

The Clean Electricity and Transmission Acceleration Act of 2023
Discussion Draft
Section-by-Section Summary

Title I: Improving Interregional and Interstate Electricity Transmission Capacity

- Sec. 101. Giving FERC transmission siting authority. Gives the Federal Energy Regulatory Commission (FERC) exclusive siting authority for national interest transmission lines, defined as crossing two or more states and with a capacity that exceeds 1000 megawatts (MW).
- Sec. 102. Allocating the costs of electricity transmission lines to all beneficiaries. Directs FERC to allocate costs of large-scale regional, interregional, and offshore transmission projects to all beneficiaries of the project.
- Sec. 103. Protecting electricity reliability by improving interregional transfer capacity. Directs FERC to determine the existing electricity transfer capacity between regions and to establish minimum levels of transfer capabilities between each region, and to require each transmission planning region to coordinate with its neighbors to plan for the required interregional transmission.

Title II: Improving Electricity Transmission Planning and Governance

- Sec. 201. FERC Office of Electricity Transmission. Establishes a FERC Office of Electricity Transmission.
- Sec. 202. Improving interregional electricity transmission planning. Requires FERC to consider multiple benefits when making decisions, including the economic, reliability, operational, public policy, environmental, and climate benefits that transmission projects pose. Also requires FERC to facilitate stronger interregional collaboration and consider the multiple benefits consistently across regions.
- Sec. 203. Allocating the costs of electricity interconnection to all beneficiaries. Requires FERC to require electric utilities to allocate the cost of upgrades to the grid among all customers that benefit from the upgrades.
- Sec. 204. Independent Transmission Monitor. Requires Regional Transmission Operators (RTOs) and Independent System Operators (ISOs) to establish an independent transmission monitor to facilitate the transparent, efficient, and cost-effective deployment and operation of transmission facilities.
- Sec. 205. Interoperability of offshore transmission infrastructure. Requires Department of Energy (DOE) to assess the need and establish a program to standardize interoperability of equipment for shared offshore transmission networks.

Title III: Alleviating Pressure on the Electric Grid

- Sec. 311. Improving grid flexibility with existing wires. Requires FERC to allow utilities to allocate the costs associated with non-wires solutions for the purposes of cost recovery through transmission rates.
- Sec. 312. Deployment of grid enhancing technologies. Requires FERC to direct grid operators to study deploying grid-enhancing technologies (GETs) to reduce costs.
- Sec. 321. Aggregator bidding into organized power markets. Makes aggregated electricity demand response eligible to participate in all wholesale energy markets, regardless of the state in which they are located.

- Sec. 331. Community solar consumer choice program; federal government participation in community solar. Requires DOE to expand community solar options to individuals, businesses, nonprofit organizations, States, local government, and Tribal governments. Also requires DOE to expand the existing grant, loan and financing programs to include community solar projects.
- Sec. 332. Establishment of community solar programs. Requires each electric utility to provide ratepayers access to community solar programs.
- Sec. 333. Federal contracts for public utility services. Extends the amount of time the General Services Administration may contract for procurement from public utilities from 10 years to 30 years.
- Sec. 334. Facilitating distributed energy resources. Incentivizes communities to adopt DOE's SolarApp model permitting system.
- Sec. 341. Addressing the shortage of electricity transformers. Authorizes \$2.1 billion to address the shortage of electricity transformers and complementary grid security technologies through the Defense Production Act.

Title IV: Modernizing Electricity Ratemaking

- Sec. 401. Accounting for the external cost of greenhouse gas emissions. Clarifies that FERC has the responsibility to ensure that electric utilities take into account the external cost of greenhouse gas (GHG) emissions when setting their utility rates.
- Sec. 402. Facilitating Performance-Based Ratemaking. Directs FERC to initiate rulemakings to modify all utility rates subject to FERC jurisdiction to ensure that the interests of owners and operators of energy transmission facilities and electricity consumers are aligned with respect to (a) grid reliability; (b) grid congestion; (c) electricity price; and (d) environmental impacts, including GHG emissions.

Title V: Facilitating Clean Energy Deployment on Public Lands

- Sec. 501. Definitions. Provides definitions for this Title.
- Sec. 502. Land use planning; updates to Programmatic Environmental Impact Statements. Directs the Bureau of Land Management (BLM) to establish priority and variance areas for geothermal, wind, and solar energy. Requires land classifications to be reviewed at least once every 10 years, with modifications if necessary. Also directs the Department of the Interior to coordinate with states, tribes, local governments, transmission owners and operators, developers, and other appropriate entities when establishing priority areas.
- Sec. 503. Limited exemptions from new requirements. Provides limited exemptions from new requirements to certain wind and solar energy projects that had already applied for a right-of-way before implementation of the 2016 Wind and Solar Leasing Rule. This section is intended to address unexpected changes to the fee structure for projects that should have operated under the old regime before implementation of the rule.
- Sec. 504. Disposition of revenues. Establishes formula for distribution of revenues from onshore solar and wind projects: 25 percent to states, 25 percent to counties, 25 percent to a new Renewable Energy Resource Conservation Fund, and 25 percent to BLM and other agencies to assist with permitting.

Sec. 505. Savings clause. States that nothing in this Title shall change the responsibility of the Secretary of the Interior to manage public lands under the principles of multiple use and sustained yield in accordance with the Federal Land Policy and Management Act and the Forest and Rangeland Renewable Resources Planning Act.

Title VI: Modernizing Offshore Renewable Energy

- Sec. 601. Responsible development of offshore renewable energy projects. Amends the Outer Continental Shelf Lands Act to provide greater certainty for offshore renewable energy development by codifying processes for the leasing and permitting of offshore wind projects. These provisions include increasing access to offshore renewable energy revenue for states, formalizing an offshore renewable energy leasing schedule, establishing a compensation fund for impacted ocean users, incorporating project labor agreements and domestic content requirements, clarifying the siting of transmission infrastructure in the National Marine Sanctuary System, and clarifying the judicial review process for such projects.
- Sec. 602. Offshore Renewable Energy Compensation Fund. Establishes the Offshore Renewable Energy Compensation Fund in the Bureau of Ocean Energy Management to compensate eligible ocean users for damages experienced as a result of the development of an offshore renewable energy project through a claims-based process, and to provide grants to eligible recipients to mitigate future damages from such projects.

Title VII: Empowering Communities

- Sec. 701. Environmental Justice analysis in NEPA. Requires federal agencies to prepare a community impact report that assesses whether the proposed action will contribute to adverse health outcomes for the affected community. Also, for Environmental Justice communities, requires any public comment period to last at least 90 days and that multiple hearings in the affected community are held, with outreach to representative entities for any notice. For National Environmental Policy Act (NEPA) actions that may affect a tribal community, requires the agency to seek tribal representation in accordance with the government-to-government relationship between the United States and tribal governments, including any treaty rights.
- Sec. 702. Avoiding cumulative impacts. Requires that Environmental Impact Statements include alternatives that do not cause or contribute to adverse cumulative environmental pollution impacts on overburdened communities higher than those borne by other communities in the geographic area, except when the agency determines that the alternative would serve a compelling public interest in the affected overburdened community.
- Sec. 703. FERC Environmental Justice liaisons. Requires FERC to establish Environmental Justice liaisons to support ongoing consultation and advanced planning in Environmental Justice communities and tribal nations.
- Sec. 704. Intervenor funding at FERC Office of Public Participation. Requires FERC to develop rules to provide compensation to individuals or parties from disadvantaged communities seeking to intervene in FERC proceedings.

Sec. 705. Reforming RTO and ISO governance and participation. Requires FERC to reform the governance and stakeholder participation practices of RTOs and ISOs.

Title VIII: Creating Coherence in Environmental Permitting

Sec. 801. Definitions. Defines terms used in this title.

Sec. 802. Use of existing environmental review documents. Allows federal agencies to build upon previously-conducted environmental studies and analyses, as well as earlier decisions made during federal, state, or local public reviews.

Sec. 803. Sponsor consultation. Allows federal agencies to consult with applicants in the preparation of environmental reviews.

Sec. 804. Greenhouse gas projections. Requires federal agencies to reasonably quantify GHG emissions associated with a given project, and to appropriately contextualize and caveat such quantifications, consistent with existing guidance from the Council on Environmental Quality (CEQ) and judicial precedent.

Sec. 805. Timely and unified federal environmental reviews for major projects. Designates a lead agency to oversee and issue a single comprehensive environmental review for a given project and establishes a clearer process for cooperation among agencies to aid in establishing and meeting reasonable timelines.

Sec. 806. E-NEPA. Directs CEQ to study creating an online portal for permits that require NEPA review.

Sec. 807. Federal Energy Regulatory Commission staffing. Amends the Energy Act of 2020 that gave FERC flexibility to compensate certain personnel outside of the General Schedule to ensure that FERC could proceed with its new compensation plan if the Office of Personnel Management had taken no action on FERC's proposed plan within 120 days of its submission.