111TH CONGRESS 1ST SESSION

H. R. 2211

To facilitate planning, construction, and operation of a secure national clean energy grid.

IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2009

Mr. Inslee introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To facilitate planning, construction, and operation of a secure national clean energy grid.

- 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 "National Clean Energy
- 5 Superhighways Act of 2009".
- 6 SEC. 2. FINDINGS.
- 7 The Congress finds that—
- 8 (1) electricity produced from renewable re-
- 9 sources helps to reduce greenhouse gas emissions,
- and limits emissions of other pollutants regulated

- pursuant to the Clean Air Act, enhances national clean energy superhighway, and provides substantial economic benefits;
 - (2) the lack of adequate electric transmission capacity is one of the primary obstacles to the development of electric generation facilities fueled by renewable energy resources;
 - (3) it is in the national interest for the Federal Government to implement policies that will enhance the amount of electric transmission capacity available to take full advantage of the Nation's renewable energy resources to generate electricity; and
 - (4) existing transmission planning processes are fragmented across many jurisdictions, which results in difficult coordination between jurisdictions, delays in implementation of plans, and complex negotiations on sharing of costs.

18 SEC. 3. PURPOSES.

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- The purposes of this Act are the following:
- (1) In order to increase the production of electricity from renewable energy, to enhance the performance and efficiency of the Nation's electric power network, and to improve its security and reliability, it is the purpose of this Act to facilitate the establishment of a sustainable transmission grid con-

- sisting of long-distance, extra-high voltage transmission lines constructed to cost effectively deliver
 remote clean energy generation resources to markets
 while improving system efficiency and reliability, and
 such additional transmission lines as are needed to
 connect renewable energy generators into this extrahigh voltage grid.
- 8 (2) To facilitate the widespread deployment of 9 modern grid technology as part of the national infra-10 structure for electricity transmission, in order to 11 support improved electricity grid operation and con-12 trol, enhance grid reliability and integration of re-13 newable generation resources, and support the de-14 ployment of new technologies.

15 TITLE I—SUSTAINABLE 16 TRANSMISSION GRID

- 17 SEC. 101. PLANNING, CONSTRUCTION, AND OPERATION OF
- 18 SUSTAINABLE TRANSMISSION GRID.
- 19 (a) Amendment of Federal Power Act.—Part
- 20 II of the Federal Power Act (16 U.S.C. 824 et seq.) is
- 21 amended by adding after section 216 the following new
- 22 section:
- 23 "SEC. 216A. SUSTAINABLE TRANSMISSION GRID.
- "(a) Definitions.—For purposes of this section:

1	"(1) STG.—The term 'STG' means the sus-
2	tainable transmission grid.
3	"(2) STG PROJECT.—The term 'STG project'
4	means a project designated in an STG plan to con-
5	struct an STG transmission line on a new or exist-
6	ing right-of-way after the date of enactment of this
7	section.
8	"(3) STG PLAN.—The term 'STG plan' means
9	a transmission plan accepted or prescribed by the
10	Commission under subsection (b).
11	"(4) STG TRANSMISSION LINE.—The term
12	'STG transmission line' means an overhead or un-
13	derground transmission facility included in an STG
14	plan, consisting of conductors or cables, towers,
15	manhole duct systems, phase-shifting transformers,
16	reactors, capacitors, substations, inverters, switching
17	units, and any related facilities and equipment nec-
18	essary for the proper operation of the transmission
19	facility, that—
20	"(A) operates at or above a voltage of 345
21	kilovolts AC or DC;
22	"(B) is a renewable feeder line; or
23	"(C) is a necessary upgrade to an existing
24	transmission facility.
25	"(5) Renewable feeder line.—

1	"(A) IN GENERAL.—The term 'renewable
2	feeder line' means a transmission line that—
3	"(i) operates at a voltage of 100 kilo-
4	volts or greater, and
5	"(ii) is identified in the applicable
6	STG plan as a facility that connects 1 or
7	more renewable energy generators directly
8	or indirectly to transmission facilities de-
9	scribed in paragraph (4)(A).
10	"(B) Inclusion.—The term 'renewable
11	feeder line' includes an upgrade to an existing
12	transmission line necessary for interconnection
13	to a new transmission line described in sub-
14	paragraph (A).
15	"(6) STG costs.—The term 'STG costs'
16	means capital and operating costs incurred by any
17	entity for planning, development, and operation of a
18	project certificated under subsection (d).
19	"(7) Load-serving entity.—The term 'load-
20	serving entity' means a person or Federal, State, or
21	local instrumentality (including an entity described
22	in section 201(f)) that delivers electric energy to
23	end-use customers.
24	"(8) Multistate transmission author-
25	ITY.—The terms 'Multistate Transmission Author-

1	ity' and 'MTA' mean a multistate transmission plan-
2	ning organization established pursuant to subsection
3	(b).
4	"(9) Renewable energy.—The term 'renew-
5	able energy' means electric energy generated from—
6	"(A) solar energy, wind, landfill gas, re-
7	newable biogas, or geothermal energy;
8	"(B) new hydroelectric generation capacity
9	achieved from increased efficiency, or an addi-
10	tion of new capacity, at an existing nonhydro-
11	electric project if—
12	"(i) the hydroelectric project installed
13	on the nonhydroelectric dam—
14	"(I) is licensed by the Commis-
15	sion; and
16	"(II) meets all other applicable
17	environmental, licensing, and regu-
18	latory requirements, including applica-
19	ble fish passage requirements;
20	"(ii) the nonhydroelectric dam—
21	"(I) was placed in service before
22	the date of enactment of the National
23	Clean Energy Superhighways Act of
24	2009;

1	"(II) was operated for flood con-
2	trol, navigation, or water supply pur-
3	poses; and
4	"(III) did not produce hydro-
5	electric power as of the date of enact-
6	ment of the National Clean Energy
7	Superhighways Act of 2009; and
8	"(iii) the hydroelectric project is oper-
9	ated so that the water surface elevation at
10	any given location and time that would
11	have occurred in the absence of the hydro-
12	electric project is maintained, subject to
13	any license requirements imposed under
14	applicable law that change the water sur-
15	face elevation for the purpose of improving
16	the environmental quality of the affected
17	waterway, as certified by the Commission;
18	"(C) hydrokinetic energy, including—
19	"(i) waves, tides, and currents in
20	oceans, estuaries, and tidal areas;
21	"(ii) free-flowing water in rivers,
22	lakes, and streams;
23	"(iii) free-flowing water in man-made
24	channels, including projects that use non-
25	mechanical structures to accelerate the

1	flow of water for electric power production
2	purposes; or
3	"(iv) differentials in ocean tempera-
4	ture through ocean thermal energy conver-
5	sion; or
6	"(D) electricity that is generated from the
7	combustion of the biogenic portion of municipal
8	solid waste materials from facilities that comply
9	with the maximum pollutant emissions stand-
10	ards established by the Administrator of the
11	Environmental Protection Agency.
12	"(b) Planning by Multistate Transmission Au-
13	THORITIES.—
14	"(1) Establishment of MTAS.—
15	"(A) AUTHORITY TO ESTABLISH.—The
16	Congress hereby authorizes the States com-
17	prising the Eastern interconnection and the
18	States comprising the Western interconnection
19	to establish, in accordance with rules estab-
20	lished under subparagraph (B), one or more
21	interconnection-wide multistate transmission
22	planning authorities ('MTAs'), within the East-
23	ern and Western interconnections, respectively.
24	Such States may establish an MTA by agree-

1 ment of the States comprising the region con-2 cerned.

- "(B) REQUIREMENTS FOR CERTIFICATION
 OF MTA.—The Commission shall, by rule promulgated within 180 days after the date of enactment of this section, specify appropriate organizational and procedural requirements for
 the MTAs established under this section, including each of the following:
 - "(i) A governance structure that ensures that each State in the interconnection will be represented on the MTA.
 - "(ii) An open, transparent, and participatory STG planning process, including public hearings, that furthers the purposes of this section and solicits input from load-serving entities, Federal transmitting utilities, transmission owners, regional transmission organizations, independent system operators, State energy, environment, natural resources, and land management agencies and commissions, Indian tribes, electricity generators, prospective developers of new transmission

1	and generation resources, regional reli-
2	ability organizations, and the public.
3	"(iii) A requirement that the MTA
4	will have the capability of exercising STG
5	planning functions for the entire inter-
6	connection, including identifying acceptable
7	corridors for planned transmission projects
8	based on the planning process described in
9	paragraph (3).
10	"(iv) A mechanism that assures that
11	the MTA will have adequate resources
12	available to undertake its planning activi-
13	ties (taking into account amounts made
14	available pursuant to paragraph (8), which
15	may include imposition of a reasonable
16	charge on load-serving entities in the inter-
17	connection.
18	"(v) Such other requirements as it de-
19	termines necessary to assure that each
20	MTA is capable of undertaking the plan-
21	ning described in paragraphs (3) and (4)
22	for the region concerned.
23	"(2) Certification of MTA.—The Commis-
24	sion shall, by rule, establish procedures governing
25	submission and consideration of applications for cer-

1 tification of an MTA within a region. The final rule establishing such procedures shall be issued within 2 3 180 days of the date of enactment of this section. 4 The Commission shall certify an MTA upon applica-5 tion if it finds that the application satisfies such 6 procedures and the requirements established pursu-7 ant to paragraph (1). 8 "(3) MTA PLANNING FUNCTIONS.— 9 "(A) Development of Biennial Stg 10 PLAN.—Each MTA shall exercise STG trans-11 mission planning functions for its respective re-12 gion and produce a biennial STG transmission 13 plan. The STG plan shall identify needed STG 14 projects. In assessing need for STG projects, 15 the MTA shall take into consideration— 16 "(i) transmission infrastructure re-17 quired for efficient and reliable delivery of 18 the output of new renewable generation re-19 sources needed to satisfy State and Fed-20 eral renewable energy policies and targets; "(ii) changes in generation patterns 21 22 expected to result from greenhouse gas 23 emission policy; 24 "(iii) changes in demand expected to 25 result from energy efficiency, distributed

1	generation, energy storage, and demand-
2	side management programs;
3	"(iv) opportunities for grid upgrades
4	to enhance grid reliability, security, and ef-
5	ficiency on the existing transmission sys-
6	tem;
7	"(v) areas listed under paragraph (C);
8	and
9	"(vi) other relevant factors.
10	In developing the STG plan for an interconnec-
11	tion, the MTA shall build on planning under-
12	taken by the Commission, regions, States, Fed-
13	eral transmitting utilities, regional transmission
14	organizations, load-serving entities, independent
15	system operators, utilities, regional reliability
16	entities, and other parties in the interconnec-
17	tion; and cooperate and coordinate across re-
18	gions to harmonize regional electric grid plan-
19	ning with planning in adjacent or overlapping
20	jurisdictions, to the maximum extent feasible.
21	"(B) Interim planning decisions.—The
22	MTA shall maintain a process for expeditiously
23	evaluating whether new renewable feeder lines
24	proposed between the 2-year planning cycles
25	should be added to the approved STG plan.

1	"(C) Areas to avoid.—MTA planning
2	shall identify (in consultation with Federal and
3	State land agencies, environmental groups, and
4	Indian tribes) appropriate areas to be avoided
5	in siting of STG projects, to the maximum ex-
6	tent practicable, including—
7	"(i) national parks, national marine
8	sanctuaries, reserves, recreation areas, and
9	other similar units of the National Park
10	System;
11	"(ii) designated wilderness, designated
12	wilderness study areas, and other areas
13	managed for wilderness characteristics;
14	"(iii) national historic sites and his-
15	toric parks;
16	"(iv) inventoried roadless areas and
17	significant noninventoried roadless areas
18	within the National Forest System;
19	"(v) national monuments;
20	"(vi) national conservation areas;
21	"(vii) national wildlife refuges and
22	areas of critical environmental concern;
23	"(viii) national historic and national
24	scenic trails;

1	"(ix) areas designated as critical habi-
2	tat;
3	"(x) national wild, scenic, and rec-
4	reational rivers;
5	"(xi) any area in which Federal law
6	prohibits energy development; and
7	"(xii) any area in which applicable
8	State law or Indian tribal code enacted
9	prior to the date of enactment of this Act
10	prohibits transmission development.
11	"(4) COORDINATION.—Each MTA shall, in the
12	development of its STG plan, coordinate as appro-
13	priate with planning authorities and other interested
14	parties in Canada, Mexico, ERCOT, and the other
15	interconnection.
16	"(5) Submission and review of plans.—(A)
17	Each MTA shall submit to the Commission an initial
18	STG plan within 1 year of the certification of the
19	MTA. Each MTA shall submit an update to its STG
20	plan not later than 2 years after submission of the
21	initial plan and every 2 years thereafter.
22	"(B)(i) The Commission shall provide an oppor-
23	tunity for public comment on each plan submitted by
24	an MTA.

- "(ii) The Commission may modify or reject a plan as necessary to achieve the purposes of this sec-tion. If the Commission modifies or rejects a plan, not later than 90 days after the date the plan is submitted by the MTA, the Commission shall pro-vide a written opinion to the MTA that contains the facts and reasons supporting the action of the Com-mission.
 - "(iii) If the Commission rejects a plan, the MTA may submit a revised plan within 90 days of the Commission's rejection.
 - "(iv) If the Commission determines that a plan meets the purposes of this section, the Commission shall be treated as accepted.
 - "(6) Backup commission planning authorITY.—In the event that no MTA for the Eastern or
 Western Interconnection is certified by the Commission within 1 year of the date of enactment of this
 section, or in the event that a certified MTA does
 not timely submit an initial plan or updated plan as
 required under paragraph (5), the Commission shall
 immediately undertake the planning activities described in paragraphs (3) and (4) and develop a plan
 for such interconnection within 1 year of initiating

1	such planning activities, in consultation with all af-
2	fected States within the region, as appropriate.
3	"(7) Multiple mtas.—
4	"(A) In general.—Notwithstanding para-
5	graph (6), if more than 1 MTA is certified in
6	an Interconnection, the MTA shall ensure that
7	the submitted plan integrates with the other
8	plans in the Interconnection.
9	"(B) Modification.—The Commission
10	shall modify the plans submitted under para-
11	graph (5), as necessary, to ensure that plans
12	established under this section are integrated.
13	"(C) Backup planning for multiple
14	MTAS.—In the event that any State or group of
15	States does not participate in a certified MTA
16	process, the Commission shall assume planning
17	responsibilities on behalf of such State or group
18	of States, consistent with the authorities under
19	paragraph (6).
20	"(8) Recovery of costs associated with
21	INTERCONNECTION-WIDE STG PLANNING.—
22	"(A) IN GENERAL.—An MTA and a par-
23	ticipating State shall be permitted to recover
24	prudently incurred costs to carry out the plan-
25	ning activities required under this subsection

1	pursuant to a Federal transmission surcharge
2	that shall be established by the Commission in
3	accordance with this paragraph for the pur-
4	poses of carrying out this section.
5	"(B) Surcharge Proposals.—An MTA
6	shall—
7	"(i) propose a Federal transmission
8	surcharge based on a formula rate that is
9	submitted to the Commission for approval;
10	and
11	"(ii) adjust the formula and surcharge
12	on an annual basis.
13	"(C) Cost responsibility.—Cost respon-
14	sibility under each surcharge shall be assigned
15	based on energy usage to all load-serving enti-
16	ties covered by the MTA.
17	"(D) Limitation.—The total amount of
18	surcharges that may be imposed or collected na-
19	tionally under this paragraph shall not exceed
20	\$80,000,000 for any calendar year.
21	"(c) Cost Allocation.—
22	"(1) Purposes.—The purposes of this sub-
23	section are—
24	"(A) to ensure that the costs of STG
25	projects are borne widely by all beneficiaries of

1	new transmission and are not borne dispropor-
2	tionately by ratepayers or generators in specific
3	areas; and
4	"(B) to promote the national interest in an
5	STG project in accordance with the purposes of
6	this section.
7	"(2) Submission.—In conjunction with the
8	submission of a transmission plan under subsection
9	(b)(5), all MTAs within an Interconnection may sub-
10	mit jointly a single integrated Interconnection-wide
11	cost allocation methodology to the Commission for
12	allocating the STG costs under this section.
13	"(3) Action by commission.—Not later than
14	120 days after the date of receipt of a proposed cost
15	allocation methodology submitted under paragraph
16	(2), the Commission shall—
17	"(A) provide notice and an opportunity for
18	a hearing;
19	"(B) evaluate the proposal; and
20	"(C)(i) approve the proposal if the Com-
21	mission finds that the proposed cost allocation
22	would result in just and reasonable rates that
23	promote the purposes of this section (including
24	this subsection); or

1 "(ii) reject or modify the proposed cost allocation if the Commission finds that the proposed cost allocation does not result in just and reasonable rates that promote the purposes of this section (including this subsection).

('(4) Resubmission.—

('(A) IN GENERAL.—If the Commission re-

"(A) IN GENERAL.—If the Commission rejects the proposed cost allocation plan under paragraph (3)(C)(ii), the Commission shall specify the basis for its findings that the proposed methodology would not result in just and reasonable rates that promote the purposes of this subsection.

"(B) RESUBMISSION.—Not later than 90 days after the date of the rejection, the MTAs may submit to the Commission a revised cost allocation methodology for the interconnection under this subsection.

"(C) Modifications.—

"(i) IN GENERAL.—Not later than 90 days after the date of resubmission of a proposed cost allocation methodology the Commission shall approve, modify, or reject the resubmitted proposal as necessary to achieve the purposes of this section.

1	"(ii) Opinion.—If the Commission
2	modifies or rejects a resubmitted proposal,
3	the Commission shall specify the basis for
4	its findings that the proposed methodology
5	would not result in just and reasonable
6	rates that promote the purposes of this
7	section.
8	"(5) Commission allocation of costs.—If
9	the MTAs do not submit an Interconnection-wide
10	cost allocation plan within the time periods specified
11	in paragraphs (2) and (4) or if the Commission does
12	not approve a cost allocation methodology submitted
13	by the MTA for an Interconnection, the Commission
14	shall allocate the STG costs to all of the load-serving
15	entities in the Interconnection on a load-ratio share
16	basis.
17	"(6) Cost allocation rate filings.—If a
18	cost allocation methodology is approved by the Com-
19	mission in accordance with this subsection—
20	"(A) any public utility that has rates that
21	are affected by the approved cost allocation
22	methodology shall file the allocation method-
23	ology with the Commission pursuant to section
24	205; and

1 "(B) the cost allocation methodology shall 2 be presumed lawful under section 205 on filing, 3 without notice or further opportunity for com-4 ment or hearing.

"(7) APPLICABILITY.—

- "(A) IN GENERAL.—Except as provided in subparagraph (C), the authority of the Commission under subsections (b) and (c) to approve transmission plans and to allocate costs incurred pursuant to the plans applies to all transmission providers, generators, and users, owners, and operators of the power system within the Eastern and Western Interconnections of the United States, including entities described in section 201(f).
- "(B) REGIONAL PLANNING ENTITIES.—
 The Commission shall have authority over regional planning entities to the extent necessary to carry out subsections (b) and (c).
- "(C) EXCLUSIONS.—(i) This subsection does not apply in the State of Alaska or Hawaii or to the ERCOT, unless the State or ERCOT voluntarily elects to participate in a cost allocation methodology under this section.

1	"(ii) A project for which a cost allocation
2	or cost recovery agreement was accepted by the
3	Commission before the date of enactment of
4	this part shall not be included in cost allocation
5	under this section.
6	"(D) Credit for revenues.—Trans-
7	mission revenues shall be applied as a credit to
8	the initial allocation of STG costs.
9	"(d) Certification and Siting of STG
10	Projects.—
11	"(1) CERTIFICATE OF PUBLIC CONVENIENCE
12	AND NECESSITY.—
13	"(A) REQUIREMENT OF CERTIFICATE.—
14	No public utility, or person which will be a pub-
15	lic utility upon completion of any proposed ac-
16	tion, shall—
17	"(i) construct any STG project, or
18	"(ii) modify an STG project pre-
19	viously certificated under this subsection,
20	unless there is in force with respect to such
21	public utility a certificate of public convenience
22	and necessity issued by the Commission author-
23	izing such acts or operation.
24	"(B) ELECTIVE COVERAGE.—If any entity
25	described in section 201(f) proposes to con-

struct an STG project, such entity may elect, in such manner as the Commission may prescribe by rule, to have this subsection apply to such project.

- "(2) APPLICATION FOR CERTIFICATE.—(A) Any person seeking to construct an STG project identified by an MTA may apply to the Commission for a certificate of public convenience and necessity for that project.
- "(B) Application for a certificate under this subsection shall be made in writing to the Commission, and shall be in such form, contain such information, and notice thereof shall be served upon such interested parties (including State Commissions), in such manner as the Commission shall, by rule, require. The Commission shall set the matter for hearing and shall give notice of the hearing to interested persons. The Commission shall approve or deny the application in accordance with the procedure provided in paragraph (3).
- "(3) Grant of Certificate.—The Commission may approve or deny a certificate under this subsection for construction of an STG project. A certificate issued under this subsection shall authorize the whole or any part of the operation, construc-

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tion, acquisition, or modification covered by the application. The Commission shall issue the certificate if the Commission finds that the applicant is able and willing properly to do the acts and to perform the service proposed and to conform to the provisions of this Act and rules of the Commission hereunder, and that the proposed operation, construction, acquisition, or modification, to the extent authorized by the certificate, is or will be required by the present or future public convenience and necessity. In evaluating certificate applications that feature joint ownership projects by multiple load-serving or wholesale entities, the Commission shall consider benefits from the greater diversification of financial risk inherent in the applications. The Commission shall have the power to attach to the issuance of the certificate, and to the exercise of the rights granted thereunder, such reasonable terms and conditions as the public convenience and necessity may require. Designation of an STG project in the STG plan shall constitute sufficient evidence that a public need exists for the project.

"(4) STATE RECOMMENDATIONS ON RESOURCE PROTECTION AND ROUTING.—(A) In order to protect, and mitigate damages to, natural resources af-

fected by the development and operation of an STG project, each certificate issued under this subsection shall include conditions for such protection or mitigation, including recommendations related to project routing. Subject to subparagraph (B), such conditions shall be based on recommendations received from State environment, land management, and natural resource agencies.

"(B) Whenever the Commission believes that any recommendation referred to in subparagraph (A) may be inconsistent with the purposes and requirements of this Act or other applicable law, the Commission and the agencies referred to in subparagraph (A) shall attempt to resolve any such inconsistency, giving due weight to the recommendations, expertise, and statutory responsibilities of such agencies. If, after such attempt, the Commission does not adopt in whole or in part a recommendation of any such agency, the Commission shall publish in the Federal Register each of the following findings (together with a statement of the basis for each of the findings):

"(i) A finding that adoption of such recommendation is inconsistent with the purposes

1	and requirements of this Act or with other ap-
2	plicable provisions of law.
3	"(ii) A finding that the conditions selected
4	by the Commission comply with the require-
5	ments of the first sentence of subparagraph
6	(A).
7	"(5) Emissions standard for interconnec-
8	TION.—
9	"(A) Rule.—Any certificate issued under
10	paragraph (3) for construction of an STG
11	transmission line described in subsection (a)(4)
12	(A) or (B) shall incorporate a condition that
13	prohibits the direct interconnection to the STG
14	transmission line by any electricity generator
15	that has a greenhouse gas emission rate (in
16	tons of CO ₂ equivalent per megawatt-hour)
17	greater than that of a single-cycle natural gas-
18	fired combustion turbine, as determined by rule
19	by the Commission.
20	"(B) Sunset.—Any certificate conditions
21	adopted pursuant to subparagraph (A) shall be-
22	come inapplicable upon the full implementation
23	of a Federal greenhouse gas regulatory program
24	applicable to the electricity sector.

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"(6) Right of eminent domain.—When any holder of a certificate issued under paragraph (3) cannot acquire by contract, or is unable to agree with the owner of property on the compensation to be paid for, the necessary right-of-way to construct, operate, and maintain the project to which the certificate relates, and the necessary land or other property necessary to the proper operation of such project, it may acquire the same by the exercise of the right of eminent domain in the district court of the United States for the district in which such property may be located, or in the State courts. The practice and procedure in any action or proceeding for that purpose in the district court of the United States shall conform as nearly as may be with the practice and procedure in similar action or proceeding in the courts of the State where the property is situated. Nothing in this section shall be construed to allow the holder of a certificate under paragraph (3), or any other person or entity, to acquire by the exercise of eminent domain any property that constitutes 'Indian country' under section 1151 of title 18, United States Code, or that is otherwise subject to a Federal restriction against alienation, without the express written consent of the applicable Indian tribe, tribal organization, and/or Indian landowner.

"(7) APPLICABILITY OF SECTION 216.—The provisions of section 216(h) and section 216(j) shall apply to each STG project for which a certificate is issued under this section in the same manner and to the same extent as those provisions apply to projects covered by section 216. Except for section 216(h) and section 216(j), section 216 shall not apply to any new STG project to which paragraph (1)(A) of this subsection applies, or to any project as to which an election has been made under paragraph (1)(B).

"(8) FEDERAL AGENCY COORDINATION.—

"(A) RIGHTS-OF-WAY ON FEDERAL LANDS.—With respect to any STG project, the functions under section 216(h) of this Act of the Department of Energy and the Secretary of Energy shall be exercised by the Commission in coordination with the affected land management agency.

"(B) NEPA REVIEW.—With respect to any STG project, the Commission shall be the lead Federal agency for purposes of Federal environmental review and, in consultation with affected agencies, shall prepare a single environmental

- 1 review document that would be used as the
- 2 basis for all decisions under Federal law related
- 3 to the proposed project.
- 4 "(e) Long-Term Transmission Rights for Re-
- 5 NEWABLE ELECTRICITY GENERATORS.—(1) It is the pol-
- 6 icy of the United States that long-term transmission
- 7 rights, of firmness and duration sufficient to support gen-
- 8 eration investment (including project financing for new
- 9 generation projects), shall be made available on reasonable
- 10 terms and at reasonable cost to entities seeking to con-
- 11 struct new generation facilities using renewable energy
- 12 technologies.
- 13 "(2) The Commission shall exercise its authority
- 14 under this Act to prescribe such rules as it determines
- 15 necessary or appropriate to implement the policy estab-
- 16 lished in paragraph (1) not later than 1 year after the
- 17 date of enactment of this section, and may revise such
- 18 rules from time to time. Such rules shall not interfere with
- 19 existing long-term transmission rights of load-serving enti-
- 20 ties, or native load requirements established in section
- 21 217.
- 22 "(f) Coordinated Regional Grid Operations.—
- 23 The Commission shall encourage methods and structures
- 24 for grid operations to better accommodate renewable en-
- 25 ergy resources, including enhanced balancing arrange-

- 1 ments among balancing areas, expedited scheduling and
- 2 dispatch, and improved renewable energy output fore-
- 3 casting.
- 4 "(g) Periodic Review.—The Commission shall pe-
- 5 riodically evaluate whether STG projects identified in
- 6 interconnection-wide STG plans are being timely con-
- 7 structed, and shall take such actions as are in its authority
- 8 to address any identified obstacles to investment and con-
- 9 struction, and shall make any recommendations to Con-
- 10 gress on further action or authority needed to assure de-
- 11 velopment of planned STG facilities.
- 12 "(h) Geographic Scope.—This section applies to
- 13 the contiguous States and the District of Columbia, ex-
- 14 cluding the area referred to in section 212(k)(2)(A).".
- 15 (b) Conforming Amendment.—Section 201(b) of
- 16 the Federal Power Act (16 U.S.C. 824) is amended by
- 17 inserting "216A" after "216" in each place it appears.
- 18 SEC. 102. FEDERAL FINANCIAL ASSISTANCE TO
- 19 MULTISTATE TRANSMISSION AUTHORITIES.
- There are authorized to be appropriated to the Sec-
- 21 retary of Energy, such sums as may be necessary to pro-
- 22 vide financial assistance for the establishment and oper-
- 23 ation of multistate transmission authorities under sections
- 24 216A(c) of the Federal Power Act.

1 TITLE II—MISCELLANEOUS 2 PROVISIONS

3 SEC. 201. TRANSMISSION GRID PERFORMANCE STAND-

4 ARDS.

5 For purposes of evaluating whether smart grid technology requirements for monitoring and control of new transmission facilities, smart grid technology retrofit re-7 quirements for monitoring and control of existing transmission facilities, or transmission grid performance re-10 quirements are in the public interest, the Secretary of En-11 ergy, after consultation with the Federal Energy Regulatory Commission, shall conduct an analysis and make recommendations on appropriate metrics for transmission 13 grid performance covering both new and existing transmission grid facilities. This report shall be submitted to Congress within 1 year of the date of enactment of this

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17 Act.