

119TH CONGRESS
2D SESSION

S. _____

To amend title VI of the Public Utility Regulatory Policies Act of 1978 to establish a Federal renewable electricity standard for retail electricity suppliers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To amend title VI of the Public Utility Regulatory Policies Act of 1978 to establish a Federal renewable electricity standard for retail electricity suppliers, 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 “American Renewable
5 Energy Act of 2026”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

1 (1) the Federal renewable electricity standard
2 established by section 610 of the Public Utility Reg-
3 ulatory Policies Act of 1978 (as added by this Act)
4 establishes a market-based policy to create ongoing
5 competition among renewable electricity generators
6 across the United States and provide the greatest
7 quantity of clean electricity for the lowest price; and

8 (2) the United States has vast wind, solar, hy-
9 dropower, and geothermal resources that—

10 (A) are renewable;

11 (B) are dispersed widely across different
12 regions of the United States;

13 (C) can be harnessed to generate a signifi-
14 cant share of electricity in the United States;
15 and

16 (D) when deployed, will significantly re-
17 duce and eliminate the emission of harmful
18 greenhouse gases and criteria pollutants, which
19 have historically been concentrated in under-
20 served communities and communities of color,
21 contributing to disproportionate burdens and
22 environmental injustices.

1 **SEC. 3. FEDERAL RENEWABLE ELECTRICITY STANDARD.**

2 (a) IN GENERAL.—Title VI of the Public Utility Reg-
3 ulatory Policies Act of 1978 (Public Law 95–617; 92 Stat.
4 3164) is amended by adding at the end the following:

5 **“SEC. 610. FEDERAL RENEWABLE ELECTRICITY STANDARD.**

6 “(a) DEFINITIONS.—In this section:

7 “(1) BASE QUANTITY OF ELECTRICITY.—The
8 term ‘base quantity of electricity’ means the total
9 quantity of electricity, expressed in megawatt hours,
10 sold by a retail electricity supplier to electric con-
11 sumers during the relevant calendar year, excluding
12 electricity generated by a hydroelectric facility (other
13 than qualified hydropower).

14 “(2) CRITERIA AIR POLLUTANT.—The term
15 ‘criteria air pollutant’ means an air pollutant for
16 which a national ambient air quality standard has
17 been promulgated under section 109 of the Clean
18 Air Act (42 U.S.C. 7409).

19 “(3) DISTRIBUTED GENERATION.—The term
20 ‘distributed generation’ means a noncentralized re-
21 newable energy resource installation, or inter-
22 connected series of installations, that generates elec-
23 tricity near the point of use with a total generating
24 capacity of 1 megawatt or less.

25 “(4) ENVIRONMENTAL JUSTICE COMMUNITY.—

1 “(A) IN GENERAL.—The term ‘environ-
2 mental justice community’ means a low-income
3 or low-wealth community that is impacted by
4 environmental injustice.

5 “(B) INCLUSIONS.—The term ‘environ-
6 mental justice community’ includes any commu-
7 nity that—

8 “(i) is located nearest to an existing
9 area of significant environmental pollution
10 and degradation;

11 “(ii) bears a burden of negative public
12 health effects from pollution;

13 “(iii) includes 1 or more sites of—

14 “(I) a facility that is a part of a
15 polluting industry;

16 “(II) a waste dump; or

17 “(III) a facility for fossil resource
18 extraction;

19 “(iv) experiences a high incidence of
20 climate change impacts and disasters;

21 “(v) has been excluded or harmed by
22 racist or discriminatory policies that have
23 resulted in disproportionate burdens of en-
24 vironmental pollution and related health
25 and socioeconomic disparities;

1 “(vi) has a land-based or food subsist-
2 ence culture that is experiencing ecosystem
3 disruption and devastation;

4 “(vii) faces relocation and resettlement
5 resulting from—

6 “(I) climate change; or

7 “(II) impacts to the environment
8 and ecosystems; or

9 “(viii) is an Indigenous community.

10 “(5) FEDERAL RENEWABLE ELECTRICITY
11 CREDIT.—The term ‘Federal renewable electricity
12 credit’ means a credit that—

13 “(A) represents, for purposes of compli-
14 ance with this section, 1 megawatt hour of re-
15 newable electricity; and

16 “(B) is issued pursuant to subsection (e).

17 “(6) IMPACTED COMMUNITY.—

18 “(A) IN GENERAL.—The term ‘impacted
19 community’ means a community that is harmed
20 by environmental, economic, or socioeconomic
21 injustice.

22 “(B) INCLUSIONS.—The term ‘impacted
23 community’ includes—

24 “(i) an environmental justice commu-
25 nity; and

1 “(ii) a community that—

2 “(I) has a high concentration of
3 low-income and low-wealth house-
4 holds, including households composed
5 primarily of members of groups that
6 have historically experienced discrimi-
7 nation on the basis of race, gender,
8 national origin, or ethnicity (including
9 Black, Indigenous, Latinx, Arab,
10 Asian, and Pacific Islander commu-
11 nities);

12 “(II) has experienced or is expe-
13 riencing economic transition,
14 deindustrialization, historic under-
15 investment, and poverty; or

16 “(III) has high unemployment
17 due to—

18 “(aa) a significant decline in
19 coal mining activity; or

20 “(bb) the closure of a coal-
21 fired power plant.

22 “(7) INDIAN TRIBE.—The term ‘Indian Tribe’
23 means any Indian Tribe, band, nation, or other or-
24 ganized group or community (including any Native
25 village, Regional Corporation, or Village Corporation

1 (as those terms are defined in section 3 of the Alas-
2 ka Native Claims Settlement Act (43 U.S.C. 1602)))
3 that is recognized as eligible for the special pro-
4 grams and services provided by the United States to
5 Indians because of their status as Indians.

6 “(8) QUALIFIED HYDROPOWER.—The term
7 ‘qualified hydropower’ means energy produced from
8 generating capacity added to a dam on or after Jan-
9 uary 1, 2001, if the Commission certifies that—

10 “(A) the dam—

11 “(i) was placed in service before the
12 date of enactment of this section;

13 “(ii) was operated for flood control,
14 navigation, or water supply purposes; and

15 “(iii) was not producing hydroelectric
16 power prior to the addition of the capacity;
17 and

18 “(B) the hydroelectric project installed on
19 the dam—

20 “(i) is licensed or is exempt from li-
21 censing by the Commission;

22 “(ii) is in compliance with—

23 “(I) the terms and conditions of
24 the license or exemption; and

1 “(II) other applicable legal re-
2 quirements for the protection of envi-
3 ronmental quality, including applica-
4 ble fish passage requirements; and

5 “(iii) is operated so that the water
6 surface elevation at any given location and
7 time that would have occurred in the ab-
8 sence of the hydroelectric project is main-
9 tained, subject to any license or exemption
10 requirements that require changes in water
11 surface elevation for the purpose of im-
12 proving the environmental quality of the
13 affected waterway.

14 “(9) RENEWABLE ELECTRICITY.—The term ‘re-
15 newable electricity’ means electricity generated (in-
16 cluding by means of a fuel cell) from a renewable en-
17 ergy resource.

18 “(10) RENEWABLE ENERGY RESOURCE.—The
19 term ‘renewable energy resource’ means each of the
20 following:

21 “(A) Wind energy.

22 “(B) Solar energy.

23 “(C) Geothermal energy.

24 “(D) Biogas derived from—

1 “(i) anaerobic digestion at wastewater
2 treatment facilities; or

3 “(ii) farm anaerobic digestion.

4 “(E) Qualified hydropower.

5 “(F) Marine energy (as defined in section
6 632 of the Energy Independence and Security
7 Act of 2007 (42 U.S.C. 17211)).

8 “(11) RETAIL ELECTRICITY SUPPLIER.—

9 “(A) IN GENERAL.—The term ‘retail elec-
10 tricity supplier’ means, for any calendar year,
11 an electric utility that sells not fewer than
12 1,000,000 megawatt hours of electricity to elec-
13 tric consumers during the preceding calendar
14 year.

15 “(B) INCLUSIONS AND LIMITATIONS.—For
16 purposes of determining whether an electric
17 utility qualifies as a retail electricity supplier
18 under subparagraph (A)—

19 “(i) the sales made by any affiliate of
20 the electric utility to electric consumers,
21 other than sales to lessees or tenants of
22 the affiliate, shall be considered to be sales
23 made by the electric utility; and

24 “(ii) sales made by the electric utility
25 to an affiliate, lessee, or tenant of the elec-

1 tric utility shall not be treated as sales to
2 electric consumers.

3 “(C) AFFILIATE.—In this paragraph, the
4 term ‘affiliate’, when used in relation to an elec-
5 tric utility, means any person that directly or
6 indirectly owns or controls, is owned or con-
7 trolled by, or is under common ownership or
8 control with, that electric utility, as determined
9 under regulations promulgated by the Commis-
10 sion.

11 “(12) RETIRE AND RETIREMENT.—The terms
12 ‘retire’ and ‘retirement’, with respect to a Federal
13 renewable electricity credit, mean to disqualify the
14 credit for any subsequent use under this section, re-
15 gardless of whether the use is a sale, transfer, ex-
16 change, or submission in satisfaction of a compliance
17 obligation.

18 “(b) ANNUAL COMPLIANCE OBLIGATION.—

19 “(1) IN GENERAL.—Except as otherwise pro-
20 vided in subsection (f), for each of calendar years
21 2027 through 2036, not later than March 31 of the
22 following calendar year, each retail electricity sup-
23 plier shall submit to the Commission a quantity of
24 Federal renewable electricity credits that represents
25 a quantity of megawatt hours of renewable elec-

1 tricity that is at least equal to the annual target of
2 the retail electricity supplier under subsection (d).

3 “(2) EQUITY REQUIREMENTS.—

4 “(A) DISTRIBUTED GENERATION.—The
5 Commission shall require that, of the quantity
6 of Federal renewable electricity credits required
7 to be submitted by a retail electricity supplier
8 to comply with paragraph (1)—

9 “(i) for the period of calendar years
10 2027 through 2030, at least 15 percent of
11 those Federal renewable electricity credits
12 represent megawatt hours of renewable
13 electricity generated by distributed genera-
14 tion; and

15 “(ii) for the period of calendar years
16 2031 through 2036, at least 20 percent of
17 those Federal renewable electricity credits
18 represent megawatt hours of renewable
19 electricity generated by distributed genera-
20 tion.

21 “(B) IMPACTED COMMUNITIES.—The
22 Commission shall require that, of the quantity
23 of Federal renewable electricity credits required
24 to be submitted by a retail electricity supplier
25 to comply with paragraph (1)—

1 “(i) for the period of calendar years
2 2027 through 2030, at least 15 percent of
3 those Federal renewable electricity credits
4 represent megawatt hours of renewable
5 electricity generated in impacted commu-
6 nities; and

7 “(ii) for the period of calendar years
8 2031 through 2036, at least 20 percent of
9 those Federal renewable electricity credits
10 represent megawatt hours of renewable
11 electricity generated in impacted commu-
12 nities.

13 “(C) DISTRIBUTED GENERATION OCCUR-
14 RING IN AN IMPACTED COMMUNITY.—For any
15 calendar year, distributed generation that oc-
16 curs in an impacted community may be used
17 for purposes of complying with both subpara-
18 graph (A) and subparagraph (B).

19 “(c) REGULATIONS.—

20 “(1) IN GENERAL.—Not later than January 1,
21 2027, the Commission shall promulgate regulations
22 to implement and enforce the requirements of this
23 section.

1 “(2) CONSIDERATIONS.—In promulgating regu-
2 lations under paragraph (1), the Commission shall,
3 to the maximum extent practicable—

4 “(A) preserve the integrity and incorporate
5 best practices of existing State and Tribal re-
6 newable electricity programs;

7 “(B) preserve the integrity of voluntary re-
8 newable energy markets;

9 “(C) design and implement those regula-
10 tions in a manner that seeks to be equitable
11 and just;

12 “(D) identify and prioritize measures to
13 maximize reductions of emissions of greenhouse
14 gases and criteria air pollutants in impacted
15 communities;

16 “(E) ensure that activities undertaken to
17 comply with those regulations result in a net
18 decrease in emissions of criteria air pollutants
19 in impacted communities;

20 “(F) ensure that the deployment of any
21 new renewable electricity generation provides
22 economic, health, and resiliency benefits to the
23 communities and areas in which the applicable
24 generation facility or resource is built or in-
25 stalled, including through the use of community

1 benefit agreements or equivalent means as de-
2 termined appropriate by the Commission;

3 “(G) prioritize measures that will
4 incentivize or allow for distributed, community,
5 and public ownership over renewable energy
6 projects;

7 “(H) establish and delegate to an appro-
8 priate entity the administration of a national
9 Federal renewable electricity credit trading
10 market for the issuance and trade of Federal
11 renewable electricity credits, relying on existing
12 and emerging State, Tribal, or regional track-
13 ing systems that issue and track non-Federal
14 renewable electricity credits;

15 “(I) establish and delegate to appropriate
16 entities the administration of not fewer than 6
17 regional, geographically-based, Federal renew-
18 able electricity credit trading markets, and de-
19 termine the optimal levels of credit trading al-
20 lowed within and between regions to maximize
21 deployment of new renewable electricity genera-
22 tion within each region;

23 “(J) cooperate with States and Indian
24 Tribes—

1 “(i) to facilitate coordination between
2 State, Tribal, and Federal renewable elec-
3 tricity programs; and

4 “(ii) to minimize administrative bur-
5 dens and costs to retail electricity sup-
6 pliers; and

7 “(K) encourage strategic deployment of
8 distributed generation to maximize system ben-
9 efits that can lower costs for all customers, in-
10 cluding siting generation resources in grid-con-
11 strained areas and colocation of renewable en-
12 ergy resources with energy storage.

13 “(d) ANNUAL COMPLIANCE REQUIREMENT.—

14 “(1) ANNUAL TARGETS.—For each calendar
15 year, the annual target of a retail electricity supplier
16 shall be equal to the number of megawatt hours that
17 is equal to the product obtained by multiplying—

18 “(A) the required annual percentage for
19 that calendar year under paragraph (2) or (3),
20 as applicable; and

21 “(B) the base quantity of electricity of that
22 retail electricity supplier for that calendar year.

23 “(2) REQUIRED ANNUAL PERCENTAGE FOR
24 CALENDAR YEARS 2027 THROUGH 2036.—For each of

1 calendar years 2027 through 2036, the required an-
 2 nual percentage shall be as follows:

“Year:	Required annual percentage:
2027	20.0
2028	24.5
2029	29.0
2030	34.0
2031	39.0
2032	45.0
2033	51.0
2034	57.0
2035	63.5
2036	70.0.

3 “(3) REQUIRED ANNUAL PERCENTAGE FOR
 4 SUBSEQUENT CALENDAR YEARS.—

5 “(A) CALENDAR YEARS 2037 THROUGH
 6 2046.—Not later than December 31, 2036, the
 7 Commission shall promulgate regulations estab-
 8 lishing required annual percentages for each of
 9 calendar years 2037 through 2046.

10 “(B) INCREASE.—Except at provided in
 11 subparagraph (C), for each of calendar years
 12 2037 through 2046, the required annual per-
 13 centage shall be equal to the sum obtained by
 14 adding—

15 “(i) the required annual percentage
 16 for the previous calendar year; and

17 “(ii) 3 percentage points.

18 “(C) FEASIBILITY.—

1 “(i) ADJUSTMENT.—Subject to clause
2 (ii), for any of calendar years 2037
3 through 2046, the Commission may in-
4 crease or decrease the 3 percentage point
5 increase required under subparagraph (B)
6 if the Commission determines necessary
7 based on technical and economic feasibility
8 studies or other equivalent means.

9 “(ii) REQUIREMENT.—For each of
10 calendar years 2037 through 2046, the
11 percentage point increase required under
12 this paragraph for the required annual
13 percentage shall be greater than zero.

14 “(D) MINIMUM PERCENTAGE.—In no case
15 shall the required annual percentage for any
16 calendar year after calendar year 2037 be less
17 than the required annual percentage for cal-
18 endar year 2037.

19 “(e) FEDERAL RENEWABLE ELECTRICITY CRED-
20 ITS.—

21 “(1) IN GENERAL.—

22 “(A) ISSUANCE; TRACKING;
23 VERIFICATION.—The regulations promulgated
24 under this section shall include provisions gov-

1 erning the issuance, tracking, and verification
2 of Federal renewable electricity credits.

3 “(B) CREDIT RATIO.—Except as provided
4 in paragraphs (2) through (5), the Commission
5 shall issue to each generator of renewable elec-
6 tricity 1 Federal renewable electricity credit for
7 each megawatt hour of renewable electricity
8 generated by the generator after December 31,
9 2026.

10 “(C) SERIAL NUMBER.—The Commission
11 shall assign a unique serial number to each
12 Federal renewable electricity credit.

13 “(2) GENERATION FROM CERTAIN STATE RE-
14 NEWABLE ELECTRICITY PROGRAMS.—

15 “(A) IN GENERAL.—If renewable elec-
16 tricity is generated with the support of pay-
17 ments from a retail electricity supplier pursuant
18 to a State renewable electricity program
19 (whether through State alternative compliance
20 payments or through payments to a State re-
21 newable electricity procurement fund or enti-
22 ty)—

23 “(i) the Commission shall issue Fed-
24 eral renewable electricity credits to the re-
25 tail electricity supplier for the portion of

1 the relevant renewable electricity genera-
2 tion that is attributable to the payments
3 made by the retail electricity supplier, as
4 determined pursuant to regulations pro-
5 mulgated by the Commission; and

6 “(ii) for any remaining portion of the
7 relevant renewable electricity generation,
8 the Commission shall issue Federal renew-
9 able electricity credits to the generator, as
10 provided in paragraph (1), subject to the
11 condition that not more than 1 Federal re-
12 newable electricity credit shall be issued
13 for any 1 megawatt hour of electricity.

14 “(B) STATE GUIDANCE.—In determining
15 how Federal renewable electricity credits will be
16 apportioned among retail electricity suppliers
17 and generators under this paragraph, the Com-
18 mission shall consider information and guidance
19 issued by the applicable 1 or more States.

20 “(3) CERTAIN POWER SALES CONTRACTS.—Ex-
21 cept as otherwise provided in paragraph (2), if a
22 generator has sold renewable electricity to a retail
23 electricity supplier under a contract for power from
24 a facility placed in service before the date of enact-
25 ment of this section, and the contract does not pro-

1 vide for the determination of ownership of the Fed-
2 eral renewable electricity credits associated with the
3 generation, the Commission shall issue the Federal
4 renewable electricity credits to the retail electricity
5 supplier for the duration of the contract.

6 “(4) CREDITS BASED ON QUALIFIED HYDRO-
7 POWER.—For purposes of this subsection, the num-
8 ber of megawatt hours of renewable electricity gen-
9 eration from qualified hydropower shall be cal-
10 culated—

11 “(A) based solely on the increase in aver-
12 age annual generation directly resulting from
13 the capacity additions described in subsection
14 (a)(8); and

15 “(B) using the same water flow informa-
16 tion used to determine a historic average an-
17 nual generation baseline for the applicable hy-
18 droelectric facility, as certified by the Commis-
19 sion.

20 “(5) CREDITS BASED ON FARM ANAEROBIC DI-
21 GESTION.—For any calendar year, a generator may
22 only receive Federal renewable electricity credits for
23 renewable electricity generated from biogas that is
24 derived from farm anaerobic digestion if—

1 “(A) any manure used for that anaerobic
2 digestion is from a farm that only provides its
3 manure for anaerobic digestion to 1 anaerobic
4 digester system;

5 “(B) the anaerobic digester system used by
6 that generator has a capacity of less than, or
7 equal to, 1 megawatt; and

8 “(C) during that calendar year, the total
9 renewable electricity produced from biogas de-
10 rived from farm anaerobic digestion in the ap-
11 plicable State represents not more than 10 per-
12 cent of the total electricity usage in the State.

13 “(6) GENERATION FROM MIXED RENEWABLE
14 AND NONRENEWABLE RESOURCES.—If electricity is
15 generated using both a renewable energy resource
16 and an energy resource that is not a renewable en-
17 ergy resource, the Commission shall issue Federal
18 renewable electricity credits based on the proportion
19 that—

20 “(A) the electricity generated that is at-
21 tributable to the renewable energy resource;
22 bears to

23 “(B) the total electricity generated.

24 “(7) PROHIBITION AGAINST DOUBLE-COUNT-
25 ING.—The Commission shall ensure that—

1 “(A) no Federal renewable electricity cred-
2 it is used more than once for compliance with
3 this section; and

4 “(B) not more than 1 Federal renewable
5 electricity credit is issued for any megawatt
6 hour of renewable electricity generated.

7 “(8) TRADING.—The lawful holder of a Federal
8 renewable electricity credit may—

9 “(A) sell, exchange, or transfer the credit;

10 “(B) submit the credit for compliance
11 under subsection (b); or

12 “(C) submit the credit for retirement by
13 the Commission.

14 “(9) BANKING.—

15 “(A) IN GENERAL.—A Federal renewable
16 electricity credit may be submitted in satisfac-
17 tion of the compliance obligation under sub-
18 section (b) for—

19 “(i) the compliance year for which the
20 credit was issued; or

21 “(ii) the first or second compliance
22 year thereafter.

23 “(B) RETIREMENT.—The Commission
24 shall retire any Federal renewable electricity
25 credit that has not been retired by April 2 of

1 the calendar year that is 2 years after the cal-
2 endar year during which the credit was issued.

3 “(10) RETIREMENT.—The Commission shall re-
4 tire a Federal renewable electricity credit imme-
5 diately upon submission by the lawful holder of the
6 credit, whether in satisfaction of a compliance obli-
7 gation under subsection (b) or for another reason.

8 “(f) ALTERNATIVE COMPLIANCE PAYMENTS.—

9 “(1) IN GENERAL.—A retail electricity supplier
10 may satisfy the requirements of subsection (b) in
11 whole or in part by submitting, in accordance with
12 this subsection, in lieu of a Federal renewable elec-
13 tricity credit that would otherwise be submitted, an
14 alternative compliance payment equal to \$50, ad-
15 justed for inflation on January 1 of each year after
16 calendar year 2026, in accordance with regulations
17 promulgated by the Commission.

18 “(2) PAYMENT TO STATE FUNDS.—

19 “(A) IN GENERAL.—Except as provided in
20 subparagraph (B), payments made under this
21 subsection shall be made directly to the 1 or
22 more States in which the applicable retail elec-
23 tricity supplier sells electricity, subject to the
24 conditions that—

1 “(i) the amount of each payment shall
2 be based on the proportion that—

3 “(I) the portion of the base quan-
4 tity of electricity of the retail elec-
5 tricity supplier that is sold within the
6 applicable State; bears to

7 “(II) the base quantity of elec-
8 tricity of the retail electricity supplier;

9 “(ii) the payments are deposited di-
10 rectly into a fund of the State treasury es-
11 tablished for that purpose; and

12 “(iii) the State uses the funds in ac-
13 cordance with paragraphs (3) and (4).

14 “(B) NONCOMPLIANCE.—If the Commis-
15 sion determines that a State is in substantial
16 noncompliance with paragraph (3) or (4), the
17 Commission shall direct that any future alter-
18 native compliance payments that would other-
19 wise be paid to the State under this subsection
20 shall instead be paid to the Commission and de-
21 posited in the Treasury.

22 “(3) STATE USE OF FUNDS.—As a condition of
23 receipt of alternative compliance payments pursuant
24 to this subsection, a State shall—

25 “(A) use the payments exclusively for—

1 “(i) deploying technologies that gen-
2 erate electricity from renewable energy re-
3 sources;

4 “(ii) deploying technologies that store
5 electricity for use at a later time; or

6 “(iii) implementing cost-effective en-
7 ergy efficiency programs to achieve energy
8 savings; and

9 “(B) invest or use the payments in a man-
10 ner designed to ensure that impacted commu-
11 nities receive, or directly benefit from, at least
12 50 percent of the funds.

13 “(4) REPORTING.—

14 “(A) IN GENERAL.—As a condition of re-
15 ceipt of alternative compliance payments pursu-
16 ant to this subsection, a State shall submit to
17 the Commission an annual report, in accord-
18 ance with regulations promulgated by the Com-
19 mission, containing a full accounting of the use
20 of the payments, including a detailed descrip-
21 tion of the activities funded by the payments,
22 and demonstrating compliance with the require-
23 ments of this subsection.

24 “(B) DEADLINE.—A State shall submit a
25 report under subparagraph (A)—

1 “(i) not later than 1 year after the
2 date on which the first alternative compli-
3 ance payment is received; and

4 “(ii) every year thereafter until all al-
5 ternative compliance payments are ex-
6 pended.

7 “(g) INFORMATION COLLECTION.—The Commission
8 may require any retail electricity supplier, renewable elec-
9 tricity generator, or other entity that the Commission de-
10 termines appropriate, to provide any information the Com-
11 mission determines appropriate to carry out this section.

12 “(h) ENFORCEMENT AND JUDICIAL REVIEW.—

13 “(1) FAILURE TO SUBMIT CREDITS.—

14 “(A) IN GENERAL.—If any person fails to
15 comply with the requirements of subsection (b)
16 or (f) for a calendar year, the person shall be
17 liable to pay to the Commission a civil penalty
18 equal to the product obtained by multiplying—

19 “(i) double the alternative compliance
20 payment calculated under subsection (f)(1)
21 for that calendar year; and

22 “(ii) the aggregate quantity of Fed-
23 eral renewable electricity credits or equiva-
24 lent alternative compliance payments that
25 the person failed to submit in violation of

1 the requirements of subsections (b) and (f)
2 for that calendar year.

3 “(B) ENFORCEMENT.—The Commission
4 shall assess a civil penalty under subparagraph
5 (A) in accordance with the procedures described
6 in section 31(d) of the Federal Power Act (16
7 U.S.C. 823b(d)).

8 “(2) VIOLATION OF OTHER REQUIREMENTS.—

9 “(A) IN GENERAL.—Any person who vio-
10 lates or fails or refuses to comply with any re-
11 quirement of this section (including any regula-
12 tion promulgated or order issued under this sec-
13 tion), other than a requirement of subsection
14 (b) or (f), shall be subject to a civil penalty
15 under section 316A(b) of the Federal Power
16 Act (16 U.S.C. 825o–1(b)).

17 “(B) ASSESSMENT.—The penalty under
18 subparagraph (A) shall be assessed by the Com-
19 mission in the same manner as in the case of
20 a violation referred to in section 316A(b) of the
21 Federal Power Act (16 U.S.C. 825o–1(b)).

22 “(3) JUDICIAL REVIEW.—

23 “(A) IN GENERAL.—Any person aggrieved
24 by a final action taken by the Commission
25 under this section, other than the assessment of

1 a civil penalty under paragraph (1) or (2), may
2 use the procedures for review described in sec-
3 tion 313 of the Federal Power Act (16 U.S.C.
4 825l).

5 “(B) REFERENCE.—For purposes of this
6 paragraph, references to an order in section
7 313 of the Federal Power Act (16 U.S.C. 825l)
8 shall be considered to refer also to all other
9 final actions of the Commission under this sec-
10 tion other than the assessment of a civil penalty
11 under paragraph (1) or (2).

12 “(i) ADMINISTRATION.—Nothing in this section—

13 “(1) diminishes or qualifies any authority of a
14 State, a political subdivision of a State, or an Indian
15 Tribe—

16 “(A) to adopt or enforce any law (includ-
17 ing regulations) respecting renewable electricity,
18 including any law establishing requirements
19 that are more stringent than those established
20 by this section, subject to the condition that no
21 such law may relieve any person of any require-
22 ment otherwise applicable under this section; or

23 “(B) to regulate the acquisition and dis-
24 position of Federal renewable electricity credits
25 by retail electricity suppliers within the jurisdic-

tion of the State, political subdivision, or Indian Tribe, including the authority to require a retail electricity supplier to acquire and submit to the Commission for retirement Federal renewable electricity credits in excess of those submitted under this section; or

“(2) affects the application of, or the responsibility for, compliance with any other provision of law (including regulations).”.

(b) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the Public Utility Regulatory Policies Act of 1978 (Public Law 95–617; 92 Stat. 3118) is amended by adding at the end of the items relating to title VI the following:

“Sec. 609. Rural and remote communities electrification grants.

“Sec. 610. Federal renewable electricity standard.”.

SEC. 4. CLARIFYING STATE AUTHORITY TO ADOPT RENEWABLE ENERGY INCENTIVES.

Section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a–3) is amended by adding at the end the following:

“(o) CLARIFICATION OF STATE AUTHORITY TO ADOPT RENEWABLE ENERGY INCENTIVES.—

“(1) DEFINITION OF STATE-APPROVED PRODUCTION INCENTIVE PROGRAM.—In this subsection, the term ‘State-approved production incentive pro-

1 gram’ means a requirement imposed pursuant to
2 State law, or by a State regulatory authority acting
3 within its authority under State law, that an electric
4 utility purchase renewable energy (as defined in sec-
5 tion 609(a)) at a specified rate.

6 “(2) STATE AUTHORITY TO ADOPT RENEWABLE
7 ENERGY INCENTIVES.—Notwithstanding any other
8 provision of this Act or the Federal Power Act (16
9 U.S.C. 791a et seq.), a State law or State regulatory
10 authority may set the rates for a sale of electricity
11 by a facility generating renewable energy (as defined
12 in section 609(a)) pursuant to a State-approved pro-
13 duction incentive program under which the facility
14 voluntarily participates in the State-approved pro-
15 duction incentive program.”.