

107TH CONGRESS
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H. R. 3037

To enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 2001

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

A BILL

To enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, 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 “Renewable Energy and
5 Energy Efficiency Investment Act of 2001”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

1 (1) the generation of electricity is unique in its
2 combined influence on the security, environmental
3 quality, and economic efficiency of the United
4 States;

5 (2) the generation and sale of electricity has a
6 direct and profound impact on interstate commerce;

7 (3) the Federal Government and the States
8 have a joint responsibility for the maintenance of
9 public purpose programs affected by the national
10 electric system;

11 (4) notwithstanding the public's interest in and
12 enthusiasm for programs that enhance the environ-
13 ment, encourage the efficient use of resources, and
14 provide for affordable and universal service, the in-
15 vestments in those public purposes by existing
16 means continues to decline;

17 (5) the dependence of the United States on for-
18 eign sources of fossil fuels is contrary to our na-
19 tional security;

20 (6) alternative, sustainable energy sources must
21 be pursued;

22 (7) consumers have a right to certain informa-
23 tion in order to make objective choices on their elec-
24 tric service providers; and

1 (8) net metering of small systems for self-gen-
2 eration of electricity is in the public interest in order
3 to encourage private investment in renewable energy
4 resources, stimulate economic growth, and enhance
5 the continued diversification of the energy resources
6 used in the United States.

7 **SEC. 3. DEFINITIONS.**

8 In this Act:

9 (1) ADMINISTRATOR.—The term “Adminis-
10 trator” means the Administrator of the Environ-
11 mental Protection Agency.

12 (2) BIOMASS.—The term “biomass” means—

13 (A) organic material from a plant that is
14 planted exclusively for the purpose of being
15 used to produce electricity; and

16 (B) nonhazardous, cellulosic or agricultural
17 animal waste material that is segregated from
18 other waste materials and is derived from—

19 (i) a forest-related resource,
20 including—

21 (I) mill and harvesting residue;

22 (II) precommercial thinnings;

23 (III) slash; and

24 (IV) brush;

- 1 (ii) an agricultural resource,
2 including—
- 3 (I) orchard tree crops;
 - 4 (II) vineyards;
 - 5 (III) grain;
 - 6 (IV) legumes;
 - 7 (V) sugar; and
 - 8 (VI) other crop by-products or
9 residues;
- 10 (iii) miscellaneous waste such as—
- 11 (I) waste pallets;
 - 12 (II) crates;
 - 13 (III) dunnage; and
 - 14 (IV) landscape or right-of-way
15 tree trimmings, but not including mu-
16 nicipal solid waste, recyclable
17 postconsumer wastepaper, painted,
18 treated, or pressurized wood, wood
19 contaminated with plastic or metals,
20 or tires; and
- 21 (iv) animal waste that is converted to
22 a fuel rather than directly combusted, the
23 residue of which is converted to biological
24 fertilizer, oil, or activated carbon.

1 (3) BOARD.—The term “Board” means the Na-
2 tional Electric System Benefits Board established
3 under section 4.

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

6 (5) FUND.—The term “Fund” means the Na-
7 tional Electric System Benefits Fund established by
8 section 5.

9 (6) LANDFILL GAS.—The term “landfill gas”
10 means gas generated from the decomposition of
11 household solid waste, commercial solid waste, and
12 industrial solid waste disposed of in a municipal
13 solid waste landfill unit (as those terms are defined
14 in regulations promulgated under subtitle D of the
15 Solid Waste Disposal Act (42 U.S.C. 6941 et seq.)).

16 (7) POLLUTANT.—The term “pollutant”
17 means—

18 (A) carbon dioxide, mercury nitrous oxide,
19 sulfur dioxide, or any other substance that the
20 Administrator identifies by regulation as a sub-
21 stance that, when emitted into the air from a
22 combustion device used in the generation of
23 electricity, endangers public health or welfare
24 (within the meaning of section 302(h) of the
25 Clean Air Act (42 U.S.C. 7602(h));

1 (B) any substance discharged into water
2 that is regulated under a National Pollutant
3 Discharge Elimination System permit issued
4 under section 402 of the Federal Water Pollu-
5 tion Control Act (33 U.S.C. 1342); and

6 (C) any substance disposed of in a solid or
7 hazardous waste facility that is regulated under
8 the Solid Waste Disposal Act (42 U.S.C. 6901
9 et seq.).

10 (8) RENEWABLE ENERGY.—The term “renew-
11 able energy” means electricity generated from—

12 (A) a renewable energy source; or

13 (B) hydrogen that is produced from a re-
14 newable energy source.

15 (9) RENEWABLE ENERGY SOURCE.—The term
16 “renewable energy source” means—

17 (A) wind;

18 (B) biomass;

19 (C) landfill gas; or

20 (D) a geothermal, solar thermal, or photo-
21 voltaic source.

22 (10) RETAIL ELECTRIC SUPPLIER.—

23 (A) IN GENERAL.—The term “retail elec-
24 tric supplier” means a person or entity that
25 sells retail electricity to consumers.

1 (B) INCLUSIONS.—The term “retail elec-
2 tric supplier” includes—

3 (i) a regulated utility company (in-
4 cluding affiliates or associates of such a
5 company);

6 (ii) a company that is not affiliated or
7 associated with a regulated utility com-
8 pany;

9 (iii) a municipal utility;

10 (iv) a cooperative utility;

11 (v) a local government; and

12 (vi) a special district.

13 (11) SECRETARY.—The term “Secretary”
14 means the Secretary of Energy.

15 **SEC. 4. NATIONAL ELECTRIC SYSTEM PUBLIC BENEFITS**

16 **BOARD.**

17 (a) ESTABLISHMENT.—The Secretary shall establish
18 a National Electric System Public Benefits Board to carry
19 out the functions and responsibilities described in this sec-
20 tion.

21 (b) MEMBERSHIP.—The Board shall be composed
22 of—

23 (1) 1 representative of the Commission ap-
24 pointed by the Commission;

1 (2) 2 representatives of the Secretary appointed
2 by the Secretary;

3 (3) 2 persons nominated by the national organi-
4 zation representing State regulatory commissioners
5 and appointed by the Secretary;

6 (4) 1 person nominated by the national organi-
7 zation representing State utility consumer advocates
8 and appointed by the Secretary;

9 (5) 1 person nominated by the national organi-
10 zation representing State energy offices and ap-
11 pointed by the Secretary;

12 (6) 1 person nominated by the national organi-
13 zation representing energy assistance directors and
14 appointed by the Secretary; and

15 (7) 1 representative of the Environmental Pro-
16 tection Agency appointed by the Administrator.

17 (c) CHAIRPERSON.—The Secretary shall select a
18 member of the Board to serve as Chairperson of the
19 Board.

20 (d) MANAGER.—

21 (1) APPOINTMENT.—The Board shall by con-
22 tract appoint an electric systems public benefits
23 manager for a term of not more than 3 years, which
24 term may be renewed by the Board.

1 (2) COMPENSATION.—The compensation and
2 other terms and conditions of employment of the
3 manager shall be determined by a contract between
4 the Board and the individual or the other entity ap-
5 pointed as manager.

6 (3) FUNCTIONS.—The manager shall—

7 (A) monitor the amounts in the Fund;

8 (B) receive, review, and make rec-
9 ommendations to the Board regarding applica-
10 tions from States under section 6(b); and

11 (C) perform such other functions as the
12 Board may require to assist the Board in car-
13 rying out its duties under this Act.

14 **SEC. 5. NATIONAL ELECTRIC SYSTEM PUBLIC BENEFITS**
15 **FUND.**

16 (a) ESTABLISHMENT.—

17 (1) IN GENERAL.—The Board shall establish an
18 account or accounts at one or more financial institu-
19 tions, which account or accounts shall be known as
20 the “National Electric System Public Benefits
21 Fund”, consisting of amounts deposited in the fund
22 under subsection (c).

23 (2) STATUS OF FUND.—The wires charges col-
24 lected under subsection (c) and deposited in the
25 Fund—

1 (A) shall constitute electric system reve-
2 nues and shall not constitute funds of the
3 United States;

4 (B) shall be held in trust by the manager
5 of the Fund solely for the purposes stated in
6 subsection (b); and

7 (C) shall not be available to meet any obli-
8 gations of the United States.

9 (b) USE OF FUND.—

10 (1) FUNDING OF PUBLIC PURPOSE PRO-
11 GRAMS.—Amounts in the Fund shall be used by the
12 Board to provide matching funds to States for the
13 support of State public purpose programs relating
14 to—

15 (A) renewable energy sources;

16 (B) universal electric service;

17 (C) affordable electric service;

18 (D) energy conservation and efficiency;

19 (E) research and development in areas de-
20 scribed in subparagraphs (A) through (D), or

21 (F) disconnections during periods of ex-
22 treme cold or heat.

23 (2) DISTRIBUTION.—

24 (A) IN GENERAL.—Except for amounts
25 needed to pay costs of the Board in carrying

1 out its duties under this section, the Board
2 shall instruct the manager of the Fund to dis-
3 tribute all amounts in the Fund to States to
4 fund public purpose programs under paragraph
5 (1).

6 (B) FUND SHARE.—

7 (i) IN GENERAL.—Subject to clause
8 (iii), the Fund share of a public purpose
9 program funded under paragraph (1) shall
10 be 50 percent.

11 (ii) PROPORTIONATE REDUCTION.—

12 To the extent that the amount of matching
13 funds requested by States exceeds the
14 maximum projected revenues of the Fund,
15 the matching funds distributed to the
16 States shall be reduced by an amount that
17 is proportionate to each State's annual
18 consumption of electricity compared to the
19 Nation's aggregate annual consumption of
20 electricity.

21 (iii) ADDITIONAL STATE FUNDING.—

22 A State may apply funds to public purpose
23 programs in addition to the amount of
24 funds applied for the purpose of matching
25 the Fund share.

1 (3) PROGRAM CRITERIA.—The Board shall rec-
2 ommend eligibility criteria for public benefits pro-
3 grams funded under this section for approval by the
4 Secretary.

5 (4) APPLICATION.—Not later than August 1 of
6 each year beginning in 2000, a State seeking match-
7 ing funds for the following year shall file with the
8 Board, in such form as the Board may require, an
9 application—

10 (A) certifying that the funds will be used
11 for an eligible public purpose program; and

12 (B) stating the amount of State funds ear-
13 marked for the program.

14 (c) WIRES CHARGE.—

15 (1) DETERMINATION OF NEEDED FUNDING.—
16 Not later than August 1 of each year, the Board
17 shall determine and inform the Commission of the
18 aggregate amount of wires charges that will be nec-
19 essary to be paid into the Fund to pay matching
20 funds to States and pay the operating costs of the
21 Board in the following year.

22 (2) IMPOSITION OF WIRES CHARGE.—

23 (A) IN GENERAL.—Not later than Decem-
24 ber 15 of each year, the Commission shall im-
25 pose a nonbypassable, competitively neutral

1 wires charge to be paid directly into the Fund
2 by the operator of the wire on electricity carried
3 through the wire (measured as it exits the
4 busbar at a generation facility) that affects
5 interstate commerce.

6 (B) AMOUNT.—The wires charge shall be
7 set at a rate equal to the lesser of—

8 (i) 2.0 mills per kilowatt-hour; or

9 (ii) a rate that is estimated to result
10 in the collection of an amount of wires
11 charges that is as nearly as possible equal
12 to the amount of needed funding deter-
13 mined under paragraph (1),

14 reduced by 50 percent of the amount of any wire
15 charge imposed on such electricity under State law
16 that is used by a State for State public purpose pro-
17 gram described in subsection (b)(1).

18 (3) DEPOSIT IN THE FUND.—The wires charge
19 shall be paid by the operator of the wire directly into
20 the Fund at the end of each month during the cal-
21 endar year for distribution by the electric systems
22 public benefits manager under section 5.

23 (4) PENALTIES.—The Commission may assess
24 against a wire operator that fails to pay a wires
25 charge as required by this subsection a civil penalty

1 in an amount equal to not more than the amount of
2 the unpaid wires charge.

3 (d) AUDITING.—

4 (1) IN GENERAL.—The Fund shall be audited
5 annually by a firm of independent certified public
6 accountants in accordance with generally accepted
7 auditing standards.

8 (2) ACCESS TO RECORDS.—Representatives of
9 the Secretary and the Commission shall have access
10 to all books, accounts, reports, files, and other
11 records pertaining to the Fund as necessary to fa-
12 cilitate and verify the audit.

13 (3) REPORTS.—

14 (A) IN GENERAL.—A report on each audit
15 shall be submitted to the Secretary, the Com-
16 mission, and the Secretary of the Treasury, who
17 shall submit the report to the President and
18 Congress not later than 180 days after the
19 close of the fiscal year.

20 (B) REQUIREMENTS.—An audit report
21 shall—

22 (i) set forth the scope of the audit;

23 and

24 (ii) include—

1 (I) a statement of assets and li-
2 abilities, capital; and surplus or def-
3 icit;

4 (II) a statement of surplus or
5 deficit analysis;

6 (III) a statement of income and
7 expenses;

8 (IV) any other information that
9 may be considered necessary to keep
10 the President and Congress informed
11 of the operations and financial condi-
12 tion of the Fund; and

13 (V) any recommendations with
14 respect to the Fund that the Sec-
15 retary or the Commission may have.

16 **SEC. 6. RENEWABLE ENERGY PORTFOLIO STANDARDS.**

17 (a) MINIMUM RENEWABLE GENERATION REQUIRE-
18 MENT.—By April 1 of each calendar year after 2001, each
19 retail electric supplier shall submit to the Secretary renew-
20 able energy credits in an amount equal to the required
21 annual percentage of the supplier's total kilowatt-hour
22 sales to end-use customers in the preceding calendar year.

23 (2) Each retail electric supplier shall include the re-
24 quired annual percentage, as defined in subsection (b), in
25 all products sold to end-use customers. Suppliers are pro-

1 hibited from representing to any customer or prospective
2 customer that any of its products contain more than the
3 specified percentage of eligible resources where the addi-
4 tional amount of eligible resources is being used to satisfy
5 the minimum renewable generation requirement.

6 (3) Nothing in this section shall be construed to pro-
7 hibit any State from requiring additional renewable energy
8 generation in that State under any program adopted by
9 the State. A State may limit the benefits of any State re-
10 newable energy program to renewable energy generators
11 located within the State's boundaries or other boundaries
12 determined by the state.

13 (b) REQUIRED RENEWABLE ENERGY.—Of the total
14 amount of electricity sold by each retail electric supplier
15 during a calendar year, the amount generated by renew-
16 able energy sources shall be not less than the following:

- 17 (1) 2.5 percent in 2002.
- 18 (2) 3.0 percent in 2003.
- 19 (3) 4.0 percent in 2004.
- 20 (4) 5.0 percent in 2005.
- 21 (5) 6.0 percent in 2006.
- 22 (6) 7.0 percent in 2007.
- 23 (7) 8.0 percent in 2008.
- 24 (8) 9.0 percent in 2009.
- 25 (9) 10.0 percent in 2010.

- 1 (10) 11.0 percent in 2011.
2 (11) 12.0 percent in 2012.
3 (12) 13.0 percent in 2013.
4 (13) 14.0 percent in 2014.
5 (14) 15.0 percent in 2015.
6 (15) 16.0 percent in 2016.
7 (16) 17.0 percent in 2017.
8 (17) 18.0 percent in 2018.
9 (18) 19.0 percent in 2019.
10 (19) 20.0 percent in 2020 and each year there-
11 after.

12 (c) SUBMISSION OF CREDITS.—A retail electric sup-
13 plier may satisfy the requirements of subsection (a)
14 through the submission of any of the following:

15 (1) Renewable energy credits issued under sub-
16 section (d) for renewable energy generated by the re-
17 tail electric supplier in the calendar year for which
18 credits are being submitted or any previous calendar
19 year.

20 (2) Renewable energy credits issued under sub-
21 section (d) to any renewable energy generator for re-
22 newable energy generated in the calendar year for
23 which credits are being submitted or a previous cal-
24 endar year and acquired by the retail electric sup-
25 plier.

1 (3) Any combination of Credits under para-
2 graphs (1) and (2).

3 (d) ISSUANCE OF CREDIT.—(1) The Secretary shall
4 establish, not later than 1 year after the date of enactment
5 of this section, a program to issue, monitor the sale or
6 exchange of, and track Renewable energy credits.

7 (2) Under the program, an entity that generates elec-
8 tric energy through the use of a renewable energy resource
9 may apply to the Secretary for the issuance of renewable
10 energy credits. The application shall indicate—

11 (A) the type of renewable energy resource used
12 to produce the electricity,

13 (B) the State in which the electric energy was
14 produced, and

15 (C) any other information the Secretary deter-
16 mines appropriate.

17 (3)(A) The Secretary shall issue to an entity one re-
18 newable energy credit for each kilowatt-hour of electric en-
19 ergy the entity generates through the use of a renewable
20 energy resource in any State in 2001 and any succeeding
21 year.

22 (B) To be eligible for a renewable energy credit, the
23 unit of a electricity generated through the use of a renew-
24 able energy resource may be sold or may be used by the
25 generator. If both a renewable energy resource and a non-

1 renewable energy resource are used to generate the electric
2 energy, the Secretary shall issue credits based on the pro-
3 portion of the renewable energy resource used. The Sec-
4 retary shall identify renewable energy credits by type of
5 generation and by the State in which the generating facil-
6 ity is located.

7 (4) In order to receive a renewable energy credit, the
8 recipient of a renewable energy credit shall pay a fee, cal-
9 culated by the Secretary, in an amount that is equal to
10 the administrative costs of issuing, recording, monitoring
11 the sale of exchange of, and tracking the credit or does
12 not exceed five percent of the dollar value of the credit,
13 whichever is lower. The Secretary shall retain the fee and
14 use it to pay these administrative costs.

15 (e) SALE OR EXCHANGE.—A renewable energy credit
16 may be sold or exchanged by the entity to whom issued
17 or by any other entity who acquires the credit.

18 (f) ENFORCEMENT.—

19 (1) IN GENERAL.—The Secretary may bring an
20 action in the appropriate United States district
21 court to impose a civil penalty on a retail electric
22 supplier that does not comply with subsection (a).

23 (2) AMOUNT OF PENALTY.—A retail electric
24 supplier who does not submit the required number
25 of renewable energy credits under subsection (a)

1 shall be subject to a civil penalty of not more than
2 3 times the estimated national average market value
3 (as determined by the Secretary) for the calendar
4 year concerned of that quantity of renewable energy
5 credits.

6 (g) INFORMATION COLLECTION.—The Secretary may
7 collect the information necessary to verify and audit each
8 of the following:

9 (1) The annual electric energy generation and
10 renewable energy generation of any entity applying
11 for renewable energy credits under this section.

12 (2) The validity of renewable energy credits
13 submitted by a retail electric supplier to the Sec-
14 retary.

15 (3) The quantity of electricity sales of all retail
16 electric suppliers.

17 **SEC. 7. NET METERING.**

18 (a) AMENDMENT OF PURPA.—The Public Utility
19 Regulatory Polices Act of 1978 is amended by adding the
20 following new section after section 214:

21 **“SEC. 215. NET METERING.**

22 “(a) DEFINITIONS.—For purposes of this section—

23 “(1) The term ‘eligible on-site generating facil-
24 ity’ means a facility on the site of a residential elec-
25 tric consumer with a maximum generating capacity

1 of 100 kilowatts or less that is fueled by solar or
2 wind energy or a facility on the site of a commercial
3 electric consumer with a maximum generating ca-
4 pacity of 250 kilowatts or less that is fueled solely
5 by a renewable energy resource.

6 “(2) The term ‘renewable energy resource’
7 means solar energy, wind energy, biomass, and fuel
8 cells.

9 “(3) The term ‘net metering service’ means
10 service to an electric consumer under which elec-
11 tricity generated by that consumer from an eligible
12 on-site generating facility and delivered to the dis-
13 tribution system through the same meter through
14 which purchased electricity is received may be used
15 to offset the cost of electricity provided by the retail
16 electric supplier to the electric consumer during the
17 applicable billing period so that an electric consumer
18 is billed only for the net electricity consumed during
19 the billing period, but in no event shall the net be
20 less than zero during any calendar year.

21 “(b) REQUIREMENT TO PROVIDE NET METERING
22 SERVICE.—Each retail electric supplier shall make avail-
23 able upon request net metering service to any retail elec-
24 tric consumer that the supplier currently serves or solicits
25 for service.

1 “(c) RATES AND CHARGES.—

2 “(1) IDENTICAL CHARGES.—A retail electric
3 supplier—

4 “(A) shall charge the owner or operator of
5 an on-site generating facility rates and charges
6 that are identical to those that would be
7 charged other retail electric customers of the
8 electric company in the same rate class; and

9 “(B) shall not charge the owner or oper-
10 ator of an on-site generating facility any addi-
11 tional standby, capacity, interconnection, or
12 other rate or charge.

13 “(2) MEASUREMENT.—A retail electric supplier
14 that supplies electricity to the owner or operator of
15 an on-site generating facility shall measure the
16 quantity of electricity produced by the on-site facility
17 and the quantity of electricity consumed by the
18 owner or operator of an on-site generating facility
19 during a billing period in accordance with normal
20 metering practices.

21 “(3) ELECTRICITY SUPPLIED EXCEEDING ELEC-
22 TRICITY GENERATED.—If the quantity of electricity
23 supplied by a retail electric supplier during a billing
24 period exceeds the quantity of electricity generated
25 by an on-site generating facility and fed back to the

1 electric distribution system during the billing period,
2 the supplier may bill the owner or operator for the
3 net quantity of electricity supplied by the retail elec-
4 tric supplier, in accordance with normal metering
5 practices.

6 “(4) ELECTRICITY GENERATED EXCEEDING
7 ELECTRICITY SUPPLIED.—If the quantity of elec-
8 tricity generated by an on-site generating facility
9 during a billing period exceeds the quantity of elec-
10 tricity supplied by the retail electric supplier during
11 the billing period—

12 “(A) the retail electric supplier may bill
13 the owner or operator of the on-site generating
14 facility for the appropriate charges for the bill-
15 ing period in accordance with paragraph (2);
16 and

17 “(B) the owner or operator of the on-site
18 generating facility shall be credited for the ex-
19 cess kilowatt-hours generated during the billing
20 period, with the kilowatt-hour credit appearing
21 on the bill for the following billing period.

22 “(5) UNUSED CREDITS.—At the beginning of
23 each calendar year, any unused kilowatt-hour credits
24 accumulated by an owner or operator of an on-site
25 generating facility during the previous calendar year

1 shall expire without compensation to the owner or
2 operator of an on-site generating facility.

3 “(d) SAFETY AND PERFORMANCE STANDARDS.—(1)

4 An eligible on-site generating facility and net metering
5 system used by a retail electric consumer shall meet all
6 applicable safety, performance, reliability, and inter-
7 connection standards established by the National Elec-
8 trical Code, the Institute of Electrical and Electronics En-
9 gineers, and Underwriters Laboratories.

10 “(2) The Commission, after consultation with State
11 regulatory authorities and nonregulated local distribution
12 systems and after notice and opportunity for comment,
13 may adopt, by rule, additional control and testing require-
14 ments for on-site generating facilities and net metering
15 systems that the Commission determines are necessary to
16 protect public safety and system reliability.

17 “(e) INTERCONNECTION STANDARDS.—(1) The Com-
18 mission shall promulgate regulations requiring that the
19 owners or operators of eligible on-site generating facilities
20 and net metering systems comply with uniform national
21 standards, consistent with this section, for the physical
22 connection between such facilities and systems and local
23 distribution systems. At the election of the owner or oper-
24 ator of the generation facility concerned connections meet-
25 ing such standards may be made—

1 “(A) by such owner or operator at such owner’s
2 or operator’s expense, or

3 “(B) by the owner or operator of the local dis-
4 tribution system upon the request of the owner or
5 operator of the generating facility and pursuant to
6 an offer by the owner or operator of the generating
7 facility to reimburse the local distribution system in
8 an amount equal to the minimum cost of such con-
9 nection, consistent with the procurement procedures
10 of the State in which the facility is located.

11 Such standards shall be consistent with all applicable safe-
12 ty and performance standards established by the national
13 electrical code, the Institute of Electrical and Electronics
14 Engineers, or Underwriters Laboratories and with such
15 additional safety and reliability standards as the Commis-
16 sion shall, by rule, prescribe.

17 “(2) The regulations under this section shall establish
18 such measures for the safety and reliability of the affected
19 equipment and local distribution systems as may be appro-
20 priate.

21 “(f) STATE AUTHORITY.—This section does not pre-
22 clude a State from imposing additional requirements con-
23 sistent with the requirements in this section, including the
24 imposition of a cap limiting the amount of net metering
25 available in the State. Nothing in this Act or any other

1 Federal law preempts or otherwise affects authority under
 2 State law to require a retail electric supplier to make avail-
 3 able net metering service to a retail electric consumer
 4 which the supplier serves or offers to serve.”.

5 (c) TABLE OF CONTENTS.—The table of contents for
 6 title II of the Public Utility Regulatory Policies Act of
 7 1978 (16 U.S.C. 2601 and following) is amended by add-
 8 ing the following at the end thereof:

“Sec. 215. Net metering.”.

9 **SEC. 8. DISCLOSURE REQUIREMENTS.**

10 (a) DEFINITIONS.—In this section:

11 (1) EMISSIONS DATA.—The term “emissions
 12 data” means the type and amount of each pollutant
 13 emitted or released by a generation facility in gener-
 14 ating electricity.

15 (2) GENERATION DATA.—The term “generation
 16 data” means the type of fuel (such as coal, oil, nu-
 17 clear energy, or solar power) used by a generation
 18 facility to generate electricity.

19 (b) DISCLOSURE SYSTEM.—The Secretary shall es-
 20 tablish a system of disclosure that—

21 (1) enables retail consumers to knowledgeably
 22 compare retail electric service offerings, including
 23 comparisons based on generation source portfolios,
 24 emissions data, and price terms; and

25 (2) considers such factors as—

- 1 (A) cost of implementation;
2 (B) confidentiality of information; and
3 (C) flexibility.

4 (c) REGULATION.—Not later than March 1, 2002,
5 the Secretary, in consultation with the Board, and with
6 the assistance of a Federal interagency task force that in-
7 cludes representatives of the Commission, the Federal
8 Trade Commission, the Food and Drug Administration,
9 and the Environmental Protection Agency, shall promul-
10 gate a regulation prescribing—

11 (1) the form, content, and frequency of disclo-
12 sure of emissions data and generation data of elec-
13 tricity by generation facilities to electricity whole-
14 salers or retail companies and by wholesalers to re-
15 tail companies;

16 (2) the form, content, and frequency of disclo-
17 sure of emissions data, generation data, and the
18 price of electricity by retail companies to ultimate
19 consumers; and

20 (3) the form, content, and frequency of disclo-
21 sure of emissions data, generation data, and the
22 price of electricity by generation facilities selling di-
23 rectly to ultimate consumers.

24 (d) ACCESS TO RECORDS.—The Secretary shall have
25 full access to the records of all generation facilities, elec-

1 tricity wholesalers, and retail companies to obtain any in-
2 formation necessary to administer and enforce this sec-
3 tion.

4 (e) FAILURE TO DISCLOSE.—The failure of a retail
5 company to accurately disclose information as required by
6 this section shall be treated as a deceptive act in commerce
7 under section 5 of the Federal Trade Commission Act (15
8 U.S.C. 45).

9 (f) REGULATIONS.—The Secretary may promulgate
10 such regulations, conduct such investigations, and take
11 such other actions as are necessary or appropriate to im-
12 plement and obtain compliance with this section and regu-
13 lations promulgated under this section.

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