

112TH CONGRESS
1ST SESSION

S. 1491

To amend the Public Utility Regulatory Policies Act of 1978 to expand the electric rate-setting authority of States.

IN THE SENATE OF THE UNITED STATES

AUGUST 2, 2011

Mr. WYDEN introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the Public Utility Regulatory Policies Act of 1978 to expand the electric rate-setting authority of States.

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.**

4 This Act may be cited as the “PURPA’s Legislative
5 Upgrade to State Authority Act” or “PURPA PLUS
6 Act”.

7 **SEC. 2. FINDINGS.**

8 Congress finds that—

9 (1) section 210 of the Public Utility Regulatory
10 Policies Act of 1978 (16 U.S.C. 824a-3)—

1 (A) established a new class of nonutility
2 generators known as “qualifying cogeneration
3 facilities” and “qualifying small power produc-
4 tion facilities”; and

5 (B) encouraged the development of alter-
6 nate sources of energy with the requirement
7 that utilities purchase energy offered by quali-
8 fying facilities;

9 (2) since the date of enactment of that section,
10 materials and designs for qualifying facility tech-
11 nologies have advanced and placed renewable re-
12 sources and cogeneration facilities within the reach
13 of more consumers, including technologies such as—

14 (A) solar photovoltaic panels;

15 (B) small wind turbines;

16 (C) storage technologies to support renew-
17 able energy;

18 (D) small hydroelectric generators on exist-
19 ing dams, diversions, and conduits;

20 (E) hydrokinetic generators;

21 (F) gas microturbines;

22 (G) steam-cycle turbines;

23 (H) Stirling engines;

24 (I) fuel cells; and

25 (J) biomass boilers;

1 (3) States need additional regulatory flexibility
2 and authority to be able to incentivize the qualifying
3 facilities; and

4 (4) the avoided cost caps on qualifying facilities
5 should be removed so that States can set the rates
6 for qualifying facilities of not more than 2
7 megawatts capacity.

8 **SEC. 3. STATE AUTHORITY TO INCENTIVIZE QUALIFYING**
9 **FACILITIES.**

10 Section 210(b) of the Public Utility Regulatory Poli-
11 cies Act of 1978 (16 U.S.C. 824a-3(b)) is amended in
12 the last sentence by inserting before the period at the end
13 the following: “, except that the rule shall provide that
14 a State regulatory authority or nonregulated electric util-
15 ity, acting under State authority, may set rates that ex-
16 ceed the incremental cost of alternative electric energy for
17 purchases from any qualifying cogeneration facility or
18 qualifying small power production facility of not more
19 than 2 megawatts capacity”.

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