

119TH CONGRESS
1ST SESSION

H. R. 1148

To amend the Public Utility Regulatory Policies Act of 1978 to require States to consider prohibiting cost recovery related to smart grid projects, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2025

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

A BILL

To amend the Public Utility Regulatory Policies Act of 1978 to require States to consider prohibiting cost recovery related to smart grid projects, 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 “Stop Misappropriating
5 Ratepayer Tariffs for Excessive Resources Act” or the
6 “SMARTER Act”.

7 **SEC. 2. SMART GRID COST RECOVERY.**

8 (a) CONSIDERATION AND DETERMINATION RESPECT-
9 ING CERTAIN RATEMAKING STANDARDS.—

1 (1) REPEAL.—Section 111(d)(18)(B) of the
2 Public Utility Regulatory Policies Act of 1978 (16
3 U.S.C. 2621(d)(18)(B)) is repealed.

4 (2) ESTABLISHMENT.—Section 111(d) of the
5 Public Utility Regulatory Policies Act of 1978 (16
6 U.S.C. 2621(d)) is amended by adding at the end
7 the following:

8 “(22) PROHIBITION ON RATE RECOVERY FOR
9 SMART GRID INVESTMENTS.—No electric utility may
10 recover from ratepayers any capital, operating ex-
11 penditure, or other costs of the electric utility relat-
12 ing to the deployment of any smart grid system.”.

13 (b) OBLIGATIONS TO CONSIDER AND DETERMINE.—

14 (1) TIME LIMITATIONS.—Section 112(b) of the
15 Public Utility Regulatory Policies Act of 1978 (16
16 U.S.C. 2622(b)) is amended by adding at the end
17 the following:

18 “(8)(A) Not later than 1 year after the date of
19 enactment of this paragraph, each State regulatory
20 authority (with respect to each electric utility for
21 which the State has ratemaking authority) and each
22 nonregulated utility shall commence consideration
23 under section 111, or set a hearing date for consid-
24 eration, with respect to the standard established by
25 paragraph (22) of section 111(d).

1 “(B) Not later than 2 years after the date of
2 enactment of this paragraph, each State regulatory
3 authority (with respect to each electric utility for
4 which the State has ratemaking authority), and each
5 nonregulated electric utility shall complete the con-
6 sideration and make the determination under section
7 111 with respect to the standard established by
8 paragraph (22) of section 111(d).”.

9 (2) FAILURE TO COMPLY.—Section 112(c) of
10 the Public Utility Regulatory Policies Act of 1978
11 (16 U.S.C. 2622(c)) is amended by adding at the
12 end the following: “In the case of the standard es-
13 tablished by paragraph (22) of section 111(d), the
14 reference contained in this subsection to the date of
15 enactment of this Act shall be deemed to be a ref-
16 erence to the date of enactment of that paragraph
17 (22).”.

18 (3) PRIOR STATE ACTIONS.—Section 112 of the
19 Public Utility Regulatory Policies Act of 1978 (16
20 U.S.C. 2622) is amended by adding at the end the
21 following:

22 “(i) PRIOR STATE ACTIONS.—Subsections (b) and
23 (c) shall not apply to the standard established by para-
24 graph (22) of section 111(d) in the case of any electric

1 utility in a State if, before the date of enactment of this
2 subsection—

3 “(1) the State has implemented for the electric
4 utility the standard (or a comparable standard);

5 “(2) the State regulatory authority for the
6 State or the relevant nonregulated electric utility has
7 conducted a proceeding to consider implementation
8 of the standard (or a comparable standard) for the
9 electric utility; or

10 “(3) the State legislature has voted on the im-
11 plementation of the standard (or a comparable
12 standard) for the electric utility during the 3-year
13 period ending on that date of enactment.”.

14 (c) PRIOR AND PENDING PROCEEDINGS.—Section
15 124 of the Public Utility Regulatory Policies Act of 1978
16 (16 U.S.C. 2634) is amended by adding at the end the
17 following: “In the case of the standard established by
18 paragraph (22) of section 111(d), the reference contained
19 in this section to the date of enactment of this Act shall
20 be deemed to be a reference to the date of enactment of
21 that paragraph (22).”.

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