To require the Federal Energy Regulatory Commission to establish a shared savings incentive to return a portion of the savings attributable to an investment in grid-enhancing technology to the developer of that grid-enhancing technology, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. WELCH (for himself and Mr. KING) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To require the Federal Energy Regulatory Commission to establish a shared savings incentive to return a portion of the savings attributable to an investment in grid-enhancing technology to the developer of that grid-enhancing technology, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Advancing Grid-Enhancing Technologies Act of 2024” or the “Advancing GETs Act of 2024”.
SEC. 2. DEFINITIONS.

In this Act:

(1) COMMISSION.—The term “Commission” means the Federal Energy Regulatory Commission.

(2) GRID-ENHANCING TECHNOLOGY.—The term “grid-enhancing technology” means any hardware or software that—

(A) increases the capacity, efficiency, reliability, resilience, or safety of transmission facilities and transmission technologies; and

(B) is installed in addition to transmission facilities and transmission technologies—

(i) to give operators of the transmission facilities and transmission technologies more situational awareness and control over the electric grid;

(ii) to make the transmission facilities and transmission technologies more efficient; or

(iii) to increase the transfer capacity of the transmission facilities and transmission technologies.

(3) SECRETARY.—The term “Secretary” means the Secretary of Energy.
SEC. 3. SHARED SAVINGS INCENTIVE FOR GRID-ENHANCING TECHNOLOGIES.

(a) Definition of Developer.—In this section, the term “developer”, with respect to grid-enhancing technology, means the entity that pays to install the grid-enhancing technology.

(b) Establishment of Shared Savings Incentive.—Not later than July 1, 2025, the Commission shall promulgate a final rule to implement section 219(b)(3) of the Federal Power Act (16 U.S.C. 824s(b)(3)) by providing a shared savings incentive that returns a portion of the savings attributable to an investment in grid-enhancing technology to the developer of that grid-enhancing technology, in accordance with this section.

(c) Requirements.—

(1) In general.—The Commission shall determine the percentage of savings attributable to an investment in grid-enhancing technology that can be returned to the developer of that grid-enhancing technology pursuant to the shared savings incentive established under subsection (b), subject to the condition that the percentage is not less than 10 percent and not more than 25 percent.

(2) Time period for recovery.—The shared savings incentive established under subsection (b) shall return a percentage, determined in accordance
with paragraph (1), of the applicable savings to the
developer of the applicable grid-enhancing tech-
nology over a period of 3 years.

(d) **ELIGIBILITY.**—Subject to subsection (e), the
shared savings incentive established under subsection (b)
shall apply with respect to—

(1) any developer, with respect to the invest-
ment of that developer in grid-enhancing technology
that is installed as described in section 2(2)(B); and

(2) any grid-enhancing technology, including—

(A) grid-enhancing technology that relates
to new transmission facilities or technologies;

and

(B) grid-enhancing technology that relates
to existing transmission facilities or tech-
nologies.

(e) **LIMITATIONS.**—

(1) **MINIMUM SAVINGS.**—

(A) **IN GENERAL.**—The shared savings in-
centive established under subsection (b) shall
apply with respect to an investment in grid-en-
hancing technology only if the expected savings
attributable to the investment over the 3-year
period described in subsection (c)(2), as deter-
mined by the Commission, are at least 4 times
the cost of the investment.

(B) DETERMINATION.—

(i) IN GENERAL.—The Commission
shall determine how to quantify the cost of
an investment and the expected savings at-
tributable to an investment for purposes of
subparagraph (A).

(ii) COSTS.—For purposes of subpara-
graph (A), the cost of an investment may
include any costs associated with the per-
mitting, installation, or purchase of the ap-
licable grid-enhancing technology.

(2) ALREADY INSTALLED GETS.—The shared
savings incentive established under subsection (b)
may not be applied with respect to grid-enhancing
technology that is already installed as of the date of
enactment of this Act.

(3) CONSUMER PROTECTION.—The Commission
shall determine appropriate consumer protections for
the shared savings incentive established under sub-
section (b).

SEC. 4. CONGESTION REPORTING.

(a) IN GENERAL.—Beginning on the date that is 1
year after the effective date of the rule promulgated under
subsection (b), all operators of transmission facilities or technologies shall submit to the Commission annual reports containing data on the costs associated with congestion management with respect to the transmission facilities or technologies.

(b) **RULEMAKING.**—Not later than July 1, 2025, the Commission shall promulgate a final rule establishing a universal metric and protocol for the measuring and reporting of data under subsection (a).

(c) **USES OF DATA.**—

(1) **ANALYSES.**—

(A) **IN GENERAL.**—The Commission and the Secretary shall each use the data submitted under subsection (a) to conduct analyses, as the Commission or the Secretary, as applicable, determines to be appropriate.

(B) **COORDINATION.**—The Commission and the Secretary may coordinate with respect to any analyses conducted using the data submitted under subsection (a).

(2) **MAP.**—The Commission and the Secretary, acting jointly, shall—

(A) use the data submitted under subsection (a) to create a map of costs associated
with congestion management in the transmission system; and

(B) update that map not less frequently than once each year.

(d) Publication of Data and Map.—The Commission and the Secretary shall make the data submitted under subsection (a) and the map described in subsection (c)(2) publicly available on the websites of—

(1) the Commission; and

(2) the Department of Energy.

SEC. 5. GRID-ENHANCING TECHNOLOGY APPLICATION GUIDE.

(a) Definition of Developer.—In this section, the term “developer” means a developer of transmission facilities or transmission technologies, including a developer of transmission facilities or transmission technologies that pays to install grid-enhancing technology with respect to those transmission facilities or transmission technologies.

(b) Establishment of Application Guide.—Not later than July 1, 2025, the Secretary shall establish an application guide for utilities and developers seeking to implement grid-enhancing technologies.

(c) Updates.—The guide established under subsection (b) shall be reviewed and updated annually.
(d) Technical Assistance.—

(1) In general.—On request of a utility or developer using the guide established under subsection (b), the Secretary shall provide technical assistance to that utility or developer with respect to the use of grid-enhancing technologies for particular applications.

(2) Clearinghouse.—In carrying out paragraph (1), the Secretary shall establish a clearinghouse of previously completed grid-enhancing technology projects that the Secretary, utilities, and developers may use to identify issues and solutions relating to the use of grid-enhancing technologies for particular applications.

(e) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, to remain available until expended—

(1) $5,000,000 for fiscal year 2024; and

(2) $1,000,000 for each of fiscal years 2025 through 2035.