

114TH CONGRESS  
1ST SESSION

# S. 1405

To require a coordinated response to coal fuel supply emergencies that could impact electric power system adequacy or reliability.

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IN THE SENATE OF THE UNITED STATES

MAY 20, 2015

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

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## A BILL

To require a coordinated response to coal fuel supply emergencies that could impact electric power system adequacy or reliability.

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 “Severe Fuel Supply  
5 Emergency Response Act of 2015”.

6 **SEC. 2. SEVERE FUEL SUPPLY EMERGENCY RESPONSE.**

7 The Federal Power Act is amended by inserting after  
8 section 215 (16 U.S.C. 824o) the following:

1 **“SEC. 215A. EMERGENCY RESPONSE TO COAL SUPPLY DEFICIENCIES.**  
2 **CIENCIES.**

3 “(a) FINDINGS.—Congress finds that—

4 “(1) electric utilities operating coal-fired gener-  
5 ating units seek to maintain target levels of coal in-  
6 ventories in order to meet forecasted demand;

7 “(2) by coordinating generator actions and coal  
8 levels with Reliability Coordinators, electric utilities  
9 seek to ensure adequacy and reliability for the Bulk  
10 Power System;

11 “(3) rail service issues have resulted in critically  
12 low coal inventory levels at numerous utilities;

13 “(4) coal shortages can threaten the adequacy  
14 and reliability of electricity supplies, and may jeop-  
15 ardize the health and safety of electricity consumers;

16 “(5) when faced with declining coal inventories,  
17 electric utilities have taken actions to curtail coal-  
18 fired electricity production, including by closing elec-  
19 tric generating units, in order to preserve coal stock-  
20 piles;

21 “(6) under the Federal Energy Administration  
22 Act of 1974 (15 U.S.C. 761 et seq.), electric utilities  
23 are required to file a mandatory Electric Emergency  
24 Incident and Disturbance Report with the Depart-  
25 ment of Energy regarding fuel supply emergencies

1 that could impact electric power system adequacy or  
2 reliability; and

3 “(7) the depletion of coal inventories due to rail  
4 service issues may constitute a fuel supply emer-  
5 gency.

6 “(b) DEFINITIONS.—In this section:

7 “(1) BOARD.—The term ‘Board’ means the  
8 Surface Transportation Board.

9 “(2) BULK-POWER SYSTEM.—The term ‘bulk-  
10 power system’ has the meaning given the term in  
11 section 215.

12 “(3) ELECTRIC RELIABILITY ORGANIZATION.—  
13 The term ‘Electric Reliability Organization’ has the  
14 meaning given the term in section 215.

15 “(4) FORM OE-417.—The term ‘Form OE-417’  
16 means the form entitled ‘Electric Emergency Inci-  
17 dent and Disturbance Report’ and filed in accord-  
18 ance with the Federal Energy Administration Act of  
19 1974 (15 U.S.C. 761 et seq.).

20 “(5) REGIONAL ENTITY.—The term ‘Regional  
21 Entity’ means an entity delegated authority by the  
22 Electric Reliability Organization to propose and en-  
23 force reliability standards in the region of the entity.

24 “(6) RELIABILITY COORDINATOR.—The term  
25 ‘Reliability Coordinator’ means an entity recognized

1 by the Electric Reliability Organization as respon-  
2 sible for continually assessing transmission reliability  
3 and coordinating emergency operations to ensure the  
4 reliable operation of the bulk-power system.

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

7 “(8) SEVERE FUEL SUPPLY EMERGENCY.—The  
8 term ‘severe fuel supply emergency’ means a coal  
9 supply deficiency reported to the Department of En-  
10 ergy on Form OE-417 that has the potential to af-  
11 fect at least 500 MW of electricity generation or  
12 100,000 electricity customers.

13 “(c) COORDINATED RESPONSE TO EMERGENCIES.—

14 “(1) IN GENERAL.—The Secretary shall lead  
15 the Federal response to severe fuel supply emer-  
16 gencies.

17 “(2) DUTIES OF THE SECRETARY.—On the fil-  
18 ing of a Form OE-417 that reports a severe fuel  
19 supply emergency, the Secretary shall—

20 “(A) promptly investigate the cir-  
21 cumstances of the severe fuel supply emergency;

22 “(B) notify the Board and the Federal En-  
23 ergy Regulatory Commission of the existence of  
24 the severe fuel supply emergency;

1           “(C) convene a meeting with the Board,  
2           the Federal Energy Regulatory Commission,  
3           and, as appropriate, the Electric Reliability Or-  
4           ganization and affected Regional Entities and  
5           Reliability Coordinators; and

6           “(D) submit in writing to the Board and  
7           the Federal Energy Regulatory Commission,  
8           and post publicly on the website of the Depart-  
9           ment of Energy, recommendations for actions  
10          the Board or Federal Energy Regulatory Com-  
11          mission should consider to alleviate the severe  
12          fuel supply emergency and prevent recurrences  
13          of the severe fuel supply emergency.

14          “(d) EFFECT ON OTHER LAWS.—Nothing in this sec-  
15          tion limits any existing authority of any Federal agency.”.

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