

118TH CONGRESS
2D SESSION

S. 5405

To amend the Federal Power Act to establish an Office of Transmission in the Federal Energy Regulatory Commission, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 2, 2024

Mr. MARKEY (for himself, Mr. VAN HOLLEN, and Mr. WELCH) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the Federal Power Act to establish an Office of Transmission in the Federal Energy Regulatory Commission, 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 “Office of Transmission
5 Act of 2024”.

6 **SEC. 2. OFFICE OF TRANSMISSION.**

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

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

2 “(a) DEFINITIONS.—In this section:

3 “(1) COMMISSION.—The term ‘Commission’
4 means the Federal Energy Regulatory Commission.

5 “(2) DIRECTOR.—The term ‘Director’ means
6 the Director of the Office described in subsection
7 (c).

8 “(3) DISTRIBUTED RENEWABLE ENERGY RE-
9 SOURCE.—The term ‘distributed renewable energy
10 resource’ means any non-bulk, renewable energy sys-
11 tem resource, including—

12 “(A) small-scale solar, wind, geothermal,
13 or energy storage projects connected at the dis-
14 tribution level and serving on-site energy de-
15 mand;

16 “(B) community-based solar or energy
17 storage projects located in or very near the cus-
18 tomers served by the projects; and

19 “(C) microgrids or generators powered by
20 renewable energy.

21 “(4) ENERGY BURDEN.—The term ‘energy bur-
22 den’ has the meaning given the term in section 2603
23 of the Low-Income Home Energy Assistance Act of
24 1981 (42 U.S.C. 8622).

1 “(5) INTERREGIONAL TRANSMISSION FACIL-
 2 ITY.—The term ‘interregional transmission facility’
 3 means a transmission facility that—

4 “(A) is located within 2 or more neigh-
 5 boring Transmission Planning Regions; and

6 “(B) significantly impacts the ability of 1
 7 or more Transmission Planning Regions to
 8 transmit electric energy among neighboring
 9 Transmission Planning Regions.

10 “(6) OFFICE.—The term ‘Office’ means the Of-
 11 fice of Transmission established under subsection
 12 (b).

13 “(7) PUBLIC INTEREST STAKEHOLDER.—The
 14 term ‘public interest stakeholder’ means an indi-
 15 vidual or entity impacted by the electric grid or
 16 working to improve transmission planning and out-
 17 comes with respect to reducing consumer costs, im-
 18 proving reliability and resilience, advancing clean en-
 19 ergy, reducing energy burden, creating and retaining
 20 good-paying union jobs, reducing local pollution, or
 21 reducing greenhouse gas emissions, including—

22 “(A) a resident;

23 “(B) a worker;

24 “(C) a labor union;

25 “(D) a consumer advocacy organization; or

1 “(E) a nonprofit organization representing
2 residents or workers.

3 “(8) TRANSMISSION PLANNING REGION.—The
4 term ‘Transmission Planning Region’—

5 “(A) when used in a geographical sense,
6 means a region for which the Commission de-
7 termines that electric transmission planning is
8 appropriate, such as a region established in ac-
9 cordance with Order No. 1000 of the Commis-
10 sion, entitled ‘Transmission Planning and Cost
11 Allocation by Transmission Owning and Oper-
12 ating Public Utilities’ (76 Fed. Reg. 49842
13 (August 11, 2011)); and

14 “(B) when used in a corporate sense,
15 means the Transmission Organization or other
16 entity responsible for planning or operating
17 electric transmission facilities within a region
18 described in subparagraph (A).

19 “(b) ESTABLISHMENT.—

20 “(1) IN GENERAL.—There shall be established
21 in the Commission an office, to be known as the ‘Of-
22 fice of Transmission’.

23 “(2) REQUIREMENT.—The Office shall be es-
24 tablished not later than 1 year after the date of en-
25 actment of the Office of Transmission Act of 2024.

1 “(c) DIRECTOR.—The Office shall be administered by
 2 a Director, who shall be appointed by the Chairman of
 3 the Commission.

4 “(d) DUTIES.—The Office shall—

5 “(1) provide independent review and oversight
 6 of transmission planning and operation at each
 7 Transmission Planning Region subject to the juris-
 8 diction of the Commission to ensure robust, forward-
 9 looking, and transparent planning, including by—

10 “(A) reviewing—

11 “(i) inputs, assumptions, and mod-
 12 eling relevant to transmission planning and
 13 operation;

14 “(ii) regional, interregional, and local
 15 transmission plans and planning processes,
 16 including asset condition projects;

17 “(iii) the consistency of transmission
 18 plans with local, State, Federal, and Tribal
 19 public policies;

20 “(iv) transmission outcomes, as com-
 21 pared to—

22 “(I) the plans reviewed and any
 23 findings made under clause (ii); and

24 “(II) any findings made under
 25 subparagraph (B)(ii); and

1 “(v) stakeholder engagement;

2 “(B) identifying inefficiencies in trans-
3 mission planning and outcomes, including inef-
4 ficiencies that—

5 “(i) may lead to—

6 “(I) unjust and unreasonable
7 rates;

8 “(II) undue discrimination;

9 “(III) delaying or preventing the
10 integration of new renewable energy;

11 “(IV) undue burdens on house-
12 holds with a high energy burden;

13 “(V) undue burdens on sensitive
14 environmental areas and cultural her-
15 itage sites; or

16 “(VI) reliability concerns, includ-
17 ing the ability to maintain
18 functionality during extreme weather
19 and wildfire scenarios, in coordination
20 with the Electric Reliability Organiza-
21 tion (as defined in section 215(a));
22 and

23 “(ii) could be addressed by—

1 “(I) updated, best-available, and
2 science-based data, including on cost
3 and reliability;

4 “(II) forward-looking trans-
5 mission and interconnection planning;

6 “(III) advanced transmission
7 technologies (as defined in section
8 1223(a) of the Energy Policy Act of
9 2005 (42 U.S.C. 16422(a)));

10 “(IV) transmission facilities, in-
11 cluding regional and interregional
12 transmission facilities;

13 “(V) distributed renewable en-
14 ergy resources;

15 “(VI) weatherization and energy
16 efficiency;

17 “(VII) demand-response tech-
18 nologies; or

19 “(VIII) other process and market
20 enhancements, including those based
21 on practices from other Transmission
22 Planning Regions; and

23 “(C) tracking estimated and actual project
24 costs and verifying benefits and commitments
25 derived from—

1 “(i) any competitive solicitation proc-
 2 ess; or

3 “(ii) capital investments that trans-
 4 mission owners propose for existing assets
 5 identified as being at the end of their use-
 6 ful lives or needing replacement due to
 7 damage;

8 “(2) provide technical assistance to Trans-
 9 mission Planning Regions to improve transmission
 10 planning, outcomes, and rates prior to publication or
 11 filing with the Commission, including by supporting
 12 coordination and joint planning among neighboring
 13 Transmission Planning Regions on interregional
 14 transmission facilities; and

15 “(3) for each Transmission Planning Region,
 16 compose and present a public annual report that in-
 17 cludes—

18 “(A) information on the performance of
 19 the planning process;

20 “(B) any planning deficiencies or ineffi-
 21 ciencies identified;

22 “(C) comparisons to other Transmission
 23 Planning Regions; and

24 “(D) recommended enhancements to plan-
 25 ning and cost recovery rules.

1 “(e) DATA COLLECTION AND SHARING; ASSESS-
2 MENT.—

3 “(1) IN GENERAL.—All Transmission Planning
4 Regions shall share with the Office all operating
5 data and planning assumptions needed for the Di-
6 rector to carry out the duties described in subsection
7 (d).

8 “(2) ASSESSMENT.—The Commission shall col-
9 lect such data as are necessary to assess the oper-
10 ating data and planning assumptions shared with
11 the Office under paragraph (1).

12 “(3) SHARING.—The Commission shall share
13 the data described in paragraphs (1) and (2) with
14 public interest stakeholders, as requested, to assist
15 the public interest stakeholders in providing alter-
16 natives analyses, unless the Commission determines
17 that confidentiality is necessary to protect confiden-
18 tial energy infrastructure information, confidential
19 business information, or confidential personnel infor-
20 mation.

21 “(f) EMPLOYMENT.—The Director may appoint,
22 without regard to chapter 51, or subchapter III of chapter
23 53, of title 5, United States Code, any experts that the
24 Director determines are necessary to carry out the func-
25 tions of the Office under this section.

1 “(g) SAVINGS PROVISION.—Nothing in this section
2 overrides or inhibits the existing authority of the Commis-
3 sion.

4 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated such sums as are nec-
6 essary to carry out this section.”.

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