

119TH CONGRESS
2D SESSION

S. _____

To amend the Public Utility Regulatory Policies Act of 1978 to establish a Federal standard relating to the recovery of the full, incremental costs of upgrades that serve large-load customers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. HUSTED introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Public Utility Regulatory Policies Act of 1978 to establish a Federal standard relating to the recovery of the full, incremental costs of upgrades that serve large-load customers, 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 “Ratepayer Protection
5 Act”.

1 **SEC. 2. FEDERAL STANDARD RELATING TO LARGE-LOAD**
2 **CUSTOMERS.**

3 (a) IN GENERAL.—Section 111(d) of the Public Util-
4 ity Regulatory Policies Act of 1978 (16 U.S.C. 2621(d))
5 is amended by adding at the end the following:

6 “(22) STANDARDS FOR LARGE-LOAD CUS-
7 TOMERS.—

8 “(A) DEFINITION OF LARGE-LOAD CUS-
9 TOMER.—In this paragraph, the term ‘large-
10 load customer’ means a non-residential electric
11 consumer that, on or after the date of enact-
12 ment of this paragraph, requests to enter into,
13 or enters into, a contract or other agreement
14 pertaining to the sale of electric energy for one
15 or more facilities that—

16 “(i) require electric energy primarily
17 to operate information technology infra-
18 structure and related systems pertaining to
19 data storage and computational applica-
20 tions and services; and

21 “(ii) have, in the aggregate, a peak
22 electric demand of 100 megawatts or more
23 at a single site or campus.

24 “(B) RECOVERY OF FULL, INCREMENTAL
25 COST OF UPGRADES.—A rate charged, or en-
26 tered into, by an electric utility for providing

1 electric service to a large-load customer shall be
2 designed to recover from the large-load cus-
3 tomer the full, incremental cost of any genera-
4 tion, transmission, or distribution upgrade nec-
5 essary to serve the load of such large-load cus-
6 tomer, including in the event of the large-load
7 customer—

8 “(i) terminating a contract or other
9 agreement with the electric utility per-
10 taining to the sale of electric energy; or

11 “(ii) otherwise ceasing the purchase of
12 electric energy from the electric utility.

13 “(C) FINANCIAL ASSURANCES AND CON-
14 TRIBUTIONS.—Before making any generation,
15 transmission, or distribution upgrade that is
16 necessary to serve the load of a large-load cus-
17 tomer, an electric utility shall require the large-
18 load customer provide to the electric utility fi-
19 nancial assurances or contributions to cover the
20 cost of such upgrade.”.

21 (b) OBLIGATIONS TO CONSIDER AND DETERMINE.—
22 Section 112 of the Public Utility Regulatory Policies Act
23 of 1978 (16 U.S.C. 2622) is amended—

24 (1) in subsection (b), by adding at the end the
25 following:

1 “(9)(A) Not later than 1 year after the date of enact-
2 ment of this paragraph, each State regulatory authority
3 (with respect to each electric utility for which the State
4 has ratemaking authority) and each nonregulated electric
5 utility shall commence consideration under section 111, or
6 set a hearing date for consideration, with respect to the
7 standard established by paragraph (22) of section 111(d).

8 “(B) Not later than 2 years after the date of enact-
9 ment of this paragraph, each State regulatory authority
10 (with respect to each electric utility for which the State
11 has ratemaking authority) and each nonregulated electric
12 utility shall complete the consideration and make the de-
13 termination under section 111 with respect to the stand-
14 ard established by paragraph (22) of section 111(d).”;

15 (2) in subsection (c)—

16 (A) in the first sentence, by striking “sub-
17 section (b)(2)” and inserting “subsection (b)”;
18 and

19 (B) by adding at the end the following: “In
20 the case of the standard established by para-
21 graph (22) of section 111(d), the reference con-
22 tained in this subsection to the date of enact-
23 ment of this Act shall be deemed to be a ref-
24 erence to the date of enactment of that para-
25 graph (22).”; and

1 (3) by adding at the end the following:

2 “(i) OTHER PRIOR STATE ACTIONS.—Subsections
3 (b) and (c) shall not apply to the standard established by
4 paragraph (22) of section 111(d) in the case of any elec-
5 tric utility in a State if, before the date of enactment of
6 this subsection—

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

9 “(2) the State regulatory authority for the
10 State or the relevant nonregulated electric utility has
11 conducted a proceeding to consider implementation
12 of the standard (or a comparable standard) for the
13 electric utility; or

14 “(3) the State legislature has voted on the im-
15 plementation of the standard (or a comparable
16 standard) for the electric utility.”.

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