

## **TITLE XI—ELECTRICITY**

### **SEC. 1101. DEFINITIONS.**

Expands definition of ‘electric utility’ to include any person or Federal or state agency, including TVA and PMAs, that sells electricity.

Amends definition of ‘transmitting utility’ to include entities (including 201(f) entities) that own or operate facilities used for transmission in interstate commerce or for sale of electricity at wholesale.

Defines ‘Regional Transmission Organization’ as a Commission approved entity of sufficient regional scope that meets certain minimum criteria.

Defines ‘Independent Transmission Organization’ as a Commission approved entity not of sufficient regional scope that meets certain minimum criteria.

Defines an ‘unregulated transmitting utility’ as a muni, co-op, TVA, or a Federal PMA that owns or operates facilities for the transmission of electric energy in interstate commerce.

Defines ‘distribution utility’ as an electric utility that does not own or operate transmission facilities or an unregulated transmitting utility that provides 90 percent of the electric energy its transmits to customers at retail.

### **Subtitle A—Reliability**

#### **SEC. 1111. ELECTRIC RELIABILITY STANDARDS.**

Provides procedures for FERC certification and oversight of a FERC-approved electric reliability organization (ERO) that sets mandatory, enforceable reliability rules for the interstate transmission grid. Requires FERC to promulgate rules directing the ERO to delegate authority to regional entities.

### **Subtitle B—Standard Market Design Implementation**

#### **SEC. 1121. IMPLEMENTATION DATE FOR PROPOSED RULEMAKING ON STANDARD MARKET DESIGN.**

Prohibits FERC from issuing a final rule on the proposed Standard Market Design rule earlier than 120 days after the enactment of this Act.

#### **SEC. 1122. SENSE OF THE CONGRESS ON REGIONAL TRANSMISSION ORGANIZATIONS.**

Provides a sense of Congress that voluntary RTOs promote competitive markets and benefit

consumers.

**SEC. 1123. FEDERAL UTILITY PARTICIPATION IN REGIONAL TRANSMISSION ORGANIZATIONS.**

Authorizes PMAs and the TVA to join RTOs.

**SEC. 1124. REGIONAL TRANSMISSION ORGANIZATION REQUIREMENTS.**

Describes minimum, flexible criteria that an RTO or ITO must satisfy to be approved by FERC. Provides flexibility on RTO or ITO timeline implementation and organization. Requires FERC to give substantial deference to comments filed by States regarding RTO or ITO cost and benefits, including issues of interconnection costs, fixed costs, and native load.

**SEC. 1125. REGIONAL CONSIDERATION OF COMPETITIVE WHOLESALE MARKETS.**

Directs FERC to convene regional discussions with States to address wholesale competitive markets, with a focus on issues such as RTO development, interconnection, transmission planning, price signals, seams, and market monitoring.

## **Subtitle C—Improving Transmission Access and Protecting Service Obligations**

**SEC. 1131. SERVICE OBLIGATION SECURITY AND PARITY.**

Amends the FPA to protect transmission access for load-serving entities in order to ensure electric service to retail customers.

**SEC. 1132. OPEN NON-DISCRIMINATORY ACCESS.**

Authorizes FERC to require that unregulated utilities provide open access to their transmission systems at comparable rates, terms, and conditions that apply to themselves and are not unduly discriminatory. Exempts small distribution utilities or unregulated transmitting utilities that do not own assets that are necessary for grid operation. Allows FERC to revoke an exemption that adversely affects the efficiency and reliability of a transmission system. Allows FERC to remand rates to an unregulated transmitting utility if necessary.

**SEC. 1133. TRANSMISSION INFRASTRUCTURE INVESTMENT.**

Requires FERC to establish by rule within one year of date of enactment transmission pricing policies and policies for the allocation of costs associated with interconnection of new transmission facilities that are not located within an RTO or ITO. The cost allocation rulemaking shall seek to ensure that such interconnection costs are allocated in a way that ensures all users of the system bear their appropriate share of costs and that anyone who pays for new facilities is appropriately compensated.

## **Subtitle D—Amendments to the Public Utility Regulatory Policies Act of 1978**

### **SEC. 1141. NET METERING.**

Amends PURPA to require states to consider the adoption of a Federal standard for net metering. Net metering programs would specify how on-site energy production will be measured and billing practices in cases where electric energy generated on-site exceeds electricity supplied, and vice versa. Eligible residential on-site generation facilities are those with a maximum generating capacity of 10 KW or less, fueled by solar, wind, or fuel cells. Eligible commercial on-site generation facilities are those with a maximum generating capacity of 500 KW fueled by a renewable energy resource (solar, wind, biomass, geothermal), landfill gas, or a high efficiency system (fuel cells, CHP).

### **SEC. 1142. SMART METERING.**

Amends PURPA to require states to consider real-time and time-based pricing and other forms of demand response systems. Encourages the deployment of technology and devices that enable electricity customers to participate in such pricing and demand response systems.

### **SEC. 1143. ADOPTION OF ADDITIONAL STANDARDS.**

Requires States to consider standards for interconnection of distributed generation and other generators to the distribution grid; for minimum fuel and technology diversity; and for fossil fuel efficiency.

### **SEC. 1144. TECHNICAL ASSISTANCE.**

Permits Secretary of Energy to offer technical assistance to efforts by States and electric utilities in carrying out the above sections.

### **SEC. 1145. COGENERATION AND SMALL POWER PRODUCTION PURCHASE AND SALE REQUIREMENTS.**

Prospectively repeals mandatory purchase and sale requirements that compel electric utilities to buy from and sell to qualifying facilities.

### **SEC. 1146. RECOVERY OF COSTS.**

Ensures public utilities do not directly or indirectly absorb costs associated with purchases from qualifying facilities.

## **Subtitle E—Market Transparency, Anti-Manipulation and Enforcement**

### **SEC. 1151. MARKET TRANSPARENCY RULES.**

Requires FERC to establish an electronic system to provide information on availability and price of wholesale electric energy and transmission services.

### **SEC. 1152. MARKET MANIPULATION.**

Amends the FPA to prohibit the filing of false information and makes a round-trip trade committed with the intent to deceive a violation of the FPA.

### **SEC. 1153. ENFORCEMENT.**

Expands scope of who can file complaints and against whom complaints can be filed under the FPA, extends § 307 investigation authority to transmitting utilities, and increases penalties. Increases criminal penalties under the Natural Gas Act.

### **SEC. 1154. REFUND EFFECTIVE DATE.**

Amends § 206(b) to allow refunds as of the date of the filing of a complaint, as opposed to 60 days later.

## **Subtitle F—Consumer Protections**

### **SEC. 1161. CONSUMER PRIVACY.**

Directs FTC to promulgate rules regarding disclosure of consumer information.

### **SEC. 1162. UNFAIR TRADE PRACTICES.**

Directs FTC to issue rules to prohibit slamming and cramming.

### **SEC. 1163. DEFINITIONS.**

Defines terms for consumer protections subtitle.

## **Subtitle G—Technical Amendments**

### **SEC. 1171. TECHNICAL AMENDMENTS.**

Technical changes to FPA.