

118TH CONGRESS  
1ST SESSION

# H. R. 5803

To amend the Internal Revenue Code of 1986 to establish a tax credit for installation of regionally significant electric power transmission lines.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 2023

Mr. HORSFORD (for himself and Ms. LEE of Nevada) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to establish a tax credit for installation of regionally significant electric power transmission lines.

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 “Grid Resiliency Tax  
5 Credit Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) A robust electric power transmission system  
9 is critical to the economic, energy, and national se-  
10 curity of the United States.

1           (2) The electric grid faces challenges from  
2 aging infrastructure and a need for increased elec-  
3 tric power transmission capacity.

4           (3) The United States faces a pressing need to  
5 expand electric power transmission.

6           (4) Electric power transmission investments  
7 will—

8                   (A) improve resilience by enabling access  
9 to diverse generation resources across the coun-  
10 try;

11                   (B) promote economic benefits and create  
12 new jobs in communities across the country;  
13 and

14                   (C) enhance electric grid reliability.

15 **SEC. 3. ESTABLISHMENT OF ELECTRIC POWER TRANS-**  
16 **MISSION LINES.**

17           (a) IN GENERAL.—Subpart E of part IV of sub-  
18 chapter A of chapter 1 of the Internal Revenue Code of  
19 1986 is amended by inserting after section 48E the fol-  
20 lowing new section:

21 **“SEC. 48F. QUALIFYING ELECTRIC POWER TRANSMISSION**  
22 **LINE CREDIT.**

23           “(a) ALLOWANCE OF CREDIT.—For purposes of sec-  
24 tion 46, the qualifying electric power transmission line  
25 credit for any taxable year is an amount equal to 30 per-

1 cent of the qualified investment for such taxable year with  
2 respect to any qualifying electric power transmission line  
3 property of the taxpayer.

4 “(b) QUALIFYING INVESTMENT.—

5 “(1) IN GENERAL.—For purposes of subsection  
6 (a), the qualified investment for any taxable year is  
7 the basis of any qualifying electric power trans-  
8 mission line property placed in service by the tax-  
9 payer during such taxable year.

10 “(2) CERTAIN QUALIFIED PROGRESS EXPENDI-  
11 TURES RULES MADE APPLICABLE.—Rules similar to  
12 the rules of subsections (c)(4) and (d) of section 46  
13 (as in effect on the day before the enactment of the  
14 Revenue Reconciliation Act of 1990) shall apply for  
15 purposes of this section.

16 “(c) QUALIFYING ELECTRIC POWER TRANSMISSION  
17 LINE PROPERTY.—For purposes of this section, the term  
18 ‘qualifying electric power transmission line property’  
19 means any overheard, submarine, or underground prop-  
20 erty—

21 “(1) which is a qualifying electric power trans-  
22 mission line that transmits electricity—

23 “(A) across not less than 2 States or not  
24 less than 150 continuous miles, or

1           “(B) across the Outer Continental Shelf  
2           (as defined in section 2 of the Outer Conti-  
3           nental Lands Act (43 U.S.C. 1331)), or  
4           “(2) which is related transmission property.

5           “(d) QUALIFYING ELECTRIC POWER TRANSMISSION  
6 LINE.—For purposes of this section—

7           “(1) IN GENERAL.—The term ‘qualifying elec-  
8           tric power transmission line’ means any of the fol-  
9           lowing:

10           “(A) NEW TRANSMISSION PROPERTY.—

11           “(i) IN GENERAL.—Any electric power  
12           transmission line which is—

13           “(I) originally placed in service  
14           after the date of enactment of this  
15           section,

16           “(II) primarily used for one or  
17           more purposes described in clause (ii),  
18           and

19           “(III) described in clause (iv).

20           “(ii) PURPOSES DESCRIBED.—The  
21           purposes described in this clause are—

22           “(I) enhancing resilience to pre-  
23           pare for, withstand, and recover rap-  
24           idly from disruptions from the impact

1 of weather events, wildfires, or natural  
2 disasters,

3 “(II) addressing clearance con-  
4 cerns,

5 “(III) facilitating the inter-  
6 connection of electric generation ca-  
7 pacity to the bulk-power system (as  
8 defined in section 215 of the Federal  
9 Power Act), or

10 “(IV) addressing high load needs  
11 of 2,000 ampere and above.

12 “(iii) MULTIPLE TRANSMISSION LINES  
13 LOCATED IN THE SAME RIGHT-OF-WAY.—A  
14 transmission line is described in this clause  
15 if such a transmission line—

16 “(I) is co-located in the same  
17 right-of-way or adjacent right-of-way  
18 as one or more other overhead, sub-  
19 marine, or underground transmission  
20 lines, and

21 “(II) together with the other  
22 transmission lines described in sub-  
23 clause (I), has a transmission capacity  
24 of not less than 1,000 megawatts.

1                   “(iv) ADDITIONAL REQUIREMENTS  
2 FOR NEW TRANSMISSION PROPERTY.—An  
3 electric power transmission line is de-  
4 scribed in this clause if—

5                   “(I) such transmission line—

6                   “(aa) includes an advanced  
7 transmission conductor, and

8                   “(bb) is capable of transmit-  
9 ting electricity at a voltage of not  
10 less than 100 kilovolts, or

11                  “(II) such transmission line—

12                  “(aa) is—

13                  “(AA) capable of trans-  
14 mitting electricity at a volt-  
15 age of not less than 345  
16 kilovolts, or

17                  “(BB) a super-  
18 conducting transmission  
19 line, and

20                  “(bb) has a transmission ca-  
21 pacity of not less than 750  
22 megawatts or is a transmission  
23 line described in clause (iii).

1           “(B) MODIFICATION OF EXISTING TRANS-  
2           MISSION PROPERTY.—Any electric power trans-  
3           mission line which—

4                   “(i) was placed in service before the  
5                   date of the enactment of this section,

6                   “(ii) is modified after the date of the  
7                   enactment of this Act in a manner that in-  
8                   creases the transmission capacity of such  
9                   transmission line by not less than 500  
10                  megawatts, and

11                  “(iii) after the completion of such  
12                  modification, is an electric power trans-  
13                  mission line which satisfies the require-  
14                  ments under subclauses (II) and (III) of  
15                  subparagraph (A)(i).

16           “(2) ADVANCED TRANSMISSION CONDUCTOR.—  
17           The term ‘advanced transmission conductor’ means  
18           a transmission conductor technology that uses re-  
19           cently developed technology or materials such as a  
20           composite core and such other future advances as  
21           determined by the Secretary, in consultation with  
22           the Secretary of Energy.

23           “(3) SUPERCONDUCTING TRANSMISSION  
24           LINE.—The term ‘superconducting transmission line’

1 means a transmission line that conducts all of its  
2 current over a super-conducting material.

3 “(e) RELATED TRANSMISSION PROPERTY.—For pur-  
4 poses of this section—

5 “(1) IN GENERAL.—The term ‘related trans-  
6 mission property’ means any of the following:

7 “(A) TRANSMISSION PROPERTY USED FOR  
8 INTERCONNECTION OR GENERATOR TIE-LINE.—  
9 Any electric power transmission line which is—

10 “(i) placed in service after the date of  
11 enactment of this section,

12 “(ii) primarily used—

13 “(I) as a generator interconnec-  
14 tion tie line at an associated facility  
15 that extends from the secondary  
16 (high) side of a generator step-up  
17 transformer to the point of inter-  
18 connection with the host transmission  
19 owner from interconnecting new gen-  
20 eration resources or facilities to the  
21 electric grid, or

22 “(II) for network upgrades asso-  
23 ciated with the interconnection of new  
24 generation resources or facilities to  
25 the electric grid,

1           “(iii) primarily used for one or more  
2           purposes described in subparagraph  
3           (d)(1)(A)(ii), and

4           “(iv) capable of transmitting elec-  
5           tricity at a voltage of not less than 230  
6           kilovolts.

7           “(B) GRID ENHANCING TECHNOLOGY.—  
8           Any grid enhancing technology property used in  
9           the operation of the electric power transmission  
10          line described in subparagraph (A) or (B) of  
11          subsection (d)(1).

12          “(C) SUBCOMPONENTS.—Any conductors  
13          or cables, towers, insulators, reactors, capaci-  
14          tors, circuit breakers, static VAR compensators,  
15          static synchronous compensators, power con-  
16          verters, transformers, synchronous condensers,  
17          braking resistors, and any ancillary facilities  
18          and equipment necessary for the proper oper-  
19          ation of the electric transmission line described  
20          in subparagraph (A) or (B) of subsection (d)(1)  
21          or for the proper operation of any property de-  
22          scribed in subsection (1)(A).

23          “(2) GRID ENHANCING TECHNOLOGY PROP-  
24          ERTY.—The term ‘grid enhancing technology prop-  
25          erty’ means power flow controls and transmission

1 switching equipment, storage technology, and hard-  
2 ware or software that enables dynamic line ratings,  
3 advanced line rating management technologies, on  
4 new or existing transmission property for the pur-  
5 pose of enhancing the capacity, efficiency, resiliency,  
6 or reliability of an electric power transmission sys-  
7 tem and such other similar property determined by  
8 the Secretary, in consultation with the Secretary of  
9 Energy.

10 “(f) TERMINATION.—This section shall not apply to  
11 any property the construction of which begins after De-  
12 cember 31, 2033.”.

13 (b) PUBLIC UTILITY PROPERTY.—Paragraph (2) of  
14 section 50(d) of the Internal Revenue Code is amended—

15 (1) by striking “(as defined in section  
16 48(c)(6))” and inserting “(as defined in section  
17 48(c)(6), except that subparagraph (D) of such sec-  
18 tion shall not apply) or any qualifying electric power  
19 transmission line property (as defined by section  
20 48F(c))”, and

21 (2) in subparagraph (B)—

22 (A) by inserting “or qualifying electric  
23 transmission line property” after “each energy  
24 storage technology”, and

1 (B) by inserting “or the qualifying electric  
2 transmission line property” after “the energy  
3 storage technology”.

4 (c) TRANSFER OF CERTAIN CREDITS.—Section  
5 6418(f)(1)(A) of the Internal Revenue Code of 1986 is  
6 amended by adding the following new clause:

7 “(xii) The qualifying electric power  
8 transmission line credit under section  
9 48F.”.

10 (d) CONFORMING AMENDMENTS.—

11 (1) Section 46 of the Internal Revenue Code of  
12 1986 is amended—

13 (A) by striking “and” at the end of para-  
14 graph (6),

15 (B) by striking the period at the end of  
16 paragraph (7) and inserting “, and”, and

17 (C) by adding at the end the following new  
18 paragraph:

19 “(8) the qualifying electric power transmission  
20 line credit.”.

21 (2) Section 49(a)(1)(C) of such Code is amend-  
22 ed—

23 (A) by striking “and” at the end of clause  
24 (vii),

1 (B) by striking the period at the end of  
2 clause (viii) and inserting “, and”, and

3 (C) by adding at the end the following new  
4 clause:

5 “(ix) the basis of any qualifying elec-  
6 tric power transmission line property under  
7 section 48F.”.

8 (3) The table of sections for subpart E of part  
9 IV of subchapter A of chapter 1 of such Code is  
10 amended by inserting after the item relating to sec-  
11 tion 48E the following new item:

“Sec. 48F. Qualifying electric power transmission line credit.”.

12 (e) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to property placed in service after  
14 December 31, 2023.

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