

118TH CONGRESS
1ST SESSION

S. 2480

To require the Federal Energy Regulatory Commission to promulgate regulations with respect to regional and interregional transmission planning, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 25, 2023

Mr. MARKEY (for himself, Ms. SMITH, Mr. WHITEHOUSE, Ms. WARREN, Mr. SANDERS, Mr. MERKLEY, Mr. CARPER, and Mr. WELCH) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To require the Federal Energy Regulatory Commission to promulgate regulations with respect to regional and interregional transmission planning, 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.**

4 This Act may be cited as the “Connecting Hard-to-
5 reach Areas with Renewably Generated Energy Act of
6 2023” or the “CHARGE Act of 2023”.

1 **SEC. 2. FINDINGS.**

2 Congress finds that—

3 (1) current transmission planning is fractured
4 across many jurisdictions, prioritizes incumbent enti-
5 ties and highly localized transmission, and fails to
6 identify cost-effective solutions for 21st century
7 needs;

8 (2) the historical structure, regulations, and in-
9 centives of the electric power system lead to under-
10 planning and under-investment in the regional and
11 interregional transmission lines that are needed for
12 a reliable and resilient grid;

13 (3) much of the existing transmission infra-
14 structure of the United States is in need of signifi-
15 cant upgrade or replacement;

16 (4) the energy sector of the United States is at
17 a critical juncture, with a rapidly changing power
18 generation mix and new public policy mandates;

19 (5) it is imperative to proactively plan for elec-
20 tricity transmission in the future, including by tak-
21 ing into account long-term changes to demand and
22 load growth;

23 (6) renewable energy resources must be incor-
24 porated into the grid efficiently in order to meet
25 State and Federal decarbonization goals;

1 (7) the public desires, and has a right to, elec-
2 tricity data that are transparent, organized, and ac-
3 cessible;

4 (8) having reliable and diverse sources of elec-
5 tricity generation is a foundational need for the en-
6 tire economy;

7 (9) climate change has increased the frequency
8 and intensity of severe weather events that affect the
9 grid;

10 (10) it is in the national interest to implement
11 policies that provide effective electric infrastructure
12 to save consumers money, avoid preventable damage,
13 ensure energy reliability, and save lives;

14 (11) the Federal Government has a responsi-
15 bility to combat rising transmission costs and ensure
16 customers receive just and reasonable rates for elec-
17 tricity;

18 (12) industry experience, scientific studies, and
19 modern examples of reformed electricity trans-
20 mission provide confidence that new public policies
21 and regulatory guidance will achieve more efficient
22 and beneficial planning than the status quo; and

23 (13) there is increasing opportunity for public,
24 Tribal, or rural cooperative development of trans-
25 mission due to the recently established direct-pay in-

centives under section 6417 of the Internal Revenue Code of 1986, enacted by section 13801 of Public Law 117–169 (commonly known as the “Inflation Reduction Act of 2022”) (136 Stat. 2003).

SEC. 3. DEFINITIONS.

In this Act:

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

(2) INDEPENDENT SYSTEM OPERATOR.—The term “Independent System Operator” has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

(3) INTERCONNECTION CUSTOMER.—The term “interconnection customer” means an individual or entity that has submitted to the owner or operator of a transmission facility or transmission system a request to interconnect a generation project or energy storage project that is subject to the jurisdiction of the Commission.

(4) INTERREGIONAL TRANSMISSION PLANNING PROCESS.—The term “interregional transmission planning process” means a joint process by transmission providers in 2 or more adjacent transmission planning regions to evaluate electric energy transmission needs.

1 (5) LOAD-SERVING ENTITY.—The term “load-
2 serving entity” has the meaning given the term in
3 section 217(a) of the Federal Power Act (16 U.S.C.
4 824q(a)).

5 (6) REGIONAL TRANSMISSION ORGANIZATION.—
6 The term “Regional Transmission Organization”
7 has the meaning given the term in section 3 of the
8 Federal Power Act (16 U.S.C. 796).

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

13 (8) TRANSMISSION PLANNING REGION.—The
14 term “transmission planning region” means a region
15 for which electric energy transmission planning is
16 appropriate, as determined by the Commission, such
17 as a region established pursuant to the guidance
18 contained in the final rule of the Commission enti-
19 tled “Transmission Planning and Cost Allocation by
20 Transmission Owning and Operating Public Utili-
21 ties” (76 Fed. Reg. 49842 (August 11, 2011)).

22 (9) TRANSMISSION PROVIDER.—The term
23 “transmission provider” means a public utility (as
24 defined in section 201(e) of the Federal Power Act

1 (16 U.S.C. 824(e))) that owns, operates, or controls
2 1 or more transmission facilities.

3 **SEC. 4. TRANSMISSION PLANNING AND COST ALLOCATION.**

4 (a) RULEMAKING.—Not later than 18 months after
5 the date of enactment of this Act, the Commission shall
6 promulgate a final rule that—

7 (1) establishes transmission planning processes
8 and cost-allocation processes that—

9 (A) ensure that transmission providers—

10 (i) engage in interregional trans-
11 mission planning processes and inter-
12 connection-wide transmission planning
13 processes, in conjunction with transmission
14 planning processes within transmission
15 planning regions;

16 (ii) harmonize interregional trans-
17 mission planning processes and inter-
18 connection-wide transmission planning
19 processes with other regional transmission
20 planning processes, such as by using a
21 joint model on a consistent timeline with a
22 unified set of minimum requirements re-
23 garding needs, input assumptions, and
24 benefit metrics;

(iii) include as part of planning and cost-allocation processes the use of grid-enhancing transmission technologies and alternative transmission technologies that increase delivery of power over transmission networks, including, at a minimum—

(I) dynamic line ratings;

(II) topology optimization;

(III) power flow control;

(IV) advanced conductors and superconductors; and

(V) storage-as-transmission;

(iv) conduct interregional and interconnection-wide planning regularly and not less frequently than once every 5 years;

(v) conduct interregional and interconnection-wide planning based on a range of possible future load and generation scenarios; and

(vi) are required to incorporate in a transmission planning process the full scope of benefits of transmission investment, including, at a minimum—

(I) reduced costs of electric energy to customers, including reduced

costs associated with lower quantities of necessary capacity, ancillary services, and reserve margins;

(II) access to resources in neighboring transmission planning regions;

(III) the transmission of renewable energy or the ability of renewable energy to connect to the grid;

(IV) improvements in reliability, resilience, and flexibility of the grid, including, at a minimum—

(aa) reduced loss of load probability;

(bb) increased resource diversity;

(cc) increased climate hardening; and

(dd) increased ability to maintain functionality during regionally appropriate weather conditions and severe weather scenarios;

(V) leveraging resources across climatological patterns or time zones

1 to account for resource availability
2 and weather patterns;

3 (VI) avoidance, to the maximum
4 extent practicable, of sensitive envi-
5 ronmental areas and cultural heritage
6 sites;

7 (VII) reasonable and economical
8 use of existing rights-of-way;

9 (VIII) market facilitation bene-
10 fits, including, at a minimum, in-
11 creased competitiveness, liquidity, and
12 integrity of broader geographic mar-
13 kets;

14 (IX) avoided costs and deferred
15 cost savings, including reduced gen-
16 eration costs and reduced future
17 transmission investment costs;

18 (X) the integration of grid-en-
19 hancing technologies;

20 (XI) meeting local, State, and
21 Federal policy goals, including goals
22 established in decarbonization, cli-
23 mate, and clean energy laws (includ-
24 ing regulations);

1 (XII) protections to maintain
2 just and reasonable rates for cus-
3 tomers; and

4 (XIII) any other production costs
5 savings or other economic benefits
6 from proposed transmission projects;

7 (B) require that regional and interregional
8 cost-allocation methodologies allocate costs on
9 the basis of the multiple benefits described in
10 subclauses (I) through (XIII) of subparagraph
11 (A)(vi);

12 (C) incorporate a 10- to 20-year future re-
13 source mix for each load-serving entity and
14 State;

15 (D) ensure that local or regional trans-
16 mission planning processes do not impair inter-
17 regional and interconnection-wide transmission
18 planning processes;

19 (E) require transmission providers to
20 maximize the use of portfolio-based cost alloca-
21 tions;

22 (F) in cases in which costs and benefits
23 are difficult to quantify, may allocate trans-
24 mission investment costs among transmission
25 system customers in proportion to—

1 (i) in the case of regional projects, the
2 share of electricity of each customer in the
3 region; or

4 (ii) in the case of interregional
5 projects, the share of electricity of each
6 customer in each applicable region; and

7 (G) to the extent practicable, prevent
8 transmission providers from using cost-alloca-
9 tion methodologies that—

10 (i) discourage distributed generation,
11 energy efficiency, demand response, or
12 storage if more economic than trans-
13 mission;

14 (ii) are constrained by consideration
15 only of benefits that are easy to allocate;
16 or

17 (iii) undermine previous cost-alloca-
18 tion agreements for projects already in op-
19 eration; and

20 (2) allows a transmission developer of an inter-
21 regional transmission project to submit to the Com-
22 mission a request to recover all or a portion of the
23 costs of the project under section 205 of the Federal
24 Power Act (16 U.S.C. 824d) if—

1 (A) the project is selected through a trans-
 2 mission planning process that meets the criteria
 3 described in paragraph (1), in accordance with
 4 the transmission planning processes and cost-al-
 5 location processes established under that para-
 6 graph; or

7 (B) the transmission developer dem-
 8 onstrates to the satisfaction of the Commission
 9 that—

10 (i) the project connects more than 1
 11 transmission planning region; and

12 (ii) the benefits of the project sub-
 13 stantially outweigh the costs of the project
 14 after accounting for any transmission
 15 projects developed pursuant to a trans-
 16 mission planning process that meets the
 17 criteria described in paragraph (1).

18 (b) COST RECOVERY AND ALLOCATION REQUIRE-
 19 MENTS.—

20 (1) COST-BENEFIT ANALYSIS.—In making a de-
 21 termination under subsection (a)(2)(B)(ii) of wheth-
 22 er a transmission developer has demonstrated to the
 23 satisfaction of the Commission that the benefits of
 24 a project substantially outweigh the costs of the

1 project, the Commission shall consider the benefits
2 described in subsection (a)(1)(A)(vi).

3 (2) ALLOCATION.—For transmission projects
4 that meet the criteria of subparagraph (A) or (B) of
5 subsection (a)(2), the Commission shall allocate the
6 costs of those transmission projects to customers in
7 the applicable regions that benefit from those
8 projects—

9 (A) using the benefits described in sub-
10 section (a)(1)(A)(vi); or

11 (B) in cases in which those benefits are
12 difficult to quantify, using the cost allocation
13 methodology described in subsection (a)(1)(F).

14 (3) SAVINGS PROVISION.—Nothing in this sec-
15 tion limits, or may be construed to limit, any rights
16 of transmission developers to submit and have rates
17 approved by the Commission pursuant to section
18 205 of the Federal Power Act (16 U.S.C. 824d).

19 (c) AVAILABILITY OF RESOURCE PLANS.—The Com-
20 mission may require a load-serving entity to make publicly
21 available any applicable resource plans, including any
22 plans relating to the requirement described in subsection
23 (a)(1)(C), if, in the determination of the Commission, the
24 plans are not adequately described in publicly stated plans

1 in Securities and Exchange Commission filings, State
2 agency filings, and power purchase contracts.

3 (d) TECHNICAL CONFERENCES.—

4 (1) IN GENERAL.—As part of the rulemaking
5 process under subsection (a), the Commission may
6 convene a technical conference to consider implemen-
7 tation details, as the Commission determines to be
8 appropriate.

9 (2) PARTICIPATION.—

10 (A) LEADERSHIP.—A technical conference
11 convened under paragraph (1) may be led by
12 the members of the Commission, subject to sub-
13 paragraph (B).

14 (B) REQUIRED INVITATIONS.—On election
15 under subparagraph (A) by members of the
16 Commission to lead a technical conference, the
17 Commission shall invite to participate in the
18 technical conference representatives of residen-
19 tial ratepayers, transmission providers, environ-
20 mental justice and equity groups, Tribal com-
21 munities, Independent System Operators, Re-
22 gional Transmission Organizations, consumer
23 protection groups, renewable energy advocates,
24 State utility commission and energy offices, and

1 such other entities as the Commission deter-
2 mines to be appropriate.

3 (C) TIMELINE.—The Commission may es-
4 tablish and enforce a timeline for a technical
5 conference convened under paragraph (1) that
6 discourages actions by participants that may
7 unnecessarily delay the conference.

8 (3) PUBLIC COMMENT.—The Commission may
9 provide an opportunity for public comment on the
10 topics considered by a technical conference convened
11 under paragraph (1).

12 (e) OFFICE OF PUBLIC PARTICIPATION.—The Com-
13 mission shall consult the Office of Public Participation
14 during the rulemaking process under subsection (a), in-
15 cluding with respect to—

16 (1) guidance on public participation require-
17 ments;

18 (2) communications with the public concerning
19 transmission planning that may impact local com-
20 munities and landowners, including Tribal, indige-
21 nous, and environmental justice communities; and

22 (3) minimum data transparency and access re-
23 quirements.

24 (f) JOINT FEDERAL-STATE TASK FORCE ON ELEC-
25 TRIC TRANSMISSION.—The Commission may consult the

1 Joint Federal-State Task Force on Electric Transmission
 2 in any actions that—

- 3 (1) involve shared Federal and State regulatory
 4 authority and processes; or
- 5 (2) would benefit from a combined Federal and
 6 State perspective.

7 **SEC. 5. INTERREGIONAL MINIMUM TRANSFER REQUIRE-**
 8 **MENTS.**

9 (a) **ELECTRIC RELIABILITY.**—Section 215(i)(2) of
 10 the Federal Power Act (16 U.S.C. 824o(i)(2)) is amended
 11 by striking “or transmission”.

12 (b) **RULEMAKING.**—

13 (1) **IN GENERAL.**—Not later than 18 months
 14 after the date of enactment of this Act, the Commis-
 15 sion shall promulgate a final rule that establishes a
 16 minimum transfer capability that—

17 (A) shall govern minimum transfer re-
 18 quirements between transmission planning re-
 19 gions;

20 (B) achieves reliability and resilience
 21 standards during plausible extreme weather sce-
 22 narios;

23 (C) optimizes efficiency of delivering re-
 24 newable energy to demand centers; and

1 (D) incorporates the best available science
 2 relating to energy transmission, climatological
 3 patterns, climate change causes and impacts,
 4 grid reliability, and grid resiliency, including
 5 study results from the Department of Energy
 6 or National Laboratories (as defined in section
 7 2 of the Energy Policy Act of 2005 (42 U.S.C.
 8 15801)).

9 (2) RATES.—All rates associated with trans-
 10 mission facilities developed pursuant to the rule pro-
 11 mulgated under paragraph (1) shall be subject to
 12 the requirements of sections 205 and 206 of the
 13 Federal Power Act (16 U.S.C. 824d, 824e) that all
 14 rates, charges, terms, and conditions—

15 (A) shall be just and reasonable; and

16 (B) shall not be unduly discriminatory or
 17 preferential.

18 **SEC. 6. DATA TRANSPARENCY.**

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

21 **“SEC. 224. DATA TRANSPARENCY.**

22 “(a) DATA.—The Commission shall require all public
 23 utilities and other entities subject to the jurisdiction of
 24 the Commission to make, through coordination with the
 25 Environmental Protection Agency and an online database

1 operated by the Administrator of the Energy Information
2 Administration, hourly operating data transparent and ac-
3 cessible to the public, including original source data that—

4 “(1) are organized and easy to understand;

5 “(2) are centralized and provided in usable for-
6 mats, including an application programming inter-
7 face;

8 “(3) are available free of charge;

9 “(4) are published as close to real-time as is
10 practicable;

11 “(5) include generation by fuel type;

12 “(6) include hourly marginal greenhouse gas
13 emissions per megawatt-hour of electricity generated
14 within the metered boundaries of each entity and for
15 each specific electrical bus location on the grid where
16 an injection or withdrawal of power is modeled (com-
17 monly known as a ‘pricing node’), subject to the con-
18 dition that the marginal greenhouse gas emissions
19 data made available pursuant to this paragraph shall
20 be measured in the same time interval by which lo-
21 cational marginal price is measured at the same lo-
22 cation, but in no case shall the interval by which
23 marginal greenhouse gas emissions are measured for
24 purposes of this paragraph be greater than hourly;

1 “(7) include congestion cost and the limiting
2 elements that cause the congestion; and

3 “(8) include hourly locational data on genera-
4 tion curtailment and the reasons for that curtail-
5 ment.

6 “(b) COMMERCIAL PRODUCTS.—The Commission
7 may identify and reduce regulatory barriers to the devel-
8 opment of commercial products that use the data made
9 publicly available under subsection (a) in order to provide
10 verifiable emissions reductions, including short- and long-
11 term nodal congestion products.

12 “(c) APPROPRIATION.—In addition to amounts other-
13 wise made available to the Administrator of the Energy
14 Information Administration, there is appropriated to the
15 Administrator of the Energy Information Administration
16 for fiscal year 2024, out of any funds in the Treasury not
17 otherwise appropriated, \$10,000,000 to develop and oper-
18 ate the database described in subsection (a), to remain
19 available until expended.”.

20 **SEC. 7. STUDY ON METHODS OF ELECTRICITY PROCURE-**
21 **MENT AND DEVELOPMENT.**

22 (a) IN GENERAL.—Not later than 1 year after the
23 date of enactment of this Act, the National Academies of
24 Sciences, Engineering, and Medicine, in coordination with
25 the Commission and the Department of Energy, shall con-

1 duct, and submit to the Committee on Energy and Nat-
 2 ural Resources of the Senate and the Committee on En-
 3 ergy and Commerce of the House of Representatives and
 4 make available on a public website a report describing the
 5 results of, a study that identifies the potential benefits and
 6 other effects to consumers from—

7 (1) procuring generation from independent enti-
 8 ties that are not utilities through a competitive proc-
 9 ess administered by—

10 (A) an Independent System Operator or a
 11 Regional Transmission Organization; or

12 (B) another independent entity; and

13 (2) generation and transmission that is fi-
 14 nanced, developed, or owned by—

15 (A) an entity described in subsection (b);

16 (B) any corporation that is wholly owned,
 17 directly or indirectly, by 1 or more entities de-
 18 scribed in that subsection; or

19 (C) cooperatives that furnish electricity to
 20 rural areas.

21 (b) ENTITY DESCRIBED.—An entity referred to in
 22 subsection (a)(2)(A) is—

23 (1) the United States;

24 (2) a State;

25 (3) the District of Columbia;

1 (4) the Commonwealth of Puerto Rico;

2 (5) any other territory or possession of the
3 United States;

4 (6) any political subdivision of an entity de-
5 scribed in any of paragraphs (2) through (5);

6 (7) a Tribal government; or

7 (8) any agency, authority, or instrumentality of
8 any 1 or more entities described in paragraphs (1)
9 through (7).

10 (c) CONSIDERATIONS.—The study conducted under
11 subsection (a) shall—

12 (1) take into consideration, at a minimum, po-
13 tential benefits with respect to—

14 (A) cost savings;

15 (B) improved grid reliability and resilience;

16 and

17 (C) greenhouse gas reductions;

18 (2) compare the potential benefits identified
19 under paragraph (1) to the circumstances of con-
20 sumers whose generation is not procured through a
21 competitive process; and

22 (3) compare the potential benefits and effects
23 identified under subsection (a)(2) to the cir-
24 cumstances of consumers whose generation and

1 transmission is not financed and developed, directly
 2 or indirectly, by a public entity.

3 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
 4 authorized to be appropriated to carry out this section
 5 \$5,000,000 for fiscal year 2024.

6 **SEC. 8. STATE SUBSIDIES.**

7 Part II of the Federal Power Act (16 U.S.C. 824 et
 8 seq.) (as amended by section 6) is amended by adding at
 9 the end the following:

10 **“SEC. 225. STATE SUBSIDIES.**

11 “In order to promote competition in wholesale mar-
 12 kets, reliability, and affordability, the Commission shall
 13 not use offer-price mitigation methods to counteract the
 14 effects of State subsidies for renewable energy resources.”.

15 **SEC. 9. OFFICE OF TRANSMISSION.**

16 Part III of the Federal Power Act is amended by in-
 17 serting after section 317 (16 U.S.C. 825p) the following:

18 **“SEC. 318. OFFICE OF TRANSMISSION.**

19 “(a) ESTABLISHMENT.—There shall be established in
 20 the Commission an office, to be known as the ‘Office of
 21 Transmission’ (referred to in this section as the ‘Office’).

22 “(b) DIRECTOR.—The Office shall be administered
 23 by a Director, who shall be appointed by the Chairman
 24 of the Commission.

25 “(c) DUTIES.—The Director of the Office shall—

1 “(1) review transmission plans submitted by
 2 public utilities in accordance with the regional and
 3 interregional transmission planning processes, in-
 4 cluding the processes established pursuant to section
 5 206;

6 “(2) coordinate transmission-related matters of
 7 the Commission, as the Commission determines to
 8 be appropriate;

9 “(3) carry out the responsibilities of the Com-
 10 mission under section 216, in coordination with the
 11 Office of Energy Projects of the Commission;

12 “(4) review opportunities for innovation in
 13 transmission planning and operation, including de-
 14 ployment of grid-enhancing technologies, advanced
 15 conductors, and other approaches; and

16 “(5) provide oversight of transmission planning
 17 activities subject to the jurisdiction of the Commis-
 18 sion.”.

19 **SEC. 10. INTERCONNECTION.**

20 Not later than 1 year after the date of enactment
 21 of this Act, the Commission shall promulgate regulations,
 22 or revise existing regulations—

23 (1) to prohibit a public utility from requiring an
 24 interconnection customer to exclusively or dispropor-
 25 tionately fund, without reimbursement, the costs of

any network upgrade identified as necessary for the
interconnect request of the interconnection customer;

(2) to encourage cost-sharing models that re-
flect the broad set of benefits and beneficiaries for
any network upgrades identified as needed in an
interconnection or affected system study, subject to
the requirement that the model adheres to any re-
quirements established under paragraph (1); and

(3) to alleviate interconnection backlogs and re-
duce informational and procedural barriers in inter-
connection, which may include—

(A) the establishment of an interconnection
analysis center within the Office of Trans-
mission established under section 318 of the
Federal Power Act; and

(B) consultation with staff and the use of
other resources of the Department of Energy.

SEC. 11. INDEPENDENT TRANSMISSION MONITOR.

(a) IN GENERAL.—Not later than 1 year after the
date of enactment of this Act, for the purpose of moni-
toring the planning and operation of transmission facilities
in transmission planning regions, the Commission shall—

(1)(A) require each transmission planning re-
gion to establish an independent entity to monitor

1 the planning and operation of transmission facilities
2 in the transmission planning region; and

3 (B) establish a council, to be known as the
4 “Council of Transmission Monitors”—

5 (i) to provide oversight of each inde-
6 pendent entity established pursuant to subpara-
7 graph (A); and

8 (ii) to ensure interregional collaboration
9 and consistency; or

10 (2) establish an independent entity to monitor
11 the planning and operation of transmission facilities
12 in all transmission planning regions.

13 (b) ROLE OF TRANSMISSION MONITOR.—An inde-
14 pendent entity described in paragraph (1)(A) or (2) of
15 subsection (a) shall, as applicable—

16 (1) review the operation of applicable trans-
17 mission planning regions for inefficiency and prac-
18 tices that may lead to unjust and unreasonable
19 rates;

20 (2) review costs of transmission facilities, in-
21 cluding identifying inefficiencies among local, re-
22 gional, and interregional planning;

23 (3) provide examples and advice to transmission
24 providers on appropriate regional transmission oper-
25 ations, planning, and cost-allocation processes; and

1 (4) identify situations in which—

2 (A) nonwire alternatives may be more cost-
3 effective than transmission;

4 (B) grid-enhancing technologies may be
5 appropriate;

6 (C) high-capacity, interregional lines may
7 be—

8 (i) more cost-effective; or

9 (ii) a more appropriate reliability and
10 resilience alternative; or

11 (D) high-capacity regional lines may be
12 more cost-effective than local upgrades.

13 **SEC. 12. ADVISORY COMMITTEE.**

14 (a) IN GENERAL.—Not later than 1 year after the
15 date of enactment of this Act, the Commission shall estab-
16 lish an advisory committee (referred to in this section as
17 the “committee”) to make recommendations regarding—

18 (1) oversight and governance of Independent
19 System Operators or Regional Transmission Organi-
20 zations;

21 (2) stakeholder participation best practices—

22 (A) that ensure transparency, account-
23 ability, independence, oversight, and fair rep-
24 resentation;

1 (B) the purposes of which are to promote
2 competition, reliability, and affordability in all
3 transmission planning regions; and

4 (C) that include best practices relating to
5 stakeholder disclosure of the impact of a pro-
6 posed tariff reform on the company or client of
7 the stakeholder prior to voting on the proposed
8 tariff reform;

9 (3) enhancing transparency and open decision-
10 making in regions not classified as Independent Sys-
11 tem Operators or Regional Transmission Organiza-
12 tions; and

13 (4) the requirements of governing boards within
14 Independent System Operators or Regional Trans-
15 mission Organizations.

16 (b) REPRESENTATION.—The committee shall be com-
17 posed of not more than 30 members, including—

18 (1) at least 2 representatives of end-use cus-
19 tomers;

20 (2) at least 1 representative of transmission
21 providers;

22 (3) at least 2 representatives of environmental
23 justice and equity groups;

24 (4) at least 1 representative of Tribal commu-
25 nities;

1 (5) at least 1 representative of Independent
2 System Operators;

3 (6) at least 1 representative of Regional Trans-
4 mission Organizations;

5 (7) at least 1 representative of consumer pro-
6 tection groups;

7 (8) at least 2 representatives of renewable en-
8 ergy advocates;

9 (9) at least 1 representative of State commis-
10 sions;

11 (10) at least 1 representative of public power
12 entities;

13 (11) at least 1 representative of marketers; and

14 (12) at least 1 representative of generators.

15 (c) FACA APPLICABILITY.—Chapter 10 of title 5,
16 United States Code (commonly referred to as the “Federal
17 Advisory Committee Act”), shall apply to the committee.

18 **SEC. 13. RTO AND ISO GOVERNANCE.**

19 (a) STAKEHOLDER PROCESSES.—

20 (1) PUBLIC VOTING.—Each vote cast by any
21 party during a stakeholder process of a Regional
22 Transmission Organization or Independent System
23 Operator shall be made public.

24 (2) PUBLIC PARTICIPATION FUNDING.—Not
25 later than 180 days after the date of enactment of

1 this Act, the Commission shall promulgate regula-
 2 tions requiring Regional Transmission Organizations
 3 and Independent System Operators to develop a
 4 process to provide intervenor compensation or other
 5 funding to assist with public interest participation in
 6 the stakeholder processes of the Regional Trans-
 7 mission Organization or Independent System Oper-
 8 ator.

9 (3) CONSUMER ORGANIZATIONS; MEMBERSHIP
 10 FEE WAIVERS.—Not later than 18 months after the
 11 date of enactment of this Act, the Commission shall
 12 promulgate regulations requiring each Regional
 13 Transmission Organization and Independent System
 14 Operator—

15 (A) to grant full voting and participation
 16 rights for consumer organizations within stake-
 17 holder processes; and

18 (B) to consider membership fee waivers for
 19 stakeholder processes.

20 (b) STAKEHOLDER MEETINGS.—

21 (1) RECORDING AND TRANSCRIPTION.—Each
 22 stakeholder meeting of a Regional Transmission Or-
 23 ganization or Independent System Operator shall be
 24 recorded and transcribed, and the recording and

1 transcription shall be made freely available to the
2 public.

3 (2) DISCLOSURE REQUIREMENT.—

4 (A) IN GENERAL.—An individual described
5 in subparagraph (B) shall publicly disclose, at
6 any stakeholder meeting of a Regional Trans-
7 mission Organization or Independent System
8 Operator that the individual attends or in which
9 the individual otherwise participates—

10 (i) that the individual is attending or
11 participating on behalf of a Regional
12 Transmission Organization or Independent
13 System Operator; and

14 (ii) the identity of that Regional
15 Transmission Organization or Independent
16 System Operator.

17 (B) INDIVIDUAL DESCRIBED.—An indi-
18 vidual referred to in subparagraph (A) is any
19 representative of a law firm or consulting firm,
20 or any other agent, that is compensated to rep-
21 resent or advocate for the interests of a Re-
22 gional Transmission Organization or Inde-
23 pendent System Operator.

24 (c) APPLICABILITY OF FOIA.—Section 552 of title
25 5, United States Code (commonly known as the “Freedom

1 of Information Act”), including any exceptions under that
 2 section, shall apply to the activities, records, and pro-
 3 ceedings of each Regional Transmission Organization and
 4 Independent System Operator, including with respect to
 5 the operations of the Regional Transmission Organization
 6 or Independent System Operator.

7 (d) LIMITATIONS ON SPONSORSHIPS.—Not later than
 8 180 days after the date of enactment of this Act, the Com-
 9 mission shall promulgate regulations—

10 (1) to prohibit entities with interests in matters
 11 before a Regional Transmission Organization or
 12 Independent System Operator from serving as finan-
 13 cial sponsors of special events or activities at Re-
 14 gional Transmission Organization or Independent
 15 System Operator meetings; or

16 (2) if the Commission determines appropriate,
 17 to establish disclosure requirements for entities with
 18 interests in matters before a Regional Transmission
 19 Organization or Independent System Operator that
 20 serve as financial sponsors of special events or ac-
 21 tivities at Regional Transmission Organization or
 22 Independent System Operator meetings.

23 (e) BOARDS OF DIRECTORS.—

24 (1) INDEPENDENT BOARD.—Not later than 180
 25 days after the date of enactment of this Act, the

1 Commission shall promulgate regulations requiring,
2 subject to exceptions defined by the Commission,
3 that the board of directors of a Regional Trans-
4 mission Organization or Independent System Oper-
5 ator be independent from, and not affiliated with,
6 the members of the Regional Transmission Organi-
7 zation or Independent System Operator.

8 (2) MEMBERSHIP.—Not later than 18 months
9 after the date of enactment of this Act, the Commis-
10 sion shall promulgate regulations—

11 (A) requiring the board of directors of
12 each Regional Transmission Organization and
13 Independent System Operator to have members
14 who have expertise and experience in rep-
15 resenting consumers, including at least 1 mem-
16 ber with expertise in the interests of retail resi-
17 dential consumers;

18 (B) establishing the number of members
19 described in subparagraph (A) that shall be re-
20 quired on a board of directors described in that
21 subparagraph in order to avoid marginalization
22 of the perspectives and contributions of those
23 members; and

24 (C) requiring each Regional Transmission
25 Organization and Independent System Operator

1 to designate at least 1 member of the board of
 2 directors of that Regional Transmission Organi-
 3 zation or Independent System Operator who
 4 shall represent and be directly accountable, in
 5 such manner as the Commission determines to
 6 be appropriate, to the public interest within the
 7 geographic footprint of the Regional Trans-
 8 mission Organization or Independent System
 9 Operator.

10 (f) EMPLOYMENT AND COMPENSATION.—

11 (1) REVOLVING DOOR PROHIBITIONS.—

12 (A) IN GENERAL.—Not later than 180
 13 days after the date of enactment of this Act,
 14 the Commission shall promulgate regulations
 15 requiring Regional Transmission Organizations
 16 and Independent System Operators to establish
 17 rules prohibiting the Regional Transmission Or-
 18 ganization or Independent System Operator
 19 from employing, during the periods described in
 20 subparagraph (B), an individual who is or was
 21 an executive of a utility (commonly known as a
 22 “revolving door prohibition”).

23 (B) PERIODS DESCRIBED.—The periods
 24 referred to in subparagraph (A) are—

- 1 (i) any period during which the indi-
 2 vidual is an executive of a utility; and
 3 (ii) the 1-year period beginning on the
 4 date on which the employment of the indi-
 5 vidual as an executive of a utility ends.

6 (2) COMPENSATION.—Not later than 180 days
 7 after the date of enactment of this Act, the Commis-
 8 sion shall establish guidelines for executive com-
 9 pensation at Regional Transmission Organizations
 10 and Independent System Operators in order to limit
 11 excessive compensation of those executives.

12 (g) ENFORCEMENT.—The Commission shall enforce
 13 the requirements of this section using the authority of the
 14 Commission under sections 205 and 206 of the Federal
 15 Power Act (16 U.S.C. 824d, 824e).

16 **SEC. 14. INTERVENOR FUNDING AT OFFICE OF PUBLIC**
 17 **PARTICIPATION.**

18 (a) IN GENERAL.—Section 319(b)(2) of the Federal
 19 Power Act (16 U.S.C. 825q–l(b)(2)) is amended—

20 (1) in subparagraph (A), by striking the comma
 21 and inserting a semicolon;

22 (2) by redesignating subparagraphs (A) and
 23 (B) as clauses (i) and (ii), respectively, and indent-
 24 ing the clauses appropriately;

1 (3) in the matter preceding clause (i) (as so re-
 2 designated), in the second sentence, by striking
 3 “Such compensation” and inserting the following:

4 “(B) DETERMINATIONS REQUIRED.—Com-
 5 pensation under this paragraph”; and

6 (4) by striking the paragraph designation and
 7 all that follows through “by it,” in the matter pre-
 8 ceding subparagraph (B) (as so designated) and in-
 9 serting the following:

10 “(2) COMPENSATION.—

11 “(A) IN GENERAL.—On making the deter-
 12 minations described in subparagraph (B) and in
 13 accordance with rules promulgated by the Com-
 14 mission, the Commission shall”.

15 (b) RULEMAKING.—Not later than 1 year after the
 16 date of enactment of this Act, the Commission shall pro-
 17 mulgate a final rule to provide compensation under para-
 18 graph (2) of section 319(b) of the Federal Power Act (16
 19 U.S.C. 825q–1(b)) in accordance with the amendment
 20 made by subsection (a).

21 **SEC. 15. APPROPRIATIONS.**

22 In addition to amounts otherwise available, there is
 23 appropriated to the Commission for fiscal year 2024, out
 24 of any funds in the Treasury not otherwise appropriated,

- 1 \$200,000,000, to remain available until expended, to carry
2 out—
- 3 (1) sections 4, 5, and 10; and
4 (2) the amendment made by section 9.

