

118TH CONGRESS
1ST SESSION

S. 1748

To require the Federal Energy Regulatory Commission to reform the interregional transmission planning process, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 18, 2023

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

A BILL

To require the Federal Energy Regulatory Commission to reform the interregional transmission planning process, 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 “Interregional Trans-
5 mission Planning Improvement Act of 2023”.

6 **SEC. 2. INCREASING EFFECTIVENESS OF INTERREGIONAL**
7 **TRANSMISSION PLANNING.**

8 (a) IN GENERAL.—The Federal Energy Regulatory
9 Commission (referred to in this section as the “Commis-
10 sion”) shall ensure—

1 (1) the effectiveness of existing planning proc-
2 esses for identifying interregional transmission
3 projects that provide economic, reliability, and oper-
4 ational benefits, taking into consideration the public
5 interest, the integrity of markets, and the protection
6 of consumers;

7 (2) any changes to the processes described in
8 paragraph (1) promote efficient, cost-effective, and
9 broadly beneficial interregional transmission solu-
10 tions that are selected for cost allocation—

11 (A) taking into consideration—

12 (i) the public interest;

13 (ii) the integrity of markets;

14 (iii) the protection of consumers;

15 (iv) the broad range of economic, reli-
16 ability, and operational benefits;

17 (v) the need for single projects to se-
18 cure approvals based on a comprehensive
19 assessment of the multiple benefits pro-
20 vided;

21 (vi) that projects that meet inter-
22 regional benefit criteria should not be sub-
23 ject to subsequent reassessment by trans-
24 mission planning authorities;

1 (vii) the importance of synchroni-
2 zation of planning processes in neighboring
3 regions, such as using a joint model on a
4 consistent timeline with a single set of
5 needs, input assumptions, and benefit
6 metrics;

7 (viii) that evaluation of long-term sce-
8 narios should align with the expected life
9 of a transmission asset to be not less than
10 20 years;

11 (ix) that transmission planning au-
12 thorities should allow for the identification
13 and joint evaluation of alternatives pro-
14 posed by stakeholders;

15 (x) that interregional planning should
16 be done regularly and not less frequently
17 than once every 2 years; and

18 (xi) the elimination of arbitrary
19 project voltage, size, or cost requirements
20 for interregional solutions; and

21 (B) regardless of the regulatory or busi-
22 ness model of the entity developing the trans-
23 mission project; and

24 (3) the use of cost allocation methodologies
25 that—

1 (A) reflect the multiple benefits provided
2 by interregional transmission solutions, includ-
3 ing economic, reliability, resiliency, operational
4 benefits; and

5 (B) assign costs broadly to customers
6 based on the multiple benefits described in sub-
7 paragraph (A) received by customers.

8 (b) RECOVERY OF COSTS.—The Commission shall
9 allow a transmission developer of an interregional trans-
10 mission project that meets the criteria described in sub-
11 section (a)(2)(A) to submit to the Commission a request
12 to recover the cost of the project if the transmission devel-
13 oper demonstrates to the satisfaction of the Commission
14 that—

15 (1) the project connects more than 1 planning
16 region;

17 (2) no interregional plan that meets the criteria
18 described in subsection (a)(2)(A) has been adopted
19 by the connected planning regions; and

20 (3) the benefits of the project outweigh the
21 costs of the project.

22 (c) RULEMAKING.—Not later than 18 months after
23 the date of enactment of this Act, the Commission shall
24 promulgate a final rule to implement this section.

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