

112TH CONGRESS  
1ST SESSION

# H. R. 668

To amend the Federal Power Act to protect the bulk-power system and electric infrastructure critical to the defense and well-being of the United States against natural and manmade electromagnetic pulse (“EMP”) threats and vulnerabilities.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2011

Mr. FRANKS of Arizona (for himself, Mr. BARTLETT, Mr. HALL, Mr. LAMBORN, Mr. KING of Iowa, Mr. AKIN, Mr. BROUN of Georgia, Mr. MARCHANT, Mr. POSEY, Mr. WEST, Mr. LOBIONDO, Mr. BISHOP of Utah, Mr. HUNTER, Mr. TERRY, Mr. KLINE, Mr. DANIEL E. LUNGREN of California, Mr. STEARNS, Mr. KING of New York, Mr. TURNER, Ms. CLARKE of New York, Mr. GARAMENDI, Mr. SAM JOHNSON of Texas, Mr. JOHNSON of Ohio, Mr. JORDAN, and Mr. ROYCE) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Federal Power Act to protect the bulk-power system and electric infrastructure critical to the defense and well-being of the United States against natural and manmade electromagnetic pulse (“EMP”) threats and vulnerabilities.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Secure High-voltage  
3 Infrastructure for Electricity from Lethal Damage Act”  
4 or the “SHIELD Act”.

5 **SEC. 2. FINDINGS.**

6 The Congress makes the following findings:

7 (1) According to the Report of the Commission  
8 to Assess the Threat to the United States from  
9 Electromagnetic Pulse Attack (in this Act referred  
10 to as the “EMP Commission Report”), the society  
11 and economy of the United States are “critically de-  
12 pendent upon the availability of electricity.”.

13 (2) According to the EMP Commission Report,  
14 “continued electrical supply is necessary for sus-  
15 taining water supplies, production and distribution  
16 of food, fuel, communications, and everything else  
17 that is part of our economy”.

18 (3) According to the EMP Commission Report,  
19 “contemporary U.S. society is not structured, nor  
20 does it have the means, to provide for the needs of  
21 nearly 300 million Americans without electricity.”.

22 (4) According to the EMP Commission Report,  
23 due to the existing electrical system operating at or  
24 near its physical capacity, “a relatively modest upset  
25 to the system can cause functional collapse.”.

1           (5) According to the EMP Commission Report,  
2           electromagnetic pulse (in this Act referred to as  
3           “EMP”) is a threat to the overall electrical power  
4           system.

5           (6) According to the EMP Commission Report,  
6           EMP occurs both naturally, such as geomagnetic  
7           storms, and via manmade devices.

8           (7) According to the EMP Commission Report,  
9           while the electric infrastructure “has a degree of du-  
10          rability against . . . the failure of one or a small  
11          number of [electric] components,” the current strat-  
12          egy for recovery leaves the United States ill-prepared  
13          to respond effectively to an EMP attack that would  
14          potentially result in damage to vast numbers of com-  
15          ponents nearly simultaneously over an unprece-  
16          dented geographic scale.

17          (8) According to the EMP Commission Report,  
18          EMP “may couple ultimately unmanageable currents  
19          and voltages into an electrical system routinely oper-  
20          ated with little margin and cause the collapse of  
21          large portions of the electrical system.”.

22          (9) According to the EMP Commission Report,  
23          a collapse of large portions of the electrical system  
24          will result in significant periods of power-outage and

1 “restoration from collapse or loss of significant por-  
2 tions of the system [will be] exceedingly difficult.”.

3 (10) According to the EMP Commission Re-  
4 port, “should the electrical power system be lost for  
5 any substantial period of time . . . the consequences  
6 are likely to be catastrophic to civilian society.”.

7 (11) According to the EMP Commission Re-  
8 port, “the Commission is deeply concerned that  
9 [negative] impacts [on the electric infrastructure]  
10 are certain in an EMP event unless practical steps  
11 are taken to provide protection for critical elements  
12 of the electric system.”.

13 **SEC. 3. AMENDMENT TO THE FEDERAL POWER ACT.**

14 (a) **CRITICAL ELECTRIC INFRASTRUCTURE SECUR-**  
15 **ITY.**—Part II of the Federal Power Act (16 U.S.C. 824  
16 et seq.) is amended by adding after section 215 the fol-  
17 lowing new section:

18 **“SEC. 215A. CRITICAL ELECTRIC INFRASTRUCTURE SECUR-**  
19 **ITY.**

20 “(a) **DEFINITIONS.**—For purposes of this section:

21 “(1) **BULK-POWER SYSTEM; ELECTRIC RELI-**  
22 **ABILITY ORGANIZATION; REGIONAL ENTITY.**—The  
23 terms ‘bulk-power system’, ‘Electric Reliability Or-  
24 ganization’, and ‘regional entity’ have the meanings

1 given such terms in paragraphs (1), (2), and (7) of  
2 section 215(a), respectively.

3 “(2) DEFENSE CRITICAL ELECTRIC INFRA-  
4 STRUCTURE.—The term ‘defense critical electric in-  
5 frastructure’ means any infrastructure located in the  
6 United States (including the territories) used for the  
7 generation, transmission, or distribution of electric  
8 energy that—

9 “(A) is not part of the bulk-power system;  
10 and

11 “(B) serves a facility designated by the  
12 President pursuant to subsection (d)(1), but is  
13 not owned or operated by the owner or operator  
14 of such facility.

15 “(3) DEFENSE CRITICAL ELECTRIC INFRA-  
16 STRUCTURE VULNERABILITY.—The term ‘defense  
17 critical electric infrastructure vulnerability’ means a  
18 weakness in defense critical electric infrastructure  
19 that, in the event of a malicious act using an electro-  
20 magnetic pulse, would pose a substantial risk of dis-  
21 ruption of those electrical or electronic devices or  
22 communications networks, including hardware, soft-  
23 ware, and data, that are essential to the reliability  
24 of defense critical electric infrastructure.

1           “(4) ELECTROMAGNETIC PULSE.—The term  
2           ‘electromagnetic pulse’ means 1 or more pulses of  
3           electromagnetic energy generated or emitted by a de-  
4           vice capable of disabling, disrupting, or destroying  
5           electronic equipment by means of such a pulse.

6           “(5) GEOMAGNETIC STORM.—The term ‘geo-  
7           magnetic storm’ means a temporary disturbance of  
8           the Earth’s magnetic field resulting from solar activ-  
9           ity.

10           “(6) GRID SECURITY THREAT.—The term ‘grid  
11           security threat’ means a substantial likelihood of—

12                   “(A) a malicious act using an electro-  
13                   magnetic pulse, or a geomagnetic storm event,  
14                   that could disrupt the operation of those elec-  
15                   trical or electronic devices or communications  
16                   networks, including hardware, software, and  
17                   data, that are essential to the reliability of the  
18                   bulk-power system or of defense critical electric  
19                   infrastructure; and

20                   “(B) disruption of the operation of such  
21                   devices or networks, with significant adverse ef-  
22                   fects on the reliability of the bulk-power system  
23                   or of defense critical electric infrastructure, as  
24                   a result of such act or event.

1           “(7) GRID SECURITY VULNERABILITY.—The  
2 term ‘grid security vulnerability’ means a weakness  
3 that, in the event of a malicious act using an electro-  
4 magnetic pulse, would pose a substantial risk of dis-  
5 ruption to the operation of those electrical or elec-  
6 tronic devices or communications networks, includ-  
7 ing hardware, software, and data, that are essential  
8 to the reliability of the bulk-power system.

9           “(8) LARGE TRANSFORMER.—The term ‘large  
10 transformer’ means an electric transformer that is  
11 part of the bulk-power system.

12           “(9) PROTECTED INFORMATION.—The term  
13 ‘protected information’ means information, other  
14 than classified national security information, des-  
15 ignated as protected information by the Commission  
16 under subsection (e)(2)—

17                   “(A) that was developed or submitted in  
18 connection with the implementation of this sec-  
19 tion;

20                   “(B) that specifically discusses grid secu-  
21 rity threats, grid security vulnerabilities, de-  
22 fense critical electric infrastructure  
23 vulnerabilities, or plans, procedures, or meas-  
24 ures to address such threats or vulnerabilities;  
25 and

1           “(C) the unauthorized disclosure of which  
2           could be used in a malicious manner to impair  
3           the reliability of the bulk-power system or of  
4           defense critical electric infrastructure.

5           “(10) SECRETARY.—The term ‘Secretary’  
6           means the Secretary of Energy.

7           “(11) SECURITY.—The definition of ‘security’  
8           in section 3(16) shall not apply to the provisions in  
9           this section.

10          “(b) EMERGENCY RESPONSE MEASURES.—

11           “(1) AUTHORITY TO ADDRESS GRID SECURITY  
12           THREATS.—Whenever the President issues and pro-  
13           vides to the Commission (either directly or through  
14           the Secretary) a written directive or determination  
15           identifying an imminent grid security threat, the  
16           Commission may, with or without notice, hearing, or  
17           report, issue such orders for emergency measures as  
18           are necessary in its judgment to protect the reli-  
19           ability of the bulk-power system or of defense critical  
20           electric infrastructure against such threat. As soon  
21           as practicable, but not later than 180 days after the  
22           date of enactment of this section, the Commission  
23           shall, after notice and opportunity for comment, es-  
24           tablish rules of procedure that ensure that such au-  
25           thority can be exercised expeditiously.

1           “(2) NOTIFICATION OF CONGRESS.—Whenever  
2           the President issues and provides to the Commission  
3           (either directly or through the Secretary) a written  
4           directive or determination under paragraph (1), the  
5           President (or the Secretary, as the case may be)  
6           shall promptly notify congressional committees of  
7           relevant jurisdiction, including the Committee on  
8           Energy and Commerce of the House of Representa-  
9           tives and the Committee on Energy and Natural Re-  
10          sources of the Senate, of the contents of, and jus-  
11          tification for, such directive or determination.

12           “(3) CONSULTATION.—Before issuing an order  
13          for emergency measures under paragraph (1), the  
14          Commission shall, to the extent practicable in light  
15          of the nature of the grid security threat and the ur-  
16          gency of the need for such emergency measures, con-  
17          sult with appropriate governmental authorities in  
18          Canada and Mexico, entities described in paragraph  
19          (4), the Secretary, and other appropriate Federal  
20          agencies regarding implementation of such emer-  
21          gency measures.

22           “(4) APPLICATION.—An order for emergency  
23          measures under this subsection may apply to—

24                   “(A) the Electric Reliability Organization;

25                   “(B) a regional entity; or

1           “(C) any owner, user, or operator of the  
2 bulk-power system or of defense critical electric  
3 infrastructure within the United States.

4           “(5) DISCONTINUANCE.—The Commission shall  
5 issue an order discontinuing any emergency meas-  
6 ures ordered under this subsection, effective not  
7 later than 30 days after the earliest of the following:

8           “(A) The date upon which the President  
9 issues and provides to the Commission (either  
10 directly or through the Secretary) a written di-  
11 rective or determination that the grid security  
12 threat identified under paragraph (1) no longer  
13 exists.

14           “(B) The date upon which the Commission  
15 issues a written determination that the emer-  
16 gency measures are no longer needed to address  
17 the grid security threat identified under para-  
18 graph (1), including by means of Commission  
19 approval of a reliability standard under section  
20 215 that the Commission determines adequately  
21 addresses such threat.

22           “(C) The date that is 1 year after the  
23 issuance of an order under paragraph (1).

24           “(6) COST RECOVERY.—If the Commission de-  
25 termines that owners, operators, or users of the

1 bulk-power system or of defense critical electric in-  
2 frastructure have incurred substantial costs to com-  
3 ply with an order under this subsection or subsection  
4 (c) and that such costs were prudently incurred and  
5 cannot reasonably be recovered through regulated  
6 rates or market prices for the electric energy or  
7 services sold by such owners, operators, or users, the  
8 Commission shall, after notice and an opportunity  
9 for comment, establish a mechanism that permits  
10 such owners, operators, or users to recover such  
11 costs.

12 “(c) MEASURES TO ADDRESS GRID SECURITY  
13 VULNERABILITIES.—

14 “(1) COMMISSION AUTHORITY.—If the Commis-  
15 sion, in consultation with appropriate Federal agen-  
16 cies, identifies a grid security vulnerability that the  
17 Commission determines has not adequately been ad-  
18 dressed through a reliability standard developed and  
19 approved under section 215, the Commission shall,  
20 after notice and opportunity for comment and after  
21 consultation with the Secretary, other appropriate  
22 Federal agencies, and appropriate governmental au-  
23 thorities in Canada and Mexico, promulgate a rule  
24 or issue an order requiring implementation, by any  
25 owner, operator, or user of the bulk-power system in

1 the United States, of measures to protect the bulk-  
2 power system against such vulnerability. Any such  
3 rule or order shall include a protection plan, includ-  
4 ing automated hardware-based solutions. Before pro-  
5 mulgating a rule or issuing an order under this  
6 paragraph, the Commission shall, to the extent prac-  
7 ticable in light of the urgency of the need for action  
8 to address the grid security vulnerability, request  
9 and consider recommendations from the Electric Re-  
10 liability Organization regarding such rule or order.  
11 The Commission may establish an appropriate dead-  
12 line for the submission of such recommendations.

13 “(2) RESCISSION.—The Commission shall ap-  
14 prove a reliability standard developed under section  
15 215 that addresses a grid security vulnerability that  
16 is the subject of a rule or order under paragraph  
17 (1), unless the Commission determines that such re-  
18 liability standard does not adequately protect against  
19 such vulnerability or otherwise does not satisfy the  
20 requirements of section 215. Upon such approval,  
21 the Commission shall rescind the rule promulgated  
22 or order issued under paragraph (1) addressing such  
23 vulnerability, effective upon the effective date of the  
24 newly approved reliability standard.

1           “(3) GEOMAGNETIC STORMS AND ELECTRO-  
2           MAGNETIC PULSE.—Not later than 6 months after  
3           the date of enactment of this section, the Commis-  
4           sion shall, after notice and an opportunity for com-  
5           ment and after consultation with the Secretary and  
6           other appropriate Federal agencies, issue an order  
7           directing the Electric Reliability Organization to  
8           submit to the Commission for approval under section  
9           215, not later than 6 months after the issuance of  
10          such order, reliability standards adequate to protect  
11          the bulk-power system from any reasonably foresee-  
12          able geomagnetic storm or electromagnetic pulse  
13          event. The Commission’s order shall specify the na-  
14          ture and magnitude of the reasonably foreseeable  
15          events against which such standards must protect.  
16          Such standards shall appropriately balance the risks  
17          to the bulk-power system associated with such  
18          events, including any regional variation in such  
19          risks, and the costs of mitigating such risks. If the  
20          Commission determines that the reliability standards  
21          submitted by the Electric Reliability Organization  
22          pursuant to this paragraph are inadequate, the  
23          Commission shall promulgate a rule or issue an  
24          order adequate to protect the bulk-power system

1 from geomagnetic storms or electromagnetic pulse as  
2 required under paragraph (1).

3 “(4) LARGE TRANSFORMER AVAILABILITY.—

4 Not later than 1 year after the date of enactment  
5 of this section, the Commission shall, after notice  
6 and an opportunity for comment and after consulta-  
7 tion with the Secretary and other appropriate Fed-  
8 eral agencies, issue an order directing the Electric  
9 Reliability Organization to submit to the Commis-  
10 sion for approval under section 215, not later than  
11 1 year after the issuance of such order, reliability  
12 standards addressing availability of large trans-  
13 formers. Such standards shall require entities that  
14 own or operate large transformers to ensure, individ-  
15 ually or jointly, adequate availability of large trans-  
16 formers to promptly restore the reliable operation of  
17 the bulk-power system in the event that any such  
18 transformer is destroyed or disabled as a result of  
19 a geomagnetic storm event or electromagnetic pulse  
20 event. The Commission’s order shall specify the na-  
21 ture and magnitude of the reasonably foreseeable  
22 events that shall provide the basis for such stand-  
23 ards. Such standards shall—

1           “(A) provide entities subject to the stand-  
2           ards with the option of meeting such standards  
3           individually or jointly; and

4           “(B) appropriately balance the risks asso-  
5           ciated with a reasonably foreseeable event, in-  
6           cluding any regional variation in such risks, and  
7           the costs of ensuring adequate availability of  
8           spare transformers.

9           “(d) CRITICAL DEFENSE FACILITIES.—

10           “(1) DESIGNATION.—Not later than 180 days  
11           after the date of enactment of this section, the  
12           President shall designate, in a written directive or  
13           determination provided to the Commission, facilities  
14           located in the United States (including the terri-  
15           tories) that are—

16           “(A) critical to the defense of the United  
17           States; and

18           “(B) vulnerable to a disruption of the sup-  
19           ply of electric energy provided to such facility  
20           by an external provider.

21           The number of facilities designated by such directive  
22           or determination shall not exceed 100. The Presi-  
23           dent may periodically revise the list of designated fa-  
24           cilities through a subsequent written directive or de-  
25           termination provided to the Commission, provided

1 that the total number of designated facilities at any  
2 time shall not exceed 100.

3 “(2) COMMISSION AUTHORITY.—If the Commis-  
4 sion identifies a defense critical electric infrastruc-  
5 ture vulnerability that the Commission, in consulta-  
6 tion with owners and operators of any facility or fa-  
7 cilities designated by the President pursuant to  
8 paragraph (1), determines has not adequately been  
9 addressed through measures undertaken by owners  
10 or operators of defense critical electric infrastruc-  
11 ture, the Commission shall, after notice and an op-  
12 portunity for comment and after consultation with  
13 the Secretary and other appropriate Federal agen-  
14 cies, promulgate a rule or issue an order requiring  
15 implementation, by any owner or operator of defense  
16 critical electric infrastructure, of measures to protect  
17 the defense critical electric infrastructure against  
18 such vulnerability. The Commission shall exempt  
19 from any such rule or order any specific defense  
20 critical electric infrastructure that the Commission  
21 determines already has been adequately protected  
22 against the identified vulnerability. The Commission  
23 shall make any such determination in consultation  
24 with the owner or operator of the facility designated

1 by the President pursuant to paragraph (1) that re-  
2 lies upon such defense critical electric infrastructure.

3 “(3) COST RECOVERY.—An owner or operator  
4 of defense critical electric infrastructure shall be re-  
5 quired to take measures under paragraph (2) only to  
6 the extent that the owners or operators of a facility  
7 or facilities designated by the President pursuant to  
8 paragraph (1) that rely upon such infrastructure  
9 agree to bear the full incremental costs of compli-  
10 ance with a rule promulgated or order issued under  
11 paragraph (2).

12 “(e) PROTECTION OF INFORMATION.—

13 “(1) PROHIBITION OF PUBLIC DISCLOSURE OF  
14 PROTECTED INFORMATION.—Protected information  
15 shall—

16 “(A) be exempt from disclosure under sec-  
17 tion 552(b)(3) of title 5, United States Code;  
18 and

19 “(B) not be made available pursuant to  
20 any State, local, or tribal law requiring disclo-  
21 sure of information or records.

22 “(2) INFORMATION SHARING.—

23 “(A) IN GENERAL.—Consistent with the  
24 Controlled Unclassified Information framework  
25 established by the President, the Commission

1 shall promulgate such regulations and issue  
2 such orders as necessary to designate protected  
3 information and to prohibit the unauthorized  
4 disclosure of such protected information.

5 “(B) SHARING OF PROTECTED INFORMA-  
6 TION.—The regulations promulgated and orders  
7 issued pursuant to subparagraph (A) shall pro-  
8 vide standards for and facilitate the appropriate  
9 sharing of protected information with, between,  
10 and by Federal, State, local, and tribal authori-  
11 ties, the Electric Reliability Organization, re-  
12 gional entities, and owners, operators, and  
13 users of the bulk-power system in the United  
14 States and of defense critical electric infrastruc-  
15 ture. In promulgating such regulations and  
16 issuing such orders, the Commission shall take  
17 account of the role of State commissions in re-  
18 viewing the prudence and cost of investments  
19 within their respective jurisdictions. The Com-  
20 mission shall consult with appropriate Canadian  
21 and Mexican authorities to develop protocols for  
22 the sharing of protected information with, be-  
23 tween, and by appropriate Canadian and Mexi-  
24 can authorities and owners, operators, and

1 users of the bulk-power system outside the  
2 United States.

3 “(3) SUBMISSION OF INFORMATION TO CON-  
4 GRESS.—Nothing in this section shall permit or au-  
5 thorize the withholding of information from Con-  
6 gress, any committee or subcommittee thereof, or  
7 the Comptroller General.

8 “(4) DISCLOSURE OF NONPROTECTED INFOR-  
9 MATION.—In implementing this section, the Com-  
10 mission shall protect from disclosure only the min-  
11 imum amount of information necessary to protect  
12 the reliability of the bulk-power system and of de-  
13 fense critical electric infrastructure. The Commission  
14 shall segregate protected information within docu-  
15 ments and electronic communications, wherever fea-  
16 sible, to facilitate disclosure of information that is  
17 not designated as protected information.

18 “(5) DURATION OF DESIGNATION.—Informa-  
19 tion may not be designated as protected information  
20 for longer than 5 years, unless specifically redesign-  
21 nated by the Commission.

22 “(6) REMOVAL OF DESIGNATION.—The Com-  
23 mission may remove the designation of protected in-  
24 formation, in whole or in part, from a document or  
25 electronic communication if the unauthorized disclo-

1 sure of such information could no longer be used to  
2 impair the reliability of the bulk-power system or of  
3 defense critical electric infrastructure.

4 “(7) JUDICIAL REVIEW OF DESIGNATIONS.—

5 Notwithstanding subsection (f) of this section or sec-  
6 tion 313, a person or entity may seek judicial review  
7 of a determination by the Commission concerning  
8 the designation of protected information under this  
9 subsection exclusively in the district court of the  
10 United States in the district in which the complain-  
11 ant resides, or has his principal place of business, or  
12 in the District of Columbia. In such a case the court  
13 shall determine the matter de novo, and may exam-  
14 ine the contents of documents or electronic commu-  
15 nications designated as protected information in  
16 camera to determine whether such documents or any  
17 part thereof were improperly designated as protected  
18 information. The burden is on the Commission to  
19 sustain its designation.

20 “(f) JUDICIAL REVIEW.—The Commission shall act

21 expeditiously to resolve all applications for rehearing of  
22 orders issued pursuant to this section that are filed under  
23 section 313(a). Any party seeking judicial review pursuant  
24 to section 313 of an order issued under this section may

1 obtain such review only in the United States Court of Ap-  
2 peals for the District of Columbia Circuit.

3 “(g) PROVISION OF ASSISTANCE TO INDUSTRY IN  
4 MEETING GRID SECURITY PROTECTION NEEDS.—

5 “(1) EXPERTISE AND RESOURCES.—The Sec-  
6 retary shall establish a program, in consultation with  
7 other appropriate Federal agencies, to develop tech-  
8 nical expertise in the protection of systems for the  
9 generation, transmission, and distribution of electric  
10 energy against geomagnetic storms or malicious acts  
11 using electromagnetic pulse that would pose a sub-  
12 stantial risk of disruption to the operation of those  
13 electronic devices or communications networks, in-  
14 cluding hardware, software, and data, that are es-  
15 sential to the reliability of such systems. Such pro-  
16 gram shall include the identification and develop-  
17 ment of appropriate technical and electronic re-  
18 sources, including hardware, software, and system  
19 equipment.

20 “(2) SHARING EXPERTISE.—As appropriate,  
21 the Secretary shall offer to share technical expertise  
22 developed under the program under paragraph (1),  
23 through consultation and assistance, with owners,  
24 operators, or users of systems for the generation,  
25 transmission, or distribution of electric energy lo-

1 cated in the United States and with State commis-  
2 sions. In offering such support, the Secretary shall  
3 assign higher priority to systems serving facilities  
4 designated by the President pursuant to subsection  
5 (d)(1) and other critical-infrastructure facilities,  
6 which the Secretary shall identify in consultation  
7 with the Commission and other appropriate Federal  
8 agencies.

9 “(3) SECURITY CLEARANCES AND COMMUNICA-  
10 TION.—The Secretary shall facilitate and, to the ex-  
11 tent practicable, expedite the acquisition of adequate  
12 security clearances by key personnel of any entity  
13 subject to the requirements of this section to enable  
14 optimum communication with Federal agencies re-  
15 garding grid security threats, grid security  
16 vulnerabilities, and defense critical electric infra-  
17 structure vulnerabilities. The Secretary, the Com-  
18 mission, and other appropriate Federal agencies  
19 shall, to the extent practicable and consistent with  
20 their obligations to protect classified and protected  
21 information, share timely actionable information re-  
22 garding grid security threats, grid security  
23 vulnerabilities, and defense critical electric infra-  
24 structure vulnerabilities with appropriate key per-  
25 sonnel of owners, operators, and users of the bulk-

1 power system and of defense critical electric infra-  
2 structure.

3 “(h) CERTAIN FEDERAL ENTITIES.—For the 11-year  
4 period commencing on the date of enactment of this sec-  
5 tion, the Tennessee Valley Authority and the Bonneville  
6 Power Administration shall be exempt from any require-  
7 ment under subsection (b) or (c).”.

8 (b) CONFORMING AMENDMENTS.—

9 (1) JURISDICTION.—Section 201(b)(2) of the  
10 Federal Power Act (16 U.S.C. 824(b)(2)) is amend-  
11 ed by inserting “215A,” after “215,” each place it  
12 appears.

13 (2) PUBLIC UTILITY.—Section 201(e) of the  
14 Federal Power Act (16 U.S.C. 824(e)) is amended  
15 by inserting “215A,” after “215,”.

16 **SEC. 4. BUDGETARY COMPLIANCE.**

17 The budgetary effects of this Act, for the purpose of  
18 complying with the Statutory Pay-As-You-Go Act of 2010,  
19 shall be determined by reference to the latest statement  
20 titled “Budgetary Effects of PAYGO Legislation” for this  
21 Act, submitted for printing in the Congressional Record  
22 by the Chairman of the House Budget Committee, pro-  
23 vided that such statement has been submitted prior to the  
24 vote on passage.

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