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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend the Public Utility Regulatory Policies Act of 1978 to establish a Federal standard relating to the recovery of the full, incremental costs of upgrades that serve large-load customers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Public Utility Regulatory Policies Act of 1978 to establish a Federal standard relating to the recovery of the full, incremental costs of upgrades that serve large-load customers, 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 “Ratepayer Protection
5 Act”.

1 **SEC. 2. FEDERAL STANDARD RELATING TO LARGE-LOAD**
2 **CUSTOMERS.**

3 (a) FEDERAL STANDARD RELATING TO LARGE-LOAD
4 CUSTOMERS.—Section 111(d) of the Public Utility Regu-
5 latory Policies Act of 1978 (16 U.S.C. 2621(d)) is amend-
6 ed by adding at the end the following:

7 “(22) STANDARDS FOR LARGE-LOAD CUS-
8 TOMERS.—

9 “(A) RECOVERY OF FULL, INCREMENTAL
10 COST OF UPGRADES.—A rate charged, or en-
11 tered into, by an electric utility for providing
12 electric service to a large-load customer shall be
13 designed to recover from the large-load cus-
14 tomer the full, incremental cost of any genera-
15 tion, transmission, or distribution upgrade nec-
16 essary to serve the load of such large-load cus-
17 tomer, including in the event of such large-load
18 customer terminating a contract with the elec-
19 tric utility pertaining to the sale of electric en-
20 ergy, or otherwise ceasing the purchase of elec-
21 tric energy from the electric utility.

22 “(B) FINANCIAL ASSURANCES AND CON-
23 TRIBUTIONS.—Before making any generation,
24 transmission, or distribution upgrade that is
25 necessary to serve the load of a large-load cus-
26 tomer, an electric utility shall require the large-

1 load customer provide to the electric utility fi-
2 nancial assurances or contributions to cover the
3 cost of such upgrade.

4 “(C) LARGE-LOAD CUSTOMER DEFINED.—
5 In this paragraph, the term ‘large-load cus-
6 tomer’ means a non-residential retail electric
7 customer that, on or after the date of the enact-
8 ment of this paragraph, requests to enter into,
9 or enters into, a contract pertaining to the sale
10 of electric energy for one or more facilities
11 that—

12 “(i) are behind a single point of inter-
13 connection; and

14 “(ii) have, in the aggregate, a peak
15 electric demand of 100 megawatts or more
16 at a single site or campus.”.

17 (b) CONFORMING AMENDMENTS.—

18 (1) OBLIGATIONS TO CONSIDER AND DETER-
19 MINE.—Section 112 of the Public Utility Regulatory
20 Policies Act of 1978 (16 U.S.C. 2622) is amended—

21 (A) in subsection (b), by adding at the end
22 the following:

23 “(9)(A) Not later than 1 year after the date of
24 enactment of this paragraph, each State regulatory
25 authority (with respect to each electric utility for

1 which the State has ratemaking authority) and each
2 nonregulated electric utility shall commence consid-
3 eration under section 111, or set a hearing date for
4 consideration, with respect to the standard estab-
5 lished by paragraph (22) of section 111(d).

6 “(B) Not later than 2 years after the date of
7 enactment of this paragraph, each State regulatory
8 authority (with respect to each electric utility for
9 which the State has ratemaking authority) and each
10 nonregulated electric utility shall complete the con-
11 sideration and make the determination under section
12 111 with respect to the standard established by
13 paragraph (22) of section 111(d).”;

14 (B) in subsection (c)—

15 (i) by striking “subsection (b)(2)” and
16 inserting “subsection (b)”; and

17 (ii) by inserting “In the case of the
18 standard established by paragraph (22) of
19 section 111(d), the reference contained in
20 this subsection to the date of enactment of
21 this Act shall be deemed to be a reference
22 to the date of enactment of that paragraph
23 (22).” after “paragraph (21).”; and

24 (C) by adding at the end the following:

1 “(i) OTHER PRIOR STATE ACTIONS.—Subsections
2 (b) and (c) shall not apply to the standard established by
3 paragraph (22) of section 111(d) in the case of any elec-
4 tric utility in a State if, before the date of enactment of
5 this subsection—

6 “(1) the State has implemented for the electric
7 utility the standard (or a comparable standard);

8 “(2) the State regulatory authority for the
9 State or the relevant nonregulated electric utility has
10 conducted a proceeding to consider implementation
11 of the standard (or a comparable standard) for the
12 electric utility; or

13 “(3) the State legislature has voted on the im-
14 plementation of the standard (or a comparable
15 standard) for the electric utility.”.

16 (2) PRIOR AND PENDING PROCEEDINGS.—Sec-
17 tion 124 of the Public Utility Regulatory Policies
18 Act of 1978 (16 U.S.C. 2634) is amended by adding
19 at the end the following: “In the case of the stand-
20 ard established by paragraph (22) of section 111(d),
21 the reference contained in this section to the date of
22 enactment of this Act shall be deemed to be a ref-
23 erence to the date of enactment of that paragraph
24 (22).”.