GRID Savings Act Section-by-Section

Subsection (a) adds new section 224 to the Federal Power Act (FPA).

Sec. 224, Subsection (a) Definitions defines:

- Covered large load, which must have a total requested or peak demand of 150 megawatts or more behind a single point of interconnection;
- Covered large load customer, which is a person that owns, controls, or operates a covered large load; and
- Certain facilities and upgrades, consistent with Federal Energy Regulatory (FERC) definitions.

Sec. 224, Subsection (b) Jurisdiction Over Large Load Interconnection gives FERC the jurisdiction over the interconnection of covered large loads.

- FERC's jurisdiction includes flexible interconnection service, provisional or phased interconnection service, and necessary studies.

Sec. 224, Subsection (c) Rulemaking requires that FERC issue a final rule on large load interconnections applicable to all transmitting utilities.

Sec. 224, Subsection (d) Required Standards and Procedures provides that the rule address study processes, cost allocation, payment and financial security, transparency, and reliability.

- **Study Process:** outlines certain timelines, readiness requirements, and study procedures for covered large load interconnection requests.
- **Cost Allocation:** requires certain criteria related to specified facilities and upgrades, consistent with FERC's generator interconnection requirements.
    - This includes certain interconnection costs being directly assigned to covered large loads and large load customers paying up front for network upgrades.
    - Covered large load customers may also elect to build their own upgrades and facilities, consistent with FERC generator interconnection rules.
- **Payment and Financial Requests:** provides for financial security requirements to protect customers from costs if a covered large load project fails.
- **Transparency:** requires disclosure of estimates and final costs relating to cost allocation, along with alternatives considered.
- **Reliability:** ensures standards to make certain the interconnection of large loads does not impact grid reliability.

Sec. 224, Subsection (e) Voluntary Funding of Regional and Interregional Facilities provides that FERC's rule will allow for a covered large-load customer to voluntarily fund certain transmission facilities in exchange for a FERC-defined right to transmission service. Any voluntary funding shall not impact any regional or interregional cost allocation, save for reducing costs.

Sec. 224, Subsection (f) Savings Provisions provides certain savings provisions.

Subsection (b) includes conforming amendments to the FPA.