

114TH CONGRESS
1ST SESSION

S. 1221

To amend the Federal Power Act to require periodic reports on electricity reliability and reliability impact statements for rules affecting the reliable operation of the bulk-power system.

IN THE SENATE OF THE UNITED STATES

MAY 6, 2015

Ms. MURKOWSKI introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the Federal Power Act to require periodic reports on electricity reliability and reliability impact statements for rules affecting the reliable operation of the bulk-power system.

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 “Bulk-Power System
5 Reliability Impact Statement Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

1 (1) no other electricity network in the world
2 provides as much power to as many people as reli-
3 ably and affordably as the electric grid in the United
4 States, but keeping the lights on in the United
5 States is a highly complex undertaking;

6 (2) according to the 2015 Quadrennial Energy
7 Review, the electric grid “must handle a diverse and
8 evolving mix of energy sources and energy products;
9 link sources, processors, and users across immense
10 distances; match demands that vary on multiple time
11 scales; co-exist with competing uses of the same sys-
12 tems; and perform 24 hours a day, 365 days a year
13 with high reliability”;

14 (3) diversity is the key characteristic of the
15 electric system in the United States as the electric
16 grid in the United States is immensely complicated
17 due to the fact that—

18 (A) wholesale electric service and the bulk-
19 power system have evolved in many different re-
20 gions of the United States with a variety of
21 ownership and operational structures; and

22 (B) the electric grid must adapt to man-
23 aging an increasingly variable energy mix and
24 addressing retiring baseload capacity;

1 (4) as set forth in Presidential Policy Directive
2 21 entitled the “Presidential Policy Directive on
3 Critical Infrastructure Security and Resilience”,
4 even within critical infrastructure of the United
5 States, energy systems are “uniquely critical due to
6 the enabling functions they provide across all critical
7 infrastructure sectors”;

8 (5) the wholesale electric service and the bulk-
9 power system of the United States should provide
10 for the United States electric service that is abun-
11 dant, affordable, clean, diverse, and secure;

12 (6) Federal regulators empowered by Congress
13 should be directed to use their authority to enable
14 and not impede, on balance, the reliability and af-
15 fordability of electric service; and

16 (7) just as the benefits of the electric grid ac-
17 cruer to all, the burden of maintaining the electric
18 grid must also be fairly borne by all.

19 **SEC. 3. RELIABILITY REPORTS.**

20 Section 215(g) of the Federal Power Act (16 U.S.C.
21 824o(g)) is amended—

22 (1) by striking “The ERO” and inserting the
23 following:

24 “(1) IN GENERAL.—The ERO”; and

25 (2) by adding at the end the following:

1 “(2) RELIABILITY COORDINATORS.—Not later
2 than 180 days after the date of enactment of this
3 paragraph and not less than every 3 years there-
4 after, each reliability coordinator registered with the
5 ERO shall submit to the appropriate committees of
6 Congress and the Commission a report that de-
7 scribes, as of the date of the report—

8 “(A) the state of and prospects for the re-
9 liability and affordability of electricity within
10 the geographic area covered by the reliability
11 coordinator; and

12 “(B) the most significant risks to the reli-
13 ability of the bulk-power system that might
14 arise or need to be monitored within the geo-
15 graphic area covered by the coordinator, includ-
16 ing risks from proposed or final Federal regula-
17 tions.”.

18 **SEC. 4. RELIABILITY IMPACT STATEMENT.**

19 Section 215 of the Federal Power Act (16 U.S.C.
20 824o) is amended by adding at the end the following:

21 “(1) RELIABILITY IMPACT STATEMENT.—

22 “(1) SOLICITATION BY COMMISSION.—Not later
23 than 15 days after the date on which the head of a
24 Federal agency proposes a major rule (as defined in
25 section 804 of title 5, United States Code) that may

1 significantly affect the reliable operation of the bulk-
2 power system, the Commission shall solicit from any
3 applicable reliability coordinator registered with the
4 ERO affected by the proposed rule a reliability im-
5 pact statement with respect to the proposed rule.

6 “(2) VOLUNTARY SUBMISSION BY RELIABILITY
7 COORDINATOR.—A reliability coordinator may pre-
8 pare, on the initiative of the reliability coordinator,
9 a reliability impact statement for any proposed
10 major Federal rule that the reliability coordinator
11 determines would significantly affect the reliable op-
12 eration of the bulk-power system within the jurisdic-
13 tion of the reliability coordinator.

14 “(3) MULTIJURISDICTIONAL COORDINATION.—
15 If a proposed rule subject to a reliability impact
16 statement under paragraph (1) or (2) affects an
17 area broader than the jurisdiction of a single reli-
18 ability coordinator, the ERO shall convene a com-
19 mittee of the affected reliability coordinators to
20 produce a single reliability impact statement that
21 demonstrates for each affected area the reliability
22 impact of the proposed rule.

23 “(4) REQUIREMENTS.—A reliability impact
24 statement under paragraph (1) or (2) shall include
25 a detailed statement on—

1 “(A) the impact of the proposed rule on
2 the reliable operation of the bulk-power system;

3 “(B) any adverse effects on the reliable op-
4 eration of the bulk-power system if the pro-
5 posed rule was implemented; and

6 “(C) alternatives to cure the identified ad-
7 verse reliability impacts, including, at the dis-
8 cretion of the reliability coordinator, a no-action
9 alternative.

10 “(5) SUBMISSION TO COMMISSION.—On comple-
11 tion of a reliability impact statement under para-
12 graph (1) or (2), the reliability coordinator or a
13 committee of affected reliability coordinators con-
14 vened under paragraph (3) shall submit to the Com-
15 mission the reliability impact statement.

16 “(6) TRANSMITTAL TO HEAD OF FEDERAL
17 AGENCY.—On receipt of a reliability impact state-
18 ment submitted to the Commission under paragraph
19 (5), the Commission shall transmit to the head of
20 the applicable Federal agency the reliability impact
21 statement prepared under this subsection for inclu-
22 sion in the public record.

23 “(7) INCLUSION OF DETAILED RESPONSE IN
24 FINAL RULE.—In issuing a proposed major rule sub-
25 ject to a reliability impact statement prepared under

1 paragraph (1) or (2), the head of the Federal agency
2 shall—

3 “(A) consider the reliability impact state-
4 ment in issuing the proposed major rule; and

5 “(B) include in the final rule a detailed re-
6 sponse to the reliability impact statement.”.

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