

15 (I) adaptive protection technologies;

16 (J) advanced modeling technologies;

17 (K) hardening of power lines, facilities,  
18 substations, of other systems;

19 (L) the replacement of old overhead con-  
20 ductors and underground cables; and

21 (M) the removal or replacement of old  
22 power lines.

23 (2) PROHIBITIONS AND LIMITATIONS.—

1 (A) IN GENERAL.—A grant awarded to an  
2 eligible entity under the program may not be  
3 used for—

4 (i) construction of a new—

5 (I) electric generating facility; or

6 (II) large-scale battery-storage  
7 facility that is not used for enhancing  
8 system adaptive capacity during  
9 wildfires; or

10 (ii) cybersecurity.

11 (B) CERTAIN INVESTMENTS ELIGIBLE FOR  
12 RECOVERY.—

13 (i) IN GENERAL.—An eligible entity  
14 may not seek cost recovery for the portion  
15 of the cost of any system, technology, or  
16 equipment that is funded through a grant  
17 awarded under the program.

18 (ii) SAVINGS PROVISION.—Nothing in  
19 this subparagraph prohibits an eligible en-  
20 tity from recovering through traditional or  
21 incentive-based ratemaking any portion of  
22 an investment in a system, technology, or  
23 equipment that is not funded by a grant  
24 awarded under the program.

1 (C) APPLICATION LIMITATIONS.—An eligi-  
2 ble entity may not submit an application for a  
3 grant provided by the Secretary under sub-  
4 section (c) and a grant provided by a State or  
5 Indian Tribe pursuant to subsection (d) during  
6 the same application cycle.

7 (f) DISTRIBUTION OF FUNDING.—Of the amounts  
8 made available to carry out the program for a fiscal year,  
9 the Secretary shall ensure that—

10 (1) 50 percent is used to award grants to eligi-  
11 ble entities under subsection (c); and

12 (2) 50 percent is used to make grants to States  
13 and Indian Tribes under subsection (d).

14 (g) TECHNICAL AND OTHER ASSISTANCE.—

15 (1) IN GENERAL.—The Secretary, States, and  
16 Indian Tribes may—

17 (A) provide technical assistance and facili-  
18 tate the distribution and sharing of information  
19 to reduce the likelihood and consequences of  
20 wildfires; and

21 (B) promulgate consumer-facing informa-  
22 tion and resources to inform the public of best  
23 practices and resources relating to reducing the  
24 likelihood and consequences of wildfires.

1           (2) USE OF FUNDS BY THE SECRETARY.—Of  
2           the amounts made available to the Secretary to  
3           carry out the program each fiscal year, the Secretary  
4           may use not more than 5 percent for—

5                   (A) providing technical assistance under  
6                   paragraph (1)(A); and

7                   (B) administrative expenses associated  
8                   with the program.

9           (h) MATCHING REQUIREMENT.—

10           (1) IN GENERAL.—Except as provided in para-  
11           graph (2), an eligible entity that receives a grant  
12           under this section shall be required to match 100  
13           percent of the amount of the grant.

14           (2) EXCEPTION FOR SMALL UTILITIES.—An eli-  
15           gible entity that sells not more than 4,000,000  
16           megawatt hours of electricity per year shall be re-  
17           quired to match 1/3 of the amount of the grant.

18           (i) BIENNIAL REPORT TO CONGRESS.—

19           (1) IN GENERAL.—Not later than 2 years after  
20           the date of enactment of this Act, and every 2 years  
21           thereafter through , the Secretary shall submit to  
22           the Committee on Energy and Natural Resources of  
23           the Senate and the Committee on Energy and Com-  
24           merce of the House of Representatives a report de-  
25           scribing the program.

1           (2) REQUIREMENTS.—The report under para-  
2           graph (1) shall include information and data on—

3                   (A) the costs of the projects for which  
4                   grants are awarded to eligible entities;

5                   (B) the types of activities, technologies,  
6                   equipment, and hardening measures funded by  
7                   those grants; and

8                   (C) the extent to which the ability of the  
9                   power grid to withstand and reduce the likeli-  
10                  hood of wildfires has increased.

11          (j) AUTHORIZATION OF APPROPRIATIONS.—There is  
12          authorized to be appropriated to the Secretary to carry  
13          out the program \$3,000,000,000 for the period of fiscal  
14          years 2026 through 2030.

15          (k) CONTINUED ACTIVITIES.—The Secretary shall  
16          carry out the program, in addition to any activities author-  
17          ized under Section 40103 of the Infrastructure Investment  
18          and Jobs Act (Public Law 117–58).

19          (l) DAVIS-BACON.—All laborers and mechanics em-  
20          ployed by contractors or subcontractors in the perform-  
21          ance of construction, alteration, or repair work on a  
22          project assisted in whole or in part by funds made avail-  
23          able under this section (or any amendment made by this  
24          section) shall be paid wages at rates not less than those  
25          prevailing on similar projects in the locality as determined

1 by the Secretary of Labor in accordance with subchapter  
2 IV of chapter 31 of title 40, United States Code (com-  
3 monly referred to as the “Davis-Bacon Act”), and the reg-  
4 ulations issued thereunder at 29 C.F.R. Part 5 (Davis-  
5 Bacon and Related Acts regulations). Compliance with  
6 these labor standards shall be a condition of receiving as-  
7 sistance under this section, and the Secretary concerned  
8 shall require that all contracts and subcontracts include  
9 the labor standards clauses prescribed by the Secretary  
10 of Labor.

## 11 **Subtitle C—Transmission** 12 **Governance Reform**

### 13 **SEC. 421. FERC STAFFING.**

14 (a) ENSURING TIMELY REVIEW OF INFRASTRUC-  
15 TURE.—Section 401(k) of the Department of Energy Or-  
16 ganization Act (42 U.S.C. 7171(k)) is amended—

17 (1) in paragraph (1), by striking “subchapter  
18 III of”;

19 (2) in paragraph (2)—

20 (A) by striking subparagraph (A); and

21 (B) by redesignating subparagraphs (B)  
22 through (E) as subparagraphs (A) through (D),  
23 respectively; and

24 (3) in paragraph (6)—

1 (A) by striking “The Chairman” and in-  
2 serting the following:

3 “(A) IN GENERAL.—The Chairman”; and

4 (B) by adding at the end the following:

5 “(B) IMPLEMENTATION PLAN.—Not later  
6 than 90 days after the date of enactment of  
7 this subparagraph, the Chairman shall submit  
8 to the Director of the Office of Personnel Man-  
9 agement a plan to implement this subsection.  
10 The Director of the Office of Personnel Man-  
11 agement shall take final action on the plan not  
12 later than 120 days after the submission of  
13 such plan.”.

14 (b) DIRECT HIRE AUTHORITY.—Section 401 of the  
15 Department of Energy Organization Act (42 U.S.C. 7171)  
16 is amended by adding at the end the following:

17 “(1) DIRECT HIRE AUTHORITY.—

18 “(1) IN GENERAL.—Notwithstanding section  
19 3304 of title 5, United States Code, and without re-  
20 gard to the provisions of sections 3309 through  
21 3318 of such title 5, if the Chairman of the Com-  
22 mission issues a certification that there is as severe  
23 shortage of candidates or a critical hiring need for  
24 covered positions to carry out the Commission’s re-  
25 sponsibilities and activities, the Chairman may, sub-

1       ject to paragraph (3), recruit and directly appoint  
2       highly qualified individuals into the competitive serv-  
3       ice.

4               “(2) LIMITATION.—Any action authorized pur-  
5       suant to paragraph (1) shall be consistent with the  
6       merit principles of section 2301 of title 5, United  
7       States Code, and the Commission shall comply with  
8       the public notice requirements of section 3327 of  
9       such title 5.

10              “(3) TERMINATION.—

11                      “(A) IN GENERAL.—A certification issued  
12       or renewed under this subsection shall termi-  
13       nate on the earlier of—

14                              “(i) the date that is 5 years after the  
15       certification is issued or renewed; or

16                              “(ii) the date on which the Chairman  
17       determines that there is no longer a severe  
18       shortage of candidates or a critical hiring  
19       need for covered positions to carry out the  
20       Commission’s responsibilities and activi-  
21       ties.

22                      “(B) RENEWAL.—The Chairman may  
23       renew a certification issued or renewed under  
24       this subsection for an additional 5-year period  
25       if the Chairman determines there is still a se-

1           vere shortage of candidates or a critical hiring  
2           need for covered positions to carry out the  
3           Commission’s responsibilities and activities.

4           “(4) COVERED POSITION.—In this subsection,  
5           the term ‘covered position’ means a position in  
6           which an employee is responsible for conducting  
7           work of a scientific, technical, engineering, mathe-  
8           matical, legal, or otherwise highly specialized or  
9           skilled nature.”.

10          (c) ELIMINATION OF REPORTING SUNSET.—Section  
11 11004(b) of the Energy Act of 2020 (42 U.S.C. 7171  
12 note; Public Law 116–260) is amended—

13           (1) in paragraph (1), by striking “thereafter for  
14           10 years” and inserting “thereafter”; and

15           (2) in paragraph (2)(B), by striking “or mathe-  
16           matical” and inserting “mathematical, or otherwise  
17           highly specialized or skilled”.

18 **SEC. 422. FERC FEE ASSESSMENTS.**

19          Section 3401 of the Omnibus Budget Reconciliation  
20 Act of 1986 (42 U.S.C. 7178) is amended by adding at  
21 the end the following:

22           “(h) REVIEW.—Not less often than once every 5  
23 years, the Commission shall undertake a review to deter-  
24 mine if the fees and charges it assesses under this section

1 and other laws are sufficient to allow the Commission to  
2 handle its workload in an expedient manner.”.

3 **SEC. 423. STATE PUBLIC UTILITY COMMISSION CAPACITY**  
4 **GRANTS.**

5 (a) ESTABLISHMENT.—Not later than 2 years fol-  
6 lowing the enactment of this title, the Secretary of Energy  
7 shall establish a program under which the Secretary shall  
8 award grants to State regulatory authorities to increase  
9 the capacity of said authorities to evaluate filings made  
10 by utilities related to transmission and integrated resource  
11 plans, including through the hiring of economic modelers,  
12 engineers, and others with relevant expertise.

13 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
14 are authorized to be appropriated to the Secretary of En-  
15 ergy such sums as may be necessary to carry out this sec-  
16 tion.

17 **SEC. 424. INDEPENDENT TRANSMISSION MONITORS.**

18 (a) IN GENERAL.—Not later than 180 days after the  
19 date of enactment of this section, the Commission shall—  
20 (1) require each transmission planning region  
21 to establish an independent entity to monitor the  
22 planning for, and operation of, transmission facilities  
23 in the transmission planning region; or

1           (2) establish an independent entity to monitor  
2           the planning for, and operation of, transmission fa-  
3           cilities in all transmission planning regions.

4           (b) **ROLE OF TRANSMISSION MONITOR.**—An inde-  
5           pendent entity described in subsection (a) shall provide  
6           independent analysis of transmission planning and rate-  
7           making processes by the Commission and Transmission  
8           Organizations to inform Commission proceedings, includ-  
9           ing by, as applicable—

10           (1) reviewing the operation and practices of  
11           transmission facilities in the applicable transmission  
12           planning region for inefficiency;

13           (2) investigating whether any rate, charge, or  
14           classification for transmission facilities in the appli-  
15           cable transmission planning region, or any rule, reg-  
16           ulation, practice, or contract affecting such a rate,  
17           charge, or classification, is unjust, unreasonable, un-  
18           duly discriminatory or preferential;

19           (3) reviewing the transmission planning process  
20           for the applicable transmission planning region, in-  
21           cluding processes for planning new and upgraded  
22           local transmission projects;

23           (4) reviewing transmission facility costs in the  
24           applicable transmission planning region;

1           (5) providing examples and advice to Trans-  
2           mission Organizations in the applicable transmission  
3           planning region on regional transmission operations,  
4           planning, and cost-allocation processes;

5           (6) identifying situations in which it is cost-ef-  
6           fective or otherwise appropriate to construct or de-  
7           ploy advanced transmission technologies, demand-  
8           side energy efficiency measures, demand response,  
9           and distributed energy resources, including rooftop  
10          and community solar, microgrids, and storage;

11          (7) coordinating and sharing information with  
12          State regulatory authorities in the applicable trans-  
13          mission planning region; and

14          (8) identifying reliable data sets and methodolo-  
15          gies for use in regional planning and providing ac-  
16          cess to data to stakeholders.

17          (c) SAVINGS CLAUSE.—Nothing in this section shall  
18          be construed to alter the sole power of the Commission  
19          to, under sections 205 and 206 of the Federal Power Act  
20          (16 U.S.C. 824d; 824e), determine if any rates, charges,  
21          or classifications are unjust, unreasonable, or unduly dis-  
22          criminatory or preferential.

23          (d) DEFINITIONS.—In this section:

24                  (1) COMMISSION.—The term “Commission”  
25                  means the Federal Energy Regulatory Commission.

1           (2) ADVANCED TRANSMISSION TECHNOLOGY;  
2           STATE REGULATORY AUTHORITY; TRANSMISSION OR-  
3           GANIZATION; TRANSMISSION PLANNING REGION.—

4           The terms “advanced transmission technology”,  
5           “State regulatory authority”, “Transmission Organi-  
6           zation”, and “transmission planning region” have  
7           the meanings given such terms in section 3 of the  
8           Federal Power Act (16 U.S.C. 796).

9   **SEC. 425. AGGREGATOR BIDDING INTO ORGANIZED WHOLE-**  
10                                   **SALE ELECTRIC MARKETS.**

11           (a) IN GENERAL.—Notwithstanding any prohibition  
12           established by a relevant electric retail regulatory author-  
13           ity with respect to who may bid into an organized whole-  
14           sale electric market, each Transmission Organization  
15           shall, with respect to the organized wholesale electric mar-  
16           ket controlled by the Transmission Organization, allow  
17           any bid from an aggregator of retail customers that aggre-  
18           gates the demand flexibility of the customers of utilities  
19           that distributed more than 4 million megawatt-hours in  
20           the previous fiscal year. Such flexibility may be achieved  
21           through demand response, distributed generation, distrib-  
22           uted storage, and community based or municipal aggrega-  
23           tion programs.

1 (b) RULEMAKING.—Not later than 12 months after  
2 the date of enactment of this section, the Commission  
3 shall promulgate a final rule pursuant to subsection (a).

4 (c) STANDARD PROCEDURES.—Each Transmission  
5 Organization shall establish standardized registration, te-  
6 lemetry, and settlement procedures for aggregators of dis-  
7 tributed energy resources to ensure non-discriminatory  
8 participation and data access.

9 (d) DEFINITIONS.—In this section:

10 (1) COMMISSION.—The term “Commission”  
11 means the Federal Energy Regulatory Commission.

12 (2) ELECTRIC RETAIL REGULATORY AUTHOR-  
13 ITY.—The term “electric retail regulatory authority”  
14 means an entity that establishes retail electricity  
15 prices and retail competition policies for customers.

16 (3) TRANSMISSION ORGANIZATION.—The term  
17 “Transmission Organization” has the meaning given  
18 such term in section 3 of the Federal Power Act (16  
19 U.S.C. 796).

20 **SEC. 426. RTO AND ISO GOVERNANCE AND PARTICIPATION.**

21 (a) TECHNICAL CONFERENCE.—Not later than 120  
22 days after the date of enactment of this section, the Fed-  
23 eral Energy Regulatory Commission shall convene a tech-  
24 nical conference to consider Regional Transmission Orga-  
25 nization and Independent System Operator independence

1 from their members interests, the responsiveness of RTOs  
2 and ISOs to consumers and other stakeholders, and ways  
3 for RTOs and ISOs to increase the equitable treatment  
4 of consumers and other stakeholders, including the effec-  
5 tiveness of stakeholder policies and procedures adopted in  
6 compliance with the final rule entitled “Wholesale Com-  
7 petition in Regions With Organized Electric Markets”  
8 published in the Federal Register on October 28, 2008  
9 (73 Fed. Reg. 64100).

10 (b) PARTICIPATION.—The technical conference con-  
11 vened under subsection (a) shall be led by members of the  
12 Commission, and the Commission shall invite participation  
13 from representatives of each RTO and ISO, owners and  
14 operators of transmission facilities, representatives of enti-  
15 ties that develop advanced transmission technologies, own-  
16 ers and operators of electric generation facilities that  
17 interconnect at either the transmission or distribution sys-  
18 tem level, including energy storage, end-use customers,  
19 electric power marketers, publicly owned electric utilities,  
20 consumer advocates, environmental justice advocates, en-  
21 vironmental groups, State public utility commissions,  
22 State governors, and such other stakeholders as the Com-  
23 mission determines appropriate.

24 (c) TOPICS.—In conducting the technical conference  
25 convened under subsection (a), the Commission shall seek

1 to identify policies and procedures that maintain RTO and  
2 ISO independence, and enhance the responsiveness of  
3 RTOs and ISOs to their customers and other stake-  
4 holders, taking into consideration—

5 (1) the benefits of greater transparency in RTO  
6 and ISO stakeholder processes, including access by  
7 stakeholders to relevant data and written back-  
8 ground materials;

9 (2) barriers to participation in such stakeholder  
10 processes for new market participants and other  
11 non-incumbent stakeholders;

12 (3) the need for periodic, independent review of  
13 RTO and ISO stakeholder policies and procedures;

14 (4) power imbalances between incumbent and  
15 non-incumbent stakeholders, including whether cur-  
16 rent RTO and ISO membership rules, sectoral des-  
17 ignations, and voting procedures allow for adequate  
18 representation of all stakeholder views;

19 (5) how RTOs and ISOs should take State pub-  
20 lic policy objectives into consideration as part of  
21 such stakeholder processes;

22 (6) whether existing RTO and ISO decision-  
23 making processes are sufficiently independent from  
24 the control of any market participant or class of par-  
25 ticipants;

1           (7) the role of the Office of Public Participation  
2           of the Commission in facilitating greater stakeholder  
3           participation in RTOs and ISOs; and

4           (8) such other subjects as the Commission con-  
5           siders appropriate.

6           (d) PUBLIC COMMENT.—The Commission shall pro-  
7           vide an opportunity for public comment on the technical  
8           conference convened under subsection (a).

9           (e) RULEMAKING.—Not later than 18 months after  
10          the conclusion of the technical conference convened under  
11          subsection (a), and after public notice and comment, the  
12          Commission shall promulgate a final rule adopting such  
13          policies and procedures as the Commission determines  
14          necessary to maintain the independence of RTOs and  
15          ISOs, and to enhance the transparency and responsiveness  
16          of RTOs and ISOs to their customers and other stake-  
17          holders.

18          (f) DEFINITIONS.—In this section:

19                (1) COMMISSION.—The term “Commission”  
20                means the Federal Energy Regulatory Commission.

21                (2) FEDERAL POWER ACT DEFINITIONS.—The  
22                terms “electric utility”, “Independent System Oper-  
23                ator”, “ISO”, “Regional Transmission Organiza-  
24                tion”, “RTO”, and “State commission” have the

1 meanings given such terms in section 3 of the Fed-  
2 eral Power Act (16 U.S.C. 796).

3 **SEC. 427. MODERNIZED GRID DATA AND ANALYTICS.**

4 (a) MODERNIZATION OF REPORTING INFORMATION  
5 AND DATA UNDER THE FEDERAL POWER ACT.—

6 (1) IN GENERAL.—The Commission shall, by  
7 rule, standardize the manner in which information  
8 and data is reported by transmitting utilities and  
9 Transmission Organizations to the Commission  
10 under the Federal Power Act (16 U.S.C. 972 et  
11 seq.) in accordance with this subsection.

12 (2) CONTENT OF REPORTS REQUIREMENTS.—  
13 In carrying out paragraph (1), the Commission shall  
14 require the information and data that will be re-  
15 ported, as it applies to projects, existing assets, or  
16 systems owned or operated by a transmitting utility  
17 or Transmission Organization, to include the fol-  
18 lowing:

19 (A) Information and data relating to a  
20 project and the lifecycle of such project, includ-  
21 ing—

22 (i) project milestones, including pro-  
23 posed, approved, and actual in-service  
24 dates;

1 (ii) project classification information,  
2 including whether the project represents  
3 new construction, an upgrade, or a rebuild  
4 of existing infrastructure;

5 (iii) major development history, in-  
6 cluding original construction and last  
7 major upgrade dates;

8 (iv) the location of any applicable  
9 project;

10 (v) the project nameplate capacity,  
11 length, voltage, and conductor material  
12 and specifications; and

13 (vi) an identification of the applicable  
14 planning process through which the appli-  
15 cable project originated.

16 (B) The costs and economic justifications  
17 of a project, existing asset, or system owned or  
18 operated by a transmitting utility or Trans-  
19 mission Organization, as applicable, including—

20 (i) original projected and actual final  
21 costs of all new projects;

22 (ii) original projected and actual final  
23 costs of renewals and replacements of  
24 project works;

1 (iii) original projected and actual  
2 maintenance and operations expenses of  
3 the projects and existing assets on a cur-  
4 rent-year and five-year rolling average  
5 basis;

6 (iv) cost allocation shares where appli-  
7 cable, including identification of entities re-  
8 sponsible for shared investments in  
9 projects;

10 (v) cost-benefit analyses of projects;

11 (vi) whether the project was subject to  
12 a competitive solicitation process and, if  
13 applicable, the outcome of that process;  
14 and

15 (vii) classification of the project based  
16 on benefits provided, under the relevant  
17 transmission planning framework.

18 (C) The capital structure and the rate of  
19 return of a project, existing asset, or system  
20 owned or operated by a transmitting utility or  
21 Transmission Organization, including—

22 (i) the allowed return on equity  
23 (ROE), return on debt, and return on pre-  
24 ferred stock;

1 (ii) the utility's authorized or actual  
2 capital structure, including the percentage  
3 of debt, equity, and preferred stock used in  
4 ratemaking;

5 (iii) the resulting overall weighted av-  
6 erage rate of return;

7 (iv) any FERC-approved incentive  
8 adders applied to the base ROE, including  
9 rationale and duration; and

10 (v) where applicable, information nec-  
11 essary to assess potential double leveraging  
12 effects arising from a holding company  
13 structure, as defined by the Commission.

14 (D) For information and data relating to  
15 a system owned or operated by a transmitting  
16 utility or Transmission Organization, as appli-  
17 cable, congestion-related costs or the costs in-  
18 curred by ratepayers, power supplies, or dis-  
19 tribution customers as a result of transmission  
20 system constraints that prevent the dispatch of  
21 least-cost generation resources.

22 (E) Technical and non-technical losses and  
23 inefficiencies.

24 (F) A complete accounting of interconnec-  
25 tion-related costs incurred by interconnection

1 customers, transmitting utilities, or other enti-  
2 ties, disaggregated by cost type and responsible  
3 party, including—

- 4 (i) study fees;
- 5 (ii) milestones or reservation pay-  
6 ments;
- 7 (iii) costs of local interconnection at-  
8 tachment facilities;
- 9 (iv) grid network upgrade costs; and
- 10 (v) estimates of costs to a larger sys-  
11 tem.

12 (G) The projected and actual capacity and  
13 load of a system owned or operated by a trans-  
14 mitting utility or Transmission Organization  
15 and the projected and actual amount of energy  
16 delivered by such system.

17 (H) Information and data on the use of  
18 capital-efficient advanced technologies, includ-  
19 ing information on—

- 20 (i) hourly usage;
- 21 (ii) the location of the technologies;
- 22 and
- 23 (iii) the types of technologies de-  
24 ployed.

1 (I) Any additional metrics the Commission  
2 determines necessary to improve ratepayer af-  
3 fordability and understanding of the trans-  
4 mission sector.

5 (3) CONTENT OF INTERCONNECTION RE-  
6 PORTS.—In carrying out paragraph (1), the Com-  
7 mission shall require a transmitting utility or Trans-  
8 mission Organization to report, no less than quar-  
9 terly, to the Commission information and data on  
10 interconnection queues and details relating to inter-  
11 connection study models used. Data reported under  
12 this paragraph shall include both historical and real  
13 time information to allow trend analysis and retro-  
14 spective validation of study timelines.

15 (4) FORMAT OF REPORTS.—

16 (A) IN GENERAL.—Pursuant to paragraph  
17 (1), the Commission shall ensure the complete-  
18 ness, accuracy, and accessibility of information  
19 and data reported to the Commission under the  
20 Federal Power Act, as the Commission deter-  
21 mines necessary, by—

22 (i) establishing standardized reporting  
23 requirements that specify standards for de-  
24 scribing and recording such information  
25 and data, and, if the Commission deter-

1 mines appropriate, providing templates or  
2 other tools to reduce administrative bur-  
3 den;

4 (ii) providing a format for such infor-  
5 mation and data to be submitted in a man-  
6 ner that is fully searchable and machine-  
7 readable;

8 (iii) requiring any form filed by a  
9 transmitting utility or a Transmission Or-  
10 ganization contains no blank cells, unless  
11 clearly marked as exempt pursuant to sub-  
12 paragraph (B);

13 (iv) requiring any projections required  
14 under paragraph (1) are defined, including  
15 key assumptions, methodologies, and any  
16 other information that could influence the  
17 result of the projection; and

18 (v) requiring data reported under this  
19 subsection is also made available to the  
20 public through a single, user-friendly web  
21 interface that allows users to search, filter,  
22 and download the data in a machine-read-  
23 able format.

24 (B) EXEMPTION.—A transmitting utility  
25 or a Transmission Organization may request an

1 exemption from a requirement under subpara-  
2 graph (A)(iii) if—

3 (i) such transmitting utility or Trans-  
4 mission Organization submits to the Com-  
5 mission a written statement explaining why  
6 such an exemption is needed; and

7 (ii) the Commission determines that  
8 the exemption is justified based on the  
9 written statement submitted under clause  
10 (i).

11 (5) FERC FORM NO 1.—

12 (A) REFILING.—Not later than 1 year  
13 after the date on which the Commission issues  
14 a rule under paragraph (1), with respect to a  
15 covered form, in the event the Commission de-  
16 termines that such covered form is incomplete,  
17 the Commission shall require the relevant trans-  
18 mitting utility or Transmission Organization to  
19 file a revised FERC Form No. 1 in a manner  
20 that complies with the requirements of para-  
21 graph (4) and the requirements under section  
22 141.1 of title 18, Code of Federal Regulations  
23 (or any successor regulations).

24 (B) COVERED FORM DEFINED.—In this  
25 subsection, the term “covered form” means a

1 FERC Form No. 1 filed with the Commission  
2 by a transmitting utility or Transmission Orga-  
3 nization during the 5-year period immediately  
4 preceding the date of enactment of this Act.

5 (C) MODERNIZATION AND CENTRALIZA-  
6 TION OF FERC FORM NO. 1.—Not later than 2  
7 years after the date of enactment of this Act,  
8 the Commission, in collaboration with the Ad-  
9 ministrator, shall make all historical and future  
10 FERC Form No. 1 filings publicly available  
11 through the centralized data repository estab-  
12 lished under subsection (b).

13 (b) DEVELOPMENT OF CENTRALIZED DATA REPOSI-  
14 TORY.—

15 (1) IN GENERAL.—The Commission, in collabo-  
16 ration with the Administrator, shall develop and  
17 maintain a searchable and publicly accessible data  
18 repository containing information and data the Com-  
19 mission determines necessary to carry out the re-  
20 quirements of this Act, including information and  
21 data reported or filed by a transmitting utility or  
22 Transmission Organization—

23 (A) in FERC Form Nos. 1, 1-F, 3-Q,  
24 714, 715, and 730, including information or

1 data from these forms reported prior to the  
2 date of enactment of this Act; and

3 (B) pursuant to the requirements of this  
4 Act.

5 (2) ELA EXPERTISE.—In collaborating with the  
6 Commission under this subsection with respect to  
7 the data repository developed under paragraph (1),  
8 the Administrator shall—

9 (A) develop and maintain schemas and  
10 metadata for Form No. 1 data consistent with  
11 section 3506(b)(6) of title 44, United States  
12 Code;

13 (B) provide user-friendly tools to explore,  
14 download, and analyze such data, including fil-  
15 tering by utility, year, region, and data cat-  
16 egory; and

17 (C) ensure such data is accessible to the  
18 public in both bulk and disaggregated forms,  
19 with Application Programming Interfaces and  
20 visualization tools where feasible.

21 (3) REQUIREMENTS.—The Commissioner shall  
22 ensure that the data repository developed and main-  
23 tained under paragraph (1)—

24 (A) includes the data in fully searchable  
25 and machine-readable format;

1 (B) is capable of including high-quality  
2 data through schemas and accompanying  
3 metadata;

4 (C) ensures consistent identification of  
5 data elements or assets that satisfy regulatory  
6 requirements for data, established by the Com-  
7 mission, as reflected in machine-readable  
8 metadata;

9 (D) uses standardized data formats across  
10 all Transmission Organizations and transmit-  
11 ting utilities;

12 (E) is used by Transmission Organizations  
13 and transmitting utilities to file reports re-  
14 quired under the Federal Power Act and this  
15 Act;

16 (F) enables uploading of reports filed  
17 under the Federal Power Act or this Act;

18 (G) is optimized for operability by Trans-  
19 mission Organizations and transmitting utilities  
20 to limit the administrative burden of, and en-  
21 sure consistency in, such filings;

22 (H) includes interactive tools and visualiza-  
23 tion interfaces to allow users to explore trends  
24 in transmission buildout, interconnection  
25 timelines, and associated ratepayer costs;

1 (I) incorporates Application Programming  
2 Interfaces or bulk download functionality to  
3 support third-party analysis and research; and

4 (J) ensures that publicly accessible data is  
5 aligned with the security of guidelines for Crit-  
6 ical Energy/Electric Infrastructure Information,  
7 and includes appropriate data anonymization  
8 and cybersecurity protections, based on Com-  
9 mission guidance.

10 (c) GRID RESEARCH AND ANALYTICS.—

11 (1) RESEARCH AND POLICY ANALYSIS.—The  
12 Secretary, in collaboration with the Commission,  
13 using standardized methodologies and anonymized  
14 queue data collected under this Act, shall conduct  
15 research and publish periodic reports on the fol-  
16 lowing topics:

17 (A) Primary drivers of increased costs to  
18 ratepayers associated with transmission and  
19 interconnection, including—

- 20 (i) transmission capital expenditures;  
21 (ii) interconnection-related upgrade  
22 costs;  
23 (iii) interconnection study delays;  
24 (iv) regional variations in cost alloca-  
25 tion methodologies; and

1 (v) cost recovery practices by utilities  
2 and grid operators.

3 (B) Value delivered to ratepayers from  
4 transmission and interconnection investments,  
5 including through—

6 (i) improvements to electric system re-  
7 liability;

8 (ii) avoided emissions or emissions re-  
9 ductions; and

10 (iii) enhancements to long-term sys-  
11 tem resilience and grid flexibility.

12 (C) Mechanisms to enhance ratepayer af-  
13 fordability, including—

14 (i) evaluation of performance-based  
15 regulation frameworks applied to trans-  
16 mission and interconnection-related invest-  
17 ments;

18 (ii) assessment of alternative inter-  
19 connection solutions such as advanced  
20 transmission technologies, shared infra-  
21 structure models, or consolidated upgrades;  
22 and

23 (iii) evaluation of demand-side inter-  
24 ventions that reduce the need for costly

1 transmission or interconnection invest-  
2 ments.

3 (D) Comparative scenario modeling of po-  
4 tential energy futures, to—

5 (i) identify lowest-cost pathways to  
6 national grid expansion;

7 (ii) assess trade-offs among invest-  
8 ment strategies; and

9 (iii) inform decision-making by utili-  
10 ties, regional planning entities, and Fed-  
11 eral agencies.

12 (E) Systemic cost impacts from inter-  
13 connection inefficiencies, including analysis of  
14 how study delays, queue withdrawals, and in-  
15 creased construction periods contribute to high-  
16 er system costs for ratepayers or generators.

17 (F) Opportunities to increase system effi-  
18 ciency and unlock latent capacity through im-  
19 proved operational practices and deployment of  
20 advanced technologies, including—

21 (i) assessment of unused or underuti-  
22 lized grid capacity due to outdated plan-  
23 ning assumptions or lack of dynamic opti-  
24 mization;

1 (ii) evaluation of technologies such as  
2 dynamic line ratings, topology optimiza-  
3 tion, flexible interconnection, or flow con-  
4 trol devices; and

5 (iii) quantification of benefits to rate-  
6 payers and system operators from  
7 unlocking this capacity relative to tradi-  
8 tional capital-intensive buildout.

9 (2) INTERCONNECTION TRANSPARENCY AND  
10 DASHBOARD.—

11 (A) IN GENERAL.—The Secretary shall,  
12 through 1 or more National Laboratories, de-  
13 velop, maintain, and continuously improve an  
14 Interconnection Data Dashboard that presents  
15 real-time and historical information relevant to  
16 interconnection of generators, loads, and other  
17 utilities or transmission systems.

18 (B) PURPOSE.—The Dashboard shall pro-  
19 vide public stakeholders, regulators, utilities,  
20 developers, and researchers with transparent,  
21 up-to-date insights into the effectiveness, effi-  
22 ciency, affordability, and reliability of inter-  
23 connection processes across all transmission  
24 planning regions.

1 (C) DATA SOURCES.—The Dashboard shall  
2 incorporate data collected under subsection (b)  
3 of this Act and from FERC Form No. 1 filings,  
4 relevant Commission filings, publicly available  
5 interconnection queue data, and additional  
6 datasets, as determined appropriate by the Sec-  
7 retary or the Commission.

8 (D) CAPABILITIES.—The Secretary shall  
9 develop the Dashboard to be able to—

10 (i) present anonymized interconnec-  
11 tion queue data, including application vol-  
12 umes, withdrawal rates, project timelines,  
13 and milestones;

14 (ii) provide visualization of average  
15 and median interconnection study dura-  
16 tions, disaggregated by region and project  
17 type;

18 (iii) show aggregated system upgrade  
19 costs, study backlogs, and queue perform-  
20 ance metrics;

21 (iv) allow filtering by geographic loca-  
22 tion (e.g., State, balancing authority, lati-  
23 tude/longitude coordinate), utility, fuel  
24 type, and project size;

1 (v) present each interconnection  
2 project's current development status, such  
3 as application submitted, study phase, ap-  
4 proved, under construction, or in-service;

5 (vi) display physical asset characteris-  
6 ties for each interconnection project and  
7 system segment, including nameplate gen-  
8 eration capacity, peak load served, and  
9 conductor capacity ratings;

10 (vii) identify trends in queue reform  
11 outcomes, including impacts on through-  
12 put, delay reduction, and project comple-  
13 tion rates;

14 (viii) support export of underlying  
15 data in machine-readable formats for pub-  
16 lic analysis; and

17 (ix) perform any other function the  
18 Secretary determines appropriate.

19 (E) REPORTING.—The Secretary, in col-  
20 laboration with National Laboratories and the  
21 Commission, shall publish annual reports sum-  
22 marizing findings from the Dashboard, based  
23 on data collected pursuant to subsection (b),  
24 without substituting for the more comprehen-

1           sive cost-driver analysis required under para-  
2           graph (1), including—

3                   (i) interregional comparisons of queue  
4                   efficiency and project success rates;

5                   (ii) systemic drivers of delay or cost  
6                   escalation;

7                   (iii) estimated ratepayer impacts asso-  
8                   ciated with interconnection bottlenecks;  
9                   and

10                   (iv) recommendations for improving  
11                   interconnection transparency and system  
12                   performance.

13           (F) PUBLIC ACCESS.—The Dashboard  
14           shall be made available on a public website and  
15           designed for use by a broad range of users, in-  
16           cluding through visualizations, downloadable  
17           datasets, and API access, while maintaining  
18           protections for CEII.

19           (d) DEFINITIONS.—In this section:

20                   (1) ADMINISTRATOR.—The term “Adminis-  
21                   trator” means the Administrator of the Energy In-  
22                   formation Administration of the Department of En-  
23                   ergy.

24                   (2) COMMISSION.—The term “Commission”  
25                   means the Federal Energy Regulatory Commission.

1           (3) FERC FORM NO. 1.—The term “FERC  
2           Form No. 1” means the Form of Annual Report for  
3           Major electric utilities, licensees, and others, des-  
4           ignated as FERC Form No. 1 and prescribed under  
5           section 141.1 of title 18, Code of Federal Regula-  
6           tions (as in effect on the date of enactment of this  
7           Act).

8           (4) METADATA.—The term “metadata” has the  
9           meaning given such term in section 3502 of title 44,  
10          United States Code.

11          (5) PROJECT.—The term “project” refers ex-  
12          clusively to transmission infrastructure projects  
13          planned, proposed, or undertaken by the transmit-  
14          ting utility. This includes projects initiated  
15          through—

16                (A) regional or local transmission planning  
17                processes;

18                (B) interconnection studies;

19                (C) reliability-driven upgrades; and

20                (D) other applicable pathways as deter-  
21                mined by the Commission.

22          (6) SECRETARY.—The term “Secretary” means  
23          the Secretary of Energy.

24          (7) TRANSMITTING UTILITY; TRANSMISSION OR-  
25          GANIZATION.—The terms “transmitting utility”, and

1 “Transmission Organization” have the meanings  
2 given those terms in section 3 of the Federal Power  
3 Act (16 U.S.C. 796).

4 **TITLE V—DEPLOYING LOW-**  
5 **COST, CLEAN ENERGY RE-**  
6 **SPONSIBLY ON PUBLIC**  
7 **LANDS AND WATERS**

8 **Subtitle A—Public Land**  
9 **Renewable Energy Development**

10 **SEC. 501. PUBLIC LAND RENEWABLE ENERGY DEVELOP-**  
11 **MENT.**

12 (a) DEFINITIONS.—In this Act:

13 (1) COVERED LAND.—The term “covered land”  
14 means land that is—

15 (A) Federal land;

16 (B) not excluded from the development of  
17 geothermal, solar, or wind energy under—

18 (i) a land use plan; or

19 (ii) other Federal law; and

20 (C) not included in an area—

21 (i) that is subject to the Desert Re-  
22 newable Energy Conservation Plan devel-  
23 oped by the California Energy Commis-  
24 sion, the California Department of Fish  
25 and Wildlife, the Bureau of Land Manage-

1                   ment, and the United States Fish and  
2                   Wildlife Service; or

3                   (ii) for which the Secretary deter-  
4                   mines existing wind and solar energy land  
5                   use planning meets or exceeds the stand-  
6                   ards established under section 3.

7                   (2) ENERGY STORAGE PROJECT.—The term  
8                   “energy storage project” means equipment that—

9                   (A) receives, stores, and delivers energy  
10                  using batteries, compressed air, pumped hydro-  
11                  power, hydrogen storage (including hydrolysis),  
12                  thermal energy storage, regenerative fuel cells,  
13                  flywheels, capacitors, superconducting magnets,  
14                  or other technologies identified by the Secretary  
15                  of Energy; and

16                  (B) has a storage capacity of not less than  
17                  5 kilowatt hours.

18                  (3) EXCLUSION AREA.—The term “exclusion  
19                  area” means covered land that is identified by the  
20                  Bureau of Land Management as not suitable for de-  
21                  velopment of renewable energy projects.

22                  (4) FEDERAL LAND.—The term “Federal land”  
23                  means—

24                  (A) public land; and

1 (B) National Forest System lands adminis-  
2 tered by the Department of Agriculture through  
3 the Forest Service where the Secretary has au-  
4 thority to issue leases for the development and  
5 utilization of geothermal resources under sec-  
6 tion 3 and section 15 of the Geothermal Steam  
7 Act of 1970 (30 U.S.C. 1002, 1014).

8 (5) FUND.—The term “Fund” means the Re-  
9 newable Energy Resource Conservation Fund estab-  
10 lished by section 6(c)(1).

11 (6) LAND USE PLAN.—The term “land use  
12 plan” means—

13 (A) with respect to public land, a land use  
14 plan established under the Federal Land Policy  
15 and Management Act of 1976 (43 U.S.C. 1701  
16 et seq.); and

17 (B) with respect to National Forest Sys-  
18 tem land, a land management plan approved,  
19 amended, or revised under section 6 of the For-  
20 est and Rangeland Renewable Resources Plan-  
21 ning Act of 1974 (16 U.S.C. 1604).

22 (7) NATIONAL FOREST SYSTEM.—The term  
23 “National Forest System” has the meaning given  
24 the term in section 11(a) of the Forest and Range-

1 land Renewable Resources Planning Act of 1974 (16  
2 U.S.C. 1609(a)).

3 (8) PRIORITY AREA.—The term “priority area”  
4 means covered land identified by the land use plan-  
5 ning process of the Bureau of Land Management as  
6 being a preferred location for a renewable energy  
7 project, including an area that is identified as a des-  
8 ignated leasing area under the rule of the Bureau of  
9 Land Management entitled “Competitive Processes,  
10 Terms, and Conditions for Leasing Public Lands for  
11 Solar and Wind Energy Development and Technical  
12 Changes and Corrections” (81 Fed. Reg. 92122  
13 (December 19, 2016)) (or a successor regulation).

14 (9) PUBLIC LAND.—The term “public land”  
15 has the meaning given the term “public lands” in  
16 section 103 of the Federal Land Policy and Manage-  
17 ment Act of 1976 (43 U.S.C. 1702).

18 (10) RENEWABLE ENERGY PROJECT.—The  
19 term “renewable energy project”—

20 (A) means a project carried out on covered  
21 land that—

22 (i) uses wind, solar, or geothermal en-  
23 ergy to generate energy; or

1 (ii) transmits electricity to support  
2 wind, solar, or geothermal energy genera-  
3 tion; and

4 (B) may include an associated energy stor-  
5 age project.

6 (11) SECRETARY.—The term “Secretary”  
7 means the Secretary of the Interior.

8 (b) UPDATING NATIONAL GOALS FOR RENEWABLE  
9 ENERGY PRODUCTION ON FEDERAL LAND.—Section  
10 3104 of the Energy Act of 2020 (43 U.S.C. 3004) is  
11 amended—

12 (1) in subsection (b)—

13 (A) by striking “seek to”;

14 (B) by striking “25” and inserting “60”;

15 and

16 (C) by striking “2025” and inserting “De-  
17 cember 31, 2035”; and

18 (2) by adding at the end the following:

19 “(c) UPDATE.—Not later than 18 months after the  
20 date of enactment of this subsection, the Secretary, in con-  
21 sultation with the Secretary of Agriculture and the heads  
22 of other relevant Federal agencies, shall update the na-  
23 tional goals for renewable energy production on Federal  
24 land established under subsection (a).”.

1 (c) LAND USE PLANNING AND UPDATES TO PRO-  
2 GRAMMATIC ENVIRONMENTAL IMPACT STATEMENTS.—

3 (1) PRIORITY AREAS.—

4 (A) ESTABLISHMENT OF PRIORITY AREAS;  
5 DESIGNATION OF AREAS ELIGIBLE FOR THE  
6 SUBMISSION OF RENEWABLE ENERGY PROJECT  
7 APPLICATIONS.—

8 (i) IN GENERAL.—For purposes of re-  
9 newable energy planning, the Secretary,  
10 consistent with the requirements described  
11 in clause (ii), shall—

12 (I) update completed land use  
13 plans that, with respect to covered  
14 lands, have designated areas as eligi-  
15 ble for the submission of renewable  
16 energy project applications; and

17 (II) establish priority areas on  
18 covered land for renewable energy  
19 projects.

20 (ii) REQUIREMENTS.—In carrying out  
21 activities under clauses (i) and (ii) of sub-  
22 paragraph (A), the Secretary shall—

23 (I) after an opportunity for pub-  
24 lic comment, review the adequacy of

- 1 public lands for renewable energy  
2 projects for the purposes of—
- 3 (aa) encouraging and facili-  
4 tating new renewable energy  
5 projects; and
- 6 (bb) ensuring consistency  
7 with a mitigation sequence of  
8 avoiding, minimizing, and com-  
9 pensating for adverse impacts to  
10 other public uses and values of  
11 covered land, including—
- 12 (AA) wildlife habitat;
- 13 (BB) species listed as  
14 threatened or endangered  
15 under the Endangered Spe-  
16 cies Act of 1973 (16 U.S.C.  
17 1531 et seq.);
- 18 (CC) water resources;
- 19 (DD) cultural re-  
20 sources;
- 21 (EE) recreational uses;
- 22 (FF) land with wilder-  
23 ness characteristics;

1 (GG) land with special  
2 management designations;  
3 and

4 (HH) areas of Tribal  
5 importance; and

6 (II) comply with—

7 (aa) the principles of mul-  
8 tiple use (as defined in section  
9 103 of the Federal Land Policy  
10 and Management Act of 1976  
11 (43 U.S.C. 1702)); and

12 (bb) the national goals for  
13 renewable energy production es-  
14 tablished under section 3104 of  
15 the Energy Act of 2020 (43  
16 U.S.C. 3004), including the min-  
17 imum production goal described  
18 in subsection (b) of that section.

19 (B) PRIORITY FOR CERTAIN APPLICA-  
20 TIONS.—In considering applications for renew-  
21 able energy projects on covered land, with re-  
22 spect to an application for a proposed renew-  
23 able energy project on covered land that is to  
24 be carried out in a priority area, the Secretary  
25 shall—

1 (i) prioritize the application to be car-  
2 ried out in any identified priority area; and

3 (ii) on approval of the application,  
4 provide to the applicant who submitted the  
5 application the opportunity to participate  
6 in any regional mitigation plan developed  
7 for the applicable priority area.

8 (C) PROGRAMMATIC PLANNING.—

9 (i) SOLAR ENERGY.—As soon as prac-  
10 ticable, but not later than 18 months after  
11 the Record of Decision entitled “Approved  
12 Record of Decision and Amendments/  
13 Record of Decision for Utility-Scale Solar  
14 Energy Development” dated December  
15 2024 was issued, the Secretary shall con-  
16 sider establishing priority areas on covered  
17 land for Solar energy projects in the plan-  
18 ning area (as defined in the Record of De-  
19 cision).

20 (ii) WIND ENERGY.—As soon as prac-  
21 ticable, but not later than 1 year after the  
22 date of enactment of this Act, the Sec-  
23 retary shall initiate a review of the final  
24 programmatic Environment Impact State-  
25 ment referenced in the notice of availability

1           entitled “Notice of Availability of the Final  
2           Programmatic Environmental Impact  
3           Statement on Wind Energy Development  
4           on BLM–Administered Lands in the West-  
5           ern United States, Including Proposed  
6           Amendments to Selected Land Use Plans”  
7           (70 Fed. Reg. 36651 (June 24, 2005)),  
8           that considers establishment of wind appli-  
9           cation and priority areas on covered lands,  
10          and complete that review within 3 years of  
11          issuing a notice of intent.

12                   (iii) GEOTHERMAL ENERGY.—As soon  
13                   as practicable, the Secretary shall initiate  
14                   and complete a review or update of exist-  
15                   ing programmatic analyses for geothermal  
16                   energy development on covered lands, iden-  
17                   tifying areas suitable for leasing and devel-  
18                   opment, and aligning such analyses with  
19                   current land use plans and transmission  
20                   planning efforts.

21                   (iv) ELECTRIC TRANSMISSION.—As  
22                   soon as practicable, the Secretary shall ini-  
23                   tiate and complete a programmatic anal-  
24                   ysis for electric transmission development  
25                   on covered lands, identifying priority and

1 corridor areas that support renewable en-  
2 ergy buildout and grid reliability, and co-  
3 ordinating with regional transmission plan-  
4 ning processes and existing right-of-way  
5 designations.

6 (2) REVIEW AND MODIFICATION.—

7 (A) IN GENERAL.—Subject to paragraph  
8 (2), not less frequently than once every 10  
9 years, the Secretary shall—

10 (i) after an opportunity for public  
11 comment, review the adequacy of all land  
12 allocations for renewable energy projects  
13 under the requirements in clause (ii) of  
14 subparagraph (A); and

15 (ii) based on the review carried out  
16 under subparagraph (A), add, modify, or  
17 eliminate priority areas, exclusion areas,  
18 and areas on covered land open or closed  
19 to solar or wind energy right-of-way appli-  
20 cations or to geothermal leasing.

21 (B) LIMITATION.—Paragraph (1) shall not  
22 apply to any covered land that the Secretary  
23 determines, after seeking public input, is sub-  
24 ject to an existing land use plan that meets the  
25 purposes described in paragraph (1)(A).

1           (C) REPORT.—If the Secretary determines,  
2           in an annual report required under subsection  
3           (g) of section 3102 of the Energy Act of 2020  
4           (43 U.S.C. 3002) (as redesignated by sub-  
5           section (d)(1)(A)), that the national goal for re-  
6           newable energy production established under  
7           subsection (a) of section 3104 of that Act (43  
8           U.S.C. 3004), including the minimum produc-  
9           tion goal established under subsection (b) of  
10          that section, may not be met, the Secretary  
11          shall act more frequently than otherwise re-  
12          quired by this subsection to designate areas eli-  
13          gible for the submission of renewable energy  
14          project applications and establish additional pri-  
15          ority areas for renewable energy projects.

16          (3) COMPLIANCE WITH THE NATIONAL ENVI-  
17          RONMENTAL POLICY ACT OF 1969.—For purposes of  
18          this section, compliance with the National Environ-  
19          mental Policy Act of 1969 (42 U.S.C. 4321 et seq.)  
20          shall be accomplished—

21                  (A) for geothermal energy—

22                          (i) by updating the document entitled  
23                          “Final Programmatic Environmental Im-  
24                          pact Statement for Geothermal Leasing in

1 the Western United States” and dated Oc-  
2 tober 2008; and

3 (ii) by incorporating into the updated  
4 document under clause (i) any additional  
5 regional analyses completed by Federal  
6 agencies after the date on which the docu-  
7 ment described in that subparagraph was  
8 finalized;

9 (B) for solar energy—

10 (i) by updating the document entitled  
11 “Approved Record of Decision and Amend-  
12 ments/Record of Decision for Utility-Scale  
13 Solar Energy Development” and dated De-  
14 cember 2024, 10 years after the publica-  
15 tion of the document; and

16 (ii) by incorporating into the updated  
17 document under clause (i) any additional  
18 regional analyses completed by Federal  
19 agencies after the date on which the docu-  
20 ment described in that subparagraph was  
21 finalized; and

22 (C) for wind energy—

23 (i) by updating the document entitled  
24 “Final Programmatic Environmental Im-  
25 pact Statement on Wind Energy Develop-

1                   ment on BLM–Administered Lands in the  
2                   Western United States” and dated June  
3                   2005; and

4                   (ii) by incorporating into the updated  
5                   document under clause (i) any additional  
6                   regional analyses completed by Federal  
7                   agencies after the date on which the docu-  
8                   ment described in that subparagraph was  
9                   finalized.

10                  (4) NO EFFECT ON PROCESSING SITE-SPECIFIC  
11                  APPLICATIONS.—Nothing in this section modifies  
12                  any requirement to conduct site-specific environ-  
13                  mental reviews or process permits for proposed re-  
14                  newable energy projects during preparation of an  
15                  updated programmatic environmental impact state-  
16                  ment, land use plan, or amendment to a land use  
17                  plan.

18                  (5) COORDINATION.—In developing any update  
19                  required under this section, the Secretary shall co-  
20                  ordinate, on an ongoing basis, with appropriate  
21                  State, Tribal, and local governments, transmission  
22                  infrastructure owners, operators, and developers, re-  
23                  newable energy developers, and other appropriate  
24                  entities to ensure that priority areas established by  
25                  the Secretary under this section take into account—

1 (A) economic viability (including having ac-  
2 cess to existing or planned transmission lines);

3 (B) consistency with a mitigation sequence  
4 to avoid, minimize, and compensate for impacts  
5 to—

6 (i) fish, wildlife, or plants;

7 (ii) fish, wildlife, or plant habitat;

8 (iii) recreational uses;

9 (iv) land with wilderness characteris-  
10 ties;

11 (v) land with special management des-  
12 ignations;

13 (vi) cultural resources;

14 (vii) areas of Tribal importance; and

15 (viii) other uses of covered land;

16 (C) feasibility of siting on previously dis-  
17 turbed land, including commercial and indus-  
18 trial land, mine land, and previously contami-  
19 nated sites; and

20 (D) consistency with section 202 of the  
21 Federal Land Policy and Management Act of  
22 1976 (43 U.S.C. 1712), including subsection  
23 (c)(9) of that section (43 U.S.C. 1712(c)(9)).

24 (6) TRANSMISSION.—In carrying out this sec-  
25 tion, the Secretary shall—

1 (A) determine whether adequate trans-  
2 mission exists for renewable energy projects on  
3 covered land; and

4 (B) if a determination is made in the nega-  
5 tive under subparagraph (A), in coordination  
6 with the heads of other relevant Federal agen-  
7 cies, review existing land use plans to determine  
8 if amendments to those land use plans would be  
9 appropriate to support adequate transmission  
10 capability.

11 (d) IMPROVING WIND AND SOLAR ENERGY PROJECT  
12 PERMITTING.—

13 (1) ROLE OF RENEWABLE ENERGY COORDINA-  
14 TION OFFICES.—Section 3102 of the Energy Act of  
15 2020 (43 U.S.C. 3002) is amended—

16 (A) by redesignating subsections (e) and  
17 (f) as subsections (f) and (g), respectively; and

18 (B) by inserting after subsection (d) the  
19 following:

20 “(e) PROCESSING OF WIND AND SOLAR ENERGY AP-  
21 PPLICATIONS.—

22 “(1) DELEGATION TO STATE RENEWABLE EN-  
23 ERGY COORDINATION OFFICES.—

24 “(A) IN GENERAL.—Notwithstanding any  
25 other provision of law, the Secretary may dele-

1           gate to a State Renewable Energy Coordination  
2           Office the authority to process applications for  
3           eligible projects proposed to be carried out on  
4           land managed by the Bureau of Land Manage-  
5           ment in the applicable State.

6           “(B) ROLES AND RESPONSIBILITIES OF  
7           MANAGERS.—For purposes of processing appli-  
8           cations described in subparagraph (A), the  
9           manager of the applicable State Renewable En-  
10          ergy Coordination Office—

11                 “(i) shall have the authority to issue  
12                 grants or leases for eligible projects;

13                 “(ii) with the approval of the State  
14                 Director of the applicable Bureau of Land  
15                 Management State Office, may use other  
16                 employees in field and district offices of  
17                 the applicable Bureau of Land Manage-  
18                 ment State Office, or hire additional ex-  
19                 perts, to assist with timely processing of  
20                 applications, with the costs of hiring addi-  
21                 tional experts to be charged to applicants;  
22                 and

23                 “(iii) shall report to the State Direc-  
24                 tor of the applicable Bureau of Land Man-  
25                 agement State Office.

1           “(2) PROHIBITION OF DELEGATION TO EM-  
2           PLOYEES OF FIELD OR DISTRICT OFFICES.—Except  
3           as provided in paragraph (1)(B)(ii), the Secretary  
4           may not delegate to employees of field or district of-  
5           fices of the Bureau of Land Management the au-  
6           thority to process applications for eligible projects  
7           proposed to be carried out on land managed by the  
8           Bureau of Land Management.”.

9           (2) COST RECOVERY AGREEMENTS.—

10           (A) IN GENERAL.—Not later than 30 days  
11           after the date on which an applicant submits a  
12           complete application for a right-of-way for a  
13           wind or solar energy project, including submis-  
14           sion of the filing fee required under section  
15           2804.12 of title 43, Code of Federal Regula-  
16           tions (or a successor regulation), the Secretary  
17           shall provide a cost recovery agreement with re-  
18           spect to the application.

19           (B) EFFECT.—Issuance of a cost recovery  
20           agreement under subparagraph (A) and pay-  
21           ment of cost recovery fees shall preclude any  
22           new claims to the use of the applicable covered  
23           land during any period in which the application  
24           is active.

25           (C) CONFLICTS; STUDIES.—

1 (i) CONFLICTS.—To be considered  
2 complete under subparagraph (A), an ap-  
3 plication described in that paragraph shall  
4 address any known conflicts with respect  
5 to the use of the applicable covered land,  
6 as identified in scientific literature or other  
7 studies.

8 (ii) ADDITIONAL STUDIES.—Addi-  
9 tional studies shall not be required for pur-  
10 poses of considering an application to be  
11 complete under subparagraph (A).

12 (3) ENVIRONMENTAL REQUIREMENTS.—

13 (A) NOTICE OF INTENT.—

14 (i) IN GENERAL.—Not later than 180  
15 days after the date on which the agency  
16 notifies the applicant that the application  
17 to establish a right-of-way is complete, or  
18 a later date to be established by the Sec-  
19 retary under clause (ii), if an environ-  
20 mental impact statement is determined to  
21 be necessary, the Secretary shall issue a  
22 notice of intent to prepare an environ-  
23 mental impact statement with respect to  
24 the application.

1 (ii) EXTENSION.—The Secretary shall  
2 establish a later date by which the notice  
3 under clause (i) shall be issued, if the Sec-  
4 retary determines that the 180-day period  
5 under that paragraph should be extended  
6 due to—

7 (I) the application being consid-  
8 ered a low priority under section  
9 2804.35 of title 43, Code of Federal  
10 Regulations (or a successor regula-  
11 tion);

12 (II) project-specific cir-  
13 cumstances, including the need for  
14 further studies, making the 180-day  
15 deadline insufficient; or

16 (III) the application not meeting  
17 the requirements for approval.

18 (B) CATEGORICAL EXCLUSION.—

19 (i) PRELIMINARY WORK.—As the Sec-  
20 retary determines to be appropriate, the  
21 Secretary may promulgate regulations pro-  
22 viding that preliminary geotechnical work  
23 and meteorological monitoring relating to  
24 renewable energy projects shall be categori-  
25 cally excluded from the requirements for

1 an environmental assessment or environ-  
2 mental impact statement under section  
3 1501.4 of title 40, Code of Federal Regula-  
4 tions (or a successor regulation).

5 (ii) DEADLINE.—For any energy  
6 projects eligible for a categorical exclusion  
7 under paragraph 1, the Secretary shall  
8 issue a decision within 90 days of the sub-  
9 mission of a complete application.

10 (4) PROCESSING PRIORITY.—In processing ap-  
11 plications described in paragraph (2)(A), the Sec-  
12 retary shall—

13 (A) give priority to applications for renew-  
14 able energy projects in priority areas; and

15 (B) process applications for renewable en-  
16 ergy projects in areas that are not priority  
17 areas in the order in which the applications are  
18 received.

19 (5) USE OF COMPETITIVE PROCESS.—

20 (A) IN GENERAL.—Subject to subpara-  
21 graph (B), the Secretary shall not use a com-  
22 petitive process for the review of an application  
23 described in paragraph (2)(A), except—

24 (i) in a case in which 2 or more appli-  
25 cants file an application for the same site

1 (or portions of the same site) not more  
2 than 15 days apart; or

3 (ii) as otherwise established by the  
4 Secretary through a subsequent rule-  
5 making process delineating the instances in  
6 which the Secretary will use the competi-  
7 tive process.

8 (B) LIMITATION.—Subparagraph (A) shall  
9 not apply to applications for competitive right-  
10 of-way leases in priority areas.

11 (e) INCREASING ECONOMIC CERTAINTY.—

12 (1) RENTS AND FEES.—

13 (A) IN GENERAL.—In determining rental  
14 rates and other fees for renewable energy  
15 project leases or right-of-way grants, the Sec-  
16 retary shall ensure that the total rental rates  
17 and other fees charged do not exceed the aver-  
18 age amount charged for similar activities on  
19 private land in the State or county in which the  
20 rental rates and other fees are charged.

21 (B) INDIVIDUAL APPRAISALS NOT RE-  
22 QUIRED.—For purposes of determining rental  
23 rates for renewable energy projects, the Sec-  
24 retary—

1 (i) shall not be required to conduct in-  
2 dividual appraisals; and

3 (ii) may use average cash rents in-  
4 cluded in the Pastureland Rents Survey  
5 prepared by the National Agricultural Sta-  
6 tistics Service, as determined for the 5-  
7 year period ending on the date on which  
8 the rental rate is determined.

9 (C) INCREASES IN BASE RENTAL RATES.—  
10 After a base rental rate is established for a  
11 lease or right-of-way grant authorization for a  
12 renewable energy project, any increase in the  
13 base rental rate shall be limited to the Implicit  
14 Price Deflator-Gross Product Index published  
15 by the Bureau of Economic Analysis of the De-  
16 partment of Commerce on the date of issuance  
17 of the lease or right-of way grant authorization.

18 (D) CAPACITY FEES.—The Secretary may  
19 consider charging a capacity fee for a renewable  
20 energy project only if the Secretary determines  
21 that capacity fees are charged within the region  
22 or State in which the renewable energy project  
23 is carried out, as part of leaseholds on State or  
24 private land.

1           (2) BONDS.—The Secretary shall adopt a proc-  
2           ess for establishing bond requirements for decom-  
3           missioning renewable energy projects that—

4                   (A) do not establish a minimum per acre  
5           amount; and

6                   (B) are based on the difference between—

7                           (i) the estimated, site-specific net  
8                           costs of reclamation of the covered land;  
9                           and

10                           (ii) the salvage value of materials  
11                           available after decommissioning the renew-  
12                           able energy project.

13           (f) DISPOSITION OF REVENUES; RENEWABLE EN-  
14   ERGY RESOURCE CONSERVATION FUND.—

15                   (1) DISPOSITION OF REVENUES.—

16                           (A) AVAILABILITY.—Except as provided in  
17                           subparagraph (C), without further appropria-  
18                           tion or fiscal year limitation, of amounts col-  
19                           lected from wind and solar energy projects as  
20                           bonus bids, rentals, fees, or other payments  
21                           under a right-of-way, permit, lease, or other au-  
22                           thorization—

23                                   (i) for the period beginning on Janu-  
24                                   ary 1, 2027, and ending on December 31,  
25                                   2046—

1 (I) 25 percent shall be paid by  
2 the Secretary of the Treasury to the  
3 State within the boundaries of which  
4 the revenue is derived; and

5 (II) 25 percent shall be paid by  
6 the Secretary of the Treasury to the  
7 1 or more counties within the bound-  
8 aries of which the revenue is derived,  
9 to be allocated among the counties  
10 based on the percentage of land from  
11 which the revenue is derived;

12 (III) 15 percent shall be depos-  
13 ited in the Treasury and credited to  
14 the Bureau of Land Management's  
15 Renewable Energy Management ac-  
16 count to be made available to the Sec-  
17 retary to carry out sections 3 and 4  
18 (including amendments made by those  
19 sections), including the transfer of the  
20 funds by the Bureau of Land Man-  
21 agement to other Federal agencies  
22 and State agencies to facilitate the  
23 processing of permits for renewable  
24 energy projects, with priority given to  
25 using the amounts, to the maximum

1 extent practicable, without detri-  
2 mental impacts to emerging markets,  
3 expediting the issuance of permits re-  
4 quired for the development of wind  
5 and solar energy projects in the  
6 States from which the revenues are  
7 derived; and

8 (IV) 35 percent shall be depos-  
9 ited in the Fund; and

10 (ii) beginning on January 1, 2047—

11 (I) 25 percent shall be paid by  
12 the Secretary of the Treasury to the  
13 State within the boundaries of which  
14 the revenue is derived;

15 (II) 25 percent shall be paid by  
16 the Secretary of the Treasury to the  
17 1 or more counties within the bound-  
18 aries of which the revenue is derived,  
19 to be allocated among the counties  
20 based on the percentage of land from  
21 which the revenue is derived;

22 (III) 10 percent shall be depos-  
23 ited in the Treasury and be made  
24 available to the Secretary to carry out  
25 sections 3 and 4 (including amend-

1                   ments made by those sections), includ-  
2                   ing the transfer of the funds by the  
3                   Bureau of Land Management to other  
4                   Federal agencies and State agencies  
5                   to facilitate the processing of permits  
6                   for wind and solar energy projects,  
7                   with priority given to using the  
8                   amounts, to the maximum extent  
9                   practicable, without detrimental im-  
10                  pacts to emerging markets, expediting  
11                  the issuance of permits required for  
12                  the development of renewable energy  
13                  projects in the States from which the  
14                  revenues are derived; and

15                               (IV) 40 percent shall be depos-  
16                               ited in the Fund.

17                               (B) RULE FOR PROJECTS LOCATED IN  
18                               MULTIPLE STATES.—Not later than 180 days  
19                               after the date of enactment of this Act, the Sec-  
20                               retary shall issue a proposed rule establishing a  
21                               formula for the disposition of revenues under  
22                               clauses (i)(I) and (ii)(I) of subparagraph (A) in  
23                               a case in which a wind and solar energy project  
24                               is located in more than 1 State.

1 (C) FILING FEES.—With respect to wind  
2 and solar energy projects—

3 (i) subparagraph (A) does not apply  
4 to amounts collected from application filing  
5 fees authorized under section 304 of the  
6 Federal Land Policy and Management Act  
7 of 1976 (43 U.S.C. 1734); and

8 (ii) such application filing fees may be  
9 retained by the applicable agency to re-  
10 cover costs associated with issuing the  
11 right-of-way, permit, or other authorization  
12 associated with the application.

13 (2) PAYMENTS TO STATES AND COUNTIES.—

14 (A) IN GENERAL.—Amounts paid to States  
15 and Counties under paragraph (1)(A) shall be  
16 used consistent with section 35 of the Mineral  
17 Leasing Act (30 U.S.C. 191).

18 (B) PAYMENTS IN LIEU OF TAXES.—A  
19 payment to a County under clause (i)(II) or  
20 (ii)(II) of paragraph (1)(A) shall be in addition  
21 to a payment in lieu of taxes received by the  
22 county under chapter 69 of title 31, United  
23 States Code.

24 (3) RENEWABLE ENERGY RESOURCE CON-  
25 SERVATION FUND.—

1 (A) IN GENERAL.—There is established in  
2 the Treasury a fund, to be known as the “Re-  
3 newable Energy Resource Conservation Fund”,  
4 which shall be administered by the Secretary.

5 (B) USE OF FUNDS.—

6 (i) IN GENERAL.—The Secretary may  
7 make amounts in the Fund available to  
8 Federal, State, local, and Tribal agencies  
9 for distribution in regions in which renew-  
10 able energy projects are located on Federal  
11 land, for the purposes described in clause  
12 (ii).

13 (ii) PURPOSES.—The purposes re-  
14 ferred to in clause (i) are—

15 (I) restoring and protecting—

16 (aa) fish and wildlife habitat  
17 for species affected by renewable  
18 energy projects;

19 (bb) fish and wildlife cor-  
20 ridors for species affected by re-  
21 newable energy projects; and

22 (cc) wetlands, streams, riv-  
23 ers, and other natural water bod-  
24 ies in areas affected by renewable  
25 energy projects; and

1 (II) preserving and improving  
2 recreational access to Federal land  
3 and water in the applicable region  
4 through an easement, right-of-way, or  
5 other instrument from willing land-  
6 owners for the purpose of enhancing  
7 public access to existing Federal land  
8 and water that is inaccessible or re-  
9 stricted due to renewable energy  
10 projects.

11 (C) COOPERATIVE AGREEMENTS.—The  
12 Secretary may enter into cooperative agree-  
13 ments with State and Tribal agencies, nonprofit  
14 organizations, and other appropriate entities to  
15 carry out the activities described in subpara-  
16 graph (B).

17 (D) INVESTMENT OF FUND.—

18 (i) IN GENERAL.—Any amounts de-  
19 posited in the Fund shall earn interest in  
20 an amount determined by the Secretary of  
21 the Treasury on the basis of the current  
22 average market yield on outstanding mar-  
23 ketable obligations of the United States of  
24 comparable maturities.

1 (ii) USE.—Any interest earned under  
2 clause (i) may be deposited into the Fund  
3 and used without further appropriation.

4 (E) REPORT TO CONGRESS.—At the end of  
5 each fiscal year, the Secretary shall submit to  
6 the Committee on Energy and Natural Re-  
7 sources of the Senate and the Committee on  
8 Natural Resources of the House of Representa-  
9 tives a report identifying—

10 (i) the amounts described in para-  
11 graph (1) that were collected during that  
12 fiscal year, organized by source;

13 (ii) the amount and purpose of pay-  
14 ments made to each Federal, State, local,  
15 and Tribal agency under subparagraph (B)  
16 during that fiscal year; and

17 (iii) the amount remaining in the  
18 Fund at the end of the fiscal year.

19 (F) INTENT OF CONGRESS.—It is the in-  
20 tent of Congress that the revenues deposited  
21 and expended from the Fund shall supplement  
22 (and not supplant) annual appropriations for  
23 activities described in subparagraph (B).

24 (g) IN GENERAL.—The Secretary of the Interior  
25 shall include in its annual budget requests staffing, con-

1 tracting and technological resources necessary to meet the  
2 permitting timelines required in this Act and in 42 U.S.C.  
3 4336a.

4 (h) SAVINGS CLAUSE.—Notwithstanding any other  
5 provision of this Act, the Secretary and the Secretary of  
6 Agriculture shall continue to manage public land under  
7 the principles of multiple use and sustained yield in ac-  
8 cordance with title I of the Federal Land Policy and Man-  
9 agement Act of 1976 (43 U.S.C. 1701 et seq.) or the For-  
10 est and Rangeland Renewable Resources Planning Act of  
11 1974 (16 U.S.C. 1600 et seq.), as applicable, for the pur-  
12 poses of land use planning, permit processing, and con-  
13 ducting environmental reviews.

14 **SEC. 502. GEOTHERMAL COST RECOVERY.**

15 (a) COST RECOVERY FROM GEOTHERMAL LEASING,  
16 PERMITTING, AND INSPECTIONS.—Section 6 of the Geo-  
17 thermal Steam Act of 1970 (30 U.S.C. 1005) is amended  
18 by adding at the end the following:

19 “(j) COST RECOVERY.—

20 “(1) IN GENERAL.—During the period that be-  
21 gins on the date of enactment of this subsection and  
22 ends September 30, 2033, the Secretary may require  
23 an applicant for, or a holder of, a geothermal lease  
24 to reimburse the United States for all reasonable ad-

1       ministrative and other costs incurred by the United  
2       States from—

3               “(A) processing the application for the  
4               geothermal lease, including any application for  
5               an operations plan, geothermal drilling permit,  
6               utilization plan, site license, facility construc-  
7               tion permit, commercial use permit, and any  
8               other approval associated with a geothermal  
9               lease; and

10              “(B) inspecting and monitoring—

11                      “(i) geophysical exploration activities;

12                      “(ii) the drilling, plugging, and aban-  
13                      donment of wells; and

14                      “(iii) the construction, operation, ter-  
15                      mination, and reclamation of any well site  
16                      or facility for the utilization of geothermal  
17                      resources pursuant to the geothermal  
18                      lease.

19              “(2) CONSIDERATIONS.—In determining wheth-  
20              er to require reimbursement under paragraph (1),  
21              the Secretary shall consider whether there is in ex-  
22              istence a cooperative cost share agreement between  
23              the United States and the holder of a geothermal  
24              lease.

1           “(3) ADJUSTMENTS.—The Secretary may re-  
2           duce the amount to be reimbursed under paragraph  
3           (1) if the Secretary determines—

4                   “(A) that full reimbursement would impose  
5                   an economic hardship on the applicant; or

6                   “(B) that a less than full reimbursement is  
7                   necessary to promote the greatest use of geo-  
8                   thermal resources.

9           “(4) USE.—The amounts reimbursed under this  
10           subsection shall be credited to the currently applica-  
11           ble appropriation, account, or fund of the Depart-  
12           ment of the Interior as discretionary offsetting col-  
13           lections, and shall be available only to the extent  
14           provided in advance in appropriations Acts for—

15                   “(A) processing the application for geo-  
16                   thermal leases, including any application for op-  
17                   erations plans, geothermal drilling permits, uti-  
18                   lization plans, site licenses, facility construction  
19                   permits, commercial use permits, and any other  
20                   approval associated with geothermal leases; and

21                   “(B) inspecting and monitoring—

22                           “(i) geophysical exploration activities;

23                           “(ii) the drilling, plugging, and aban-  
24                           donment of wells; and

1                   “(iii) the construction, operation, ter-  
2                   mination, and reclamation of any well site  
3                   or facility for the utilization of geothermal  
4                   resources pursuant to geothermal leases.”.

5           (b) REPORT.—

6                   (1) REPORT.—Not later than 5 years after the  
7                   date of enactment of this Act, the Secretary of the  
8                   Interior, in consultation with the geothermal indus-  
9                   try and other stakeholders, shall submit to the Com-  
10                  mittee on Natural Resources of the House of Rep-  
11                  resentatives and the Committee on Energy and Nat-  
12                  ural Resources of the Senate, and make publicly  
13                  available on the website of the Department of the  
14                  Interior, a report that includes—

15                       (A) an assessment of how the amendments  
16                       made by subsection (b) of this Act affected the  
17                       Bureau of Land Management’s geothermal pro-  
18                       gram;

19                       (B) any recommendations for reauthoriza-  
20                       tion of section 6(j) of the Geothermal Steam  
21                       Act of 1970, as added by this Act; and

22                       (C) any other recommendations for up-  
23                       dates to such section and the Bureau of Land  
24                       Management’s geothermal program.

1           (2) CONSIDERATIONS.—In developing the re-  
2           port required in paragraph (1), the Secretary of the  
3           Interior shall solicit facts or information from the  
4           geothermal industry and other stakeholders.

5 **SEC. 503. GEOTHERMAL GOLD BOOK DEVELOPMENT.**

6           (a) IDENTIFICATION.—Not later than 1 year after  
7           the date of enactment of this section, the Department of  
8           the Interior, in consultation with other relevant Federal  
9           agencies, shall identify standard procedures and guidelines  
10          for efficient and environmentally responsible geothermal  
11          leasing and permitting.

12          (b) PUBLICATION.—Not later than 180 days after  
13          identifying standard procedures and guidelines under sub-  
14          section (a), the Department of the Interior shall publish  
15          a “Gold Book” containing such standard procedures and  
16          guidelines for use by the field offices of the Bureau of  
17          Land Management and geothermal operators.

18          (c) CONSULTATION.—Before publishing the Gold  
19          Book, the Department of the Interior shall consult with—

20                 (1) other relevant Federal agencies, including  
21                 field offices of the Bureau of Land Management;  
22                 and

23                 (2) outside stakeholders, including developers  
24                 and other experts.

1 (d) INCLUSIONS.—The Gold Book shall include  
2 standard procedures and guidelines for—

3 (1) land use planning and geothermal lease  
4 sales; and

5 (2) ensuring the efficient review and approval  
6 of environmentally responsible geothermal develop-  
7 ment, including—

8 (A) exploration and geophysical operations;

9 (B) permitting lease operations;

10 (C) compliance with all applicable laws and  
11 regulations;

12 (D) construction and maintenance;

13 (E) drilling and production operations;

14 (F) appeals; and

15 (G) relevant categorical exclusions avail-  
16 able at each stage.

17 (e) PERIODIC REVISION.—The Department of the In-  
18 terior shall—

19 (1) at least once every five years, review the  
20 Gold Book; and

21 (2) as necessary, revise the Gold Book.

1       **Subtitle B—Offshore Renewable**  
2                                   **Deployment**

3       **SEC. 511. RESPONSIBLE DEVELOPMENT OF OFFSHORE RE-**  
4                                   **NEWABLE ENERGY.**

5           (a) DEFINITIONS.—Section 2 of the Outer Conti-  
6       mental Shelf Lands Act (43 U.S.C. 1331) is amended—

7                   (1) in the second subsection (r), as added by  
8       section 50251(b)(1)(A)(iv) of Public Law 117–  
9       169—

10                   (A) by redesignating such subsection (r) as  
11       subsection (t); and

12                   (B) by inserting after the enumerator  
13       “STATE.—”; and

14           (2) by adding at the end the following:

15       “(u) OFFSHORE RENEWABLE ENERGY PROJECT.—

16       The term ‘offshore renewable energy project’ means a  
17       project to carry out an activity described in section  
18       8(p)(1)(C) related to wind, solar, wave, or tidal energy.”.

19       (b) NATIONAL POLICY FOR THE OUTER CONTI-  
20       MENTAL SHELF.—Section 3 of the Outer Continental  
21       Shelf Lands Act (43 U.S.C. 1332) is amended—

22           (1) by amending paragraph (3) to read as fol-  
23       lows:

24                   “(3) the outer Continental Shelf is a vital na-  
25       tional resource reserve held by the Federal Govern-

1       ment for the public, which can be made available for  
2       orderly development, subject to environmental safe-  
3       guards and coexistence with other ocean users, in a  
4       manner which includes—

5               “(A) supporting the generation, trans-  
6               mission, and storage of zero-emission electricity;  
7               and

8               “(B) the maintenance of competition and  
9               other national needs, including the need to  
10              achieve State and Federal zero-emission elec-  
11              tricity or renewable energy mandates, targets,  
12              and goals;”;

13              (2) by redesignating paragraphs (5) and (6) as  
14              paragraphs (6) and (7), respectively; and

15              (3) by inserting after paragraph (4) the fol-  
16              lowing:

17              “(5) the identification and development of lease  
18              areas for offshore renewable energy projects should  
19              be determined by a robust and transparent stake-  
20              holder process that incorporates engagement and  
21              input from a diverse group of ocean users and other  
22              impacted stakeholders, and Federal, State, Tribal,  
23              and local governments;”.

24              (c) LEASES, EASEMENTS, AND RIGHTS-OF-WAY ON  
25      THE OUTER CONTINENTAL SHELF.—Section 8(p) of the

1 Outer Continental Shelf Lands Act (43 U.S.C. 1337(p))

2 is amended—

3 (1) in paragraph (2)—

4 (A) in subparagraph (B)—

5 (i) by striking “27” and inserting  
6 “17”;

7 (ii) by striking “three” and inserting  
8 “100”; and

9 (iii) by striking “15” and inserting  
10 “100”; and

11 (B) by adding at the end the following:

12 “(C) PAYMENTS FOR CONSERVATION AND MITI-  
13 GATION ACTIVITIES.—

14 “(i) IN GENERAL.—Notwithstanding sec-  
15 tion 9, the Secretary shall, without appropria-  
16 tion or fiscal year limitation, use 10 percent of  
17 the revenue received by the Federal Govern-  
18 ment from royalties, fees, rents, bonuses, and  
19 other payments from any lease, easement, or  
20 right-of-way granted under this subsection to  
21 provide grants to—

22 “(I) State, local, and Tribal govern-  
23 ments, and regional partnerships thereof,  
24 including Regional Ocean Partnerships,

1 Regional Wildlife Science Collaboratives,  
2 and other similar organizations; and

3 “(II) nonprofit organizations.

4 “(ii) USE OF GRANTS.—Grants provided  
5 under clause (i) shall be used for carrying out  
6 activities related to marine and coastal habitat  
7 protection and restoration, mitigation of dam-  
8 age to natural resources and marine life that  
9 results from activities authorized by this sub-  
10 section, relevant research and data sharing ini-  
11 tiatives, or increasing the organizational capac-  
12 ity of an entity described in subclause (I) or  
13 (II) of clause (i) to increase the effectiveness of  
14 entities that carry out such activities.

15 “(D) OFFSHORE RENEWABLE ENERGY COM-  
16 PENSATION FUND.—Notwithstanding section 9, the  
17 Secretary shall, without appropriation or fiscal year  
18 limitation, deposit 10 percent of the revenue received  
19 by the Federal Government from royalties, fees,  
20 rents, bonuses, and other payments from any lease,  
21 easement, or right-of-way granted under this sub-  
22 section into the Offshore Renewable Energy Com-  
23 pensation Fund established under section 34.”;

24 (2) by amending paragraph (3) to read as fol-  
25 lows:

1 “(3) LEASING.—

2 “(A) COMPETITIVE OR NONCOMPETITIVE  
3 BASIS.—The Secretary shall issue a lease, ease-  
4 ment, or right-of-way under paragraph (1) on a  
5 competitive basis unless the Secretary deter-  
6 mines after public notice of a proposed lease,  
7 easement, or right-of-way that there is no com-  
8 petitive interest.

9 “(B) SCHEDULE OF OFFSHORE RENEW-  
10 ABLE ENERGY LEASE SALES.—The Secretary  
11 shall, after providing an opportunity for public  
12 notice and comment, publish and periodically  
13 update a schedule not less frequently than every  
14 5 years of areas that may be available for leas-  
15 ing in the future for offshore renewable energy  
16 projects, indicating, to the extent possible, the  
17 timing of site identification activities, the tim-  
18 ing of designation of any area to be leased, the  
19 anticipated size of such areas, the timing of  
20 lease sales, and the location of leasing activities.

21 “(C) MULTI-FACTOR BIDDING.—

22 “(i) IN GENERAL.—The Secretary  
23 may consider non-monetary factors when  
24 competitively awarding leases under para-

1 graph (1), which may include commitments  
2 made by the bidder to—

3 “(I) support educational, train-  
4 ing, and skills development, including  
5 supporting or increasing access to reg-  
6 istered apprenticeship programs and  
7 pre-apprenticeship programs that have  
8 an articulation agreement with a reg-  
9 istered apprenticeships program for  
10 offshore renewable energy projects;

11 “(II) support development of do-  
12 mestic supply chains for offshore re-  
13 newable energy projects, including de-  
14 velopment of ports and other energy  
15 infrastructure necessary to facilitate  
16 offshore renewable energy projects;

17 “(III) establish a community  
18 benefit agreement with 1 or more  
19 community or stakeholder groups that  
20 may be impacted by the development  
21 and operation of an offshore renew-  
22 able energy project, which may in-  
23 clude covered entities;

24 “(IV) make investments to evalu-  
25 ate, monitor, improve, and mitigate

1 impacts to the health and biodiversity  
2 of ecosystems and wildlife from the  
3 development and operation of an off-  
4 shore renewable energy project;

5 “(V) support the development  
6 and use of shared transmission infra-  
7 structure connecting to offshore re-  
8 newable energy projects; and

9 “(VI) make other investments de-  
10 termined appropriate by the Sec-  
11 retary.

12 “(ii) CONTRACTUAL COMMITMENTS.—  
13 When considering non-monetary factors  
14 under this subparagraph, the Secretary  
15 may—

16 “(I) evaluate the quality of com-  
17 mitments made by the bidder; and

18 “(II) reward finalized binding  
19 agreements above assurances for fu-  
20 ture commitments.

21 “(iii) DEFINITIONS.—In this subpara-  
22 graph:

23 “(I) COVERED ENTITY.—The  
24 term ‘covered entity’ has the meaning  
25 given such term in section 34(k).

1                   “(II) REGISTERED APPRENTICE-  
2 SHIP PROGRAM.—The term ‘registered  
3 apprenticeship program’ means an ap-  
4 prenticeship program registered under  
5 the Act of August 16, 1937 (com-  
6 monly known as the National Appren-  
7 ticeship Act; 50 Stat. 664, chapter  
8 663; 29 U.S.C. 50 et seq.)”;

9                   (3) by amending paragraph (4) to read as fol-  
10 lows:

11                   “(4) REQUIREMENTS.—

12                   “(A) IN GENERAL.—The Secretary shall  
13 ensure that any activity under this subsection is  
14 carried out in a manner that provides for—

15                   “(i) safety;

16                   “(ii) protection of the environment,  
17 which includes facilitation of the genera-  
18 tion, transmission, and storage of zero-  
19 emission electricity;

20                   “(iii) prevention of waste;

21                   “(iv) conservation of the natural re-  
22 sources of the outer Continental Shelf;

23                   “(v) coordination with relevant Fed-  
24 eral agencies and State, Tribal, and local  
25 governments;

1                   “(vi) protection of national security  
2 interests of the United States;

3                   “(vii) protection of correlative rights  
4 in the outer Continental Shelf;

5                   “(viii) a fair return to the United  
6 States for any lease, easement, or right-of-  
7 way under this subsection;

8                   “(ix) reasonable uses (as determined  
9 by the Secretary) of the exclusive economic  
10 zone, the high seas, and the territorial  
11 seas;

12                   “(x) consideration of—

13                   “(I) the location of, and any  
14 schedule relating to, a lease, ease-  
15 ment, or right-of-way for an area of  
16 the outer Continental Shelf; and

17                   “(II) any other use of the sea or  
18 seabed, including use for a fishery, a  
19 sealane, a potential site of a deep-  
20 water port, or navigation;

21                   “(xi) public notice and comment on  
22 any proposal submitted for a lease, ease-  
23 ment, or right-of-way under this sub-  
24 section;

1           “(xii) oversight, inspection, research,  
2           monitoring, and enforcement relating to a  
3           lease, easement, or right-of-way under this  
4           subsection; and

5           “(xiii) satisfaction of any applicable  
6           State and Federal renewable and clean en-  
7           ergy mandates, targets, and goals.

8           “(B) PROJECT LABOR AGREEMENTS.—

9           “(i) IN GENERAL.—Beginning not  
10          later than January 1, 2026, the Secretary  
11          shall require, as a term or condition of  
12          each lease, right-of-way, and easement, as  
13          applicable, for an offshore renewable en-  
14          ergy project that the holder of the lease,  
15          right-of-way, or easement, (and any suc-  
16          cessor or assignee) and its agents, contrac-  
17          tors, and subcontractors engaged in the  
18          construction of any facilities for such off-  
19          shore renewable energy project agree, for  
20          purposes of such construction, to negotiate  
21          and become a party to a project labor  
22          agreement with 1 or more labor organiza-  
23          tions. A project labor agreement shall bind  
24          all contractors and subcontractors on the  
25          project through the inclusion of appro-

1            appropriate specifications in all relevant solicita-  
2            tion provisions and contract documents.  
3            The Secretary shall not approve a con-  
4            struction and operations plan with respect  
5            to any offshore renewable energy project  
6            until being assured by the lessee that such  
7            project labor agreement will be maintained  
8            for the duration of the project.

9            “(ii) DEFINITIONS.—In this subpara-  
10           graph:

11                    “(I) CONSTRUCTION.—The term  
12                    ‘construction’ includes reconstruction,  
13                    rehabilitation, modernization, alter-  
14                    ation, conversion, extension, repair, or  
15                    improvement of any facility, structure,  
16                    or other real property (including any  
17                    onshore facilities) for an offshore re-  
18                    newable energy project.

19                    “(II) LABOR ORGANIZATION.—  
20                    The term ‘labor organization’ means a  
21                    labor organization as defined in sec-  
22                    tion 2(5) of the National Labor Rela-  
23                    tions Act (29 U.S.C. 152(5))—

1                   “(aa) of which building and  
2                   construction employees are mem-  
3                   bers; and

4                   “(bb) that directly, or  
5                   through its affiliates, sponsors a  
6                   registered apprenticeship pro-  
7                   gram.

8                   “(III) PROJECT LABOR AGREE-  
9                   MENT.—The term ‘project labor  
10                  agreement’ means a pre-hire collective  
11                  bargaining agreement with 1 or more  
12                  labor organizations that establishes  
13                  the terms and conditions of employ-  
14                  ment for a specific construction  
15                  project and is an agreement described  
16                  in section 8(e) and (f) of the National  
17                  Labor Relations Act (29 U.S.C.  
18                  158(f)).

19                  “(IV) REGISTERED APPRENTICE-  
20                  SHIP PROGRAM.—The term ‘registered  
21                  apprenticeship program’ means an ap-  
22                  prenticeship program registered under  
23                  the Act of August 16, 1937 (com-  
24                  monly known as the National Appren-

1 ticeship Act; 50 Stat. 664, chapter  
2 663; 29 U.S.C. 50 et seq.).

3 “(C) DOMESTIC CONTENT.—

4 “(i) IN GENERAL.—With respect to  
5 the construction of facilities for an offshore  
6 renewable energy project that begins after  
7 January 1, 2033, the Secretary shall re-  
8 quire that—

9 “(I) all structural iron and steel  
10 products that are (upon completion of  
11 construction) components of such fa-  
12 cilities for an offshore renewable en-  
13 ergy project shall be produced in the  
14 United States; and

15 “(II) not less than 80 percent of  
16 the total costs of all manufactured  
17 products that are (upon completion of  
18 construction) components of such fa-  
19 cilities shall be attributable to manu-  
20 factured products which are mined,  
21 produced, or manufactured in the  
22 United States.

23 “(ii) WAIVER.—The Secretary may  
24 waive the requirements of clause (i) in any

1 case or category of cases in which the Sec-  
2 retary finds that—

3 “(I) applying clause (i) would be  
4 inconsistent with the public interest;

5 “(II) such products are not pro-  
6 duced in the United States in suffi-  
7 cient and reasonably available quan-  
8 tities and of a satisfactory quality; or

9 “(III) the use of such products  
10 will increase the cost of the overall  
11 project by more than 25 percent.

12 “(iii) PUBLIC NOTIFICATION.—If the  
13 Secretary receives a request for a waiver  
14 under this subparagraph, the Secretary  
15 shall make available to the public a copy of  
16 the request and information available to  
17 the Secretary concerning the request, and  
18 shall allow for informal public input on the  
19 request for at least 15 business days prior  
20 to making a finding based on the request.  
21 The Secretary shall make the request and  
22 accompanying information available to the  
23 public by electronic means, including on  
24 the official public Internet site of the De-  
25 partment of the Interior.

1                   “(iv) INTERNATIONAL AGREE-  
2                   MENTS.—This paragraph shall be applied  
3                   in a manner consistent with United States  
4                   obligations under international agree-  
5                   ments.”;

6                   (4) by amending paragraph (7) to read as fol-  
7                   lows:

8                   “(7) COORDINATION AND CONSULTATION.—The  
9                   Secretary shall provide for coordination and con-  
10                  sultation with—

11                  “(A) the Governor of any State or the ex-  
12                  ecutive of any local government that may be af-  
13                  fected by a lease, easement, or right-of-way  
14                  under this subsection; and

15                  “(B) Indian Tribes (following the proce-  
16                  dures of the President’s Memorandum of Uni-  
17                  form Standards for Tribal Consultation, issued  
18                  on November 30, 2022 (87 Fed. Reg. 74479),  
19                  or any subsequent order) before undertaking  
20                  any activities under this subsection that may  
21                  have a direct, indirect, or cumulative impact  
22                  on—

23                  “(i) the land, including allotted,  
24                  ceded, or traditional land, or interests in

1 such land of an Indian Tribe or member of  
2 an Indian Tribe;

3 “(ii) Tribal land, cultural practices,  
4 resources, or access to traditional areas of  
5 cultural or religious importance;

6 “(iii) any part of any Federal land  
7 that shares a border with Indian country,  
8 as such term is defined in section 1151 of  
9 title 18, United States Code;

10 “(iv) the protected rights of an Indian  
11 Tribe, whether or not such rights are enu-  
12 merated in a treaty, including water, hunt-  
13 ing, gathering, and fishing rights;

14 “(v) the ability of an Indian Tribe to  
15 govern or provide services to members of  
16 the Indian Tribe;

17 “(vi) the relationship between the  
18 Federal Government and an Indian Tribe;

19 or

20 “(vii) the trust responsibility of the  
21 Federal Government to an Indian Tribe.”;

22 (5) by amending paragraph (10) to read as fol-  
23 lows:

24 “(10) APPLICABILITY.—

1           “(A) IN GENERAL.—This subsection does  
2 not apply to any area on the outer Continental  
3 Shelf within the exterior boundaries of any unit  
4 of the National Park System, National Wildlife  
5 Refuge System, or National Marine Sanctuary  
6 System, or any National Monument.

7           “(B) CERTAIN TRANSMISSION INFRA-  
8 STRUCTURE.—

9           “(i) IN GENERAL.—Notwithstanding  
10 subparagraph (A), if otherwise authorized  
11 pursuant to the National Marine Sanc-  
12 tuaries Act (16 U.S.C. 1431 et seq.), the  
13 Secretary may issue a lease, easement, or  
14 right-of-way to enable the transmission of  
15 electricity generated by an offshore renew-  
16 able energy project.

17           “(ii) TERMS AND CONDITIONS.—In  
18 issuing a lease, easement, or right-of-way  
19 under clause (i), the Secretary may ap-  
20 prove and regulate the construction and  
21 operation of such transmission facilities  
22 (including electrical substations and other  
23 related infrastructure) for the transmission  
24 of electricity generated by such projects in

1 a manner that minimizes environmental  
2 impacts.

3 “(iii) COORDINATION.—In regulating  
4 the construction and operation of trans-  
5 mission facilities and related infrastructure  
6 under clause (ii), the Secretary shall co-  
7 ordinate with the Secretary of Commerce  
8 to ensure the duration of any necessary  
9 authorizations of such facilities under the  
10 National Marine Sanctuaries Act aligns  
11 with the duration of the relevant leases,  
12 easements, or rights-of-way issued under  
13 clause (i).”; and

14 (6) by adding at the end the following:

15 “(11) PLANNING AREA IMPACT STUDIES.—

16 “(A) IN GENERAL.—Beginning three years  
17 after the date of enactment of this paragraph,  
18 before holding any lease sale pursuant to para-  
19 graph (1) for an area, the Secretary shall con-  
20 duct a study of such area, or the wider plan-  
21 ning area that includes such area, in order to  
22 establish information needed for assessment  
23 and management of the environmental impacts  
24 on the human, marine, and coastal environ-  
25 ments of the outer Continental Shelf and the

1 coastal areas which may be affected by offshore  
2 renewable energy projects in such area or plan-  
3 ning area.

4 “(B) INCLUSIONS.—A study conducted  
5 under subparagraph (A) shall—

6 “(i) incorporate the best available ex-  
7 isting science and data;

8 “(ii) identify areas for which there is  
9 insufficient science and data; and

10 “(iii) include consideration of the cu-  
11 mulative impacts (including potential navi-  
12 gational impacts) of offshore renewable en-  
13 ergy projects on human, marine, and  
14 coastal environments.

15 “(C) USE OF DATA AND ASSESSMENTS.—  
16 The Secretary shall use the data and assess-  
17 ments included in studies conducted under this  
18 paragraph, as appropriate, when deciding—

19 “(i) which portions of an area or re-  
20 gion are most appropriate to make avail-  
21 able for leasing; and

22 “(ii) whether to issue any permit or  
23 other authorization that is necessary to  
24 carry out an offshore renewable energy  
25 project.

1           “(D) NEPA APPLICABILITY.—The Sec-  
2           retary shall not consider a study conducted  
3           under subparagraph (A) to be a major Federal  
4           action under section 102(2)(C) of the National  
5           Environmental Policy Act of 1969 (42 U.S.C.  
6           4332(2)(C)).

7           “(12) CAPACITY BUILDING AND COMMUNITY  
8           ENGAGEMENT.—

9           “(A) IN GENERAL.—The Secretary, in con-  
10          sultation with the Secretary of Commerce, may  
11          award grants to entities to build organizational  
12          capacity and enhance engagement opportunities  
13          related to offshore renewable energy project de-  
14          velopment, including environmental reviews and  
15          permitting activities of such projects.

16          “(B) PURPOSES.—Grants awarded under  
17          subparagraph (A) shall be used by entities to—

18                 “(i) enable States, Indian Tribes, af-  
19                 fected ocean users, and nonprofit associa-  
20                 tions that represent affected ocean users to  
21                 compile data, conduct analyses, educate  
22                 stakeholders, and complete other activities  
23                 relating to offshore renewable energy  
24                 project development;

1           “(ii) engage in planning activities and  
2           in the development of offshore wind  
3           projects for the purposes of—

4                   “(I) determining potential eco-  
5                   nomic, social, public health, and envi-  
6                   ronmental benefits and impacts; and

7                   “(II) identifying opportunities to  
8                   mitigate such impacts;

9                   “(iii) facilitate siting of offshore re-  
10                  newable energy projects and associated  
11                  electric transmission infrastructure; and

12                  “(iv) hire and train personnel, and  
13                  other activities designed to increase the ca-  
14                  pacity of States, Indian Tribes, and non-  
15                  profit associations, as applicable, to carry  
16                  out activities described in clauses (i)  
17                  through (iii).

18                  “(C) PRIORITIZATION.—When awarding  
19                  grants under subparagraph (A), the Secretary  
20                  shall prioritize awarding grants that will be  
21                  used to build organizational capacity and en-  
22                  hance community engagement opportunities of  
23                  Indian Tribes.

24                  “(D) AUTHORIZATION OF APPROPRIA-  
25                  TIONS.—There are authorized to be appro-

1           priated to the Secretary to carry out this para-  
2           graph \$25,000,000 for each of fiscal years  
3           2026 through 2030.”.

4           (d) RESERVATIONS.—Section 12(a) of the Outer  
5 Continental Shelf Lands Act (43 U.S.C. 1341(a)) is  
6 amended to read as follows—

7           “(a) WITHDRAWAL OF UNLEASED LANDS BY THE  
8 PRESIDENT.—

9           “(1) IN GENERAL.—The President of the  
10 United States may, from time to time, withdraw  
11 from disposition any of the unleased lands of the  
12 outer Continental Shelf.

13           “(2) REVERSAL FOR CERTAIN OFFSHORE RE-  
14 NEWABLE ENERGY PROJECTS.—With respect to a  
15 withdrawal under paragraph (1) of unleased lands  
16 from disposition, the President may reverse such a  
17 withdrawal only to allow for leasing under section  
18 (8)(p)(1)(C) and only if the President determines  
19 that environmental, national security, or national or  
20 regional energy conditions or demands have changed  
21 such that a reversal would be in the public inter-  
22 est.”.

23           (e) CITIZEN SUITS, COURT JURISDICTION, AND JU-  
24 DICIAL REVIEW.—Section 23(c)(2) of the Outer Conti-

1 nental Shelf Lands Act (43 U.S.C. 1349(c)(2)) is amend-  
2 ed to read as follows:

3 “(2) Any action of the Secretary to approve, require  
4 modification of, or disapprove any exploration plan or de-  
5 velopment and production plan under this Act, or any  
6 plan, final lease, easement, or right-of-way granted pursu-  
7 ant to section (8)(p)(1) (and any related final Federal  
8 agency actions), shall be subject to judicial review only in  
9 a United States court of appeals for a circuit in which  
10 an affected State is located.”

11 (f) REPORT ON DECOMMISSIONING OF OFFSHORE  
12 RENEWABLE ENERGY PROJECTS.—Not later than 10  
13 years after the date of enactment of this Act, the Sec-  
14 retary of the Interior shall submit to Congress, and make  
15 publicly available, a report evaluating decommissioning op-  
16 tions for offshore renewable energy projects (and associ-  
17 ated electric transmission infrastructure), including an as-  
18 sessment of the potential for the holder of a lease, ease-  
19 ment, or right-of-way to keep facilities in place or other-  
20 wise convert such facilities to artificial reefs to support  
21 marine habitats, provided that such facilities will not ad-  
22 versely impact navigation, national security, the marine  
23 environment, Tribal uses, or other competing uses of the  
24 outer Continental Shelf.

1 (g) UPDATING REGULATIONS.—Not later than 270  
2 days after the date of enactment of this section, the Sec-  
3 retary of the Interior shall issue any necessary regulations  
4 to carry out this section and the amendments made by  
5 this section.

6 **SEC. 512. COMPENSATION FOR OFFSHORE RENEWABLE EN-**  
7 **ERGY PROJECTS.**

8 The Outer Continental Shelf Lands Act (43 U.S.C.  
9 1331 et seq.) is amended by adding at the end the fol-  
10 lowing:

11 **“SEC. 34. OFFSHORE RENEWABLE ENERGY COMPENSATION**  
12 **FUND.**

13 “(a) ESTABLISHMENT.—There is established in the  
14 Treasury of the United States the Offshore Renewable  
15 Energy Compensation Fund, which shall be used by the  
16 Secretary, or a third-party the Secretary enters into a con-  
17 tract with, to provide to covered entities—

18 “(1) payments for claims—

19 “(A) described under subsection (f)(1); and

20 “(B) verified pursuant to subsection  
21 (d)(1); and

22 “(2) grants to carry out mitigation activities de-  
23 scribed in subsection (f)(2).

24 “(b) AVAILABILITY OF FUND.—The Fund shall be  
25 available to the Secretary without fiscal year limitations

1 for the purpose of providing payments and grants under  
2 subsection (a).

3 “(c) ACCOUNTS.—The Fund shall—

4 “(1) consist of the royalties, fees, rents, bo-  
5 nuses, and other payments deposited under section  
6 8(p)(2)(D); and

7 “(2) be divided into separate area accounts  
8 from which payments and grants shall be provided  
9 based on the area in which damages occur.

10 “(d) REGULATIONS.—The Secretary shall establish,  
11 by regulation, a process to—

12 “(1) file, process, and verify claims for purposes  
13 of providing payments under subsection (a)(1); and

14 “(2) apply for a grant provided under sub-  
15 section (a)(2).

16 “(e) PAYMENT AMOUNT.—Payments provided under  
17 subsection (a)(1) shall—

18 “(1) be based on the scope of the verified claim;

19 “(2) be fair and provided efficiently and in a  
20 transparent manner; and

21 “(3) if the covered entity receiving the payment  
22 has or will receive direct compensation for the  
23 verified claim pursuant to a community benefit  
24 agreement or other agreement between such covered  
25 entity and a holder of a lease, easement, or right-

1 of-way, be reduced by an amount that is equal to the  
2 amount of such direct compensation.

3 “(f) CLAIMS; MITIGATION GRANTS.—

4 “(1) CLAIMS.—A payment may be provided  
5 under subsection (a)(1) for a verified claim to—

6 “(A) replace or repair gear that was lost or  
7 damaged by the development, construction, op-  
8 eration, or decommissioning of an offshore re-  
9 newable energy project; or

10 “(B) replace income that was lost from the  
11 development, construction, operation, or decom-  
12 missioning of an offshore renewable energy  
13 project.

14 “(2) MITIGATION GRANTS.—If the Secretary  
15 determines that there are sufficient amounts in an  
16 area account of the Fund to provide payments for  
17 all verified claims at any given time, the Secretary  
18 may use amounts in the Fund to provide grants to  
19 covered entities, and other entities determined ap-  
20 propriate by the Secretary, to mitigate the potential  
21 effects of development, construction, operation, and  
22 decommissioning of an offshore renewable energy  
23 project, including by paying for gear changes, navi-  
24 gation technology improvements, and other measures

1 to enhance the safety and resiliency of the covered  
2 entities near an offshore renewable energy project.

3 “(g) ADVISORY GROUP.—

4 “(1) IN GENERAL.—The Secretary shall estab-  
5 lish and regularly convene an advisory group that  
6 shall provide recommendations on the development  
7 and administration of this section.

8 “(2) MEMBERSHIP.—The advisory group  
9 shall—

10 “(A) be comprised of individuals—

11 “(i) appointed by the Secretary; and

12 “(ii) representing the geographic di-  
13 versity of areas impacted by the develop-  
14 ment, construction, operation, or decom-  
15 missioning of offshore renewable energy  
16 projects; and

17 “(B) include representatives from—

18 “(i) recreational fishing interests;

19 “(ii) commercial fishing interests;

20 “(iii) Tribal fishing interests;

21 “(iv) the National Marine Fisheries  
22 Services;

23 “(v) the fisheries science community;

24 and

1                   “(vi) other fields of expertise nec-  
2                   essary to effectively develop and administer  
3                   this section, as determined by the Sec-  
4                   retary.

5                   “(3) TRAVEL EXPENSES.—The Secretary may  
6                   provide amounts to any member of the advisory  
7                   group to pay for travel expenses, including per diem  
8                   in lieu of subsistence, at rates authorized for an em-  
9                   ployee of an agency under section 5703 of title 5,  
10                  United States Code, while away from the home or  
11                  regular place of business of the member in the per-  
12                  formance of the duties of the advisory group.

13                  “(h) INSUFFICIENT FUNDS.—

14                  “(1) IN GENERAL.—If the Secretary determines  
15                  that an area account does not contain a sufficient  
16                  amount to provide payments under subsection  
17                  (a)(1), the Secretary may, not more than once each  
18                  calendar year, require any holder of an offshore re-  
19                  newable energy lease located within the area covered  
20                  by the area account to pay an amount specified by  
21                  the Secretary, which shall be deposited into such  
22                  area account.

23                  “(2) AMOUNT.—No holder of an offshore re-  
24                  newable energy lease shall be required to pay an

1 amount under paragraph (1) in excess of \$3 per  
2 acre of the leased land described in paragraph (1).

3 “(i) ADMINISTRATIVE EXPENSES.—The Secretary  
4 may use up to 15 percent of the amount deposited into  
5 the Fund under section 8(p)(2)(D) during a given fiscal  
6 year for administrative expenses to carry out this section.

7 “(j) ANNUAL REPORT.—The Secretary shall submit  
8 to Congress, and make publicly available, an annual report  
9 on activities carried out under this section, including a de-  
10 scription of claims filed and the amount of payments and  
11 grants provided.

12 “(k) DEFINITIONS.—In this section:

13 “(1) COVERED ENTITY.—The term ‘covered en-  
14 tity’ means—

15 “(A) a community, stakeholder, or Tribal  
16 interest—

17 “(i) that uses a geographic space of a  
18 lease area, or uses resources harvested  
19 from a geographic space of a lease area;  
20 and

21 “(ii) for which such use is directly and  
22 adversely impacted by the development,  
23 construction, operation, or decommis-  
24 sioning of an offshore renewable energy  
25 project located in such leased area; or

1           “(B) a regional association, cooperative,  
2 non-profit organization, commission, or corpora-  
3 tion that—

4                   “(i) serves a community, stakeholder,  
5 or Tribal interest described in subpara-  
6 graph (A); and

7                   “(ii) acts on behalf of such a commu-  
8 nity, stakeholder, or Tribal interest for  
9 purposes of this section, including by sub-  
10 mitting a claim for a covered entity.

11           “(2) FUND.—The term ‘Fund’ means the Off-  
12 shore Renewable Energy Compensation Fund estab-  
13 lished under subsection (a).

14           “(3) LEASE AREA.—The term ‘lease area’  
15 means an area covered by an offshore renewable en-  
16 ergy lease.

17           “(4) OFFSHORE RENEWABLE ENERGY LEASE.—  
18 The term ‘offshore renewable energy lease’ means a  
19 lease, easement, or right-of-way granted under sec-  
20 tion 8(p)(1)(C).”.

21 **SEC. 513. INTEROPERABILITY OF OFFSHORE ELECTRIC**  
22 **TRANSMISSION INFRASTRUCTURE.**

23           (a) STUDY.—Not later than 2 years after the date  
24 of enactment of this Act, the Secretary of Energy shall  
25 complete and publish on the website of the Department

1 of Energy a study that assesses the need to, and chal-  
2 lenges of, developing and standardizing interoperable elec-  
3 tric grid components, systems, and technologies in support  
4 of shared offshore transmission networks. Such study  
5 shall include recommendations for Congress, State, Tribal,  
6 and local governments, manufacturers of electric grid com-  
7 ponents, systems, and technologies, Transmission Organi-  
8 zations, offshore electricity generation project developers,  
9 and appropriate standards organizations to help ensure  
10 interoperability of electric grid components, systems, and  
11 technologies between offshore electricity generation  
12 projects and shared offshore infrastructure connecting to  
13 onshore transmission systems.

14 (b) INTEROPERABILITY STANDARD DEVELOPMENT  
15 PROGRAM.—

16 (1) IN GENERAL.—The Secretary of Energy  
17 shall establish and implement a program to identify,  
18 develop, support, document, and encourage the  
19 adoption of standards necessary to maximize the  
20 interoperability of electric grid components, systems,  
21 and technologies to accelerate the implementation  
22 and delivery of electricity generated by offshore elec-  
23 tricity generation projects through shared electricity  
24 transmission infrastructure.

1           (2) GOALS.—The goals of establishing and im-  
2           plementing the program under paragraph (1) shall  
3           be—

4                   (A) to harmonize and standardize func-  
5                   tional specifications of electric grid components,  
6                   systems, and technologies to maximize the  
7                   interoperability of electric grid components, sys-  
8                   tems, and technologies across types and manu-  
9                   facturers;

10                   (B) to hasten adoption of shared electric  
11                   transmission infrastructure, including inter-  
12                   regional transmission infrastructure, for off-  
13                   shore electricity generation by encouraging co-  
14                   operation among manufacturers of electric grid  
15                   components, systems, or technologies in order  
16                   to—

17                           (i) maximize interoperability of such  
18                           manufacturers' electric grid components,  
19                           systems, or technologies;

20                           (ii) reduce offshore electricity genera-  
21                           tion project delays and cost overruns;

22                           (iii) manage power grid complexity;

23                           and

24                           (iv) enhance electric grid resilience,  
25                           reliability, and cybersecurity; and

1 (C) to identify common technical specifica-  
2 tions to effectively and securely measure, mon-  
3 itor, control, and protect offshore electricity  
4 generation and electric transmission infrastruc-  
5 ture from the point of generation to load cen-  
6 ters.

7 (3) FINANCIAL ASSISTANCE.—Under the pro-  
8 gram established and implemented under paragraph  
9 (1), the Secretary may provide grants to—

10 (A) engage equipment manufacturers and  
11 industry stakeholders in collaborative platforms,  
12 including workshops and forums;

13 (B) identify current challenges and propose  
14 solutions to improve interoperability of electric  
15 grid components, systems, and technologies;

16 (C) develop a set of voluntary industry  
17 standards to maximize interoperability of elec-  
18 tric grid components, systems, and technologies  
19 that meet the goals described in paragraph (2);  
20 and

21 (D) promote data sharing alignment with  
22 the Department of Energy, the National Oce-  
23 anic and Atmospheric Administration, and the  
24 Bureau of Ocean Energy Management to inte-

1           grate oceanographic, wildlife, and grid planning  
2           data relevant to offshore transmission corridors.

3           (c) AUTHORIZATION OF APPROPRIATIONS.—There  
4 are authorized to be appropriated to the Secretary of En-  
5 ergy to carry out this section \$5,000,000, to remain avail-  
6 able until expended.

7           (d) DEFINITION.—In this section, the term “Trans-  
8 mission Organization” has the meaning given such term  
9 in section 3(29) of the Federal Power Act (16 U.S.C.  
10 796).

11 **TITLE VI—PROTECTING CON-**  
12 **SUMERS IN ELECTRICITY**  
13 **REGULATION**

14 **SEC. 601. UTILITY EARNINGS TIED TO RATEPAYER BENE-**  
15 **FITS.**

16           (a) AMENDMENTS TO THE FEDERAL POWER ACT.—

17               (1) IN GENERAL.—Section 219 of the Federal  
18 Power Act (16 U.S.C. 824s) is amended—

19                   (A) in subsection (a)—

20                           (i) by striking “Not later than 1 year  
21 after the date of enactment of this section,  
22 the Commission shall establish, by rule,”  
23 and inserting “The Commission shall issue  
24 such rules as may be necessary to estab-  
25 lish”; and

1 (ii) by inserting “, improving effi-  
2 ciency,” after “ensuring reliability”;

3 (B) in subsection (b)—

4 (i) in the matter preceding paragraph  
5 (1), by striking “The rule shall” and in-  
6 serting “The rules issued under this sec-  
7 tion shall”;

8 (ii) in paragraph (1), by inserting “,  
9 and operational improvements for,” after  
10 “capital investment in”;

11 (iii) in paragraph (2)—

12 (I) by inserting “or other incen-  
13 tive mechanism” after “return on eq-  
14 uity”; and

15 (II) by inserting “or incentivizes  
16 improvements that increase the effi-  
17 ciency of the transmission of electric  
18 energy and reduce costs for con-  
19 sumers” after “(including related  
20 transmission technologies)”;

21 (iv) in paragraph (3), by inserting “,  
22 including performance-based measures,”  
23 after “other measures”; and

24 (v) in paragraph (4)—

1 (I) in subparagraph (A), by strik-  
2 ing “; and” and inserting a semicolon;

3 (II) in subparagraph (B), by  
4 striking the period and inserting “;  
5 and”; and

6 (III) by adding at the end the  
7 following new subparagraph:

8 “(C) amounts determined pursuant to  
9 shared savings frameworks or other incentive  
10 mechanisms prescribed in such rules.”; and

11 (C) by amending subsection (c) to read as  
12 follows:

13 “(c) TRANSMISSION ORGANIZATION-BASED INCEN-  
14 TIVES.—

15 “(1) TRANSMISSION ORGANIZATION MEMBER-  
16 SHIP.—In a rule issued under this section, the Com-  
17 mission shall, to the extent within its jurisdiction,  
18 provide for incentives to each transmitting utility or  
19 electric utility that joins a Transmission Organiza-  
20 tion.

21 “(2) INITIAL MEMBERSHIP INCENTIVE.—In car-  
22 rying out paragraph (1), the Commission shall pro-  
23 vide for an electric utility to yield a return on equity  
24 incentive—

1           “(A) of not more than 50 basis points for  
2           the 3-year period beginning on the date on  
3           which the electric utility joins a Transmission  
4           Organization; and

5           “(B) the transfer of a transmitting utility  
6           from 1 transmission organization to another  
7           shall not trigger a new period under subpara-  
8           graph (A).

9           “(3) REGIONAL AND INTERREGIONAL FACILITY  
10          INCENTIVE.—After the expiration of the period  
11          under paragraph (2)(A), the Commission may pro-  
12          vide a return on equity incentive of not more than  
13          75 basis points with respect to transmission facilities  
14          of such utility that—

15                 “(A) provide demonstrable benefits to cus-  
16                 tomers on a regional or interregional basis, as  
17                 determined by the Commission; and

18                 “(B) are selected in a transmission plan-  
19                 ning process conducted by a Transmission Or-  
20                 ganization or by 2 or more such organizations  
21                 on an interregional basis.

22           “(4) INCENTIVES FOR NON-MEMBERS.—In the  
23          case of an electric utility that is not a member of a  
24          Transmission Organization, the Commission may  
25          provide an additional return on equity incentive of

1 not more than 25 basis points with respect to trans-  
2 mission facilities that satisfy the criteria set forth in  
3 paragraph (3).

4 “(5) GUARDRAILS.—In determining whether,  
5 and at what level, to provide incentives under this  
6 subsection, the Commission may consider—

7 “(A) measurable customer benefits, includ-  
8 ing reliability, resilience, and congestion cost re-  
9 ductions;

10 “(B) cost discipline, including consistency  
11 with least-cost planning and mitigation of ex-  
12 cessive capital bias; and

13 “(C) the persistence and magnitude of ex-  
14 pected benefits.

15 “(6) DURATION AND REVIEW.—The Commis-  
16 sion may establish time limits for incentives under  
17 this subsection and shall provide for periodic review  
18 and adjustment or termination of such incentives if  
19 the underlying bases for the incentives no longer  
20 exist.

21 “(7) METHOD OF COST RECOVERY.—The Com-  
22 mission shall ensure that any costs recoverable pur-  
23 suant to this subsection may be recovered by such  
24 utility through the transmission rates charged by  
25 such utility or through the transmission rates

1 charged by the Transmission Organization that pro-  
2 vides transmission service to such utility.”.

3 (2) RULEMAKINGS.—

4 (A) DEADLINE.—Not later than 1 year  
5 after the date of the enactment of this section,  
6 the Commission shall revise the rule issued  
7 under section 219 of the Federal Power Act (16  
8 U.S.C. 824s) to implement the amendment  
9 made by paragraph (1)(C).

10 (B) CONSIDERATIONS.—In revising the  
11 rule specified in paragraph (1)(C) with respect  
12 to the implementation of the return on equity  
13 incentive under section 219(c) of the Federal  
14 Power Act, as amended by such paragraph, the  
15 Commission shall take into consideration the  
16 following:

17 (i) The Notice of Proposed Rule-  
18 making titled “Electric Transmission In-  
19 centives Policy Under Section 219 of the  
20 Federal Power Act”, published in the Fed-  
21 eral Register on April 2, 2020 (85 Fed.  
22 Reg. 18784).

23 (ii) The Supplemental Notice of Pro-  
24 posed Rulemaking titled “Electric Trans-  
25 mission Incentives Policy Under Section

1                   219 of the Federal Power Act”, published  
2                   in the Federal Register on April 26, 2021  
3                   (86 Fed. Reg. 21972).

4           (b) RULEMAKING ON SHARED SAVINGS FRAMEWORK  
5 FOR TRANSMITTING UTILITIES SUBJECT TO FEDERAL  
6 ENERGY REGULATORY COMMISSION JURISDICTION.—

7           (1) RULE REQUIRED.—Not later than one year  
8           after the date of the enactment of this section, the  
9           Commission shall issue a final rule under section  
10          219(b)(3) of the Federal Power Act (16 U.S.C.  
11          824s(b)(3)), as amended by subsection (a), that es-  
12          tablishes a framework under which a covered trans-  
13          mitting utility may recover a portion of verified cost  
14          savings attributable to a qualifying action of such  
15          transmitting utility as an incentive (in this sub-  
16          section referred to as the “shared savings frame-  
17          work”).

18          (2) METHODOLOGIES.—The Commission shall  
19          develop and include in the rule under paragraph (1)  
20          standardized methodologies, applicable across simi-  
21          larly situated transmission segments, as follows:

22                  (A) BASELINE PERFORMANCE METH-  
23                  ODOLOGIES.—Methodologies, developed in con-  
24                  sultation with the Secretary, for covered trans-  
25                  mitting utilities to determine the annual base-

1 line performance of transmission facilities or  
2 transmission segments absent qualifying ac-  
3 tions—

4 (i) by measuring the baseline perform-  
5 ance of such a transmission facility or  
6 transmission segment—

7 (I) through the actual amount of  
8 electrical energy entering and leaving  
9 such facility or segment (commonly  
10 referred to as “direct metering”); or

11 (II) if the method under sub-  
12 clause (I) is not feasible, through an  
13 estimation of such amount consistent  
14 with modeling methodologies pre-  
15 scribed by the Commission; and

16 (ii) by normalizing data to ensure  
17 such baseline performance accounts for  
18 variability in exogenous factors determined  
19 by the Commission, such as variability  
20 in—

21 (I) weather;

22 (II) demand over time;

23 (III) upgrades, interconnections,  
24 or operational changes made by other  
25 utilities, Independent System Opera-

1                   tors or Regional Transmission Orga-  
2                   nizations, or other entities determined  
3                   relevant by the Commission; or

4                   (IV) other conditions affecting  
5                   demand or generation.

6                   (B) METHODOLOGIES RELATING TO COST  
7                   SAVINGS.—Methodologies for covered transmit-  
8                   ting utilities to estimate and calculate, and for  
9                   independent evaluators to verify, the cost sav-  
10                  ings attributable to qualifying actions under the  
11                  shared savings framework, taking into ac-  
12                  count—

13                  (i) the baseline performance of any  
14                  transmission facility or transmission seg-  
15                  ment with respect to which a qualifying ac-  
16                  tion is conducted; and

17                  (ii) price proxies, determined accord-  
18                  ing to a methodology prescribed by the  
19                  Commission, for the value of electric en-  
20                  ergy transmitted (which may include, for a  
21                  region managed by an Independent System  
22                  Operator or Regional Transmission Orga-  
23                  nization, the locational marginal price cor-  
24                  responding to the location on the electric  
25                  grid where an injection or withdrawal of

1 power is modeled (commonly referred to as  
2 a “pricing node”).

3 (C) METHODOLOGIES RELATING TO RE-  
4 COVERABLE PERCENTAGE AND RATE RECOVERY  
5 TIMELINE.—

6 (i) IN GENERAL.—Methodologies for  
7 covered transmitting utilities to determine,  
8 taking into account the factors described in  
9 clause (ii), the following:

10 (I) The total percentage of cost  
11 savings attributable to a qualifying ac-  
12 tion that such a utility may recover as  
13 an incentive under the shared savings  
14 framework, which may not be less  
15 than 10 percent or greater than 60  
16 percent of such total attributable cost  
17 savings (in this subsection referred to  
18 as the “recoverable percentage” of  
19 such savings).

20 (II) The period of time during  
21 which such a utility may recover  
22 amounts as an incentive for such an  
23 action, which may not be shorter than  
24 a 2-year period or longer than a 5-  
25 year period (in this subsection re-

1                   ferred to as the “rate recovery  
2                   timeline” for such action).

3                   (ii) FACTORS.—The factors described  
4                   in this clause are the following:

5                   (I) The extent of financial or  
6                   operational risk to be assumed by a  
7                   covered transmitting utility in con-  
8                   ducting a qualifying action.

9                   (II) The baseline performance for  
10                  transmission facilities or transmission  
11                  segments with respect to which such  
12                  action is to be conducted.

13                  (III) The replicability or dem-  
14                  onstration value of such action.

15                  (IV) The duration of cost savings  
16                  predicted to result from such action  
17                  and whether such cost savings will re-  
18                  main consistent over such duration.

19                  (V) The extent to which such ac-  
20                  tion is expected to result in additional  
21                  benefits, such as improvements to the  
22                  resilience or the reliable operation of  
23                  the bulk-power system, reductions to  
24                  transmission congestion, or reductions  
25                  to greenhouse gas emissions.

1 (VI) Such other factors as the  
2 Commission may determine relevant  
3 to ensure the incentive is perform-  
4 ance-based, transparent, and cost-ef-  
5 fective.

6 (3) INITIAL FILING REQUIRED.—To be consid-  
7 ered for an incentive under the shared savings  
8 framework for the conduct of a qualifying action, a  
9 covered transmitting utility shall submit to the Com-  
10 mission an initial filing, the contents of which shall  
11 be verified by an independent evaluator determined  
12 appropriate by the Commission, that includes the  
13 following:

14 (A) An identification of the baseline per-  
15 formance of any transmission facility or trans-  
16 mission segment with respect to which such ac-  
17 tion is to be conducted for the 1-year period  
18 preceding the date on which such conduct is to  
19 be commenced, determined by such utility pur-  
20 suant to an applicable methodology under para-  
21 graph (2)(A) (including the data underlying  
22 such calculation).

23 (B) A description of such action, including  
24 an analysis of improvements expected to result  
25 from such action.

1           (C) The rate recovery timeline for such ac-  
2           tion and the recoverable percentage of cost sav-  
3           ings attributable to such action, determined  
4           pursuant to an applicable methodology under  
5           paragraph (2)(C).

6           (D) An estimate, developed pursuant to an  
7           applicable methodology under paragraph  
8           (2)(B), of the cost savings to result from such  
9           action for—

10                   (i) the 1-year period beginning on the  
11                   date on which the conduct of such action  
12                   commences; and

13                   (ii) the duration of the rate recovery  
14                   timeline for such action.

15           (E) A claim for 50 percent of the recover-  
16           able percentage of cost savings estimated under  
17           subparagraph (D)(i).

18           (F) An agreement by such utility to file  
19           with the Commission the annual reports re-  
20           quired under paragraph (4), the contents of  
21           which shall be verified by an independent eval-  
22           uator determined appropriate by the Commis-  
23           sion.

24           (4) ANNUAL REPORTING REQUIRED.—Begin-  
25           ning 1 year after the date on which a covered trans-

1       mitting utility submits an initial filing for a quali-  
2       fying action under paragraph (3), and on an annual  
3       basis thereafter until the end of the rate recovery  
4       timeline for such action determined under subpara-  
5       graph (C) of such paragraph or until such action no  
6       longer results in cost savings, whichever occurs first,  
7       such utility shall file with the Commission a report  
8       containing, with respect to the qualifying action of  
9       such utility, the following:

10               (A) Data on the performance during the  
11               preceding year of any transmission facility or  
12               transmission segment with respect to which  
13               such action was conducted, and a comparison of  
14               such performance to the baseline performance  
15               of that transmission facility or transmission  
16               segment determined pursuant to an applicable  
17               methodology under paragraph (2)(A) for such  
18               year.

19               (B) The actual cost savings attributable to  
20               the qualifying action for the preceding year, cal-  
21               culated pursuant to an applicable methodology  
22               under paragraph (2)(B).

23               (C) If such utility expects cost savings to  
24               result from the qualifying action during the fol-  
25               lowing year, an estimate, developed pursuant to

1 an applicable methodology under paragraph  
2 (2)(B), of the cost savings for such following  
3 year.

4 (D) A claim for the following:

5 (i) An amount that is the recoverable  
6 percentage of the actual cost savings for  
7 the preceding year calculated under sub-  
8 paragraph (B) minus any amount pre-  
9 viously recovered based on an estimate of  
10 cost savings for such year under paragraph  
11 (5)(A) or paragraph (5)(B)(ii), as the case  
12 may be.

13 (ii) If the report includes an estimate  
14 of cost savings for the following year under  
15 paragraph (5), an amount that is 50 per-  
16 cent of the recoverable percentage of such  
17 estimated cost savings.

18 (E) If such utility finds that the total  
19 amount recovered for a year under paragraph  
20 (5) exceeds the amount equal to the total recov-  
21 erable percentage of the actual cost savings for  
22 that year under subparagraph (B), an identi-  
23 fication of the excess amount.

24 (5) RECOVERY MECHANISM.—

1 (A) RATE ADJUSTMENT BASED ON INITIAL  
2 FILING.—Not later than 60 days after receiving  
3 an initial filing of a covered transmitting utility  
4 under paragraph (3), the Commission shall pro-  
5 vide to such utility a rate adjustment under  
6 which such utility may recover the amount  
7 claimed under paragraph (3)(D).

8 (B) RATE ADJUSTMENT BASED ON AN-  
9 NUAL REPORTS.—Not later than 60 days after  
10 receiving an annual report of a covered trans-  
11 mitting utility under paragraph (4), the Com-  
12 mission shall provide to such utility a rate ad-  
13 justment under which—

14 (i) subject to subparagraph (C), such  
15 utility may recover the amount claimed  
16 under paragraph (4)(D)(i); and

17 (ii) if the report included a claim  
18 under paragraph (4)(D)(ii), such utility  
19 may recover the amount so claimed.

20 (C) RECONCILIATION.—If a utility identi-  
21 fies an excess amount under paragraph (4)(E),  
22 or the Commission determines the information  
23 reported for that year under paragraph (4) is  
24 insufficient for purposes of this paragraph, the

1 Commission shall credit the difference to rate-  
2 payers through a rate adjustment.

3 (6) SENSE OF CONGRESS REGARDING ADDI-  
4 TIONAL RULEMAKINGS.—It is the sense of Congress  
5 that—

6 (A) following the issuance of the rule  
7 under paragraph (1), the Commission should  
8 revise such rule, or issue additional rules under  
9 the authority of section 219(b)(3) of the Fed-  
10 eral Power Act (16 U.S.C. 824s(b)(3)), as  
11 amended by subsection (a), to expand the  
12 shared savings framework to additional cat-  
13 egories of measurable, demonstrable, and  
14 verifiable covered transmission actions;

15 (B) any such rule should include a version  
16 of the methodologies developed under paragraph  
17 (2) adapted for such additional categories; and

18 (C) any such rule should take into account  
19 the findings of the most recently conducted  
20 study under subsection (e).

21 (c) GUIDANCE FOR ELECTRIC UTILITIES NOT SUB-  
22 JECT TO FEDERAL ENERGY REGULATORY COMMISSION  
23 JURISDICTION.—

24 (1) IN GENERAL.—Not later than 2 years after  
25 the date of enactment of this section, the Secretary,

1 in coordination with the Commission and State regu-  
2 latory authorities, shall develop and publish on a  
3 publicly available website of the Department of En-  
4 ergy guidance to support State regulatory authori-  
5 ties in establishing frameworks under which covered  
6 electric utilities may recover a portion of verified  
7 cost savings attributable to a covered utility action  
8 as an incentive.

9 (2) MINIMUM ELEMENTS.—The guidance under  
10 paragraph (1) shall include—

11 (A) guidance, developed in accordance with  
12 paragraph (3), for determining the baseline per-  
13 formance of a covered electric utility absent a  
14 covered utility action;

15 (B) guidance, developed in accordance with  
16 paragraph (4), for determining the cost savings  
17 attributable to a covered utility action;

18 (C) guidance for the measurement and  
19 verification of a covered utility action, and any  
20 cost savings attributable to such action, by an  
21 independent evaluator determined appropriate  
22 by the State regulatory authority concerned;

23 (D) guidance on potential mechanisms by  
24 which covered electric utilities may recover a  
25 portion of the verified cost savings attributable

1 to a covered utility action, including through  
2 the provision of rate adjustments by State regu-  
3 latory authorities; and

4 (E) such other elements as the Secretary  
5 determines appropriate to ensure the framework  
6 specified in paragraph (1) is transparent, per-  
7 formance-based, cost-effective, and consistent  
8 with State ratemaking practices.

9 (3) METHODOLOGY FOR DETERMINING BASE-  
10 LINE PERFORMANCE.—

11 (A) IN GENERAL.—In developing the guid-  
12 ance under paragraph (2)(A), the Secretary,  
13 acting through the heads of the Grid Deploy-  
14 ment Office, Office of Electricity, and Office of  
15 Energy Efficiency and Renewable Energy of the  
16 Department of Energy, in coordination with the  
17 Commission, shall—

18 (i) consult with State regulatory au-  
19 thorities, Independent System Operators,  
20 Regional Transmission Organizations, and  
21 independent evaluators determined appro-  
22 priate by the Secretary regarding such  
23 guidance;

24 (ii) include in such guidance technical  
25 guidance for normalizing data to ensure

1 the baseline performance of a covered elec-  
2 tric utility accounts for variability in exog-  
3 enous factors, such as variability in—

4 (I) weather;

5 (II) demand over time;

6 (III) upgrades, interconnections,  
7 or operational changes made by other  
8 utilities, Independent System Opera-  
9 tors or Regional Transmission Orga-  
10 nizations, or other entities determined  
11 relevant by the Commission; or

12 (IV) other conditions affecting  
13 demand or generation, as determined  
14 by the Secretary; and

15 (iii) ensure such guidance supports  
16 consistent treatment across covered electric  
17 utilities within each category described in  
18 paragraph (5).

19 (B) SUPPORT FROM NATIONAL LABORA-  
20 TORIES.—The National Laboratories shall pro-  
21 vide such technical support as the Secretary de-  
22 termines necessary to carry out this paragraph.

23 (4) GUIDANCE ON DETERMINING COST SAV-  
24 INGS.—In developing the guidance under paragraph  
25 (2)(B), the Secretary shall—

1 (A) include in such guidance—

2 (i) principles to ensure that cost sav-  
3 ings attributable to a covered utility action  
4 are calculated in a manner that takes into  
5 account price proxies for the value of elec-  
6 tric energy and the baseline performance  
7 of the covered electric utility; and

8 (ii) tools, technical support, and ref-  
9 erence data to assist State regulatory au-  
10 thorities in applying the principles speci-  
11 fied in clause (i); and

12 (B) ensure such guidance supports con-  
13 sistent treatment across covered electric utilities  
14 within each category described in paragraph  
15 (5).

16 (5) APPLICABILITY TO UTILITY MARKET STRUC-  
17 TURES.—In carrying out paragraph (1), the Sec-  
18 retary shall develop separate guidance for each of  
19 category of covered electric utilities as follows:

20 (A) Vertically integrated utilities.

21 (B) Covered electric utilities that own or  
22 operate transmission infrastructure but not dis-  
23 tribution or generation infrastructure.

1 (C) Covered electric utilities that own or  
2 operate distribution infrastructure but not  
3 transmission or generation infrastructure.

4 (D) Covered electric utilities that own or  
5 operate distribution and transmission infra-  
6 structure but not generation infrastructure.

7 (6) REVISIONS.—Upon the publication of each  
8 report under subsection (e), the Secretary shall de-  
9 termine whether to revise the guidance under para-  
10 graph (1), taking into account the contents of such  
11 report and the recommendations included therein.

12 (d) GRANT PROGRAM FOR STATE REGULATORY AU-  
13 THORITIES.—

14 (1) ESTABLISHMENT.—Not later than 2 years  
15 after the date of the enactment of this section, the  
16 Secretary shall establish a program under which the  
17 Secretary may award grants to State regulatory au-  
18 thorities to support the development, implementa-  
19 tion, and oversight by such State regulatory authori-  
20 ties of frameworks under which covered electric utili-  
21 ties may recover a portion of verified cost savings at-  
22 tributable to a covered utility action as an incentive  
23 (in this subsection referred to as the “grant pro-  
24 gram”).

1           (2) AUTHORIZED USES OF FUNDS.—Amounts  
2           awarded under the grant program may only be used  
3           to conduct the following activities:

4                   (A) The development of a framework re-  
5                   ferred to in paragraph (1), or revision of an ex-  
6                   isting such framework, such that the framework  
7                   is consistent with the guidance developed under  
8                   subsection (c), including the following:

9                           (i) The development, including the de-  
10                           sign or modeling, of methodologies con-  
11                           sistent with the methodologies set forth  
12                           under such guidance.

13                           (ii) The development of data systems  
14                           or other tools necessary for the develop-  
15                           ment of the framework.

16                           (iii) The issuance or revision of regu-  
17                           lations necessary for the development of  
18                           the framework.

19                           (iv) The engagement with stake-  
20                           holders with respect to the development of  
21                           the framework.

22                   (B) The implementation or oversight of a  
23                   framework consistent with such guidance.

1           (3) PROHIBITED USE OF FUNDS.—No amounts  
2           awarded under the grant program may be used to  
3           pay a covered electric utility.

4           (4) GRANT RECIPIENT REPORTING REQUIRE-  
5           MENT.—

6           (A) IN GENERAL.—As a condition of re-  
7           ceiving amounts under the grant program, a  
8           State regulatory authority shall agree to submit  
9           to the Secretary, on an annual basis for the du-  
10          ration of the period in which such State regu-  
11          latory authority expends such amounts, a report  
12          describing the activities carried out using such  
13          amounts.

14          (B) EFFECT OF NONCOMPLIANCE.—If a  
15          grant recipient fails to submit a report required  
16          under subparagraph (A), such recipient shall be  
17          ineligible for additional awards under this sub-  
18          section until the report is submitted.

19          (5) ADMINISTRATION OF PROGRAM.—

20          (A) TECHNICAL SUPPORT; PUBLIC REG-  
21          ISTRY.—In carrying out the grant program, the  
22          Secretary shall—

23                  (i) provide to grant recipients tech-  
24                  nical assistance in support of activities

1           conducted using amounts awarded under  
2           the grant program; and

3                   (ii) maintain a publicly accessible reg-  
4           istry of the activities so conducted.

5           (B) REPORTING BY SECRETARY.—Not  
6           later than 2 years after the date of enactment  
7           of this section, and biennially thereafter for the  
8           duration of the grant program, the Secretary  
9           shall submit to the appropriate congressional  
10          committees a report containing—

11                   (i) a summary of the activities con-  
12          ducted using amounts awarded under the  
13          grant program;

14                   (ii) an assessment of the effectiveness  
15          of any framework implemented using such  
16          amounts; and

17                   (iii) an identification of any barrier to  
18          the development, implementation, or over-  
19          sight of a framework consistent with the  
20          guidance developed under subsection (c)  
21          and recommendations for addressing such  
22          barrier, as applicable.

23          (C) ALLOCATION OF FUNDS.—Of the  
24          amounts authorized to be appropriated or oth-

1 otherwise made available to the Secretary to carry  
2 out the grant program—

3 (i) not more than 70 percent may be  
4 awarded for the conduct of activities under  
5 paragraph (2)(A);

6 (ii) not less than 30 percent may be  
7 awarded for the conduct of activities under  
8 paragraph (2)(B); and

9 (iii) not more than 5 percent may be  
10 obligated or expended for Federal adminis-  
11 trative expenses.

12 (e) STUDIES ON EFFECTS OF CERTAIN RATE TREAT-  
13 MENTS AND ALTERNATIVE FRAMEWORKS.—

14 (1) STUDIES REQUIRED.—Not later than 3  
15 years after the date of enactment of this section,  
16 and every 5 years thereafter, the Secretary, in con-  
17 sultation with the Commission, shall—

18 (A) conduct a study on—

19 (i) inefficiencies in the electric power  
20 sector incentivized by existing rate treat-  
21 ments for the transmission of electric en-  
22 ergy and any economic, environmental, or  
23 societal effect of such inefficiencies, includ-  
24 ing with respect to the customers of elec-  
25 tric utilities, the reliable operation of the

1 bulk-power system, and the deployment of  
2 cost-effective advanced transmission tech-  
3 nologies; and

4 (ii) alternative frameworks for incen-  
5 tive-based, including performance-based,  
6 rate treatments for such transmission,  
7 such as the alternative frameworks de-  
8 scribed in paragraph (2); and

9 (B) publish on a publicly available website  
10 of the Department of Energy, and submit to  
11 the appropriate congressional committees, a re-  
12 port that includes—

13 (i) a detailed description of the find-  
14 ings of such study; and

15 (ii) recommendations of the Secretary  
16 to align rate treatments for the trans-  
17 mission of electric energy with the goals of  
18 lowering costs for the customers of electric  
19 utilities, enhancing the reliable operation of  
20 the bulk-power system, reducing trans-  
21 mission congestion and other inefficiencies  
22 in the transmission or delivery of electric  
23 energy, and encouraging the deployment of  
24 cost-effective advanced transmission tech-  
25 nologies.

1           (2) EXAMPLES OF ALTERNATIVE FRAME-  
2           WORKS.—The alternative frameworks described in  
3           this paragraph are the following:

4                   (A) Shared savings frameworks.

5                   (B) Revenue decoupling models, under  
6           which authorized revenues of utilities are sepa-  
7           rated from volumetric sales of electricity to re-  
8           duce disincentives for energy efficiency and pro-  
9           grams to reduce the consumption of, or peak  
10          demand for, electric energy.

11                  (C) Return on equity adjustments, under  
12          which authorized utility returns are increased  
13          or decreased based on measurable factors such  
14          as risk profile, performance outcomes, or effi-  
15          ciency improvements.

16                  (D) Multi-year rate plans, under which  
17          revenue requirements and performance expecta-  
18          tions for utilities are established for a fixed  
19          multi-year period rather than through single-  
20          year rate cases.

21                  (E) Earnings sharing mechanisms, under  
22          which earnings of utilities falling outside an au-  
23          thorized range as compared to the return on eq-  
24          uity are shared between shareholders and rate-  
25          payers.

1 (F) Total expenditure models, under which  
2 capital and operating expenditures of utilities  
3 are treated on an equivalent basis to reduce  
4 bias toward capital investment.

5 (G) Performance scorecards, under which  
6 utilities are evaluated against transparent out-  
7 come-based metrics such as reliability, afford-  
8 ability, equity, or the reduction of emissions,  
9 with results informing regulatory decisions or  
10 incentive adjustments.

11 (3) SOURCES.—The Secretary shall ensure that  
12 each study under paragraph (1) is informed by—

13 (A) reports filed with the Commission pur-  
14 suant to subsections (b) and (d) of this section,  
15 and section 304 of the Federal Power Act (16  
16 U.S.C. 825c);

17 (B) relevant reports issued by the National  
18 Laboratories; and

19 (C) such other studies, reports, and other  
20 data sources as the Secretary may determine  
21 appropriate.

22 (f) DEFINITIONS.—In this section:

23 (1) ADVANCED CONDUCTOR.—The term “ad-  
24 vanced conductor” means an electric transmission  
25 conductor that, relative to a conductor being re-

1 placed on a given transmission or distribution line,  
2 is designed to substantially improve electrical or me-  
3 chanical performance through the achievement of the  
4 following criteria, as determined by the Commission:

5 (A) A substantial increase in current-car-  
6 rying capacity under normal operating condi-  
7 tions.

8 (B) A substantial reduction in electrical re-  
9 sistance or line losses under normal operating  
10 conditions.

11 (C) Operation at materially higher contin-  
12 uous allowable operating temperatures.

13 (D) A reduction in thermal sag or mechan-  
14 ical constraints that enables increased use of a  
15 transmission segment or facility.

16 (2) ADVANCED TRANSMISSION TECHNOLOGY.—  
17 The term “advanced transmission technology”  
18 means any hardware or software that—

19 (A) increases the capacity, efficiency, reli-  
20 ability, resilience, or safety of transmission fa-  
21 cilities and transmission technologies;

22 (B) is installed in addition to new or exist-  
23 ing transmission facilities and transmission  
24 technologies—

1 (i) to give operators of the trans-  
2 mission facilities and transmission tech-  
3 nologies more situational awareness and  
4 control over the electric grid;

5 (ii) to make the transmission facilities  
6 and transmission technologies more effi-  
7 cient; or

8 (iii) to increase the transfer capacity  
9 of the transmission facilities and trans-  
10 mission technologies; and

11 (C) includes, but is not limited to, dynamic  
12 line ratings, advanced conductors, topology opti-  
13 mization, advanced power-flow controls, and  
14 other digital or physical systems that increase  
15 the usable transfer capability of the grid.

16 (3) APPROPRIATE CONGRESSIONAL COMMIT-  
17 TEES.—The term “appropriate congressional com-  
18 mittees” means—

19 (A) the Committee on Energy and Com-  
20 merce of the House of Representatives; and

21 (B) the Committee on Energy and Natural  
22 Resources of the Senate.

23 (4) BULK-POWER SYSTEM; ELECTRIC UTILITY;  
24 INDEPENDENT SYSTEM OPERATOR; REGIONAL  
25 TRANSMISSION ORGANIZATION; STATE REGULATORY

1       AUTHORITY; TRANSMITTING UTILITY.—The terms  
2       “bulk-power system”, “electric utility”, “Inde-  
3       pendent System Operator”, “Regional Transmission  
4       Organization”, “State regulatory authority”, and  
5       “transmitting utility” have the meanings given such  
6       terms in section 3 of the Federal Power Act (16  
7       U.S.C. 796).

8               (5) COMMISSION.—The term “Commission”  
9       means the Federal Energy Regulatory Commission.

10              (6) COVERED ELECTRIC UTILITY.—The term  
11       “covered electric utility” means an electric utility  
12       not subject to the jurisdiction of the Commission for  
13       ratemaking purposes under Part II of the Federal  
14       Power Act (16 U.S.C. 824 et seq.).

15              (7) COVERED ACTION.—The term “covered ac-  
16       tion”—

17                    (A) means an action that would generate  
18       cost savings for ratepayers; and

19                    (B) does not include the construction of a  
20       new facility or the complete reconstruction of  
21       an existing facility.

22              (8) COVERED TRANSMISSION ACTION.—The  
23       term “covered transmission action” means a covered  
24       action to improve the efficiency, capacity, reliability,

1 or resilience of 1 or more transmission facilities or  
2 transmission segments, including through—

3 (A) the replacement of a conductor on a  
4 transmission line within such a facility or seg-  
5 ment with an advanced conductor; or

6 (B) the deployment of an advanced trans-  
7 mission technology.

8 (9) COVERED TRANSMITTING UTILITY.—The  
9 term “covered transmitting utility” means a trans-  
10 mitting utility subject to the jurisdiction of the Com-  
11 mission for ratemaking purposes under part II of  
12 the Federal Power Act (16 U.S.C. 824 et seq.).

13 (10) COVERED UTILITY ACTION.—The term  
14 “covered utility action” means a covered action  
15 taken by an electric utility to—

16 (A) improve the efficiency of the genera-  
17 tion, transmission, or distribution of electric en-  
18 ergy, including by reducing the proportion of  
19 electrical energy lost during such generation,  
20 transmission, or distribution (including through  
21 the deployment of energy storage systems or  
22 other technologies); or

23 (B) reduce the consumption of, or peak de-  
24 mand for, electric energy, including through—

1 (i) a technological improvement, such  
2 as the deployment of high-efficiency appli-  
3 ances, smart thermostats, distributed en-  
4 ergy resources, or building retrofits;

5 (ii) the establishment of a pricing  
6 mechanism to encourage customers of the  
7 electric utility to reduce such consumption  
8 or shift such demand to non-peak hours; or

9 (iii) any other action or program to  
10 incentivize or otherwise produce such a re-  
11 duction or shift in demand.

12 (11) QUALIFYING ACTION.—The term “quali-  
13 fying action” means a covered transmission action  
14 achieved through the reduction of transmission phys-  
15 ical losses.

16 (12) SECRETARY.—The term “Secretary”  
17 means the Secretary of Energy.

18 (13) SIMILARLY SITUATED.—The term “simi-  
19 larly situated”, with respect to transmission seg-  
20 ments, means transmission segments that the Com-  
21 mission determines share comparable characteristics,  
22 such as voltage class, geography, load profile, or his-  
23 torical performance.

24 (14) TRANSMISSION PHYSICAL LOSS.—The  
25 term “transmission physical loss” means the amount

1 of electrical energy that enters a transmission seg-  
2 ment but does not exit such transmission segment,  
3 as measured over a prescribed period of time.

4 (15) TRANSMISSION SEGMENT.—The term  
5 “transmission segment” means a functionally dis-  
6 tinct portion of an interconnected transmission sys-  
7 tem (such as a single transmission line or multiple  
8 transmission lines within a prescribed zone, such as  
9 between prescribed substations), for which the  
10 amount of electrical energy transmitted and the  
11 amount of electrical energy lost during such trans-  
12 mission may be independently measured, as deter-  
13 mined by the Commission.

14 (16) VERTICALLY INTEGRATED ELECTRIC UTIL-  
15 ITY.—The term “vertically integrated electric util-  
16 ity” means a covered electric utility that—

17 (A) owns and operates generation, trans-  
18 mission, and distribution facilities; and

19 (B) directly provides retail electric service  
20 to end-use customers.

21 **SEC. 602. CONSUMER PROTECTION FROM ENERGY MARKET**  
22 **MANIPULATION.**

23 (a) AMENDMENTS TO THE FEDERAL POWER ACT.—

24 (1) ENFORCEMENT OF CERTAIN PROVISIONS.—

25 Section 316A of the Federal Power Act (16 U.S.C.

1       825o–1) is amended by adding at the end the fol-  
2       lowing:

3       “(c) PROHIBITION OR SUSPENSION FOR VIOLA-  
4       TIONS.—The Commission may prohibit, conditionally or  
5       unconditionally, permanently or for such period of time  
6       as the Commission determines to be appropriate, any per-  
7       son who is engaged or has engaged in practices consti-  
8       tuting a violation of section 221 or 222 (and related rules  
9       and regulations) from engaging, directly or indirectly, in  
10      the business of purchasing or selling—

11               “(1) electric energy;

12               “(2) electric energy products, including finan-  
13      cial transmission rights; or

14               “(3) transmission services subject to the juris-  
15      diction of the Commission.”.

16               (2) CONFORMING AMENDMENTS.—Section  
17      314(d) of the Federal Power Act (16 U.S.C.  
18      825m(d)) is amended—

19               (A) in the matter preceding paragraph

20               (1)—

21                       (i) by striking “individual” and insert-  
22                       ing “person”; and

23                       (ii) by inserting “or 222” after “sec-  
24                       tion 221”;

1 (B) in paragraph (1), by inserting “with  
2 respect to a person who is an individual,” be-  
3 fore “acting”; and

4 (C) in paragraph (2)—

5 (i) in the matter preceding subpara-  
6 graph (A), by inserting “, directly or indi-  
7 rectly,” after “engaging”;

8 (ii) in subparagraph (A), by striking  
9 “; or” and inserting a semicolon;

10 (iii) by redesignating subparagraph  
11 (B) as subparagraph (C); and

12 (iv) by inserting after subparagraph  
13 (A) the following:

14 “(B) electric energy products, including fi-  
15 nancial transmission rights; or”.

16 (b) AMENDMENTS TO NATURAL GAS ACT.—

17 (1) PROHIBITION ON FILING FALSE INFORMA-  
18 TION.—The Natural Gas Act (15 U.S.C. 717 et  
19 seq.) is amended by inserting after section 4A the  
20 following:

21 **“SEC. 4B. PROHIBITION ON FILING FALSE INFORMATION.**

22 “No person shall willfully and knowingly report to a  
23 Federal agency or private-sector price-reporting agency,  
24 with intent to fraudulently affect the data being compiled  
25 by the Federal agency or private-sector price-reporting

1 agency, any information relating to the transportation or  
2 sale of natural gas subject to the jurisdiction of the Com-  
3 mission (including information relating to the availability  
4 and prices of natural gas sold at wholesale and in inter-  
5 state commerce and information relating to the operation  
6 of facilities for the transportation and sale of natural gas  
7 at wholesale and in interstate commerce) that the person  
8 knows to be false at the time of the reporting.”.

9           (2) CIVIL PENALTY AUTHORITY.—Section 22 of  
10       the Natural Gas Act (15 U.S.C. 717t–1) is amended  
11       by adding at the end the following:

12       “(d) PROHIBITION OR SUSPENSION FOR VIOLA-  
13       TIONS.—The Commission may prohibit, conditionally or  
14       unconditionally, permanently or for such period of time  
15       as the Commission determines to be appropriate, any per-  
16       son who is engaged or has engaged in practices consti-  
17       tuting a violation of section 4A or 4B (including related  
18       rules and regulations) from engaging, directly or indi-  
19       rectly, in the business of purchasing or selling—

20           “(1) natural gas; or

21           “(2) transmission services subject to the juris-  
22       diction of the Commission.”.

23           (3) CONFORMING AMENDMENTS.—Section  
24       20(d) of the Natural Gas Act (15 U.S.C. 717s(d))  
25       is amended—

1 (A) in the matter preceding paragraph (1),  
2 by striking “individual” and inserting “person”;

3 (B) in paragraph (1), by inserting “with  
4 respect to a person who is an individual,” be-  
5 fore “acting”; and

6 (C) in paragraph (2), in the matter pre-  
7 ceding subparagraph (A), by inserting “, di-  
8 rectly or indirectly,” after “engaging”.

9 **SEC. 603. AVOIDING COST SHIFTS ONTO FAMILIES.**

10 (a) IN GENERAL.—Section 111(d) of the Public Util-  
11 ity Regulatory Policies Act of 1978 (16 U.S.C. 2621(d))  
12 is amended by adding at the end the following:

13 “(22) LARGE LOAD FACILITY CLASS.—

14 “(A) CLASSIFICATION.—Large load facili-  
15 ties shall be considered a class of electric con-  
16 sumers.

17 “(B) COST RECOVERY RELATING TO  
18 LARGE LOAD FACILITY CLASS.—Each electric  
19 utility that provides electric service to a class of  
20 electric consumers described in subparagraph  
21 (A) shall fully recover from such class all costs  
22 associated with any upgrade made to the gen-  
23 eration, transmission, or distribution facilities  
24 of the electric grid, including local facilities, in  
25 order to meet the demand for electric energy

1 from such class, including in the event that a  
2 large load facility ceases operations or uses less  
3 electric energy than projected at the time of  
4 such upgrade.

5 “(23) GRID RELIABILITY FOR LARGE LOAD FA-  
6 CILITIES.—Each electric utility shall prioritize,  
7 among requests from owners or operators of large  
8 load facilities for electric service, such a request  
9 under which the owner or operator agrees to em-  
10 ploy—

11 “(A) features that reduce the demand for  
12 electric energy from the electric grid during  
13 times of peak demand, including—

14 “(i) energy efficiency or energy con-  
15 servation measures;

16 “(ii) onsite energy storage; or

17 “(iii) demand response or load flexi-  
18 bility technologies; and

19 “(B) zero-emission electric energy gen-  
20 erated onsite or procured within the same bal-  
21 ancing authority through a power purchase  
22 agreement to meet all of the demand of the  
23 large load facility for electric energy.”.

1 (b) DEFINITIONS.—Section 111 of the Public Utility  
2 Regulatory Policies Act of 1978 (16 U.S.C. 2621) is  
3 amended by adding at the end the following:

4 “(e) DEFINITIONS.—For the purposes of subsection  
5 (d):

6 “(1) LARGE LOAD FACILITY.—The term ‘large  
7 load facility’—

8 “(A) means a facility, or an aggregation of  
9 facilities at a single site, with respect to which  
10 the peak demand of such facility or such aggre-  
11 gation of facilities exceeds 75 megawatts; and

12 “(B) does not include an existing facility  
13 with respect to which any increased demand is  
14 predominantly caused by electrification or  
15 measures to reduce greenhouse gas emissions.

16 “(2) ZERO-EMISSION ELECTRIC ENERGY.—The  
17 term ‘zero-emission electric energy’ means electric  
18 energy generated without emitting greenhouse gases,  
19 including from solar, wind, geothermal, hydro-  
20 electric, tidal, fission, or fusion energy.”.

21 (c) CONFORMING AMENDMENTS.—

22 (1) OBLIGATIONS TO CONSIDER AND DETER-  
23 MINE.—Section 112 of the Public Utility Regulatory  
24 Policies Act of 1978 (16 U.S.C. 2622) is amended—

1 (A) in subsection (b), by adding at the end  
2 the following:

3 “(9)(A) Not later than 1 year after the date of  
4 enactment of this paragraph, each State regulatory  
5 authority (with respect to each electric utility for  
6 which the State has ratemaking authority) and each  
7 nonregulated utility shall commence consideration  
8 under section 111, or set a hearing date for consid-  
9 eration, with respect to each standard established by  
10 paragraphs (22) and (23) of section 111(d).

11 “(B) Not later than 2 years after the date  
12 of enactment of this paragraph, each State reg-  
13 ulatory authority (with respect to each electric  
14 utility for which the State has ratemaking au-  
15 thority), and each nonregulated electric utility  
16 shall complete the consideration and make the  
17 determination under section 111 with respect to  
18 each standard established by paragraphs (22)  
19 and (23) of section 111(d).

20 “(C) Not later than 30 days after com-  
21 pleting the determination and making a deter-  
22 mination under section 111 with respect to each  
23 standard established by paragraphs (22) and  
24 (23) of section 111(d), each State regulatory  
25 authority (with respect to each electric utility

1 for which the State has ratemaking authority),  
2 and each nonregulated electric utility shall sub-  
3 mit to the Committee on Energy and Commerce  
4 of the House of Representatives and the Com-  
5 mittee on Energy and Natural Resources of the  
6 Senate a report detailing the process used for  
7 consideration and an explanation for the deter-  
8 mination.”;

9 (B) in subsection (c)—

10 (i) by striking “subsection (b)(2)” and  
11 inserting “subsection (b)”;

12 (ii) by inserting “In the case of the  
13 standard established by paragraphs (22)  
14 and (23) of section 111(d), the reference  
15 contained in this subsection to the date of  
16 enactment of this Act shall be deemed to  
17 be a reference to the date of enactment of  
18 such paragraphs (22) and (23).” after  
19 “paragraph (21).”; and

20 (C) by adding at the end the following:

21 “(i) OTHER PRIOR STATE ACTIONS.—  
22 Subsections (b) and (c) shall not apply to  
23 the standards established by paragraphs  
24 (22) and (23) of section 111(d) in the case

1           of any electric utility in a State if, before  
2           the date of enactment of this subsection—

3           “(1) the State has implemented for the electric  
4           utility the standard concerned (or a comparable  
5           standard);

6           “(2) the State regulatory authority for the  
7           State or the relevant nonregulated electric utility has  
8           conducted a proceeding to consider implementation  
9           of the standard concerned (or a comparable stand-  
10          ard) for the electric utility; or

11          “(3) the State legislature has voted on the im-  
12          plementation of the standard concerned (or a com-  
13          parable standard) for the electric utility during the  
14          3-year period ending on that date of enactment.”.

15          (2) PRIOR AND PENDING PROCEEDINGS.—Sec-  
16          tion 124 of the Public Utility Regulatory Policies  
17          Act of 1978 (16 U.S.C. 2634) is amended by insert-  
18          ing “In the case of each standard established by  
19          paragraphs (22) and (23) of section 111(d), the ref-  
20          erence contained in this section to the date of enact-  
21          ment of this Act shall be deemed to be a reference  
22          to the date of enactment of such paragraphs (22)  
23          and (23).” after “paragraph (21).”.

1 **SEC. 604. TRUE COSTS AND VALUE OF ENERGY FOR ECO-**  
2 **NOMIC AND PUBLIC BENEFIT.**

3 (a) ENERGY PRODUCTIVITY ASSESSMENTS.—

4 (1) BASELINE ASSESSMENT.—Not later than 2  
5 years after the date of enactment of this Act, the  
6 Secretary of Energy, in consultation with the Task  
7 Force established under subsection (c) of this Act,  
8 shall publish a comprehensive baseline assessment of  
9 energy productivity in the United States, which  
10 shall, at a minimum—

11 (A) define a framework and methodology  
12 for measuring energy productivity as the rela-  
13 tionship between energy inputs and the eco-  
14 nomic or societal value of the work performed  
15 by those inputs, at the national, regional, and  
16 sectoral levels;

17 (B) evaluate current energy productivity  
18 performance at the national, regional, and sec-  
19 toral levels;

20 (C) identify barriers to improved energy  
21 productivity across economic sectors; and

22 (D) highlight opportunities for improve-  
23 ment through technology, policy, behavioral, or  
24 structural interventions.

25 (2) PERIODIC NATIONAL ENERGY PRODUC-  
26 TIVITY REPORTING.—Not later than 6 months after

1 the publication of the baseline assessment under  
2 paragraph (1), and at least quarterly thereafter, the  
3 Administrator of the Energy Information Adminis-  
4 tration shall publish a report on energy productivity  
5 in the United States using the same measures of  
6 economic output in each sector and nationally as  
7 those used in the estimates of labor productivity  
8 published by the Bureau of Labor Statistics. The  
9 Administrator of the Energy Information Adminis-  
10 tration shall coordinate with the Secretary of Labor  
11 on such energy productivity reports so the publica-  
12 tion of such energy productivity reports is on the  
13 same timeline as the reporting of labor productivity  
14 by the Bureau of Labor Statistics.

15 (3) NATIONAL ENERGY PRODUCTIVITY MOD-  
16 ELING.—Not later than 18 months after the date of  
17 enactment of this Act, and every three years there-  
18 after, the Secretary of Energy shall produce a com-  
19 prehensive National Energy Productivity Assessment  
20 using existing Federal modeling tools and data sys-  
21 tems. The assessment shall—

22 (A) quantify the direct and indirect eco-  
23 nomic, environmental, health, and societal im-  
24 pacts of achieving accelerated energy produc-  
25 tivity improvements, relative to a business-as-

1 usual scenario, at the national, regional, and  
2 sectoral levels;

3 (B) analyze potential policy pathways to  
4 enhance competitiveness, reduce energy costs,  
5 increase resilience, and support job creation;

6 (C) evaluate how such improvements affect  
7 national and regional well-being, including re-  
8 ductions in pollution, energy costs, public health  
9 burdens, water use, and economic vulnerability;

10 (D) evaluate risks associated with delayed  
11 action, including stranded asset exposure and  
12 competitiveness losses; and

13 (E) include, as appropriate, recommenda-  
14 tions for Federal policies, programs, and re-  
15 search priorities to support sustained energy  
16 productivity gains.

17 (4) REPORTS ON ENERGY PRODUCTIVITY AND  
18 COMPETITIVENESS.—Not later than 2 years after  
19 the date of enactment of this Act, the Secretary of  
20 Energy shall submit to Congress a report detailing  
21 how improvements in energy productivity in the  
22 United States affects United States competitiveness  
23 in key economic sectors, including manufacturing,  
24 services, and energy-intensive industries. The report  
25 shall include modeling scenarios, investment implica-

1 tions, and policy options to maximize national eco-  
2 nomic benefits from improved energy productivity.

3 (b) IMPROVING ENERGY INDICATORS.—

4 (1) STANDARDIZED REPORTING ON ENERGY IN-  
5 DICATORS.—

6 (A) IN GENERAL.—Not later than 18  
7 months after the date of enactment of this Act,  
8 the Task Force established under subsection (c)  
9 of this Act shall develop standardized meth-  
10 odologies for collecting, evaluating, assembling,  
11 analyzing, and disseminating data and other in-  
12 formation on the following indicators:

13 (i) National energy potential, where  
14 the term “national energy potential”  
15 means the theoretical maximum amount of  
16 energy physically present within a coun-  
17 try’s geographic boundary, including the  
18 country’s Exclusive Economic Zone, across  
19 all energy forms, including—

20 (I) energy stocks for—

21 (aa) oil and gas, in units of  
22 chemical energy, which in-  
23 cludes—

1 (AA) proven reserves as  
2 determined by the Energy  
3 Information Administration;  
4 (BB) probable reserves  
5 as determined by the Energy  
6 Information Administration;  
7 (CC) undiscovered tech-  
8 nically recoverable resources  
9 as determined by the United  
10 States Geological Survey;  
11 and  
12 (DD) undiscovered un-  
13 recoverable resources as de-  
14 termined by the United  
15 States Geological Survey;  
16 (bb) coal, in units of chem-  
17 ical energy, which includes identi-  
18 fied and undiscovered resources,  
19 as determined by the United  
20 States Geological Survey; and  
21 (cc) nuclear fuel, in units of  
22 fissionable energy from reason-  
23 ably assured, estimated addi-  
24 tional, and speculative uranium  
25 and thorium resources, as deter-

1                   mined by the Energy Information  
2                   Administration; and  
3                   (II) energy flows for—  
4                   (aa) solar energy, in units of  
5                   annual total Global Horizontal  
6                   Irradiance;  
7                   (bb) wind energy, in units of  
8                   annual kinetic energy from wind  
9                   at hub heights and atmospheric  
10                  conditions consistent with com-  
11                  mercial wind energy applications,  
12                  as determined by the Department  
13                  of Energy;  
14                  (cc) hydropower energy, in  
15                  units of annual gravitational po-  
16                  tential energy from inland water  
17                  flows that, at a minimum, could  
18                  power a micro hydropower plant,  
19                  as determined by the Department  
20                  of Energy;  
21                  (dd) geothermal energy, in  
22                  units of annual subsurface ther-  
23                  mal energy at a subsurface depth  
24                  of 10 kilometers or less, or under  
25                  temperature, pressure, and geo-

1 logical conditions suitable for en-  
2 ergy extraction, as determined by  
3 the Department of Energy;

4 (ee) biomass-based energy,  
5 in units of annual chemical en-  
6 ergy, including primary re-  
7 sources, and secondary and ter-  
8 tiary residues, as determined by  
9 the Department of Energy; and

10 (ff) marine energy, in units  
11 of annual mechanical, thermal,  
12 and chemical potential energy in  
13 the Exclusive Economic Zone of  
14 the United States.

15 (ii) Technically-accessible energy po-  
16 tential, where the term “technically-acces-  
17 sible energy potential” means the theo-  
18 retical maximum amount of national en-  
19 ergy potential that can be accessed and  
20 converted into usable energy using existing  
21 commercially-available technologies and in-  
22 dustry-standard practices, without regard  
23 to cost or policy.

24 (iii) Cost-qualified energy potential,  
25 where term “cost-qualified energy poten-

1            tial” means the theoretical maximum  
2            amount of technically-accessible energy po-  
3            tential that could be profitably developed  
4            and delivered as usable energy under cur-  
5            rent or anticipated near-term economic  
6            conditions, as determined using prevailing  
7            market prices, technology costs, and indus-  
8            try-standard practices, considering existing  
9            ordinances and regulations and current in-  
10          dustry practices for siting for energy  
11          stocks and energy flows.

12            (iv) Market-viable energy potential,  
13            where the term “market-viable energy po-  
14            tential” means the amount of cost-qualified  
15            energy potential that is already online or  
16            likely to be developed and brought online  
17            in practice, at the time of reporting in sub-  
18            section (b)(1)(B)(ii).

19            (v) Secondary energy, where the term  
20            “secondary energy”—

21            (I) means the amount of energy  
22            resources that have been converted  
23            into intermediate carriers electricity  
24            generation;

1 (II) represents energy forms that  
2 can be stored, transported, distrib-  
3 uted, or further converted before final  
4 consumption; and

5 (III) includes, but is not limited  
6 to, electricity, refined fuels (such as  
7 refined petroleum products, hydrogen,  
8 or synthetic fuels), and district heat.

9 (vi) Final energy, where the term  
10 “final energy”—

11 (I) means the amount of sec-  
12 ondary energy in the form delivered  
13 for end-use consumption for consump-  
14 tion in buildings, transportation, in-  
15 dustrial processes, or other sectors or  
16 applications; and

17 (II) includes, but is not limited  
18 to, electricity, refined fuels (such as  
19 refined petroleum products, hydrogen,  
20 or synthetic fuels), and district heat.

21 (vii) Useful energy, where the term  
22 “useful energy”—

23 (I) means the amount of final en-  
24 ergy that is effectively converted into  
25 the desired service or output after ac-

1 counting for energy losses during end-  
2 use conversion; and

3 (II) includes lighting, mechanical  
4 work and motion, heating and cooling,  
5 chemical process energy, and any  
6 other end use services delivered to  
7 meet a desired function.

8 (viii) Exergy, where term “exergy”  
9 means the amount of usable energy and re-  
10 sulting work obtainable from a system or  
11 energy stream, accounting for both the  
12 quantity and quality of energy.

13 (ix) Exergy efficiency, where the term  
14 “exergy efficiency” means the extent to  
15 which the exergy is preserved and con-  
16 verted into valuable economic or societal  
17 services during their use for a given sys-  
18 tem, sector, or economy.

19 (B) INCORPORATION OF NEW INDICATORS  
20 IN DEPARTMENT REPORTING.—

21 (i) IN GENERAL.—Not later than 2  
22 years after the initial development of the  
23 standardized methodologies under para-  
24 graph (1), the Secretary of Energy shall,  
25 as part the Department of Energy’s mod-

1 eling frameworks, scenario analysis tools,  
2 and energy outlooks, collect, evaluate, as-  
3 semble, analyze, and disseminate data and  
4 other information related to the indicators  
5 listed in clauses (i) through (ix) of sub-  
6 paragraph (A).

7 (ii) COVERED REPORTING.—The mod-  
8 eling frameworks, scenario analysis tools,  
9 and energy outlooks described in clause (i)  
10 include—

11 (I) the Annual Energy Outlook;

12 (II) to the maximum extent pos-  
13 sible—

14 (aa) the Monthly Energy  
15 Review;

16 (bb) the International En-  
17 ergy Outlook;

18 (cc) the State Energy Data  
19 System; and

20 (dd) the Short-Term Energy  
21 Outlook; and

22 (III) any successor model or  
23 analysis to a model or analysis de-  
24 scribed in subclauses (I) and (II).

1 (C) TRANSPARENCY AND DOCUMENTA-  
2 TION.—The Administrator of the Energy Infor-  
3 mation Administration shall publish and main-  
4 tain detailed documentation on how the Task  
5 Force developed the methodologies under sub-  
6 paragraph (A).

7 (2) STUDY ON PRIMARY ENERGY INDICA-  
8 TORS.—

9 (A) REQUIRED STUDY.—The Secretary of  
10 Energy, with support from the Administrator of  
11 the Energy Information Administration, rel-  
12 evant offices within the Department of Energy,  
13 and the Task Force, shall conduct a com-  
14 prehensive study on the validity, limitations,  
15 and potential alternatives to the use of the indi-  
16 cators for primary energy in national energy ac-  
17 counting.

18 (B) SCOPE OF STUDY.—The study shall  
19 include—

20 (i) an evaluation of the conceptual  
21 basis and historical rationale for the cur-  
22 rent indicator for primary energy cal-  
23 culated and reported by the Energy Infor-  
24 mation Administration;

1 (ii) an assessment of the limitations of  
2 primary energy accounting in accurately  
3 reflecting energy efficiency, energy transi-  
4 tions, and the value and comparability of  
5 combustible and non-combustible energy  
6 sources;

7 (iii) an analysis of alternative indica-  
8 tors, including secondary energy, final en-  
9 ergy, useful energy, and exergy, and their  
10 suitability for integration into national en-  
11 ergy statistics;

12 (iv) a review of international best  
13 practices for energy accounting, including  
14 methodologies used by the International  
15 Energy Agency and peer nations; and

16 (v) recommendations for improve-  
17 ments or replacements to the primary en-  
18 ergy indicator that better align with na-  
19 tional goals for energy efficiency, elec-  
20 trification, decarbonization, and economic  
21 productivity.

22 (C) REPORT TO CONGRESS.—Not later  
23 than 18 months after the date of enactment of  
24 this Act, the Secretary of Energy shall submit  
25 to the Committee on Energy and Commerce of

1           the House of Representatives and the Com-  
2           mittee on Energy and Natural Resources of the  
3           Senate a report containing the findings and rec-  
4           ommendations of the study required under sub-  
5           paragraph (A).

6           (c) ESTABLISHMENT OF ENERGY PRODUCTIVITY  
7   AND COST TASK FORCE.—

8           (1) ESTABLISHMENT.—Not later than 180 days  
9           after the date of enactment of this Act, the Sec-  
10          retary of Energy shall establish an advisory group,  
11          to be known as the “Energy Productivity and Value  
12          Task Force” (in this Act referred to as the “Task  
13          Force”), which shall be led by the Secretary of En-  
14          ergy.

15          (2) MEMBERSHIP.—

16                (A) FEDERAL AGENCIES.—The following  
17                heads of Federal agencies shall serve as mem-  
18                bers of the Task Force:

19                   (i) The Secretary of Energy.

20                   (ii) The Secretary of Commerce.

21                   (iii) The Administrator of the Envi-  
22                   ronmental Protection Agency.

23                   (iv) The Administrator of the Energy  
24                   Information Administration.

1 (v) The Chairman of the Federal En-  
2 ergy Regulatory Commission.

3 (vi) The Administrator of the Na-  
4 tional Oceanic and Atmospheric Adminis-  
5 tration.

6 (vii) The Director of the United  
7 States Geological Survey.

8 (viii) The Assistant Secretary for  
9 Health of the Department of Health and  
10 Human Services.

11 (ix) The Director of the Office of  
12 Science and Technology Policy.

13 (B) INDEPENDENT TECHNICAL EX-  
14 PERTS.—

15 (i) IN GENERAL.—The Secretary of  
16 Energy, in consultation with the other  
17 heads of Federal agencies listed in sub-  
18 paragraph (A), shall appoint independent  
19 technical experts as members of the Task  
20 Force, which shall consist of independent  
21 technical experts with a demonstrated ex-  
22 pertise in—

23 (I) environmental and energy ec-  
24 onomics;

1 (II) energy technologies, includ-  
2 ing renewables, fossil fuel systems,  
3 bioenergy, and energy storage;

4 (III) public health and environ-  
5 mental epidemiology;

6 (IV) ecology and ecosystem serv-  
7 ices;

8 (V) industrial engineering and  
9 lifecycle assessment; and

10 (VI) any other field the Oversight  
11 Board determines relevant for the  
12 purposes of this Act.

13 (ii) NUMBER OF EXPERTS.—Under  
14 subparagraph (A), the Secretary of Energy  
15 shall appoint—

16 (I) at least 1 independent tech-  
17 nical expert for each field under sub-  
18 clauses (I) through (VI) of such sub-  
19 paragraph; and

20 (II) separate independent tech-  
21 nical experts for each such field.

22 (C) STAKEHOLDER REPRESENTATIVES.—  
23 The Secretary of Energy, in consultation with  
24 the other heads of Federal agencies listed in  
25 subparagraph (A), shall appoint stakeholders as

1 members of the Task Force, which shall consist  
2 of at least 1, but not more than two, stake-  
3 holders that represent each of—

- 4 (i) the electric power sector;  
5 (ii) the renewable energy sector;  
6 (iii) the non-renewable energy sector;  
7 (iv) consumer advocacy groups;  
8 (v) energy-intensive industries;  
9 (vi) environmental and public interest  
10 advocacy organizations;  
11 (vii) the National Academies of  
12 Sciences, Engineering, and Medicine;  
13 (viii) academic- and National Labora-  
14 tory-based researchers with expertise in—  
15 (I) energy and economics;  
16 (II) climate and economics; or  
17 (III) environmental systems and  
18 economics; and  
19 (ix) any other sectors or organizations  
20 the Secretary of Energy determines rel-  
21 evant for the purposes of this Act.

22 (3) TERMINATION.—Notwithstanding section  
23 1013 of title 5, United States Code, the Task Force  
24 shall terminate on the date that is 3 years after the  
25 date of enactment of this section.

1 (d) LIFECYCLE IMPACT AND COSTS OF ENERGY  
2 TECHNOLOGIES.—

3 (1) COMPREHENSIVE ANALYTICAL FRAMEWORK  
4 AND DATASET.—The Secretary of Energy shall de-  
5 velop and maintain a comprehensive analytical  
6 framework and dataset based on the methodology  
7 and guiding principles submitted to the Secretary of  
8 Energy by the Task Force under paragraph (3).

9 (2) ASSESSMENT OF LIFECYCLE IMPACTS AND  
10 COSTS.—

11 (A) DEVELOPMENT AND MAINTENANCE.—

12 The Secretary of Energy shall use the com-  
13 prehensive analytical framework and dataset de-  
14 veloped and maintained under subsection (a) to  
15 prepare an assessment of the full lifecycle im-  
16 pacts and costs of producing and delivering en-  
17 ergy services from each major energy resource  
18 or technology, including impacts and costs from  
19 upstream, operational, and downstream stages  
20 from extraction to end-use and waste manage-  
21 ment.

22 (B) SCOPE OF ASSESSMENT.—The assess-  
23 ment prepared under paragraph (1) shall in-  
24 clude, for each major energy resource or tech-  
25 nology, a complete quantification and character-

1           ization of the lifecycle impacts associated with  
2           producing and delivering energy services using  
3           the resource or technology, including, impacts  
4           from—

5                   (i) energy inputs and losses, from ex-  
6                   traction through end use and waste man-  
7                   agement, including embodied energy;

8                   (ii) material use, including chemical  
9                   use, and waste generation;

10                  (iii) water use, including withdrawals,  
11                  consumption, quality impacts, and other  
12                  risks to water availability, quality, and eco-  
13                  system function;

14                  (iv) pollution and emissions, including  
15                  emissions of greenhouse gases and other  
16                  air pollutants, water pollutants, and land  
17                  disturbance; and

18                  (v) indirect and direct costs to social,  
19                  environmental, and economic well-being re-  
20                  sulting from such impacts.

21           (C) USES OF ASSESSMENT.—The Sec-  
22           retary of Energy shall use the assessment pre-  
23           pared under paragraph (1)—

24                   (i) to develop strategic planning, in-  
25                   vestment prioritization, policies and pro-

1           grams, and regulatory analysis to limit the  
2           social, environmental, and economic costs  
3           of energy production and use;

4           (ii) to inform the allocation of grants  
5           and making loans and loan guarantees for  
6           Federal energy research, development,  
7           State and local programs, and demonstra-  
8           tions; and

9           (iii) as a resource for future reports  
10          and analyses of energy productivity, recog-  
11          nizing the link between resource impacts  
12          and social, economic, and environmental  
13          well-being.

14          (D) UPDATES AND AVAILABILITY.—The  
15          Secretary of Energy shall—

16           (i) update the assessment at regular  
17           intervals, but not less frequently than once  
18           every 3 years;

19           (ii) make the results of the assess-  
20           ment publicly available in a transparent,  
21           machine-readable format, including docu-  
22           mentation of assumptions, data sources,  
23           and methodologies used; and

24           (iii) publish a report describing the  
25           lifecycle social, economic, and environ-

1                   mental impacts and costs of producing and  
2                   delivering energy services from each major  
3                   renewable or nonrenewable energy resource  
4                   or technology.

5                   (3) TASK FORCE METHODOLOGY AND GUIDING  
6                   PRINCIPLES.—

7                   (A) IN GENERAL.—Not later than the date  
8                   that is 12 months after the date on which the  
9                   Task Force is established, the Task Force shall  
10                  submit to the Secretary of Energy a method-  
11                  ology and guiding principles for the analytical  
12                  framework and dataset developed and main-  
13                  tained by the Secretary of Energy under para-  
14                  graph (2), including definitions, the scope of  
15                  the analytical framework and dataset, data  
16                  sources, and procedures for periodic review, val-  
17                  idation, and updates to such methodology and  
18                  guiding principles.

19                  (B) RECONVENING TASK FORCE FOR RE-  
20                  VIEW, VALIDATION, AND UPDATES.—If the Sec-  
21                  retary of Energy determines that the method-  
22                  ology and guiding principles submitted to the  
23                  Secretary of Energy under subparagraph (A)  
24                  are no longer suitable or otherwise require revi-  
25                  sion, including in response to new data, ad-

1 vances in analytical methods, or changes in  
2 statutory or regulatory requirements, the Sec-  
3 retary of Energy may reconvene the Task Force  
4 for the sole purpose of submitting to the Sec-  
5 retary of Energy an updated methodology and  
6 guiding principles by not later than 90 days  
7 after the date on which the Task Force is re-  
8 convened. Any reconvened Task Force shall ter-  
9minate on the earlier of the date on which it  
10 submits the updated methodology and guiding  
11 principles to the Secretary or the date that is  
12 90 days after the date on which it is recon-  
13 vened.

14 (e) DEFINITIONS.—In this section:

15 (1) ENERGY PRODUCTIVITY.—The term “en-  
16 ergy productivity” means a measure of how effi-  
17 ciently an economy, region, or industry uses energy  
18 to generate economic value.

19 (2) MAJOR ENERGY RESOURCE OR TECH-  
20 NOLOGY.—The term “major energy resource or tech-  
21 nology”—

22 (A) means an energy resource, carrier, or  
23 technology and any associated systems for pro-  
24 ducing, converting, storing, transmitting, or de-  
25 livering energy services that contribute signifi-

1           cantly to the national energy supply, demand,  
2           or infrastructure and materially affect energy  
3           system performance, emissions, or economic  
4           outcomes; and

5           (B) includes—

6                   (i) fossil fuels (including coal, petro-  
7                   leum, and natural gas);

8                   (ii) nuclear energy;

9                   (iii) renewable energy (including solar,  
10                  wind, geothermal, hydroelectric, marine,  
11                  and biomass);

12                  (iv) hydrogen and other chemical en-  
13                  ergy carriers and associated systems;

14                  (v) energy storage technologies; and

15                  (vi) any other energy resources, car-  
16                  riers, or technologies that the Secretary de-  
17                  termines may materially affect the per-  
18                  formance, emissions, resilience, reliability,  
19                  or economic outcomes of the national en-  
20                  ergy system.

21 **SEC. 605. GRID PERFORMANCE DISCLOSURE.**

22           (a) **ELECTRICITY TRANSMISSION SCORECARD ELE-**  
23 **MENTS AND VERIFICATION.—**

24                   (1) **REPORTING REQUIREMENTS.—**

1 (A) COVERED TRANSMISSION OWNER  
2 SCORECARDS.—

3 (i) IN GENERAL.—The Commission  
4 shall require each covered transmission  
5 owner to annually develop, publish, and  
6 submit to the Commission and the Sec-  
7 retary a report, to be known as a trans-  
8 mission owner scorecard, that includes  
9 metrics that are standardized as required  
10 under paragraph (2) and evaluate the fol-  
11 lowing:

12 (I) Ratepayer affordability, which  
13 shall assess the cost of transmission  
14 services per unit of energy trans-  
15 mitted or other metrics that can be  
16 used to assess affordability of energy  
17 provided to ratepayers.

18 (II) Financing costs, which shall  
19 assess the financing structure and  
20 cost of capital for a covered trans-  
21 mission owner, and may include con-  
22 sideration of capital structure and le-  
23 verage ratios, reliance on formula  
24 rates or other automatic adjustment  
25 mechanisms, allowed and earned re-

1 turns on equity, the cost of debt and  
2 preferred stock, the presence and  
3 magnitude of incentive rate adders,  
4 and other related metrics.

5 (III) Investment prudence and  
6 cost recovery, which shall assess the  
7 prudence of capital investments and  
8 the transparency and structure of as-  
9 sociated cost recovery mechanisms,  
10 and may include the frequency and  
11 magnitude of cost disallowances in  
12 rate proceedings, the types of facilities  
13 or investments associated with dis-  
14 allowed costs, the degree of cost recov-  
15 ery from ratepayers relative to share-  
16 holder contributions, and the trans-  
17 parency and accountability of cost al-  
18 location frameworks.

19 (IV) Investment effectiveness,  
20 which shall assess the value delivered  
21 by covered transmission owner invest-  
22 ments relative to their costs, including  
23 how effectively the covered trans-  
24 mission owner considered and de-  
25 ployed the most economically efficient

1 solutions to reduce cost burden on  
2 ratepayers and the accuracy of project  
3 cost estimates, and may include  
4 metrics such as benefit-cost ratios, in-  
5 vestments in advanced technology de-  
6 ployment, non-wires alternatives, ad-  
7 vanced transmission technologies, or  
8 other operational upgrades that avoid  
9 higher cost capital investment, esti-  
10 mated and actual cost for new or up-  
11 dated assets, and other indicators of  
12 prudent capital deployment.

13 (V) Capital expenditure tilt,  
14 which shall assess the covered trans-  
15 mission owner's balance of spending  
16 on capital investment versus oper-  
17 ational and maintenance activities.

18 (VI) System reliability and avail-  
19 ability, which shall assess the oper-  
20 ational performance of the trans-  
21 mission facilities of the covered trans-  
22 mission owner over the reporting year,  
23 including information related to out-  
24 ages, equipment availability, and resil-  
25 ience to system disturbances, and may

1 be expressed using existing trans-  
2 mission-specific reliability indicators,  
3 as described by the North American  
4 Electric Reliability Corporation or  
5 other entity established to oversee and  
6 administer reliability standards and  
7 procedures for the bulk-power system,  
8 metrics regarding the economic costs  
9 of outages or lost reliability, or other  
10 related metrics.

11 (VII) Physical system perform-  
12 ance, which shall assess how effec-  
13 tively the transmission facilities  
14 owned, operated, or controlled by the  
15 covered transmission owner are used  
16 to deliver electricity, including both  
17 physical and economic performance,  
18 and may include technical and non-  
19 technical losses, utilization relative to  
20 rated capacity and design constraints,  
21 age of system components, and other  
22 indicators of transmission system uti-  
23 lization, performance, and efficiency.

24 (VIII)(aa) Interconnection and  
25 access fairness, which shall assess the

1 extent to which the interconnection  
2 process for interregional interconnec-  
3 tions and new facilities (including  
4 generators, energy storage, load, and  
5 merchant transmission projects) is  
6 conducted in a timely and impartial  
7 manner consistent with Commission  
8 regulations, including comparisons be-  
9 tween affiliated entities and unaffili-  
10 ated entities, and may be expressed as  
11 the difference in the number of days  
12 from initial interconnection request to  
13 execution of an Interconnection  
14 Agreement, or through related meas-  
15 ures of procedural equity.

16 (bb) For purposes of this  
17 subclause:

18 (AA) The term “affili-  
19 ated entity” means any enti-  
20 ty that has a direct or indi-  
21 rect relationship with a cov-  
22 ered transmission owner or  
23 its parent entity that could  
24 reasonably influence inter-  
25 connection treatment, in-

1 cluding an entity that shares  
2 common ownership or con-  
3 trolling interest with the  
4 covered transmission owner  
5 or its parent entity; is a di-  
6 rect or indirect subsidiary of  
7 the covered transmission  
8 owner or its parent entity; is  
9 engaged in a joint venture,  
10 contractual partnership, or  
11 strategic alliance with the  
12 covered transmission owner  
13 or its parent entity, where  
14 such partnership includes  
15 shared financial interest,  
16 revenue sharing, or asset co-  
17 development; or is otherwise  
18 determined by the Commis-  
19 sion to have a financial, gov-  
20 ernance, or operational rela-  
21 tionship that may reasonably  
22 be expected to influence  
23 interconnection  
24 prioritization.

1 (BB) The term “unaf-  
2 filiated entity” means any  
3 entity that has logged an  
4 interconnection request with  
5 the covered transmission  
6 owner and is not an affili-  
7 ated entity.

8 (IX) Non-operational cost recov-  
9 ery, which shall assess the amount of  
10 covered transmission owner spending  
11 on lobbying, advertising, penalties,  
12 and advocacy activities recovered  
13 through customer rates, and may be  
14 expressed as a total sum of expendi-  
15 tures on such activities, or related  
16 metrics.

17 (X) Interregional and regional  
18 planning integration, which shall as-  
19 sess the extent to which the covered  
20 transmission owner participates in co-  
21 ordinated regional and interregional  
22 transmission planning processes and  
23 infrastructure development, and may  
24 be expressed as the number and ca-  
25 pacity of interregional transmission

1 ties, the share of projects subject to  
2 regional or interregional planning re-  
3 view, or related metrics.

4 (XI) Co-location and reuse of  
5 rights of way, which shall report the  
6 percentage of new circuit-miles placed  
7 in service that are—

8 (aa) sited within the existing  
9 corridor of linear infrastructure,  
10 including transmission, pipeline,  
11 rail, and highway infrastructure;  
12 and

13 (bb) reconducted or right-  
14 sized on existing structures.

15 (XII) Any additional matters  
16 that may be evaluated using outcome-  
17 based performance metrics the Com-  
18 mission determines necessary to im-  
19 prove transparency, affordability, reli-  
20 ability, equity, or environmental per-  
21 formance of the facilities owned, oper-  
22 ated, or controlled by the covered  
23 transmission owner.

24 (ii) EXEMPTIONS.—The Commission  
25 may, by rule, exempt any category of cov-

1           ered transmission owners from the require-  
2           ment to include a metric described in  
3           clause (i) if the Commission determines  
4           that the metric is inapplicable to the cov-  
5           ered transmission owners in the category.

6           (iii) COORDINATION.—In preparing  
7           and developing a transmission owner score-  
8           card pursuant to this subparagraph, a cov-  
9           ered transmission owner shall coordinate,  
10          as necessary to obtain or estimate data re-  
11          quired to be included in a scorecard under  
12          this subsection, with any relevant entity,  
13          including—

14                (I) regional grid operators, in-  
15                cluding Independent System Opera-  
16                tors, Regional Transmission Organiza-  
17                tions, transmission planning entities,  
18                and balancing authorities;

19                (II) interconnected electric utili-  
20                ties, including load serving entities  
21                and other transmission providers;

22                (III) owners of generation facili-  
23                ties, including utility-scale and mer-  
24                chant generators seeking interconnec-  
25                tion or operating within the service

1 territory of the covered transmission  
2 owner; and

3 (IV) regulatory and oversight en-  
4 tities, including State public utility  
5 commissions, and applicable Federal  
6 or State energy, reliability, or environ-  
7 mental agencies.

8 (B) REGIONAL TRANSMISSION SCORE-  
9 CARDS.—The Commission shall require each  
10 Independent System Operator, Regional Trans-  
11 mission Organization, and transmission plan-  
12 ning entity to annually develop, publish, and  
13 submit to the Commission and the Secretary a  
14 report, to be known as a regional transmission  
15 scorecard, that uses metrics that are standard-  
16 ized as required under paragraph (2) and in-  
17 cludes the following:

18 (i) Aggregation of the metrics re-  
19 ported for the year in the transmission  
20 owner scorecards of the covered trans-  
21 mission owners within the jurisdiction of  
22 the applicable ISO, RTO, or transmission  
23 planning entity, which shall consist of a  
24 summary of such metrics that—

1 (I) reflects weighted or capacity-  
2 adjusted averages of covered trans-  
3 mission owner-reported metrics, as ap-  
4 propriate; and

5 (II) highlights significant intra-  
6 regional variation or performance  
7 outliers.

8 (ii) Regional-specific metrics, which  
9 shall consist of reporting on metrics spe-  
10 cific to operational responsibilities of the  
11 ISO, RTO, or transmission planning enti-  
12 ty, including the following:

13 (I) Market efficiency, which shall  
14 assess the extent to which the ISO,  
15 RTO, or transmission planning entity  
16 is successful in operating efficient  
17 wholesale electricity markets, mini-  
18 mizing system congestion, and maxi-  
19 mizing the use of existing grid infra-  
20 structure to deliver cost-effective out-  
21 comes for consumers, and may be ex-  
22 pressed as average energy and ancil-  
23 lary service costs (system-wide and by  
24 major zone), system and zonal capac-  
25 ity costs where applicable, congestion

1 costs, out-of-market payments, fre-  
2 quency of redispatch, implementation  
3 of congestion-relieving technologies, or  
4 related metrics.

5 (II) Regional interconnection per-  
6 formance, which shall assess the effec-  
7 tiveness and efficiency of interconnec-  
8 tion processes, and may include  
9 metrics that measure the duration of  
10 queue processing, the rate of project  
11 withdrawals, and the share of projects  
12 that successfully reach commercial op-  
13 eration, or related metrics.

14 (III) Regional and interregional  
15 development, which shall assess the  
16 extent and effectiveness of regional  
17 and interregional transmission plan-  
18 ning and buildout, and may be ex-  
19 pressed in relation to the number and  
20 total capacity of transmission lines de-  
21 veloped through regional and inter-  
22 regional planning processes, the pro-  
23 portion of new transmission projects  
24 selected through regional planning  
25 processes versus those advanced out-

1 side of such processes (including local  
2 or supplemental projects), the number  
3 of projects selected through competi-  
4 tive processes, the use and outcomes  
5 of benefit-cost analysis in project se-  
6 lection and development, the fre-  
7 quency of stakeholder engagement,  
8 the ratio of total investment in inter-  
9 regional and regional transmission to  
10 investment in local transmission, or  
11 other related metrics.

12 (IV) Greenhouse gas emissions  
13 intensity, which shall assess the emis-  
14 sions profile of electricity delivered  
15 within the service territory of the ISO,  
16 RTO, or transmission planning entity  
17 in the reporting year, and may be ex-  
18 pressed as the emissions intensity of  
19 delivered electricity in carbon dioxide  
20 equivalents per megawatt-hour, or re-  
21 lated metrics.

22 (V) Any additional outcome-  
23 based performance metrics the Com-  
24 mission determines necessary to im-  
25 prove transparency, affordability, reli-

1 ability, equity, or environmental per-  
2 formance of the transmission system  
3 overseen by the RTO, ISO, or trans-  
4 mission planning entity.

5 (C) DATA DISCLOSURE.—Each reporting  
6 entity shall publish and submit to the Sec-  
7 retary, with each scorecard published under this  
8 paragraph, all non-confidential underlying data  
9 supporting the metrics included in the score-  
10 card, in a machine-readable, open-data format.

11 (D) INITIAL REPORTING.—Each reporting  
12 entity shall publish and submit to the Secretary  
13 its first annual scorecard not later than 2 years  
14 after the date of enactment of this Act.

15 (2) METRIC AND METHODOLOGY STANDARDIZA-  
16 TION.—Not later than 1 year after the date of en-  
17 actment of this Act, the Commission, with input  
18 from the Secretary, the Administrator, the National  
19 Laboratories, and other stakeholders shall issue  
20 guidance that, where appropriate, standardizes the  
21 metrics required to be included in a scorecard under  
22 paragraph (1) and the methodologies for calculating  
23 such metrics.

24 (3) VERIFICATION REQUIREMENTS.—

1 (A) IN GENERAL.—The Commission shall  
2 establish a process by which scorecards required  
3 to be developed under paragraph (1) are  
4 verified by independent evaluators to ensure ac-  
5 curacy, consistency, and credibility prior to pub-  
6 lication under such paragraph. The Commission  
7 shall include in such process—

8 (i) requirements for the approval by  
9 the Commission of independent evaluators,  
10 including requirements that an inde-  
11 pendent evaluator—

12 (I) possess demonstrated exper-  
13 tise in electric transmission planning,  
14 data validation, engineering analysis,  
15 or grid performance evaluation; and

16 (II) be independent from the en-  
17 tity being verified and have no finan-  
18 cial, contractual, or governance con-  
19 flicts of interest;

20 (ii) procedures for auditing the as-  
21 sumptions and methodologies used in ap-  
22 plying performance metrics, including to  
23 detect selective reporting and ensure align-  
24 ment with Commission-defined protocols;

1 (iii) requirements to ensure that no  
2 single independent evaluator, or their par-  
3 ent company or subsidiary, may evaluate a  
4 reporting entity more than 4 years in a  
5 row, and not more than 7 times in any 10-  
6 year period;

7 (iv) requirements under which an  
8 independent evaluator approved by the  
9 Commission may verify the information in  
10 the scorecard of the reporting entity, by re-  
11 viewing supporting documentation, con-  
12 ducting project inspections, and applying  
13 standardized evaluation, measurement, and  
14 verification protocols for the metrics in-  
15 cluded in the scorecard;

16 (v) requirements for public disclosure  
17 of the results of such verification, including  
18 any adjustments to reported values, meth-  
19 odologies used in the verification process,  
20 and justifications for material discrep-  
21 ancies; and

22 (vi) a process for reviewing and refin-  
23 ing verification protocols at regular inter-  
24 vals, in consultation with any relevant  
25 stakeholder advisory group convened under

1 subsection (c), to incorporate advances in  
2 data analytics, energy system modeling,  
3 and grid performance assessment.

4 (B) ROLE OF NATIONAL LABORATORIES.—  
5 In carrying out this paragraph, the Commission  
6 shall—

7 (i) collaborate with National Labora-  
8 tories that have the necessary expertise, in  
9 coordination with the Secretary, to design  
10 and publish standardized verification pro-  
11 tocols, including templates, analytical tools,  
12 and calibration datasets;

13 (ii) utilize the technical expertise of  
14 National Laboratories to assist in the  
15 training, evaluation, or approval of inde-  
16 pendent evaluators;

17 (iii) engage National Laboratories in  
18 conducting selective audits or quality as-  
19 surance reviews of verified scorecards dur-  
20 ing initial implementation of the scorecard  
21 reporting and verification process and im-  
22 plementation of any subsequent updates to  
23 such scorecards; and

24 (iv) consult National Laboratories  
25 during periodic updates to the verification

1 process, in coordination with any relevant  
2 stakeholder advisory group convened under  
3 subsection (c).

4 (4) INDEPENDENT AUDITS.—

5 (A) IN GENERAL.—The Commission, in  
6 consultation with the Secretary, shall designate  
7 National Laboratories with necessary expertise,  
8 or other qualified institutions, to conduct inde-  
9 pendent audits of scorecards published under  
10 paragraph (1) on a periodic or as-needed basis  
11 to ensure the accuracy, completeness, and in-  
12 tegrity of reported data, methodologies, and  
13 performance metrics.

14 (B) INITIATION.—An audit under this  
15 paragraph may be initiated—

16 (i) at the discretion of the Secretary;

17 (ii) upon identification of material dis-  
18 crepancies in reported metrics;

19 (iii) in response to concerns raised by  
20 a stakeholder advisory group convened  
21 under subsection (c); or

22 (iv) as part of a randomized, rotating  
23 sample of reporting entities to support con-  
24 tinuous oversight.

1           (C) RESULTS.—The results of an audit  
2 conducted under this paragraph shall be made  
3 publicly available not later than 2 months after  
4 completion of the audit.

5           (5) RULEMAKING.—

6           (A) IN GENERAL.—Not later than 1 year  
7 after the date of enactment of this Act, the  
8 Commission shall issue a final rule to carry out  
9 this subsection.

10           (B) DEPARTMENT OF ENERGY SUPPORT.—  
11 Upon request by the Commission, the Secretary  
12 shall provide technical assistance, subject-mat-  
13 ter expertise, and access to relevant data and  
14 tools to the Commission in developing the rule  
15 required to be published under this paragraph.

16           (C) INCLUSIONS.—The Commission shall  
17 include in the rule issued under this para-  
18 graph—

19                   (i) requirements to ensure timely and  
20 consistent reporting, which may include re-  
21 quirements for data-sharing agreements,  
22 protocols for data access, and other mecha-  
23 nisms as necessary to facilitate the comple-  
24 tion of scorecards;

1 (ii) allowance for the use of reason-  
2 able proxies, estimates, or approximations  
3 based on best available data and trans-  
4 parent methodologies where direct data is  
5 unavailable; and

6 (iii) requirements that all reported  
7 metrics reflect a good-faith effort to pro-  
8 vide reasonably accurate representations of  
9 transmission facility and system perform-  
10 ance, subject to Commission review and  
11 oversight.

12 (D) REVISIONS.—In issuing any revisions  
13 to the rule under this subsection, the Commis-  
14 sion shall ensure that—

15 (i) such revisions are based on the  
16 outcomes of any applicable technical con-  
17 ference held under subsection (c);

18 (ii) the period for public comment on  
19 such revisions is not less than 90 days; and

20 (iii) the final rule making such revi-  
21 sions is issued not later than 180 days  
22 after the close of such period for public  
23 comment.

24 (6) ENFORCEMENT.—With respect to any Inde-  
25 pendent System Operator, Regional Transmission

1 Organization, or covered transmission owner subject  
2 to the requirements of part II of the Federal Power  
3 Act that is required to publish a scorecard under  
4 paragraph (1), a violation of a requirement of this  
5 subsection shall be considered a violation of a provi-  
6 sion of such part II for purposes of section 316A of  
7 such Act (16 U.S.C. 825o-1).

8 (7) REPORT.—The Secretary shall annually  
9 publish a report that compiles and analyzes score-  
10 cards submitted to the Secretary under paragraph  
11 (1) and, for each metric—

12 (A) ranks the performance of reporting en-  
13 tities, grouped by market type and governance  
14 structure; and

15 (B) explains the metric and describes any  
16 changes over time in the affordability, reli-  
17 ability, equity, or environmental performance of  
18 the transmission system, as evidenced by  
19 changes in the information included by report-  
20 ing entities in such scorecards with respect to  
21 the metric.

22 (8) SCORECARD REVIEW.—Not later than 3  
23 years after the date of enactment of this Act, and  
24 every 3 years thereafter, the Secretary, in coordina-  
25 tion with the Commission shall conduct a com-

1       prehensive review of the implementation of this sub-  
2       section, including the administration of the sub-  
3       section, data collection and coordination, reporting  
4       entity compliance, stakeholder engagement, and the  
5       effectiveness of the information included in score-  
6       cards as a policy tool and issue a public report that  
7       includes—

8               (A) an assessment and comparison of the  
9               annual changes in utility performance regarding  
10              the metrics required to be included in the score-  
11              cards;

12             (B) evaluation of data quality, availability,  
13             methodologies, and verification practices rel-  
14             evant to the scorecards; and

15             (C) findings and recommendations regard-  
16             ing the scorecards provided by the technical  
17             conferences held and stakeholder advisory group  
18             convened under subsection (c).

19       (b) ACCESSIBILITY AND PUBLIC TRANSPARENCY.—

20             (1) ESTABLISHMENT OF PUBLIC-FACING  
21             SCORECARD PORTAL.—

22             (A) INITIATION.—Not later than 12  
23             months after the date of enactment of this Act,  
24             the Secretary, in collaboration with the Com-  
25             mission and the Administrator, shall initiate the

1 establishment of a public, searchable online por-  
2 tal housing scorecards and underlying data sub-  
3 mitted to the Secretary under this Act.

4 (B) PORTAL AVAILABILITY.—Not later  
5 than 27 months after the date of enactment of  
6 this Act, the Secretary shall establish and make  
7 available a public, searchable online portal  
8 housing scorecards and underlying data sub-  
9 mitted to the Secretary under this Act.

10 (2) INCLUSION IN PORTAL.—The Secretary  
11 shall make public through the searchable online por-  
12 tal established under this subsection each scorecard,  
13 together with the underlying data associated with  
14 each scorecard, that is submitted to the Secretary  
15 under this Act.

16 (c) SCORECARD IMPROVEMENT.—

17 (1) TECHNICAL CONFERENCES.—The Commis-  
18 sion shall hold public technical conferences not less  
19 often than once every 3 years to solicit stakeholder  
20 feedback on—

21 (A) the effectiveness of scorecard metrics  
22 in conveying the performance of a given report-  
23 ing entity;

24 (B) the sufficiency and quality of the data  
25 disclosed in scorecards;

1 (C) the alignment of scorecards with Fed-  
2 eral and State priorities, including affordability  
3 and reliability of transmitted electricity; and

4 (D) opportunities to refine metrics in light  
5 of emerging technologies, grid conditions, and  
6 energy markets.

7 (2) STAKEHOLDER ADVISORY GROUPS.—For  
8 purposes of a rulemaking under subsection (a) and  
9 each technical conference held under paragraph (1),  
10 the Commission shall convene a stakeholder advisory  
11 group to provide advice to the Commission. Each  
12 such stakeholder advisory group shall be composed  
13 of 17 members, as follows:

14 (A) 2 members representing State public  
15 utility commissions.

16 (B) 2 members representing covered trans-  
17 mission owners.

18 (C) 1 member representing independent  
19 power producers.

20 (D) 2 members representing Regional  
21 Transmission Organizations.

22 (E) 2 members representing Independent  
23 System Operators.

24 (F) 2 members representing transmission  
25 planning entities that are not Regional Trans-

1 mission Organizations or Independent System  
2 Operators.

3 (G) 2 members representing ratepayer ad-  
4 vocacy organizations.

5 (H) 2 members with expertise in energy  
6 data and grid analytics.

7 (I) 2 members with expertise in energy  
8 systems performance, representing academic or  
9 research institutions, including the National  
10 Laboratories.

11 (3) RESPONSE REQUIRED.—Not later than 60  
12 days after receiving any advice from a stakeholder  
13 group convened under paragraph (2), the Commis-  
14 sion shall respond in writing to such advice.

15 (d) DEFINITIONS.—In this section:

16 (1) ADMINISTRATOR.—The term “Adminis-  
17 trator” means the Administrator of the Energy In-  
18 formation Administration of the Department of En-  
19 ergy.

20 (2) ADVANCED TRANSMISSION TECHNOLOGY.—  
21 The term “advanced transmission technology”  
22 means any hardware or software that—

23 (A) increases the capacity, efficiency, reli-  
24 ability, resilience, or safety of transmission fa-  
25 cilities and transmission technologies;

1 (B) is installed in addition to new or exist-  
2 ing transmission facilities and transmission  
3 technologies—

4 (i) to give operators of the trans-  
5 mission facilities and transmission tech-  
6 nologies more situational awareness and  
7 control over the electric grid;

8 (ii) to make the transmission facilities  
9 and transmission technologies more effi-  
10 cient; or

11 (iii) to increase the transfer capacity  
12 of the transmission facilities and trans-  
13 mission technologies; and

14 (C) includes, but is not limited to, dynamic  
15 line ratings, advanced conductors, topology opti-  
16 mization, advanced power-flow controls, and  
17 other digital or physical systems that increase  
18 the usable transfer capability of the grid.

19 (3) BULK-POWER SYSTEM.—The term “bulk-  
20 power system” has the meaning given that term in  
21 section 215 of the Federal Power Act (16 U.S.C.  
22 824o).

23 (4) COMMISSION.—The term “Commission”  
24 means the Federal Energy Regulatory Commission.

1           (5) COVERED TRANSMISSION OWNER.—The  
2 term “covered transmission owner” means any enti-  
3 ty, other than an Independent System Operator, Re-  
4 gional Transmission Organization, or transmission  
5 planning entity, that—

6           (A) owns, operates, or controls trans-  
7 mission facilities that are part of, or connected  
8 to the bulk-power system;

9           (B) provides, or is capable of providing,  
10 transmission service for the movement of elec-  
11 tric energy, whether in interstate or intrastate  
12 commerce; and

13           (C) if the entity owns, operates, or controls  
14 transmission facilities that are not part of, or  
15 connected to, the bulk-power system, the total  
16 transmission capacity under peak demand con-  
17 ditions of all transmission facilities owned, op-  
18 erated, or controlled by the entity is 100  
19 megawatts or greater.

20           (6) INDEPENDENT SYSTEM OPERATOR; ISO; RE-  
21 GIONAL TRANSMISSION ORGANIZATION; RTO; TRANS-  
22 MITTING UTILITY.—The terms “Independent System  
23 Operator”, “ISO”, “Regional Transmission Organi-  
24 zation”, “RTO”, and “transmitting utility” have the

1 meanings given those terms in section 3 of the Fed-  
2 eral Power Act (16 U.S.C. 796).

3 (7) INTERREGIONAL INTERCONNECTION.—The  
4 term “interregional interconnection” means a trans-  
5 mission facility or interconnection project that en-  
6 ables the transfer of electric energy between 2 or  
7 more transmission planning regions, including con-  
8 nections between any of the Western Interconnec-  
9 tion, the Eastern Interconnection, and the Electric  
10 Reliability Council of Texas.

11 (8) REPORTING ENTITY.—The term “reporting  
12 entity” means an entity required to submit a score-  
13 card under this Act.

14 (9) SCORECARD.—The term “scorecard” means  
15 an annual report required to be submitted by a cov-  
16 ered transmission owner, Independent System Oper-  
17 ator, Regional Transmission Organization, or trans-  
18 mission planning entity pursuant to subsection (a).

19 (10) SECRETARY.—The term “Secretary”  
20 means the Secretary of Energy.

21 (11) TRANSMISSION PLANNING ENTITY.—The  
22 term “transmission planning entity” means an enti-  
23 ty, other than a RTO or an ISO, that is responsible  
24 for planning for the deployment of electric trans-  
25 mission for a transmission planning region.

1           (12) TRANSMISSION PLANNING REGION.—The  
2           term “transmission planning region” means a geo-  
3           graphic area determined by the Commission to sat-  
4           isfy the requirements for the scope of regional trans-  
5           mission planning, as established in or in compliance  
6           with the following orders issued by the Commission:

7                   (A) “Transmission Planning and Cost Al-  
8                   location by Transmission Owning and Oper-  
9                   ating Public Utilities” published in the Federal  
10                  Register on October 24, 2012 (77 Fed. Reg.  
11                  64890).

12                  (B) “Building for the Future Through  
13                  Electric Regional Transmission Planning and  
14                  Cost Allocation” published in the Federal Reg-  
15                  ister on June 11, 2024 (89 Fed. Reg. 49280).

16 **TITLE           VII—COLLABORATING**  
17 **WITH           COMMUNITIES    FOR**  
18 **SUCCESSFUL DEPLOYMENT**

19 **SEC. 701. FEDERAL PERMITTING CAPACITY.**

20           (a) IN GENERAL.—To the maximum extent prac-  
21           ticable, the head of each agency listed under section  
22           41002(b)(2)(B) of the FAST Act (42 U.S.C. 4370m-  
23           1(b)(2)(B)), including the head of any agency invited pur-  
24           suant to clause (xiv) of such subparagraph (B), shall  
25           maintain adequate personnel capacity and expertise to

1 process authorizations and environmental documents for  
2 projects in a timely manner, including in compliance with  
3 sections 107(g) and 112(a)(4) of the National Environ-  
4 mental Policy Act of 1969 (42 U.S.C. 4336a(g) and  
5 4336f(a)(4)).

6 (b) ASSESSMENT.—Not later than 90 days after the  
7 date of enactment of this section, the head of each agency  
8 described in subsection (a) shall submit to the Director  
9 of the Office of Personnel Management, the Committee  
10 on Natural Resources, and the Environment and Public  
11 Works Committee a report on the personnel capacity of  
12 the agency to process authorizations and environmental  
13 documents for projects in a timely manner, which shall  
14 include—

15 (1) the number of employees—broken down by  
16 field office—responsible for processing such author-  
17 izations and environmental documents as of the date  
18 on which the report is submitted;

19 (2) the number of employees—broken down by  
20 field office—responsible for processing such author-  
21 izations and environmental documents as of January  
22 1, 2025;

23 (3) the number of employees—broken down by  
24 field office—necessary for the agency to complete  
25 environmental documents in compliance with sec-

1 tions 107(g) and 112(a)(4) of the National Environ-  
2 mental Policy Act of 1969 (42 U.S.C. 4336a(g) and  
3 4336f(a)(4));

4 (4) the capacity of the agency—broken down by  
5 field office—to engage with communities affected by  
6 projects when preparing environmental documents,  
7 including dedicated Tribal consultation capacity, lan-  
8 guage access services, and designated community en-  
9 gagement personnel as described in section 706;

10 (5) the adequacy of the training available to  
11 employees related to processing such authorizations  
12 and environmental documents; and

13 (6) a finding by the agency whether there are  
14 a sufficient number of employees of the agency to  
15 comply with sections 107(g) and 112(a)(4) of the  
16 National Environmental Policy Act of 1969 (42  
17 U.S.C. 4336a(g) and 4336f(a)(4)) and engage with  
18 communities.

19 (c) IMPLEMENTATION PLAN.—Upon receipt of the  
20 report, if an agency finds under subsection (b)(5) that  
21 there are an insufficient number of employees—broken  
22 down by field office—of the agency to comply with sections  
23 107(g) and 112(a)(4) of the National Environmental Pol-  
24 icy Act of 1969 (42 U.S.C. 4336a(g) and 4336f(a)(4)) and  
25 engage with communities, or insufficient training opportu-

1 nities available, the Director of the Office of Personnel  
2 Management shall develop and execute a plan to increase  
3 personnel capacity and expertise at the agency.

4 (d) DIRECT HIRE AUTHORITY.—

5 (1) IN GENERAL.—Notwithstanding section  
6 3304 of title 5, United States Code, and without re-  
7 gard to the provisions of sections 3309 through  
8 3318 of such title 5, if the head of an agency de-  
9 scribed in subsection (a) issues or renews a certifi-  
10 cation that there is a severe shortage of candidates  
11 or a critical hiring need for covered positions to  
12 carry out the responsibilities and activities of the  
13 agency with respect to processing authorizations and  
14 environmental documents for infrastructure projects  
15 in a timely manner, the agency head may, subject to  
16 paragraphs (2) and (3), recruit and directly appoint  
17 highly qualified individuals into the competitive serv-  
18 ice.

19 (2) LIMITATION.—The recruiting and appoint-  
20 ment of highly qualified individuals under paragraph  
21 (1) shall be consistent with the merit principles of  
22 section 2301 of title 5, United States Code, and the  
23 agency shall comply with the public notice require-  
24 ments of section 3327 of such title 5.

1           (3) TERMINATION.—A certification issued or  
2 renewed under this subsection shall terminate on the  
3 earlier of—

4           (A) the date that is 5 years after the cer-  
5 tification is issued or renewed; or

6           (B) the date on which the agency head de-  
7 termines that there is no longer a severe short-  
8 age of candidates or a critical hiring need for  
9 covered positions to carry out the responsibil-  
10 ities and activities of the agency related to per-  
11 mitting.

12       (e) AUTHORIZATION OF APPROPRIATIONS.—In addi-  
13 tion to amounts otherwise available, there is authorized  
14 to be appropriated such sums as is necessary to conduct  
15 more efficient, accurate, and timely reviews for planning,  
16 permitting and approval processes through the hiring and  
17 training of personnel, and the purchase of technical and  
18 scientific services and new equipment, and to improve  
19 agency transparency, accountability, and public engage-  
20 ment.

21       (f) DEFINITIONS.—In this section:

22           (1) AUTHORIZATION.—The term “authoriza-  
23 tion” means any license, permit, approval, finding,  
24 determination, or other administrative decision  
25 issued by an agency and any interagency consulta-

1       tion that is required or authorized under Federal  
2       law in order to site, construct, reconstruct, or com-  
3       mence operations of an infrastructure project.

4           (2) COVERED POSITION.—The term “covered  
5       position” means a position in which an employee is  
6       responsible for conducting work of a scientific, tech-  
7       nical, engineering, mathematical, legal, or otherwise  
8       highly specialized or skilled nature related to proc-  
9       essing authorizations and environmental documents  
10      for infrastructure projects in a timely manner.

11          (3) ENVIRONMENTAL DOCUMENT.—The term  
12      “environmental document” has the meaning given  
13      such term in section 111 of the National Environ-  
14      mental Policy Act of 1969 (42 U.S.C. 4336e).

15   **SEC. 702. INTERAGENCY ENVIRONMENTAL DATA SYSTEM.**

16      (a) ESTABLISHMENT OF DATA STANDARDS.—

17          (1) IN GENERAL.—Not later than 60 days after  
18      the date of enactment of this section, the Chair of  
19      the Council on Environmental Quality, in consulta-  
20      tion with the Federal Permitting Improvement  
21      Steering Council, the Chief Information Officers  
22      Council, the Office of Management and Budget, and  
23      other relevant stakeholders and Federal agencies,  
24      shall develop, publish, and iteratively update data  
25      standards for the collection and curation of author-

1        ization data by Federal agencies, which shall be used  
2        to—

3                (A) assist with environmental reviews and  
4        authorizations;

5                (B) organize, define, and standardize var-  
6        ious concepts, formats, and protocols that are  
7        included in environmental reviews and author-  
8        izations; and

9                (C) reduce the need for redundant environ-  
10       mental reviews by creating a shared vocabulary  
11       and software systems that will support vendor  
12       neutrality, data interoperability, workflow auto-  
13       mation, and automatic data exchange between  
14       Federal agencies.

15        (2) INCLUSIONS.—The data standards devel-  
16       oped, published, and iteratively updated under para-  
17       graph (1) shall include the following:

18                (A) A standardized taxonomy that allows  
19       Federal agencies to identify and track data  
20       types, relationships, and values.

21                (B) Comprehensive categories for data,  
22       such as—

23                        (i) projects;

24                        (ii) processes;

25                        (iii) environmental documents;

- 1 (iv) public comments;
- 2 (v) geospatial information;
- 3 (vi) public engagement events, as ap-  
4 plicable by process or Federal agency;
- 5 (vii) case events; and
- 6 (viii) milestones to ensure clarity and  
7 uniformity.

8 (b) DEVELOPMENT OF PROTOTYPE TOOLS.—The  
9 Chair of the Council on Environmental Quality, in con-  
10 sultation with the Administrator of General Services, the  
11 Federal Permitting Improvement Steering Council, the  
12 Chief Information Officers Council, the Director of the Of-  
13 fice of Management and Budget, and other relevant stake-  
14 holders and Federal agencies, shall design, test, and build  
15 prototype tools for environmental reviews and authoriza-  
16 tions that will assist Federal agencies in implementing the  
17 minimum functional requirements described in subsection  
18 (c). The Chair of the Council on Environmental Quality  
19 shall prioritize designing, testing, and building tools under  
20 this subsection that—

- 21 (1) support authorization case or project man-  
22 agement systems that manage tasks, milestones, and  
23 activities associated with environmental reviews and  
24 authorizations, and provide Federal agencies more

1 data and insight into such reviews and authoriza-  
2 tions;

3 (2) enable—

4 (A) application submission and tracking  
5 portals used by project sponsors, enabling  
6 greater transparency; and

7 (B) public comment opportunity tracking  
8 portals to increase transparency;

9 (3) facilitate automated applications, environ-  
10 mental reviews, and authorizations;

11 (4) allow data exchange between Federal agen-  
12 cy systems; and

13 (5) accelerate complex environmental reviews.

14 (c) PUBLICATION OF GUIDANCE FOR IMPLEMENTA-  
15 TION OF DATA STANDARDS AND MINIMUM FUNCTIONAL  
16 REQUIREMENTS.—

17 (1) PUBLICATION.—Not later than 120 days  
18 after the date of enactment of this section, the Chair  
19 of the Council on Environmental Quality shall pub-  
20 lish guidance for how each Federal agency respon-  
21 sible for environmental reviews or authorizations im-  
22 plements—

23 (A) the data standards published under  
24 subsection (a); and

1 (B) the following minimum functional re-  
2 quirements:

3 (i) Application data sharing that en-  
4 ables automated transfer of relevant envi-  
5 ronmental review and authorization data  
6 among Federal agencies.

7 (ii) Automated project screening to  
8 assist frontline staff with reviewing project  
9 sponsor provided information for complete-  
10 ness and accuracy and determining if a  
11 categorical exclusion or other general au-  
12 thorization applies to an action. Automated  
13 project screening may not be used by the  
14 Council on Environmental Quality or a  
15 Federal agency to unlawfully restrict any  
16 activities on Federal lands.

17 (iii) Public availability of screening  
18 criteria and related decision models.

19 (iv) Automated case or project man-  
20 agement tools which include a repository of  
21 relevant data and metadata that enable ad-  
22 vanced tracking, reporting, and optimiza-  
23 tion to aid workflows.

24 (v) Integrated geographic information  
25 system analysis tools which incorporate

1 geospatial data layers and models for each  
2 resource analyzed as part of an environ-  
3 mental review or authorization for a given  
4 study area.

5 (vi) Document management tools that  
6 preserve metadata associated with  
7 geospatial analysis, modeling, and other  
8 analytic processes conducted during an en-  
9 vironmental review or authorization, to  
10 support future reviews and enable Artifi-  
11 cial Intelligence-assisted analysis of past  
12 decisions.

13 (vii) Automated comment compilation  
14 and analysis tools, including services for  
15 comment categorization and response that  
16 handle the lifecycle of comment submis-  
17 sion, analysis, categorization and response  
18 with Artificial Intelligence support where  
19 appropriate.

20 (viii) Administrative record manage-  
21 ment tools that maintain both portable  
22 document formats and data-rich reposi-  
23 tories accessible to both machine and  
24 human users.

1 (ix) Common or interoperable Federal  
2 agency services that integrate shared serv-  
3 ices, shared applications, and common user  
4 experiences for Federal agency staff,  
5 project sponsors, and the public.

6 (2) INCLUSIONS.—The guidance published  
7 under this subsection shall include the following:

8 (A) Guidelines for cloud-based storage,  
9 data sharing protocols, and application pro-  
10 gramming interfaces to enable the Council on  
11 Environmental Quality to work with Federal  
12 agencies to use authorization data to aid Fed-  
13 eral agencies in modernizing their environ-  
14 mental reviews and authorizations and for  
15 iterative development of the authorization por-  
16 tal.

17 (B) Provisions that support scalability and  
18 adaptability of the minimum requirements to  
19 emerging technologies.

20 (d) IMPLEMENTATION OF DATA STANDARDS AND  
21 MINIMUM FUNCTIONAL REQUIREMENTS.—

22 (1) IMPLEMENTATION.—The head of each Fed-  
23 eral agency responsible for environmental reviews or  
24 authorizations shall—

1 (A) not later than 90 days after the date  
2 of enactment of this section—

3 (i) compare existing Federal agency  
4 systems for environmental reviews and au-  
5 thorizations under their authority with the  
6 data standards published under subsection  
7 (a) and the minimum functional require-  
8 ments described in subsection (c)(1)(B)  
9 and report findings from such comparison  
10 to the Council on Environmental Quality;

11 (ii) assess whether existing Federal  
12 agency technological capabilities are con-  
13 sistent with the data standards published  
14 under subsection (a) and the minimum  
15 functional requirements described in sub-  
16 section (c)(1)(B);

17 (iii) submit to the Council on Envi-  
18 ronmental Quality a report that estimates  
19 the completion dates for implementing the  
20 data standards published under subsection  
21 (a) and the minimum functional require-  
22 ments described in subsection (c)(1)(B);  
23 and

24 (iv) submit to the Council on Environ-  
25 mental Quality, in consultation with the

1 Council on Environmental Quality, an im-  
2 plementation plan that—

3 (I) describes how the Federal  
4 agency will implement the data stand-  
5 ards published under subsection (a)  
6 and the minimum functional require-  
7 ments described in subsection  
8 (c)(1)(B); and

9 (II) describes how, to the extent  
10 the Federal agency determines nec-  
11 essary to meet relevant statutory re-  
12 quirements, the Federal agency will  
13 adopt or implement the prototype  
14 tools tested, designed, and built under  
15 subsection (b); and

16 (B) not later than 180 days after the date  
17 of enactment of this section, begin imple-  
18 menting the data standards published under  
19 subsection (a) and the minimum functional re-  
20 quirements described in subsection (c)(1)(B).

21 (2) REPORT.—Not less frequently than twice  
22 each year, the Chief Information Officer of each  
23 Federal agency, in consultation with the Chief Envi-  
24 ronmental Review and Permitting Officer of each  
25 Federal agency, shall submit to the Council on Envi-

1           ronmental Quality and the Director of the Office of  
2           Management and Budget a report on the progress of  
3           the Federal agency towards meeting the require-  
4           ments of paragraph (1).

5           (e) UNIFIED INTERAGENCY DATA SYSTEM.—

6                 (1) IN GENERAL.—

7                     (A) UNIFIED INTERAGENCY DATA SYS-  
8                     TEM.—To the maximum extent practicable, the  
9                     Chair of the Council of Environmental Quality  
10                    and the head of each Federal agency respon-  
11                    sible for environmental reviews or authoriza-  
12                    tions shall iteratively develop and maintain a  
13                    unified interagency data system consisting of  
14                    interconnected Federal agency systems and  
15                    shared services for environmental reviews and  
16                    authorizations.

17                    (B) AUTHORIZATION PORTAL.—

18                         (i) IN GENERAL.—The shared services  
19                         developed and maintained under subpara-  
20                         graph (A) shall include a common inter-  
21                         active, digital, cloud-based authorization  
22                         portal, which shall—

23                                 (I) be designed in a manner con-  
24                                 sistent with—

1 (aa) the recommendations of  
2 the Council on Environmental  
3 Quality included in the study  
4 submitted pursuant to section  
5 110 of the National Environ-  
6 mental Policy Act of 1969 (42  
7 U.S.C. 4336d) entitled “Council  
8 on Environmental Quality Report  
9 to Congress on the Potential for  
10 Online and Digital Technologies  
11 to Address Delays in Reviews  
12 and Improve Public Accessibility  
13 and Transparency under 42  
14 U.S.C. 4332(2)(C)”; and

15 (bb) the minimum functional  
16 requirements described in sub-  
17 section (c)(1)(B);

18 (II) serve as a platform for  
19 tracking and displaying real-time data  
20 on environmental reviews and author-  
21 izations made available through appli-  
22 cation programming interfaces or  
23 other reporting mechanisms from  
24 Federal agency systems that are com-  
25 pliant with the data standards and

1 data architecture described in this  
2 section;

3 (III) be supported by a decentral-  
4 ized, cross-network digital infrastruc-  
5 ture software that ensures vendor  
6 neutrality and interoperability of data  
7 and models across Federal agencies;

8 (IV) include a mechanism for the  
9 dissemination of relevant information  
10 (such as a notice of intent for public  
11 comment, public meetings, project  
12 statuses, or a notice of intent to begin  
13 an environmental review) to local com-  
14 munities, as applicable;

15 (V) allow a project sponsor to  
16 submit all necessary documentation  
17 for environmental reviews and author-  
18 izations in 1 unified and secure por-  
19 tal;

20 (VI) support interactive, digital,  
21 and cloud-based tools enabling appli-  
22 cants to edit documents and collabo-  
23 rate with relevant Federal agencies in  
24 real time;

1 (VII) support visual features, in-  
2 cluding video, animation, geographic  
3 information system displays, inter-  
4 active maps, and three-dimensional  
5 renderings;

6 (VIII) provide for the exchange  
7 of information to and from Federal  
8 agency data systems via an applica-  
9 tion programming interface or another  
10 reporting mechanisms;

11 (IX) allow for the submission of  
12 geospatial data associated with project  
13 location, footprint, and impact;

14 (X) support automatic docu-  
15 mentation of submission and process  
16 timelines; and

17 (XI) allow the following metrics  
18 to be tracked over time—

19 (aa) estimates of achieved  
20 efficiencies, such as reductions in  
21 the time between receipt of appli-  
22 cations and final authorization  
23 decisions;

24 (bb) comparisons of author-  
25 ization timelines before and after

1 the implementation of this sec-  
2 tion;  
3 (cc) usage of the authoriza-  
4 tion portal and other statistics  
5 from the Digital Analytics Pro-  
6 gram;  
7 (dd) metrics on the number  
8 of public comments received, re-  
9 sponses provided, and community  
10 meetings held;  
11 (ee) the number of projects  
12 subject to litigation based on au-  
13 thorization deficiencies or ineffi-  
14 ciencies;  
15 (ff) a list of Federal agen-  
16 cies that are not yet fully compli-  
17 ant with the data standards pub-  
18 lished under subsection (a) and  
19 the minimum functional require-  
20 ments described in subsection  
21 (c)(1)(B), along with their  
22 progress toward compliance; and  
23 (gg) examples or repositories  
24 of Federal agency-developed dig-  
25 ital workflows enabled by the im-

1                   plementation of this section, in-  
2                   cluding visualizations of data  
3                   sharing, authorizations and deci-  
4                   sion logic, and environmental re-  
5                   views.

6                   (ii) ADMINISTRATIVE SUPPORT.—The  
7                   Administrator of General Services shall  
8                   host the authorization portal as a shared  
9                   service for Congress, Federal agencies, and  
10                  the public.

11                  (iii) ACCESSABILITY.—The authoriza-  
12                  tion portal shall be accessible to Congress,  
13                  Federal agencies, and the public, with ap-  
14                  propriate safeguards to protect sensitive or  
15                  classified information and information re-  
16                  stricted by user type as appropriate.

17                  (iv) PUBLIC ACCESSIBILITY.—To the  
18                  extent practicable and consistent with  
19                  other law, the authorization portal shall  
20                  provide public access to non-sensitive data,  
21                  including authorization timelines, location,  
22                  project type, environmental reviews, and  
23                  mitigation measures.

24                  (v) CONGRESSIONAL ACCESS AND  
25                  OVERSIGHT.—

1 (I) IN GENERAL.—The authoriza-  
2 tion portal shall provide Congress  
3 with direct access to aggregated per-  
4 formance data and other analytics to  
5 enable real-time oversight of Federal  
6 agencies.

7 (II) ARTIFICIAL INTELLIGENCE  
8 SUPPORT SYSTEMS AND TRAINING MA-  
9 TERIALS.—Congress shall have access  
10 to the data, fine-tuning procedures,  
11 and prompt configurations specifically  
12 created or adapted for Artificial Intel-  
13 ligence systems used to support envi-  
14 ronmental review or authorization ac-  
15 tivities, excluding proprietary or gen-  
16 eral pretraining materials unrelated to  
17 such agency-specific customization.

18 (III) TECHNICAL ASSISTANCE.—  
19 The Council on Environmental Qual-  
20 ity shall provide to Congress technical  
21 assistance upon request to ensure ef-  
22 fective use of the authorization portal  
23 and Artificial Intelligence systems for  
24 oversight purposes.

1 (C) CYBERSECURITY AND COMPLIANCE  
2 CONSIDERATIONS.—The authorization portal  
3 shall be designed to promote vendor neutral  
4 interoperability, reduce redundancy, and ensure  
5 compliance and coordination with other laws,  
6 including—

7 (i) section 552a of title 5, United  
8 States Code (commonly referred to as the  
9 Privacy Act of 1974), and subchapter II of  
10 chapter 35 of title 44, United States Code;

11 (ii) the Federal Risk and Authoriza-  
12 tion Management Program established  
13 under section 3608 of title 44, United  
14 States Code; and

15 (iii) the Cybersecurity and Infrastruc-  
16 ture Security Agency of the Department of  
17 Homeland Security, for a case in which the  
18 project is in coordination with a Federal  
19 agency with stringent security require-  
20 ments.

21 (2) DEADLINES.—

22 (A) SHARED SERVICES PILOT.—Not later  
23 than 1 year after the date of enactment of this  
24 section, the Council on Environmental Quality  
25 shall oversee piloting of shared services for envi-

1           ronmental reviews and authorizations, including  
2           the authorization portal under paragraph  
3           (1)(B).

4           (B) UNIFIED SYSTEM DEVELOPMENT AND  
5           IMPLEMENTATION.—To the maximum extent  
6           practicable, not later than December 1, 2027,  
7           the Chair of the Council on Environmental  
8           Quality shall develop and implement the unified  
9           interagency data system required under para-  
10          graph (1)(A).

11          (3) REPORT.—Not less frequently than annu-  
12          ally, the Chair of the Council on Environmental  
13          Quality, in consultation with the Federal Permitting  
14          Improvement Steering Council, the Chief Informa-  
15          tion Officers Council, and other relevant stake-  
16          holders and Federal agencies, shall submit to the  
17          Committee on Natural Resources of the House of  
18          Representatives and the Committee on Environment  
19          and Public Works of the Senate a report on the  
20          Council on Environmental Quality’s progress on de-  
21          veloping a unified interagency data system under  
22          paragraph (1).

23          (f) AUTHORITY TO ENTER INTO CONTRACTS.—Sub-  
24          ject to the availability of appropriations, the Council on  
25          Environmental Quality may enter into contracts and other

1 arrangements for analyses, services, and products with  
2 Federal agencies, private organizations, and businesses,  
3 and make such payments as determined necessary by the  
4 Council on Environmental Quality to carry out the provi-  
5 sions of this section.

6 (g) CLARIFYING RULEMAKING AUTHORITY.—Noth-  
7 ing in this section shall be construed to authorize the  
8 Council on Environmental Quality or a Federal agency to  
9 impose additional regulatory processes or requirements be-  
10 yond those expressly stipulated under the National Envi-  
11 ronmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)  
12 or any other law.

13 (h) SAVINGS CLAUSE.—To the extent that a data sys-  
14 tem, technology, or tool developed or incorporated into a  
15 unified interagency data system under this section is not  
16 limited by project type, the data system, technology, or  
17 tool shall not have its use be restricted by project type.

18 (i) DEFINITIONS.—In this section:

19 (1) AUTHORIZATION.—The term “authoriza-  
20 tion” means any license, permit, approval, finding,  
21 determination, or other administrative decision  
22 issued by an agency and any interagency consulta-  
23 tion that is required or authorized under Federal  
24 law in order to site, construct, reconstruct, or com-

1 mence operations of a project administered by a  
2 Federal agency.

3 (2) AUTHORIZATION DATA.—The term “author-  
4 ization data” means—

5 (A) any data relevant for a Federal agency  
6 to—

7 (i) determine the effect on the envi-  
8 ronment of an action for which an author-  
9 ization is required by the Federal agency;  
10 and

11 (ii) determine whether to issue such  
12 authorization; and

13 (B) any community input or public com-  
14 ment on such determinations.

15 (3) DATA ARCHITECTURE.—The term “data ar-  
16 chitecture” means the design and organization of  
17 data systems, including frameworks for data storage,  
18 processing, and exchange.

19 (4) DATA STANDARDS.—The term “data stand-  
20 ards” means agreed-upon specifications for data for-  
21 mats, structures, and definitions to ensure consist-  
22 ency and vendor neutral interoperability.

23 (5) ENVIRONMENTAL REVIEW.—The term “en-  
24 vironmental review” means any Federal agency pro-  
25 cedures or processes for—

1 (A) applying a categorical exclusion; or

2 (B) preparing an environmental assess-  
3 ment, an environmental impact statement, or  
4 another document required under the National  
5 Environmental Policy Act of 1969 (42 U.S.C.  
6 4321 et seq.).

7 (6) FEDERAL AGENCY.—The term “Federal  
8 agency” has the meaning given the term “agency”  
9 in section 551 of title 5, United States Code.

10 (7) FEDERAL PERMITTING IMPROVEMENT  
11 STEERING COUNCIL.—The term “Federal Permitting  
12 Improvement Steering Council” has the meaning  
13 given the term “Council” in section 41001 of the  
14 FAST Act (42 U.S.C. 4370m).

15 **SEC. 703. TIMELY PUBLIC RELEASE OF NEPA DOCUMENTA-**  
16 **TION.**

17 (a) IN GENERAL.—To achieve the goals described in  
18 section 1507.4 of title 40, Code of Federal Regulations  
19 (or a successor regulation), to allow agencies and the pub-  
20 lic to efficiently and effectively access timely information  
21 relating to environmental reviews required under the Na-  
22 tional Environmental Policy Act of 1969 (42 U.S.C. 4321  
23 et seq.), the lead agency for a proposed major Federal ac-  
24 tion shall make the documents identified under subsection  
25 (b) with respect to such proposed major Federal action

1 available to the public in a searchable, digital format when  
2 such documents are completed by the lead agency, or in  
3 the case of final documents, finalized by the agency. The  
4 lead agency shall make such documents available to the  
5 public in a searchable, digital format by—

6 (1) publishing and maintaining such documents  
7 on the public website or websites of the applicable  
8 agency or agencies; and

9 (2) uploading such documents to the E-NEPA  
10 online permitting portal established under subsection  
11 (b) of section 110 of the National Environmental  
12 Policy Act of 1969 (as added by section 702(b) of  
13 this Act).

14 (b) DOCUMENTS.—The documents identified under  
15 this subsection are the following:

16 (1) Any notice of intent and other scoping no-  
17 tices.

18 (2) Any draft and final environmental assess-  
19 ments and findings of no significant impacts.

20 (3) Any draft, final, and supplemental environ-  
21 mental impact statements.

22 (4) Any records of decision.

23 (5) Any documentation associated with a deter-  
24 mination to proceed with the proposed major Fed-  
25 eral action under a categorical exclusion.

1 (6) Any additional related documentation.

2 (c) TIMING.—The lead agency shall make the docu-  
3 ments identified under subsection (b) available to the pub-  
4 lic in a searchable, digital format under subsection (a) by  
5 not later than the earlier of—

6 (1) 3 days after the date on which the lead  
7 agency completes the document; and

8 (2) 3 days after the date on the document is  
9 published in the Federal Register.

10 (d) COOPERATING AGENCIES.—A cooperating agency  
11 shall publish a link to the location on the website of the  
12 lead agency to the documents identified under subsection  
13 (b) on which the agency was a cooperating agency.

14 **SEC. 704. COMMUNITY BENEFITS AGREEMENTS.**

15 (a) PRIORITIZATION IN NEPA.—If a project sponsor  
16 has entered into a community benefits agreement de-  
17 scribed in subsection (b) with respect to an eligible project,  
18 the applicable lead agency shall prioritize the completion  
19 of the required environmental documents for the eligible  
20 project.

21 (b) COMMUNITY BENEFITS AGREEMENT (CBA).—A  
22 project sponsor and a CBA partner may enter into an  
23 agreement that—

24 (1) relates to an eligible project for which an  
25 authorization is sought;

1           (2) may include the disbursement of funds, in-  
2           cluding commitments, for social, economic, or envi-  
3           ronmental benefits that will—

4                   (A) ensure benefits from the construction,  
5                   modification, and operation of the eligible  
6                   project are shared with nearby residents;

7                   (B) offset adverse impacts resulting from  
8                   such construction, modification, or operation; or

9                   (C) address legacy or historical harm or  
10                  adverse cumulative social, economic, or environ-  
11                  mental impacts in the location in which the eli-  
12                  gible project is to be carried out;

13           (3) includes commitments by a project sponsor  
14           to hire members of the local workforce during con-  
15           struction, modification, operation, or maintenance of  
16           the eligible project;

17           (4) includes commitments to provide edu-  
18           cational opportunities and training for workforce  
19           and skills development, if it is determined that there  
20           is an insufficient local workforce;

21           (5) may include commitments by a project  
22           sponsor to procure materials and services from local  
23           businesses, when possible;

1           (6) is negotiated through a process that in-  
2           cludes meaningful engagement by the project spon-  
3           sor with the CBA partner;

4           (7) details specific, measurable, and legally en-  
5           forceable CBA commitments;

6           (8) includes a detailed plan, with clear metrics,  
7           milestones, and timelines for accomplishing such  
8           commitments;

9           (9) establishes specific roles, responsibilities,  
10          and processes for tracking and reporting progress  
11          with respect to commitments agreed to in the CBA;

12          (10) establishes clear enforcement processes to  
13          address a failure to fulfill a commitment that was  
14          agreed to;

15          (11) addresses the mechanism through which  
16          any disbursement agreed to in the CBA will be held  
17          and dispersed, such as through a trust fund or simi-  
18          lar instrument; and

19          (12) if the CBA involves tribal lands or inter-  
20          ests—

21                 (A) it must be negotiated on a govern-  
22                 ment-to-government basis, in recognition of  
23                 trust obligations and tribal sovereignty; and

24                 (B) the CBA may include compensation to  
25                 a Tribe for legal costs incurred during negotia-

1           tion (including legal, staffing, and consulting  
2           expenses).

3           (c) TECHNICAL ASSISTANCE.—

4           (1) Upon request by a CBA partner, the lead  
5           agency may provide technical assistance to the CBA  
6           partner in developing and negotiating a community  
7           benefits agreement.

8           (2) In providing technical assistance, the agen-  
9           cy must utilize technical assistance providers who  
10          are neutral, culturally competent, third parties with  
11          experience developing CBAs.

12          (d) DEFINITIONS.—In this section:

13          (1) AUTHORIZATION.—The term “authoriza-  
14          tion” means any license, permit, approval, finding,  
15          determination, or other administrative decision  
16          issued by an agency and any interagency consulta-  
17          tion that is required or authorized under Federal  
18          law in order to site, construct, reconstruct, or com-  
19          mence operations of an infrastructure project.

20          (2) CBA PARTNER.—The term “CBA partner”  
21          means a State, a local unit of government, an Indian  
22          Tribe, a labor organization, or a community benefits  
23          organization.

1           (3) COMMUNITY BENEFITS ORGANIZATION.—  
2           The term “community benefits organization” means  
3           an organization that—

4                   (A) is described in section 501(c)(3) of the  
5           Internal Revenue Code of 1986 and is exempt  
6           from taxation under section 501(a) of such  
7           Code; and

8                   (B) is formed to protect the human health  
9           and environment of communities in the area in  
10          which a proposed the eligible project is to be  
11          carried out.

12          (4) ELIGIBLE PROJECT.—The term “eligible  
13          project” means a project for the construction, modi-  
14          fication, or operation of a clean energy facility.

15          (5) ENVIRONMENTAL DOCUMENT; LEAD AGEN-  
16          CY.—The terms “environmental document” and  
17          “lead agency” have the meanings given such terms,  
18          respectively, in section 111 of the National Environ-  
19          mental Policy Act of 1969 (42 U.S.C. 4336e).

20          (6) CLEAN ENERGY FACILITY.—The term  
21          “clean energy facility” means a facility that—

22                   (A) uses wind, solar, or geothermal energy  
23           to generate energy;

24                   (B) transmits electricity to support wind,  
25           solar, or geothermal energy generation; or

1 (C) stores energy.

2 **SEC. 705. INTERVENOR FUNDING AT FERC OFFICE OF PUB-**  
3 **LIC PARTICIPATION.**

4 (a) IN GENERAL.—Section 319(b)(2) of the Federal  
5 Power Act (16 U.S.C. 825q–1(b)(2)) is amended by strik-  
6 ing “The Commission may” and inserting “The Commis-  
7 sion shall”.

8 (b) RULEMAKING.—Not later than 180 days after the  
9 date of enactment of this Act, the Federal Energy Regu-  
10 latory Commission shall promulgate a final rule to provide  
11 compensation under section 319(b)(2) of the Federal  
12 Power Act (16 U.S.C. 825q–1(b)(2)), as amended by this  
13 section. Under such rule the Commission shall require that  
14 each intervenor or participant file a disclosure form of  
15 earned and unearned income to identify conflicts of inter-  
16 est. Such form shall not be overly burdensome.

17 **SEC. 706. SENIOR COMMUNITY ENGAGEMENT OFFICERS**  
18 **AND TRIBAL COMMUNITY ENGAGEMENT OF-**  
19 **FICERS.**

20 (a) DESIGNATION OF SENIOR COMMUNITY ENGAGE-  
21 MENT OFFICERS AND TRIBAL COMMUNITY ENGAGEMENT  
22 OFFICERS.—

23 (1) IN GENERAL.—The head of each Federal  
24 agency required or authorized to complete an envi-

1           ronmental document or an authorization for a major  
2           Federal action shall designate—

3                   (A) 1 or more appropriate employees or of-  
4                   ficials of the applicable Federal agency to serve  
5                   as a senior community engagement officer (re-  
6                   ferred to in this section as an “SCO”); and

7                   (B) 1 or more appropriate employees or of-  
8                   ficials of the applicable Federal agency (other  
9                   than an employee or official designated as an  
10                  SCO under subparagraph (A)) to serve as a  
11                  Tribal community engagement officer (referred  
12                  to in this section as a “TEO”).

13                  (2) RESPONSIBILITIES OF AN SCO AND TEO.—  
14                  An SCO and a TEO shall—

15                   (A) oversee community or Tribal, as appli-  
16                   cable, engagement in environmental review and  
17                   authorization processes carried out by the Fed-  
18                   eral agency;

19                   (B) advise the applicable head of the Fed-  
20                   eral agency on matters relating to community  
21                   or Tribal, as applicable, engagement in such re-  
22                   views and processes;

23                   (C) identify, recommend, and implement  
24                   approaches to expand and improve early, mean-  
25                   ingful community or Tribal, as applicable, en-

1 gagement relating to the environmental review  
2 and authorization processes carried out by the  
3 Federal agency, including to ensure timely pub-  
4 lic access to all information relevant to inform  
5 such engagement;

6 (D) identify and avoid or resolve conflicts  
7 with communities or Indian Tribes affected by  
8 the environmental review or authorization proc-  
9 esses, as applicable—

10 (i) to align Federal actions with the  
11 needs and interests of those communities  
12 or Indian Tribes, as applicable; and

13 (ii) to minimize the potential for delay  
14 of environmental review and authorization  
15 processes carried out by the Federal agen-  
16 cy;

17 (E) identify opportunities with affected  
18 communities or Indian Tribes to accelerate the  
19 environmental review and authorization proc-  
20 esses carried out by the Federal agency;

21 (F) provide technical support and capacity  
22 building, on request of a community or an In-  
23 dian Tribe to enhance the ability of commu-  
24 nities and Indian Tribes to engage construc-  
25 tively in Federal agency decision making;

1 (G) assist in developing and negotiating  
2 community benefits agreements consistent with  
3 section 704; and

4 (H) coordinate with the Council on Envi-  
5 ronmental Quality to develop interagency train-  
6 ing modules, data sharing protocols, and com-  
7 munity engagement standards to ensure con-  
8 sistency and accountability across Federal agen-  
9 cies.

10 (3) REPORTING.—An SCO and a TEO shall re-  
11 port directly to a Deputy Secretary (or equivalent)  
12 or higher position in the Federal agency in which  
13 the SCO or TEO serves.

14 (4) GUIDANCE.—The Director of the Office of  
15 Management and Budget shall establish any guid-  
16 ance necessary to establish SCO and TEO positions  
17 not later than 2 years of the date of enactment of  
18 this Act.

19 (b) REGIONAL COMMUNITY ENGAGEMENT OFFI-  
20 CERS.—A Federal agency may appoint regional commu-  
21 nity engagement officers to support community and Tribal  
22 engagement in environmental review and authorization  
23 processes carried out by the Federal agency within a re-  
24 gion impacted by a proposed major Federal project, in-  
25 cluding by carrying out activities—

1           (1) to identify and implement approaches to ex-  
2           pand and improve early, meaningful community and  
3           Tribal engagement relating to the environmental re-  
4           view and authorization processes carried out by the  
5           Federal agency;

6           (2) to identify and avoid or resolve conflicts  
7           with affected communities and Indian Tribes that  
8           have the potential to delay environmental review and  
9           authorization processes carried out by the Federal  
10          agency;

11          (3) to identify opportunities with affected com-  
12          munities and Indian Tribes to accelerate the envi-  
13          ronmental review and authorization processes car-  
14          ried out by the Federal agency;

15          (4) to provide technical support and capacity  
16          building, on request of a community or an Indian  
17          Tribe, to enhance the ability of communities or In-  
18          dian Tribes to engage constructively in Federal  
19          agency decision making; and

20          (5) to assist in developing and negotiating com-  
21          munity benefits agreements consistent with section  
22          704.

23          (c) APPLICATION.—Notwithstanding any other provi-  
24          sion of law, chapter 10 of title 5, United States Code  
25          (commonly known as the “Federal Advisory Committee

1 Act”), shall not apply to stakeholder engagement pro-  
2 cesses or public comment activities that are required under  
3 or proceeding from a Federal environmental permitting  
4 process and led by an SCO, a TEO, or a regional commu-  
5 nity engagement officer appointed under subsection (b).

6 (d) FAST 41.—

7 (1) DEFINITION OF AGENCY SCO.—Section  
8 41001 of the FAST Act (42 U.S.C. 4370m) is  
9 amended—

10 (A) by redesignating paragraphs (2)  
11 through (18) as paragraphs (3) through (19),  
12 respectively; and

13 (B) by inserting after paragraph (1) the  
14 following:

15 “(2) AGENCY SCO.—The term ‘agency SCO’  
16 means the senior community engagement officer of  
17 an agency, as designated by the head of the agency  
18 under section 706(a)(1)(A) of the Energy Bills Re-  
19 lief Act.”.

20 (2) DISPUTE RESOLUTION.—Section  
21 41003(c)(2)(C)(i) of the FAST Act (42 U.S.C.  
22 4370m–2(c)(2)(C)(i)) is amended by striking “agen-  
23 cy CERPOs” and inserting “agency CERPOs, agen-  
24 cy SCOs,”.

1           (3) ENVIRONMENTAL REVIEW IMPROVEMENT  
2           FUND.—Section 41009(d)(3) of the FAST Act (42  
3           U.S.C. 4370m–8(d)(3)) is amended—

4                   (A) by striking “facilitate timely” and in-  
5                   serting “facilitate early, meaningful community  
6                   engagement and timely”; and

7                   (B) by inserting “and agency SCOs” after  
8                   “agency CERPOs”.

9           (e) DEFINITIONS.—In this section:

10                   (1) AUTHORIZATION.—The term “authoriza-  
11                   tion” means any license, permit, approval, finding,  
12                   determination, or other administrative decision  
13                   issued by an agency and any interagency consulta-  
14                   tion that is required or authorized under Federal  
15                   law in order to site, construct, reconstruct, or com-  
16                   mence operations of an infrastructure project.

17                   (2) ENVIRONMENTAL DOCUMENT.—The term  
18                   “environmental document” has the meaning given  
19                   such term in section 111 of the National Environ-  
20                   mental Policy Act of 1969 (42 U.S.C. 4336e).

21   **SEC. 707. CAPACITY GRANTS FOR PERMITTING AND COM-**  
22                   **MUNITY ENGAGEMENT.**

23           (a) IN GENERAL.—The Administrator of the Envi-  
24           ronmental Protection Agency shall make grants to States,

1 units of local government, and Indian Tribes which shall  
2 be used for purposes of—

3 (1) increasing the capacity of such organiza-  
4 tions to conduct activities related to proposed major  
5 Federal actions, and State, local, and Tribal envi-  
6 ronmental reviews, permits, and consultations, in-  
7 cluding by—

8 (A) compiling data and conducting anal-  
9 yses, planning, and environmental review;

10 (B) determining potential economic, social,  
11 public health, and environmental impacts; or

12 (C) identifying opportunities to mitigate  
13 such impacts;

14 (2) coordinating with relevant Federal agencies  
15 in order to establish shared permitting information  
16 portals in association with the linked interagency en-  
17 vironmental data collection systems established  
18 under section 702 through which project developers  
19 can—

20 (A) acquire all relevant information re-  
21 garding pertinent Federal, State and local per-  
22 mitting requirements;

23 (B) submit all required permit applica-  
24 tions; and

1 (C) request and receive assistance in com-  
2 pleting relevant permit applications;

3 (3) identifying and minimizing redundancy be-  
4 tween relevant Federal, State and local permitting  
5 requirements;

6 (4) enhancing community engagement opportu-  
7 nities related to environmental reviews;

8 (5) identifying zones for renewable energy de-  
9 velopment;

10 (6) facilitating the siting of renewable energy-  
11 related facilities and infrastructure;

12 (7) establishing local zoning ordinances that  
13 promote the development of renewable energy; and

14 (8) training and hiring personnel, and other ac-  
15 tivities to increase the capacity of States, units of  
16 local government, Indian Tribes, and nonprofit asso-  
17 ciations, as applicable, to carry out activities de-  
18 scribed in paragraphs (1) through (7).

19 (b) FUNDING.—There is authorized to be appro-  
20 priated to the Administrator of the Environmental Protec-  
21 tion Agency to make grants under subsection (a)  
22 \$500,000,000 for each of fiscal years 2026 through 2031.