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S. 1333

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 SENATE OF THE UNITED STATES

AUGUST 2, 2001

Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Ms. SNOWE, Mr. SCHUMER, and Mr. KERRY) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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 pallet;

12 (II) crate;

13 (III) dunnage; and

14 (IV) landscape or right-of-way
15 tree trimmings, but not including—

16 (aa) municipal solid waste;

17 (bb) recyclable postconsumer
18 wastepaper;

19 (cc) painted, treated, or
20 pressurized wood;

21 (dd) wood contaminated
22 with plastic or metals; or

23 (ee) tires; and

24 (iv) animal waste that is converted to
25 a fuel rather than directly combusted, the

1 residue of which is converted to biological
2 fertilizer, oil, or activated carbon.

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

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

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

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

18 (7) POLLUTANT.—The term “pollutant”
19 means—

20 (A) carbon dioxide, mercury nitrous oxide,
21 sulfur dioxide, or any other substance that the
22 Administrator identifies by regulation as a sub-
23 stance that, when emitted into the air from a
24 combustion device used in the generation of
25 electricity, endangers public health or welfare

1 (within the meaning of section 302(h) of the
2 Clean Air Act (42 U.S.C. 7602(h));

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

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

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

14 (A) a renewable energy source; or

15 (B) hydrogen that is produced from a re-
16 newable energy source.

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

19 (A) wind;

20 (B) biomass;

21 (C) landfill gas; or

22 (D) a geothermal, solar thermal, or photo-
23 voltaic source.

24 (10) RETAIL ELECTRIC SUPPLIER.—

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

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

6 (i) a regulated utility company (in-
 7 cluding affiliates or associates of such a
 8 company);

9 (ii) a company that is not affiliated or
 10 associated with a regulated utility com-
 11 pany;

12 (iii) a municipal utility;

13 (iv) a cooperative utility;

14 (v) a local government; and

15 (vi) a special district.

16 (11) SECRETARY.—The term “Secretary”
 17 means the Secretary of Energy.

18 **SEC. 4. NATIONAL ELECTRIC SYSTEM BENEFITS BOARD.**

19 (a) ESTABLISHMENT.—The Secretary shall establish
 20 a National Electric System Benefits Board to carry out
 21 the functions and responsibilities described in this section.

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

24 (1) 1 representative of the Commission ap-
 25 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 benefits manager
23 for a term of not more than 3 years, which term
24 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 BENEFITS FUND.**

15 (a) ESTABLISHMENT.—

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

22 (2) STATUS OF FUND.—The wires charges col-
 23 lected under subsection (c) and deposited in the
 24 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 SYSTEM BENEFIT 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 system benefit programs relating
 14 to—

15 (A) renewable energy sources;

16 (B) assisting low-income households in
 17 meeting home energy needs;

18 (C) energy conservation and efficiency; or

19 (D) research and development in areas de-
 20 scribed in subparagraphs (A) through (C).

21 (2) DISTRIBUTION.—

22 (A) IN GENERAL.—Except for amounts
 23 needed to pay costs of the Board in carrying
 24 out its duties under this section, the Board
 25 shall instruct the manager of the Fund to dis-

1 tribute all amounts in the Fund to States to
2 fund system benefit programs under paragraph
3 (1).

4 (B) FUND SHARE.—

5 (i) IN GENERAL.—Subject to clause
6 (iii), the Fund share of a system benefit
7 program funded under paragraph (1) shall
8 be 50 percent.

9 (ii) PROPORTIONATE REDUCTION.—

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

19 (iii) ADDITIONAL STATE FUNDING.—

20 A State may apply funds to system benefit
21 programs in addition to the amount of
22 funds applied for the purpose of matching
23 the Fund share.

24 (3) PROGRAM CRITERIA.—The Board shall rec-
25 ommend eligibility criteria for system benefits pro-

grams funded under this section for approval by the Secretary.

(4) APPLICATION.—Not later than August 1 of each year, a State seeking matching funds for the following year shall file with the Board, in such form as the Board may require, an application—

(A) certifying that the funds will be used for an eligible system benefit program;

(B) stating the amount of State funds earmarked for the program; and

(C) summarizing the manner in which amounts from the Fund were used in the State during the previous calendar year.

(c) WIRES CHARGE.—

(1) DETERMINATION OF NEEDED FUNDING.—

Not later than September 1 of each year, the Board shall determine and inform the Commission of the aggregate amount of wires charges that it will be required to be paid into the Fund to pay matching funds to States and the operating costs of the Board in the following year.

(2) IMPOSITION OF WIRES CHARGE.—

(A) IN GENERAL.—Not later than December 15 of each year, the Commission shall impose a nonbypassable, competitively neutral

1 wires charge to be paid directly into the Fund
 2 by the operator of the wire on the amount of
 3 electricity carried through the wire in interstate
 4 commerce.

5 (B) MEASUREMENT.—For the purposes of
 6 subparagraph (A)—

7 (i) electricity generated in the United
 8 States shall be measured as the electricity
 9 exits the busbar at a generation facility;
 10 and

11 (ii) electricity generated outside the
 12 United States shall be measured at the
 13 point of delivery to the system of the wire
 14 operator.

15 (C) AMOUNT OF WIRES CHARGE.—The
 16 wires charge shall be set at a rate equal to the
 17 lesser of—

18 (i) 2 mills per kilowatt-hour; or

19 (ii) a rate that is estimated to result
 20 in the collection of an amount of wires
 21 charges that is as nearly as possible equal
 22 to the amount of needed funding deter-
 23 mined under paragraph (1).

24 (3) DEPOSIT IN THE FUND.—The wires charge
 25 shall be paid by the operator of the wire directly into

1 the Fund at the end of each month during the cal-
2 endar year for distribution by the electric systems
3 benefits manager under section 5.

4 (4) STATE WIRES CHARGE.—

5 (A) IN GENERAL.—A State that imposes a
6 wires charge may pay into the Fund some or all
7 of the wires charge imposed under this sub-
8 section on behalf of wire operators serving that
9 State.

10 (B) PAYMENT.—Payments by the State
11 into the Fund under subparagraph (A) shall be
12 applied towards the wires charge imposed under
13 this subsection.

14 (5) PENALTIES.—The Commission may assess
15 against a wire operator that fails to pay a wires
16 charge as required by this subsection a civil penalty
17 in an amount equal to not more than the amount of
18 the unpaid wires charge.

19 (d) AUDITING.—

20 (1) IN GENERAL.—The Fund shall be audited
21 annually by a firm of independent certified public
22 accountants in accordance with generally accepted
23 auditing standards.

24 (2) ACCESS TO RECORDS.—Representatives of
25 the Secretary and the Commission shall have access

1 to all books, accounts, reports, files, and other
2 records pertaining to the Fund as necessary to fa-
3 cilitate and verify the audit.

4 (3) REPORTS.—

5 (A) IN GENERAL.—A report on each audit
6 shall be submitted to the Secretary, the Com-
7 mission, and the Secretary of the Treasury, who
8 shall submit the report to the President and
9 Congress not later than 180 days after the
10 close of the fiscal year.

11 (B) REQUIREMENTS.—An audit report
12 shall—

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

14 and

15 (ii) include—

16 (I) a statement of assets and li-
17 abilities, capital, and surplus or def-
18 icit;

19 (II) a statement of surplus or
20 deficit analysis;

21 (III) a statement of income and
22 expenses;

23 (IV) any other information that
24 may be considered necessary to keep
25 the President and Congress informed

1 of the operations and financial condi-
 2 tion of the Fund; and

3 (V) any recommendations with
 4 respect to the Fund that the Sec-
 5 retary or the Commission may have.

6 **SEC. 6. RENEWABLE ENERGY GENERATION STANDARDS.**

7 (a) RENEWABLE ENERGY CREDITS.—

8 (1) IN GENERAL.—Not later than April 1 of
 9 each year, each retail electric supplier shall submit
 10 to the Secretary renewable energy credits in an
 11 amount equal to the required annual percentage of
 12 the retail electric supplier's total amount of kilowatt-
 13 hours of electricity sold to consumers during the pre-
 14 vious calendar year.

15 (2) RATE.—The rates charged to each class of
 16 consumers by a retail electric supplier shall reflect
 17 an equal percentage of the cost of generating or ac-
 18 quiring the required annual percentage of renewable
 19 energy under subsection (b).

20 (3) ELIGIBLE RESOURCES.—A retail electric
 21 supplier shall not represent to any customer or pro-
 22 spective customer that any product contains more
 23 than the percentage of eligible resources if the addi-
 24 tional amount of eligible resources is being used to

1 satisfy the renewable generation requirement under
 2 subsection (b).

3 (4) STATE RENEWABLE ENERGY PROGRAM.—

4 (A) IN GENERAL.—Nothing in this section
 5 precludes any State from requiring additional
 6 renewable energy generation in the State under
 7 any renewable energy program conducted by the
 8 State.

9 (B) LIMITATION.—A State may limit the
 10 benefits of any State renewable energy program
 11 to renewable energy generators located within
 12 the boundaries of the State or other boundaries
 13 (as determined by the State).

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

Calendar year:	Percentage reduction:
2002	2.5
2003	3
2004	4
2005	5
2006	6
2007	7
2008	8
2009	9
2010	10
2011	11
2012	12
2013	13
2014	14
2015	15
2016	16

Calendar year:	Percentage reduction:
2017	17
2018	18
2019	19
2020 and thereafter	20.

1 (c) SUBMISSION OF RENEWABLE ENERGY CRED-
2 ITS.—To meet the requirements under subsection (a)(1),
3 a retail electric supplier may submit to the Secretary—

4 (1) renewable energy credits issued under sub-
5 section (d) for renewable energy generated by the re-
6 tail electric supplier during the calendar year for
7 which renewable energy credits are being submitted
8 or any previous calendar year; or

9 (2) renewable energy credits—

10 (A) issued under subsection (d) to any re-
11 newable energy generator for renewable energy
12 generated during the calendar year for which
13 renewable energy credits are being submitted or
14 a previous calendar year; and

15 (B) acquired by the retail electric supplier
16 under subsection (e).

17 (d) ISSUANCE OF RENEWABLE ENERGY CREDITS.—

18 (1) IN GENERAL.—Not later than 1 year after
19 the date of enactment of this Act, the Secretary
20 shall establish a program to issue, monitor the sale
21 or exchange of, and track renewable energy credits.

22 (2) APPLICATION.—

1 (A) IN GENERAL.—Under the program es-
 2 tablished under paragraph (1), an entity that
 3 generates electric energy through the use of a
 4 renewable energy resource may apply to the
 5 Secretary for the issuance of renewable energy
 6 credits.

7 (B) REQUIREMENTS.—An application
 8 under subparagraph (A) shall identify—

9 (i) the type of renewable energy re-
 10 source used to produce the electric energy;

11 (ii) the State in which the electric en-
 12 ergy was produced; and

13 (iii) any other information that the
 14 Secretary determines appropriate.

15 (3) NUMBER OF RENEWABLE ENERGY RE-
 16 SOURCE CREDITS.—

17 (A) IN GENERAL.—The Secretary shall
 18 issue to an entity 1 renewable energy credit for
 19 each kilowatt-hour of electric energy that the
 20 entity generates through the use of a renewable
 21 energy resource in any State in calendar year
 22 2001 and each year thereafter.

23 (B) PARTIAL CREDIT.—If both a renew-
 24 able energy resource and a nonrenewable energy
 25 resource are used to generate the electric en-

1 ergy, the Secretary shall issue renewable energy
 2 credits based on the proportion of the renewable
 3 energy resource used.

4 (4) ELIGIBILITY.—To be eligible for a renew-
 5 able energy credit under this subsection, the unit of
 6 electricity generated through the use of a renewable
 7 energy resource shall be sold or used by the gener-
 8 ator.

9 (5) IDENTIFICATION OF RENEWABLE ENERGY
 10 CREDITS.—The Secretary shall identify renewable
 11 energy credits by—

12 (A) the type of generation; and

13 (B) the State in which the generating facil-
 14 ity is located.

15 (6) FEE.—

16 (A) IN GENERAL.—To receive a renewable
 17 energy credit, the entity shall pay a fee, cal-
 18 culated by the Secretary, in an amount that is
 19 equal to the lesser of—

20 (i) the administrative costs of issuing,
 21 recording, monitoring the sale of exchange
 22 of, and tracking the renewable energy cred-
 23 it; or

24 (ii) 5 percent of the national average
 25 market value (as determined by the Sec-

1 retary) of that quantity of renewable en-
2 ergy credits.

3 (B) USE.—The Secretary shall use the fee
4 to pay the administrative costs described in
5 subparagraph (A)(i).

6 (e) SALE OR EXCHANGE.—A renewable energy credit
7 may be sold or exchanged by the entity issued the renew-
8 able energy credit or by any other entity that acquires the
9 renewable energy credit.

10 (f) VERIFICATION.—The Secretary may collect the
11 information necessary to verify and audit—

12 (1) the annual electric energy generation and
13 renewable energy generation of any entity applying
14 for renewable energy credits under this section;

15 (2) the validity of renewable energy credits sub-
16 mitted by a retail electric supplier to the Secretary;
17 and

18 (3) the amount of electricity sales of all retail
19 electric suppliers.

20 (g) ENFORCEMENT.—

21 (1) IN GENERAL.—The Secretary may bring an
22 action in United States district court to impose a
23 civil penalty on a retail electric supplier that fails to
24 comply with subsection (a).

1 (2) AMOUNT OF PENALTY.—A retail electric
 2 supplier that fails to submit the required number of
 3 renewable energy credits under subsection (a) shall
 4 be subject to a civil penalty of not more than 3
 5 times the estimated national average market value
 6 (as determined by the Secretary) of that quantity of
 7 renewable energy credits for the calendar year con-
 8 cerned.

9 **SEC. 7. NET METERING.**

10 (a) DEFINITIONS.—In this section:

11 (1) CUSTOMER-GENERATOR.—The term “cus-
 12 tomer-generator” means a retail electric customer
 13 that generates electricity measured by a net meter-
 14 ing system.

15 (2) ELECTRIC COMPANY.—

16 (A) IN GENERAL.—The term “electric
 17 company” means a company that is engaged in
 18 the business of distributing electricity to retail
 19 electric customers.

20 (B) INCLUSIONS.—The term “electric com-
 21 pany” includes an investor-owned utility, public
 22 utility district, irrigation district, port district,
 23 electric cooperative, or municipal electric utility.

24 (3) NET METERING.—The term “net metering”
 25 means the measuring of the difference between—

1 (A) the quantity of electricity supplied by
 2 an electric company to a customer-generator
 3 during a billing period; and

4 (B) the quantity of electricity generated by
 5 a customer-generator and fed back to the elec-
 6 tric company by a net metering system during
 7 the billing period.

8 (4) NET METERING SYSTEM.—The term “net
 9 metering system” means a facility for generation of
 10 electricity that—

11 (A) is of not more than 100 kilowatts ca-
 12 pacity;

13 (B) is interconnected and operates in par-
 14 allel with the transmission and distribution sys-
 15 tem of an electric company;

16 (C) is intended primarily to offset some or
 17 all of the electricity requirements of a customer-
 18 generator;

19 (D) is located on the premises of a cus-
 20 tomer-generator; and

21 (E) employs a renewable energy source.

22 (b) REQUIREMENT TO ALLOW NET METERING.—An
 23 electric company shall allow a retail electric customer to
 24 interconnect and employ a net metering system using—

1 (1) a kilowatt-hour meter capable of registering
2 the flow of electricity in 2 directions; or

3 (2) another type of comparably equipped meter
4 that would otherwise be applicable to the customer's
5 usage but for the use of net metering.

6 (c) NET METERING ACCOUNTING.—

7 (1) IN GENERAL.—Electric energy measure-
8 ments for a net metering system shall be calculated
9 in accordance with this subsection.

10 (2) RATES AND CHARGES.—An electric
11 company—

12 (A) shall charge a customer-generator
13 rates and charges that are identical to those
14 that would be charged other retail electric cus-
15 tomers of the electric company in the same rate
16 class; and

17 (B) shall not charge a customer-generator
18 any additional standby, capacity, interconnec-
19 tion, or other rate or charge.

20 (3) MEASUREMENT.—An electric company that
21 supplies electricity to a customer-generator shall
22 measure the quantity of electricity produced by the
23 customer-generator and the quantity of electricity
24 consumed by the customer-generator during a billing
25 period in accordance with normal metering practices.

1 (4) ELECTRICITY SUPPLIED EXCEEDING ELEC-
2 TRICITY GENERATED.—If the quantity of electricity
3 supplied by an electric company during a billing pe-
4 riod exceeds the quantity of electricity generated by
5 the customer-generator and fed back to the electric
6 distribution system during the billing period, the
7 electric company may bill the customer-generator for
8 the net quantity of electricity supplied by the electric
9 company, in accordance with normal metering prac-
10 tices.

11 (5) ELECTRICITY GENERATED EXCEEDING
12 ELECTRICITY SUPPLIED.—If the quantity of elec-
13 tricity generated by a customer-generator during a
14 billing period exceeds the quantity of electricity sup-
15 plied by the electric company during the billing
16 period—

17 (A) the electric company may bill the cus-
18 tomer-generator for the appropriate charges for
19 the billing period in accordance with paragraph
20 (1); and

21 (B) the customer-generator shall be cred-
22 ited for the excess kilowatt-hours generated
23 during the billing period, with the kilowatt-hour
24 credit appearing on the bill for the following
25 billing period.

1 (6) UNUSED CREDITS.—At the beginning of
 2 each calendar year, any unused kilowatt-hour credits
 3 accumulated by a customer-generator during the
 4 previous calendar year shall expire without com-
 5 pensation to the customer-generator.

6 (d) SAFETY.—

7 (1) REQUIREMENTS.—

8 (A) INTERIM PROVISION.—A net metering
 9 system using photovoltaic generation shall con-
 10 form to applicable electrical safety, power qual-
 11 ity, and interconnection requirements estab-
 12 lished by the National Electrical Code, the In-
 13 stitute of Electrical and Electronic Engineers,
 14 and Underwriters Laboratories.

15 (B) REGULATION.—Not later than 180
 16 days after the date of enactment of this Act,
 17 the Commission shall adopt electrical safety,
 18 power quality, and interconnection requirements
 19 for net metering systems that use generation
 20 technology other than photovoltaic technology.

21 (2) TESTING AND INSPECTION.—An electric
 22 company may, at its own expense, and upon reason-
 23 able written notice to a customer-generator, perform
 24 such testing and inspection of a net metering system
 25 as is necessary to demonstrate to the satisfaction of

1 the electric company that the system conforms to
 2 applicable electric safety, power quality, and inter-
 3 connection requirements.

4 (3) ADDITIONAL METERS.—An electric com-
 5 pany may, at its own expense and with the written
 6 consent of a customer-generator, install 1 or more
 7 additional meters to monitor the flow of electricity in
 8 each direction.

9 **SEC. 9. 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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