

115TH CONGRESS
1ST SESSION

S. _____

To move the United States toward greater energy independence and security, to increase the flexibility, efficiency, and reliability of the electric grid, to increase the competitiveness of the United States economy, to protect consumers, and to improve the energy performance of the Federal Government, and for other purposes.

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice
and referred to the Committee on _____

A BILL

To move the United States toward greater energy independence and security, to increase the flexibility, efficiency, and reliability of the electric grid, to increase the competitiveness of the United States economy, to protect consumers, and to improve the energy performance of the Federal Government, 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Flexible Grid Infrastructure Act of 2017”.

1 (b) TABLE OF CONTENTS.—The table of contents for
2 this Act is as follows:

- 3 Sec. 1. Short title; table of contents.
- 4 Sec. 2. Definitions.
- 5 Sec. 3. Analysis of distributed energy resources, the value of grid services, and
6 advanced transmission assets.
- 7 Sec. 4. Electrification of vehicles and heating.
- 8 Sec. 5. Privacy, security, and resilience.
- 9 Sec. 6. Workforce development.
- 10 Sec. 7. Flexible Grid Challenge 2022.

11 **SEC. 2. DEFINITIONS.**

12 In this Act:

13 (1) ADMINISTRATOR.—The term “Adminis-
14 trator” means the Administrator of the Energy In-
15 formation Administration.

16 (2) COMMISSION.—The term “Commission”
17 means the Federal Energy Regulatory Commission.

18 (3) DISTRIBUTED ENERGY RESOURCE.—

19 (A) IN GENERAL.—The term “distributed
20 energy resource” means an electric device that
21 can produce or consume energy that is lo-
cated—

(i) on the distribution system or any
subsystem of the distribution system; or

(ii) behind a customer meter.

(B) INCLUSIONS.—The term “distributed
energy resource” includes—

(i) an energy storage resource;

(ii) an energy generation technology;

- 1 (iii) a demand response resource;
2 (iv) an energy efficiency resource;
3 (v) an electric vehicle and associated
4 supply equipment and systems; and
5 (vi) aggregations and integrated con-
6 trol systems, including virtual power
7 plants, microgrids, and networks of
8 microgrid cells.

9 (4) ELECTRIC CONSUMER; ELECTRIC UTILITY;
10 RATE.—The terms “electric consumer”, “electric
11 utility”, and “rate” have the meanings given the
12 terms in section 3 of the Public Utility Regulatory
13 Policies Act of 1978 (16 U.S.C. 2602).

14 (5) ELECTRIC RELIABILITY ORGANIZATION.—
15 The term “Electric Reliability Organization” has the
16 meaning given the term in section 215(a) of the
17 Federal Power Act (16 U.S.C. 824o(a)).

18 (6) ENERGY STORAGE.—The term “energy
19 storage” means equipment or facilities capable of
20 absorbing energy, storing energy for a period of
21 time, and dispatching the stored energy, that—

22 (A) uses mechanical, electrochemical, hy-
23 droelectric, or thermal processes, as a single fa-
24 cility or as an aggregation of units, throughout
25 the electric grid, including behind the meter to

1 store energy generated at 1 time for use at a
2 later time;

3 (B) uses mechanical, electrochemical, hy-
4 droelectric, or thermal processes, as a single fa-
5 cility or as an aggregation of units, throughout
6 the electric grid, including behind the meter to
7 store energy generated from mechanical proc-
8 esses that would otherwise be wasted for deliv-
9 ery at a later time; or

10 (C) stores thermal energy for direct use for
11 heating or cooling at a later time in a manner
12 that avoids the need to use electricity at that
13 later time.

14 (7) GRANULAR.—The term “granular”, with re-
15 spect to a rate or other price for electricity, means
16 that the rate or price is established based on precise
17 accounting of the value, as determined by the time
18 and location of the production or consumption of the
19 electricity and the unique type of energy services
20 being provided, of electrical energy, capacity, and
21 ancillary services, including—

22 (A) time-of-use rates;

23 (B) peak-time rebates;

24 (C) critical peak pricing;

25 (D) real-time pricing;

- 1 (E) transactive energy approaches;
2 (F) inverted time-of-use rates;
3 (G) forward-looking charges;
4 (H) peak-coincident capacity network
5 charges; and
6 (I) 3-part rates.

7 (8) LIGHT-DUTY CONSUMER VEHICLE.—The
8 term “light-duty consumer vehicle” has the meaning
9 given the term “light-duty vehicle” in section
10 1037.801 of title 40, Code of Federal Regulations
11 (as in effect on the date of enactment of this Act).

12 (9) LOCATIONAL VALUE.—The term “locational
13 value”, with respect to an electric grid service,
14 means value that is contingent on the physical loca-
15 tion where the electric grid service is delivered.

16 (10) MICROGRID.—The term “microgrid”
17 means a localized grid that can disconnect from the
18 traditional grid to operate autonomously and help
19 mitigate grid disturbances to strengthen grid resil-
20 ience.

21 (11) NATIONAL LABORATORY.—The term “Na-
22 tional Laboratory” has the meaning given the term
23 in section 2 of the Energy Policy Act of 2005 (42
24 U.S.C. 15801).

1 (12) SECRETARY.—The term “Secretary”
2 means the Secretary of Energy.

3 (13) STATE ENERGY OFFICE.—The term “State
4 energy office” has the meaning given the term in
5 section 124(a) of the Energy Policy Act of 2005 (42
6 U.S.C. 15821(a)).

7 (14) TEMPORAL VALUE.—The term “temporal
8 value”, with respect to an electric grid service,
9 means value that is contingent on the time when the
10 electric grid service is delivered.

11 (15) TRANSIT AGENCY.—The term “transit
12 agency” has the meaning given the term in section
13 630.3 of title 49, Code of Federal Regulations (as
14 in effect on the date of enactment of this Act).

15 (16) TRANSIT VEHICLE.—The term “transit ve-
16 hicle” has the meaning given the term “bus” in sec-
17 tion 1192.3 of title 36, Code of Federal Regulations
18 (as in effect on the date of enactment of this Act).

19 **SEC. 3. ANALYSIS OF DISTRIBUTED ENERGY RESOURCES,**
20 **THE VALUE OF GRID SERVICES, AND AD-**
21 **VANCED TRANSMISSION ASSETS.**

22 (a) DATA AND ANALYSIS FOR PROMOTING GRID
23 FLEXIBILITY AND OPTIMIZING DISTRIBUTED ENERGY
24 RESOURCES.—Section 921 of the Energy Policy Act of
25 2005 (42 U.S.C. 16211) is amended—

1 (1) by redesignating subsections (c) and (d) as
2 paragraphs (3) and (4), respectively, of subsection
3 (b) and indenting the paragraphs appropriately;

4 (2) in subsection (b)—

5 (A) in paragraph (1), in the matter pre-
6 ceding subparagraph (A), by inserting “re-
7 source” after “carry out distributed energy”;

8 (B) in paragraph (2), by striking “sub-
9 section” and inserting “section”; and

10 (C) in paragraphs (3) and (4) (as redesign-
11 ated by paragraph (1)), by striking “sub-
12 section (b)” each place it appears and inserting
13 “this subsection”;

14 (3) by redesignating subsection (b) as sub-
15 section (h);

16 (4) in subsection (a), by striking the subsection
17 designation and heading and all that follows through
18 “The Secretary” in the first sentence and inserting
19 the following:

20 “(a) DEFINITIONS.—In this section:

21 “(1) COMMISSION.—The term ‘Commission’
22 means the Federal Energy Regulatory Commission.

23 “(2) DISTRIBUTED ENERGY RESOURCE.—The
24 term ‘distributed energy resource’ has the meaning

1 given the term in section 2 of the Flexible Grid In-
2 frastructure Act of 2017.

3 “(3) GRID FLEXIBILITY.—The term ‘grid flexi-
4 bility’ means the ability of a power system—

5 “(A) from an operational perspective, to
6 respond to changes in supply and demand, such
7 as abrupt changes in load conditions or sharp
8 ramps in generation; and

9 “(B) from a long-term planning and in-
10 vestment perspective, to respond to changes in
11 technology, markets and policy, without incur-
12 ring stranded assets.

13 “(b) RESEARCH, DEVELOPMENT, DEMONSTRATION,
14 AND COMMERCIAL APPLICATION.—

15 “(1) IN GENERAL.—The Secretary”;

16 (5) in subsection (b) (as so redesignated), in
17 the second sentence, by striking “The programs”
18 and inserting the following:

19 “(2) REQUIREMENT.—The programs under this
20 subsection”;

21 (6) by inserting after subsection (b) (as so re-
22 designated) the following:

23 “(c) NATIONAL ASSESSMENT OF THE POTENTIAL OF
24 DISTRIBUTED ENERGY RESOURCES.—

25 “(1) ASSESSMENTS.—

1 “(A) IN GENERAL.—Not later than 1 year
2 after the date of enactment of the Flexible Grid
3 Infrastructure Act of 2017, and not less fre-
4 quently than once every 3 years thereafter, the
5 Commission and the Secretary shall conduct a
6 national assessment of the technical and eco-
7 nomic potential of distributed energy resources
8 to provide electric grid services, including serv-
9 ices that enhance grid flexibility and the reli-
10 ability, resilience, affordability, efficiency, and
11 security of the electric grid.

12 “(B) REQUIREMENTS.—In conducting an
13 assessment under subparagraph (A), the Com-
14 mission and the Secretary shall—

15 “(i) consider locational characteristics,
16 such as load pockets and electric grid con-
17 gestion;

18 “(ii) consider temporal characteristics,
19 such as hourly and subhourly electricity
20 generation costs and electricity network
21 costs;

22 “(iii) consider the specific electric grid
23 services identified by the study under sec-
24 tion 3(b) of the Flexible Grid Infrastruc-
25 ture Act of 2017;

1 “(iv) consider unique State regulatory
2 and market characteristics and regional
3 electric grid characteristics;

4 “(v) incorporate a range of scenarios,
5 including scenarios that assume—

6 “(I) the existence of granular re-
7 tail electricity rates, including
8 transactive energy approaches;

9 “(II) no granular retail electricity
10 rates;

11 “(III) the existence of electricity
12 market products that remunerate the
13 electric grid services provided by dis-
14 tributed energy resources, incor-
15 porating the results of the most recent
16 study under section 3(b) of the Flexi-
17 ble Grid Infrastructure Act of 2017;

18 “(IV) no electricity market prod-
19 ucts that remunerate the electric grid
20 services provided by distributed en-
21 ergy resources, incorporating the re-
22 sults of the most recent study under
23 section 3(b) of the Flexible Grid In-
24 frastructure Act of 2017;

11

1 “(V) various levels of renewable
2 energy generation penetration;

3 “(VI) various levels of distributed
4 energy resource penetration, including
5 electric vehicles;

6 “(VII) the implementation of
7 transactive energy approaches as a
8 means of coordinating at scale large
9 numbers of distributed energy re-
10 sources; and

11 “(VIII) different deployment sce-
12 narios, such as individual technology
13 applications, combination technology
14 applications, and integrated control
15 system applications;

16 “(vi) include—

17 “(I) an analysis of the use of a
18 comprehensive suite of distributed en-
19 ergy resources; and

20 “(II) an assessment of the com-
21 petitive markets for each distributed
22 energy resource;

23 “(vii) consider various electric grid ar-
24 chitecture concepts and tools, including the

1 development of local energy networks inter-
2 connected with the electric grid;

3 “(viii) include an analysis of the ways
4 in which the different scenarios incor-
5 porated under clause (v) may impact the
6 broader energy system, such as the bulk
7 power system, the transmission network,
8 and natural gas infrastructure;

9 “(ix) assess any barriers to the ability
10 of distributed energy resources to provide
11 the identified electric grid services;

12 “(x) to the maximum extent prac-
13 ticable—

14 “(I) seek to use any relevant pre-
15 existing research and ongoing work;
16 and

17 “(II) avoid duplication of effort;
18 and

19 “(xi) conduct estimates for the 5-, 10-
20 , and 15-year periods beginning on the
21 date of enactment of the Flexible Grid In-
22 frastructure Act of 2017.

23 “(2) REPORTS.—Not later than 18 months
24 after the date of enactment of the Flexible Grid In-
25 frastructure Act of 2017, and not less frequently

1 than once every 3 years thereafter, the Commission
2 and the Secretary shall submit to Congress a report
3 describing the results of the most recent assessment
4 under paragraph (1) that includes—

5 “(A) a description of the details required
6 under clauses (i) through (xi) of paragraph
7 (1)(B);

8 “(B) data reported and analyzed—

9 “(i) on a nationwide basis;

10 “(ii) on a State basis, for each of the
11 several States of the United States;

12 “(iii) by sector;

13 “(iv) by balancing authority; and

14 “(v) to reflect—

15 “(I) granular locational charac-
16 teristics, such as load pockets and
17 grid congestion;

18 “(II) granular temporal charac-
19 teristics, such as hourly and subhourly
20 electricity generation costs and elec-
21 tricity network costs; and

22 “(III) the specific electric grid
23 services identified by the study under
24 section 3(b) of the Flexible Grid In-
25 frastructure Act of 2017;

1 “(C) macroeconomic data, including an
2 analysis of any effects on job creation,
3 economywide costs and benefits, energy produc-
4 tivity, retail rate impacts, and gross domestic
5 product;

6 “(D) a description of the methodology used
7 to conduct the assessment described in para-
8 graph (1); and

9 “(E) policy recommendations—

10 “(i) to achieve the estimated potential
11 identified by the assessment under para-
12 graph (1)(A);

13 “(ii) to promote the development of
14 competitive markets for distributed energy
15 resources assessed under paragraph
16 (1)(B)(vi)(II); and

17 “(iii) to address the barriers described
18 in paragraph (1)(B)(ix).

19 “(3) REDUCING DUPLICATION OF EFFORT.—In
20 conducting the assessment under paragraph (1), the
21 Commission and the Secretary shall use, to the max-
22 imum extent practicable, data and studies in exist-
23 ence as of the date of the assessment in an effort
24 to reduce the potential for duplication of effort.

1 “(d) TECHNICAL ASSISTANCE.—The Secretary shall
2 provide technical assistance to energy distribution utilities,
3 State energy regulators, State energy offices, third-party
4 energy service providers, wholesale market operators, and
5 other interested parties relating to—

6 “(1) use of the data and modeling tools pro-
7 vided under this section; and

8 “(2) the general planning and market analysis
9 required for cost-effective deployment of distributed
10 energy resources and grid flexibility assets.

11 “(e) VOLUNTARY NATIONAL ACTION PLAN ON DIS-
12 TRIBUTED ENERGY RESOURCES.—

13 “(1) IN GENERAL.—Not later than 1 year after
14 the date of submission of the initial report required
15 under subsection (c)(2), the Secretary, in consulta-
16 tion with the Commission, shall develop a voluntary
17 national action plan to unlock the potential of dis-
18 tributed energy resources to provide electric grid
19 services, which shall be based on the assessments re-
20 quired under subsection (c)(1).

21 “(2) REQUIREMENTS.—In developing the vol-
22 untary national action plan under this subsection, to
23 the maximum extent practicable, the Secretary
24 shall—

1 “(A) use relevant information contained in
2 the National Action Plan on Demand Response
3 prepared by the Commission, Docket No.
4 AD09–10, dated June 17, 2010; and

5 “(B) solicit participation, and take into
6 consideration comments, from other Federal
7 agencies, the National Laboratories, the Na-
8 tional Academy of Sciences, State and local
9 governments, industry, research institutions,
10 nonprofit organizations, consumer advocates,
11 and other interested parties.

12 “(3) INCLUSIONS.—The voluntary national ac-
13 tion plan developed under this subsection shall in-
14 clude provisions for—

15 “(A) the identification of requirements for
16 technical assistance to States to allow States to
17 maximize distributed energy resource potential
18 that can be developed and deployed cost-effec-
19 tively;

20 “(B) the design of a national communica-
21 tions program that includes broad-based cus-
22 tomer education and support; and

23 “(C) the identification or development of
24 analytical tools, information, model regulatory
25 provisions, model contracts, and other support

1 materials for use by customers, States, utilities,
2 and demand response providers.”.

3 (b) STUDY ON VALUATION OF ELECTRIC GRID SERV-
4 ICES.—

5 (1) IN GENERAL.—Not later than 1 year after
6 the date of enactment of this Act, and not less fre-
7 quently than once every 3 years thereafter, the Sec-
8 retary and the Commission shall conduct a com-
9 prehensive study that—

10 (A) incorporates the assessment required
11 under subsection (c)(1) of section 921 of the
12 Energy Policy Act of 2005 (42 U.S.C. 16211);

13 (B) identifies and analyzes—

14 (i) all electric grid services that can be
15 provided, including—

16 (I) emerging electric grid service
17 needs; and

18 (II) electric grid services that can
19 be provided by—

20 (aa) conventional energy
21 technologies, such as centralized
22 thermal generation units and
23 electricity transmission infra-
24 structure;

1 (bb) utility-scale renewable
2 energy generation technologies;
3 and

4 (cc) emerging energy tech-
5 nologies, such as grid-scale en-
6 ergy storage and distributed en-
7 ergy resources;

8 (ii)(I) the specific electric grid serv-
9 ices, the value of which is conditioned by
10 locational value and temporal value; and

11 (II) the degree of effect of location
12 and time on the value of the electric grid
13 services identified under subclause (I);

14 (iii) for each electric grid service iden-
15 tified under clauses (i) and (ii), the specific
16 technologies (including the technologies
17 identified under clause (i)(II)) that have
18 the capacity to provide the electric grid
19 service, including an analysis of the extent
20 to which a given technology can provide a
21 given electric grid service; and

22 (iv) the effect of integrated energy
23 control systems (such as microgrids) on
24 the value of grid services;

1 (C) quantifies the estimated value of those
2 electric grid services, taking into consideration
3 input from relevant industry stakeholders and
4 unique regulatory and regional electricity sys-
5 tem characteristics; and

6 (D) identifies—

7 (i) any barriers to wholesale market
8 participation for distributed energy re-
9 sources; and

10 (ii) the most effective mechanisms for
11 opening electricity markets to increased
12 competition, consumer choice, and innova-
13 tion.

14 (2) PUBLIC COMMENT.—In conducting the
15 study under paragraph (1), the Secretary and the
16 Commission shall solicit relevant public comments.

17 (3) CONSULTATION.—As soon as practicable
18 after the date of enactment of this Act, in con-
19 ducting the study under paragraph (1), the Sec-
20 retary and the Commission shall engage a broad set
21 of experts from other Federal agencies, the National
22 Laboratories, the National Academy of Sciences,
23 States, Tribal governments, units of local govern-
24 ment, industry, research institutions, nonprofit orga-

1 nizations, consumer advocates, and other interested
2 parties.

3 (4) REPORTS.—Not later than 18 months after
4 the date of enactment of this Act, and not less fre-
5 quently than once every 3 years thereafter, the Sec-
6 retary and the Commission shall submit to Congress
7 a report describing the results of the most recent
8 study conducted under paragraph (1).

9 (c) MODELING.—

10 (1) IN GENERAL.—The Secretary, in consulta-
11 tion with the Administrator, shall expand modeling
12 capabilities for the electric power sector to more ac-
13 curately reflect the role of distributed energy re-
14 sources in current and future energy consumption
15 and in the optimization of the electric grid.

16 (2) GRID OPTIMIZATION IN THE CONTEXT OF
17 DER AND STORAGE.—Not later than 1 year after the
18 date of submission of the initial report required
19 under subsection (c)(2) of section 921 of the Energy
20 Policy Act of 2005 (42 U.S.C. 16211), the Sec-
21 retary, in consultation with the Administrator and
22 the Commission, shall provide modeling tools to as-
23 sist energy distribution utilities, State regulatory au-
24 thorities, State energy offices, third-party energy
25 service providers, and wholesale market operators in

1 the planning and market analysis required for cost-
2 effective optimization of the electric grid and deploy-
3 ment of distributed energy resources and grid-scale
4 energy storage, including modeling tools for assess-
5 ing individual technologies, combinations of tech-
6 nologies, or integrated control system applications.

7 (3) DATA AND METHODOLOGIES.—The mod-
8 eling tools provided under paragraph (2) shall incor-
9 porate the data and methodologies used to produce
10 the reports required under subsection (c)(2) of sec-
11 tion 921 of the Energy Policy Act of 2005 (42
12 U.S.C. 16211).

13 (4) NATIONAL ENERGY MODELING SYSTEMS
14 (NEMS) DEVELOPMENT.—The Administrator shall
15 continue to evaluate options for expanding the capa-
16 bility of the National Energy Modeling Systems
17 Electricity Market Module to accurately represent
18 the complexity of the electric power sector, including
19 by—

20 (A) incorporating hourly and subhourly
21 electric power sector data; and

22 (B) including the services provided by dis-
23 tributed energy resources and energy storage.

24 (d) STUDY OF BARRIERS TO ADVANCED TRANS-
25 MISSION TECHNOLOGIES.—

1 (B) a framework for future research into
2 removing the barriers identified and analyzed
3 under the study, based on—

4 (i) the recommendations developed
5 under the study; and

6 (ii) research on transmission capacity
7 use, performance from synchrophasor in-
8 formation, advanced conductors, advanced
9 transmission tower designs, dynamic line
10 rating, advanced power flow control, and
11 energy storage; and

12 (C) the methodology used in the study, in-
13 cluding the methodology used to produce the
14 recommendations developed under the study.

15 (e) DER DATA CLEARINGHOUSE.—Not later than
16 180 days after the date of submission of the initial report
17 required under subsection (c)(2) of section 921 of the En-
18 ergy Policy Act of 2005 (42 U.S.C. 16211), the Secretary
19 and the Commission shall establish on the Internet a
20 clearinghouse of nonpersonally identifiable data relating to
21 distributed energy resources, including the data used to
22 conduct the assessment and report under paragraphs (1)
23 and (2), respectively, of subsection (c) of section 921 of
24 the Energy Policy Act of 2005 (42 U.S.C. 16211), ex-
25 pressed—

1 (1) on a nationwide basis;

2 (2) on a State basis, for each of the several
3 States of the United States;

4 (3) by sector; and

5 (4) to reflect—

6 (A) granular locational characteristics,
7 such as load pockets and electric grid conges-
8 tion;

9 (B) granular temporal characteristics, such
10 as hourly and subhourly electricity generation
11 costs and electricity network costs; and

12 (C) the specific electric grid services identi-
13 fied by the study under section 3(b).

14 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
15 authorized to be appropriated to carry out this section (in-
16 cluding the amendments made by this section)
17 \$50,000,000, to remain available for a period of 10 years
18 following the fiscal year for which the amounts were ap-
19 propriated.

20 **SEC. 4. ELECTRIFICATION OF VEHICLES AND HEATING.**

21 (a) RESEARCH, DEVELOPMENT, AND DEMONSTRA-
22 TION ACTIVITIES.—

23 (1) IN GENERAL.—In accordance with para-
24 graphs (2) and (3), the Secretary shall conduct a
25 program of research, development, and demonstra-

1 telemetry and embedded metrology;
2 and

3 (II) the practices of transmitting
4 secure data over the Internet, a utility
5 system, or other mechanism, with a
6 means for implementation, such as a
7 standard;

8 (iii) to optimize electric heating tech-
9 nologies for—

10 (I) the integration of renewable
11 energy technologies; and

12 (II) the reduction of greenhouse
13 gases and other pollutants;

14 (iv) to investigate the technical, eco-
15 nomic, and legal details of using electric
16 heating technologies for a range of electric
17 grid services, including—

18 (I) energy storage;

19 (II) demand response; and

20 (III) frequency regulation and
21 other ancillary services;

22 (v) to diminish the market barriers to
23 the broad adoption of heating technologies
24 with digital control and communication

1 technologies that enable grid interoper-
2 ability and integration;

3 (vi) to address nonrecurring engineer-
4 ing costs associated with the development
5 of interoperable electric heating tech-
6 nologies;

7 (vii) to investigate and implement ap-
8 proaches to the aggregation, wholesale
9 electricity marketing, and, to the maximum
10 extent practicable, retail electricity mar-
11 keting of electric grid services provided by
12 electric heating, including research into the
13 use of transactive energy systems as a
14 means of enabling efficient operations;

15 (viii) to investigate and implement
16 programs to improve the access to, and af-
17 fordability of, electric heating technologies
18 for low-income populations;

19 (ix) to implement innovative consumer
20 marketing and contracting models, includ-
21 ing pricing approaches (including con-
22 sumer access to wholesale market pricing
23 signals), that co-optimize customer benefits
24 and electric grid benefits;

1 (x) to demonstrate best practices
2 for—

3 (I) customer participation and
4 satisfaction; and

5 (II) maximizing customer bene-
6 fits;

7 (xi) to investigate and implement
8 user-friendly equipment financing models
9 linked to the marketing of electric grid
10 services, including the means by which the
11 electric grid services provided by electric
12 heating technologies can help finance the
13 cost of the electric heating technology; and

14 (xii) to develop a methodology for
15 modeling load increases expected from the
16 deployment of electric heating technologies.

17 (B) CONSULTATION.—As soon as prac-
18 ticable after the date of enactment of this Act,
19 in carrying out the activities under subpara-
20 graph (A), the Secretary shall consult with
21 stakeholders, including—

22 (i) other Federal agencies;

23 (ii) the National Laboratories;

24 (iii) States;

25 (iv) Tribal governments;

- 1 (v) units of local government;
- 2 (vi) electric utilities, such as investor-
- 3 owned electric utilities, publicly owned elec-
- 4 tric utilities, and electric cooperatives;
- 5 (vii) private companies, including en-
- 6 ergy technology manufacturers;
- 7 (viii) third-party energy service pro-
- 8 viders;
- 9 (ix) institutions of higher education;
- 10 and
- 11 (x) nonprofit organizations.

12 (3) ELECTRIC VEHICLE RESEARCH, DEVELOP-

13 MENT, AND DEMONSTRATION ACTIVITIES.—

14 (A) IN GENERAL.—Not later than 180

15 days after the date of enactment of this Act,

16 the Secretary, in collaboration with the Sec-

17 retary of Transportation, shall initiate research,

18 development, and demonstration activities—

- 19 (i) to advance the co-optimization of
- 20 electrified transportation and electricity
- 21 systems, including by identifying ways to
- 22 increase the resilience, efficiency, and envi-
- 23 ronmental performance of the electric grid
- 24 and the transportation system;

1 (ii) to advance the technical under-
2 standing of—

3 (I) the manner in which vehicle
4 charging systems are controlled and
5 optimized, including by advancing ve-
6 hicle and charging station telemetry
7 and embedded metrology; and

8 (II) the practices of transmitting
9 secure data over the Internet, a utility
10 system, or other mechanism, with a
11 means for implementation, such as a
12 standard;

13 (iii) to optimize electric vehicles for
14 the integration of renewable energy tech-
15 nologies and the reduction of greenhouse
16 gases and other pollutants;

17 (iv) to investigate the technical, eco-
18 nomic, and legal details of using fleet,
19 transit, and municipal vehicle batteries for
20 a range of electric grid services, includ-
21 ing—

22 (I) demand response;

23 (II) frequency regulation and
24 other ancillary services; and

1 (III) energy output, or full-scale
2 vehicle-to-electric grid, operations;

3 (v) to investigate the co-optimization
4 of the electrification of transportation with
5 advancements in autonomous vehicles and
6 the use of vehicles for ride sharing, includ-
7 ing by—

8 (I) studying consumer participa-
9 tion and other behavioral challenges,
10 including incentives that promote co-
11 optimization; and

12 (II) researching challenges and
13 opportunities relating to the optimiza-
14 tion of electric grid operations in the
15 context of autonomous vehicle and
16 ride-sharing usage patterns, including
17 the use of energy storage in charging
18 systems;

19 (vi) to investigate, in collaboration
20 with the Commission, approaches to the
21 aggregation, wholesale electricity mar-
22 keting, and, to the maximum extent prac-
23 ticable, retail electricity marketing of elec-
24 tric grid services provided by electric vehi-
25 cles, including research into the use of

1 transactive energy systems as a means of
2 enabling vehicle-electric grid integration;

3 (vii) to implement innovative con-
4 sumer marketing and contracting models,
5 including pricing approaches (including
6 consumer access to wholesale market pric-
7 ing signals), that co-optimize transpor-
8 tation benefits and electric grid benefits,
9 including by maximizing the value of the
10 vehicle services to the electric grid while
11 also maximizing value to the consumer (in-
12 cluding by maximizing the flexibility of use
13 of the vehicle to the driver or rider);

14 (viii) to investigate and implement
15 user-friendly electric vehicle and related
16 equipment financing models linked to the
17 marketing of electric grid services, includ-
18 ing the means by which the electric grid
19 services provided by an electric vehicle can
20 help finance the cost of the vehicle;

21 (ix) to investigate and implement pro-
22 grams to improve the access to, and af-
23 fordability of, electric vehicles for low-in-
24 come populations;

1 (x)(I) to advance best practices for
2 manufacturers of electric vehicles, charging
3 equipment, and systems; and

4 (II) to embed those practices in pro-
5 grams and grant opportunities of the De-
6 partment of Energy to leverage competitive
7 market electric vehicle products and
8 incentivize more rapid and widespread
9 adoption;

10 (xi) to assist electric utilities and
11 transit agencies in collaboratively planning
12 an electrified fleet;

13 (xii) to investigate the use of fleet,
14 transit, and municipal vehicle batteries as
15 power sources for community shelter facili-
16 ties during emergencies;

17 (xiii) to develop analytical tools and fi-
18 nancial models to assist electric utilities
19 and transit agencies in assessing electric
20 utility and infrastructure requirements to
21 support selected transit vehicle tech-
22 nologies and charging profiles, including
23 analytic tools—

24 (I) to optimize the total cost of
25 ownership;

1 (II) to develop electrification
2 route maps and transition plans, with
3 quantitative estimates of the popu-
4 lation-weighted reductions in pollutant
5 exposure from electrification of spe-
6 cific routes, including criteria pollut-
7 ants and new pollutants of concern;
8 and

9 (III) to articulate the strategy
10 and timelines for transitioning to
11 zero-emission vehicles;

12 (xiv) to investigate scenarios for the
13 sharing of battery assets for the purpose of
14 maximizing cost-performance and battery
15 use, including—

16 (I) scenarios that optimize shared
17 usage between transit agencies and
18 electric utilities over the lifecycle of
19 the battery;

20 (II) incentives for an entity (such
21 as an electric utility) to provide fund-
22 ing to reduce initial premium costs
23 by—

1 (aa) owning the battery of a
2 transit agency transit vehicle;
3 and

4 (bb) charging the battery
5 using smart charging; and

6 (III) enabling the entity to reposition the battery into stationary use
7 after the battery has served the expected life of the battery in mobility
8 use;
9 use;

10 (xv) to develop a methodology for
11 modeling load increases expected from electrifying the transportation sector; and

12 (xvi) to investigate the deployment of
13 electric vehicle technologies and charging
14 infrastructure within scalable and integrated energy management systems as part
15 of community energy infrastructure development.

16 (B) CONSULTATION.—As soon as practicable after the date of enactment of this Act,
17 in carrying out the activities under subparagraph (A), the Secretary shall consult with
18 stakeholders, including—

19 (i) vehicle manufacturers, including—

- 1 (I) manufactures of light-, me-
2 dium-, and heavy-duty vehicles; and
- 3 (II) transit vehicle manufactur-
4 ers;
- 5 (ii) electric utilities, such as investor-
6 owned electric utilities, publicly owned elec-
7 tric utilities, and electric cooperatives;
- 8 (iii) third-party energy service pro-
9 viders;
- 10 (iv) transit agencies;
- 11 (v) fleet operators;
- 12 (vi) private companies, including en-
13 ergy technology manufacturers and battery
14 manufacturers;
- 15 (vii) other Federal agencies;
- 16 (viii) the National Laboratories;
- 17 (ix) States;
- 18 (x) Tribal governments;
- 19 (xi) units of local government;
- 20 (xii) nonprofit organizations;
- 21 (xiii) institutions of higher education;
- 22 (xiv) electric vehicle supply equipment
23 and charging infrastructure manufactur-
24 ers; and
- 25 (xv) battery manufacturers.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—There is
2 authorized to be appropriated to carry out this section
3 \$100,000,000, to remain available for a period of 10 years
4 following the fiscal year for which the amounts were ap-
5 propriated.

6 **SEC. 5. PRIVACY, SECURITY, AND RESILIENCE.**

7 (a) PROTECTING PRIVACY AND SECURITY.—In car-
8 rying out this Act, the Secretary, the Administrator, and
9 the Secretary of Homeland Security shall identify, incor-
10 porate, and follow best practices for protecting the privacy
11 of individuals and businesses and the respective sensitive
12 data of the individuals and businesses, including by man-
13 aging privacy risk and implementing the Fair Information
14 Practice Principles of the Federal Trade Commission for
15 the collection, use, disclosure, and retention of individual
16 electric consumer information in accordance with the Of-
17 fice of Management and Budget Circular A–130 (or suc-
18 cessor circulars).

19 (b) PERSONAL PROTECTIONS FOR SENSITIVE PER-
20 SONAL DATA.—No Federal entity shall request the cre-
21 ation, recording, or collection of data identified to an indi-
22 vidual person as a result of this Act.

23 (c) LAW ENFORCEMENT REQUIREMENTS.—

24 (1) DEFINITIONS.—In this subsection:

1 (A) GOVERNMENTAL ENTITY.—The term
2 “governmental entity” has the meaning given
3 that term in section 2711 of title 18, United
4 States Code.

5 (B) JUDGE OF COMPETENT JURISDICTION;
6 STATE.—The terms “judge of competent juris-
7 diction” and “State” have the meanings given
8 such terms in section 2510 of title 18, United
9 States Code.

10 (2) CONSUMER INFORMATION.—A govern-
11 mental entity may obtain from an electric utility,
12 third party aggregator, or other nongovernmental
13 entity under an administrative subpoena authorized
14 by a Federal or State statute or a Federal or State
15 grand jury or trial subpoena the—

16 (A) name of an electric consumer;

17 (B) address of an electric consumer;

18 (C) length of service (including start date)
19 of, and types of service used by, an electric con-
20 sumer; and

21 (D) means and source of payment for such
22 service (including any credit card or bank ac-
23 count number) of an electric consumer.

24 (3) ELECTRIC USAGE INFORMATION.—A gov-
25 ernmental entity may only require the disclosure by

1 an electric utility, third party aggregator, or other
2 nongovernmental entity of information regarding the
3 use of electricity by an electric consumer (including
4 monthly usage data, data at a greater level of detail
5 or specificity, and information about electric use by
6 specific appliances) pursuant to a warrant issued
7 based on probable cause, using the procedures de-
8 scribed in the Federal Rules of Criminal Procedure
9 (or, in the case of a State court, issued using State
10 warrant procedures) by a court of competent juris-
11 diction.

12 (4) NOTICE.—

13 (A) IN GENERAL.—Not later than 30 days
14 after obtaining a warrant for electric usage in-
15 formation described in paragraph (3), a govern-
16 mental entity shall notify each electric con-
17 sumer whose information was obtained.

18 (B) DELAY OF NOTICE.—

19 (i) IN GENERAL.—Upon application
20 by a governmental entity, a judge of com-
21 petent jurisdiction may issue an order au-
22 thORIZING the governmental entity to delay
23 notice under subparagraph (A) for a period
24 of not more than 180 days if the judge

1 finds reason to believe notifying the elec-
2 tric consumer of the order will result in—

3 (I) endangering the life or phys-
4 ical safety of an individual;

5 (II) flight from prosecution;

6 (III) destroying of or tampering
7 with evidence;

8 (IV) intimidation of potential wit-
9 nesses; or

10 (V) otherwise seriously jeopard-
11 izing an investigation or unduly delay-
12 ing a trial.

13 (ii) UNLIMITED RENEWALS.—Upon
14 application by a governmental entity, a
15 judge of competent jurisdiction may renew
16 an order delaying notice under clause (i)
17 for additional periods of not longer than
18 180 days if the judge makes a finding de-
19 scribed in clause (i).

20 (5) SUPPRESSION.—Any electric usage informa-
21 tion described in paragraph (3), or evidence directly
22 or indirectly derived from such information, may not
23 be received in evidence in any trial, hearing, or other
24 proceeding in or before any court, grand jury, de-
25 partment, officer, agency, regulatory body, legislative

1 committee, or other authority of the United States,
2 a State, or a political subdivision thereof if the ob-
3 taining of the information was not conducted in ac-
4 cordance with this subsection.

5 (6) REPORTING.—

6 (A) BY GOVERNMENTAL ENTITIES.—In
7 January of each year, each governmental entity
8 shall submit to the Administrative Office of the
9 United States Courts information regarding any
10 warrant described in paragraph (3) that was
11 sought or obtained by the governmental entity
12 during the previous year, including—

13 (i) the number of warrants described
14 in paragraph (3) sought by the govern-
15 mental entity;

16 (ii) the number of warrants described
17 in paragraph (3) obtained by the govern-
18 mental entity; and

19 (iii) for each warrant described in
20 paragraph (3) sought or obtained by the
21 governmental entity—

22 (I) the offense specified in the
23 application; and

24 (II) the identity of the officer ap-
25 plying for the warrant.

1 (B) REPORT TO CONGRESS.—As part of
2 the report submitted under section 2519(3) of
3 title 18, United States Code, the Administrative
4 Office of the United States Courts shall provide
5 to Congress, with respect to the previous year—

6 (i) the number of warrants described
7 in paragraph (3) sought by governmental
8 entities;

9 (ii) the number of warrants described
10 in paragraph (3) obtained by governmental
11 entities; and

12 (iii) a summary and analysis of the
13 data required to be filed with the Adminis-
14 trative Office under subparagraph (A).

15 (d) MANAGING EMERGING THREATS TO THE ELEC-
16 TRIC GRID.—

17 (1) MODEL STANDARDS FOR THE DISTRIBUTION
18 GRID.—

19 (A) IN GENERAL.—Not later than 1 year
20 after the date of enactment of this Act, the Sec-
21 retary shall develop model standards to assist
22 States, electric cooperatives, and publicly owned
23 electric utilities in the voluntary updating of
24 standards for resource planning, energy assur-
25 ance planning, ensuring distribution-grid reli-

1 ability from natural disasters, and improving
2 security with respect to cyber and physical
3 threats, taking into consideration—

4 (i) the increased use of smart grid
5 technologies, variable energy generation,
6 energy storage, and distributed energy re-
7 sources;

8 (ii) standards for critical infrastruc-
9 ture; and

10 (iii) emerging and rapidly evolving
11 hazards.

12 (B) CONSULTATION.—As soon as prac-
13 ticable after the date of enactment of this Act,
14 in developing the model standards under sub-
15 paragraph (A), the Secretary shall consult
16 with—

17 (i) States;

18 (ii) utilities, such as investor-owned
19 electric utilities, publicly owned utilities,
20 and electric cooperatives;

21 (iii) third-party energy service pro-
22 viders;

23 (iv) other Federal agencies;

24 (v) the Electric Reliability Organiza-
25 tion;

- 1 (vi) private companies, including en-
2 ergy technology manufacturers;
3 (vii) the National Laboratories;
4 (viii) nonprofit organizations; and
5 (ix) institutions of higher education.

6 (2) EQUIPMENT STANDARDS AND TESTING PRO-
7 CEDURES.—Not later than 3 years after the date of
8 enactment of this Act, the Secretary, in collaboration
9 with the Secretary of Commerce (acting through the
10 Director of the National Institute of Standards and
11 Technology), electric utilities, States, and standard-
12 making organizations, shall—

13 (A) evaluate whether new performance
14 standards and testing procedures are needed to
15 ensure electrical equipment resilience in the
16 face of emerging and rapidly evolving hazards
17 (like cyber and physical threats and natural dis-
18 asters) taking into consideration the increased
19 use of smart grid technologies, variable energy
20 generation, energy storage, distributed energy
21 resources, and capabilities for autonomous en-
22 ergy systems integration and management
23 (such as islandable microgrids); and

1 (B) develop and submit to Congress a set
2 of recommendations for distribution equipment
3 manufacturers to voluntarily—

4 (i) minimize disruptions of inter-
5 connected distributed energy resources and
6 associated data feeds, especially during
7 critical peak demand; and

8 (ii) support the reliability and resil-
9 ience of the distribution grid.

10 (e) DEVELOPMENT OF UNIFORM COST-BENEFIT
11 ANALYSIS METHODS FOR SECURITY AND RESILIENCE.—

12 (1) IN GENERAL.—Not later than 1 year after
13 the date of enactment of this Act, the Secretary
14 shall develop and submit to Congress a set of meth-
15 ods and guidelines for calculating the costs and ben-
16 efits of investments in resilience and security solu-
17 tions for the electric grid, including—

18 (A) the development of uniform and tech-
19 nology-neutral methods for valuing electric grid
20 reliability and security, taking into consider-
21 ation the results of the study conducted under
22 section 3(b);

23 (B) guidelines for valuing the management
24 of risks associated with high-impact events,
25 such as threats related to cyber or physical at-

1 tacks, natural disasters, or combined threats,
2 including the value of State and local energy as-
3 surance planning and investment; and

4 (C) methods on how to quantify the secu-
5 rity and resilience benefits that are unique to
6 distributed energy resources and grid-scale en-
7 ergy storage.

8 (2) CONSULTATION.—As soon as practicable
9 after the date of enactment of this Act, in devel-
10 oping the methods and guidelines under paragraph
11 (1), the Secretary shall consult with industry and
12 government stakeholders, including the stakeholders
13 described in subsection (d)(1)(B).

14 **SEC. 6. WORKFORCE DEVELOPMENT.**

15 (a) IN GENERAL.—Not later than 1 year after the
16 date of enactment of this Act, the Secretary, in collabora-
17 tion with the Secretary of Labor and the Secretary of
18 Commerce, shall enhance and align current electricity sec-
19 tor workforce development and training programs to sat-
20 isfy training requirements relating to the increasing com-
21 plexity of the electric grid, including developing the abili-
22 ties—

23 (1) to manage the smart grid and the increased
24 digitization and connectivity of consumer devices and

1 the energy system, including managing cybersecurity
2 risks; and

3 (2) to optimize the electric grid in the context
4 of the increasing penetration of distributed energy
5 resources, energy storage, variable renewable energy
6 generation, electric vehicles, and new information,
7 communication, and control capabilities involved in
8 energy systems management.

9 (b) INITIATIVES.—In carrying out subsection (a), the
10 Secretary shall—

11 (1) in collaboration with electric utilities, tech-
12 nology providers to the utility industry, academic in-
13 stitutions, nonprofit organizations, and Federal
14 agencies (such as the Department of Labor, the Na-
15 tional Science Foundation, the Department of Com-
16 merce, the Department of Education, and the De-
17 partment of Defense), coordinate Federal initiatives
18 on electricity sector education and training, includ-
19 ing by—

20 (A) establishing programs to facilitate na-
21 tional training credentials in new electricity
22 technologies;

23 (B) developing appropriate curricula for
24 community colleges; and

1 (C) fostering lifelong learning relating to
2 new electricity technologies;

3 (2) expand existing Department of Energy
4 training programs to increase the number of intern-
5 ships, fellowships, traineeships, and registered ap-
6 prenticeships;

7 (3) in collaboration with the Secretary of
8 Labor, develop workforce training curricula;

9 (4) in collaboration with the Secretary of
10 Labor, improve labor market information on the
11 changing requirements for skilled technical workers
12 to better align workforce development with advances
13 in science and technology;

14 (5) in collaboration with the Secretary of
15 Labor, the Secretary of Defense, and the Secretary
16 of Veterans Affairs, create workforce opportunities
17 for veterans;

18 (6) in collaboration with the Secretary of
19 Labor, create workforce opportunities that—

20 (A) expand workforce diversity; and

21 (B) provide to low- and moderate-income
22 individuals job training that is aligned with in-
23 demand jobs; and

24 (C) make use of partnerships between
25 management and labor;

1 (7) in collaboration with the Secretary of
2 Labor, the Secretary of Defense, and other relevant
3 agencies, develop a single resource web portal to in-
4 form industry and potential employees about the
5 Federal agency workforce development initiatives
6 and resources;

7 (8) develop workforce assessment tools to com-
8 plement training programs; and

9 (9) support and facilitate regional approaches
10 to workforce development, including workforce ef-
11 forts of States and units of local government (such
12 as workforce investment boards).

13 (c) DEPARTMENT OF LABOR LEADERSHIP.—In col-
14 laborating with the Secretary to carry out subsection (a),
15 the Secretary of Labor shall collaborate with the Secretary
16 to expand Department of Labor preapprenticeship pro-
17 grams in the electricity industry, with priority given to de-
18 veloping preapprenticeship programs that align with the
19 training initiatives described in subsection (b).

20 (d) COMMUNITY-CENTERED PROGRAMS.—

21 (1) IN GENERAL.—The Secretary, in collabora-
22 tion with the Secretary of Labor, the Secretary of
23 Veterans Affairs, and the Secretary of Health and
24 Human Services, shall develop workforce training

1 programs to reach certain affected populations, in-
2 cluding—

3 (A) individuals displaced from declining
4 employment in the coal mining industry;

5 (B) low-income at-risk youth in urban en-
6 vironments;

7 (C) low-income and unemployed popu-
8 lations in rural areas;

9 (D) women;

10 (E) minorities; and

11 (F) workers displaced by technological ad-
12 vancements.

13 (2) DEMOGRAPHIC AWARENESS.—In developing
14 the programs under paragraph (1), the Secretary, in
15 collaboration with the Secretary of Labor, the Sec-
16 retary of Veterans Affairs, and the Secretary of
17 Health and Human Services, shall take into consid-
18 eration unique cultural, demographic, historical, and
19 economic factors—

20 (A) to ensure that the programs are appro-
21 priate for the populations described in subpara-
22 graphs (A) through (F) of paragraph (1); and

23 (B) to maximize the success of the pro-
24 grams.

25 (3) METRICS.—

1 (A) IN GENERAL.—In developing the pro-
2 grams under paragraph (1), the Secretary, in
3 collaboration with the Secretary of Labor, the
4 Secretary of Veterans Affairs, and the Sec-
5 retary of Health and Human Services, shall de-
6 velop metrics for measuring the success of the
7 programs developed under that paragraph, tak-
8 ing into consideration public health and mental
9 health factors, employment and earnings data,
10 and community economic development factors.

11 (B) COLLECTION OF CERTAIN DATA.—For
12 the purposes of collecting employment and
13 earnings data for consideration under subpara-
14 graph (A), the data shall be collected through
15 means other than survey data or self-reported
16 data, such as through agreements with Federal
17 or State agencies.

18 (e) ANALYSIS.—Not later than 1 year after the date
19 of enactment of this Act and every 3 years thereafter, the
20 Secretary, in collaboration with the Secretary of Labor,
21 shall conduct an analysis of employment within the energy
22 sector, including a detailed analysis of the skill level and
23 ability of the electricity sector workforce to manage the
24 complexity and changes of the electricity system.

1 (f) CONSULTATION.—In carrying out this section, the
2 Secretary, in collaboration with the Secretary of Labor,
3 the Secretary of Commerce, the Secretary of Defense, and
4 the Secretary of Veterans Affairs, shall consult with indus-
5 try and government stakeholder, including—

6 (1) States;

7 (2) units of local government;

8 (3) electric utilities;

9 (4) third-party energy service providers;

10 (5) private companies, including energy tech-
11 nology manufacturers;

12 (6) institutions of higher education; and

13 (7) nonprofit organizations.

14 (g) REPORTS.—Not later than 2 years after the date
15 of enactment of this Act and every 3 years thereafter, the
16 Secretary shall submit to Congress a report describing—

17 (1) the quantitative impact of programs carried
18 out under this section;

19 (2) the results of the analysis conducted under
20 subsection (e);

21 (3) a summary of benefits gained and barriers
22 faced by individuals participating in programs under
23 this section, including a description of—

24 (A) job opportunities created by the pro-
25 grams; and

1 (B) skills gained by individuals partici-
2 pating in the programs;

3 (4) national and regional observations and rec-
4 ommendations to improve workforce development,
5 including feedback from participants; and

6 (5) the administrative costs of the programs af-
7 fected by this section.

8 **SEC. 7. FLEXIBLE GRID CHALLENGE 2022.**

9 (a) ESTABLISHMENT.—Not later than 180 days after
10 the date of enactment of this Act, the Secretary shall es-
11 tablish a competitive program, pursuant to section 24 of
12 the Stevenson-Wydler Technology Innovation Act of 1980
13 (15 U.S.C. 3719), to be known as the “Flexible Grid Chal-
14 lenge 2022” (referred to in this section as the “pro-
15 gram”), to award grants to States to enhance the peak
16 load management and flexibility of the electric grid.

17 (b) CONSULTATION.—Pursuant to section 24(d) of
18 the Stevenson-Wydler Technology Innovation Act of 1980
19 (15 U.S.C. 3719(d)), the program shall seek to engage
20 a broad set of experts, including from—

21 (1) electric utilities;

22 (2) institutions of higher education;

23 (3) other Federal agencies;

24 (4) private companies, including energy tech-
25 nology manufacturers;

- 1 (5) States;
- 2 (6) units of local government;
- 3 (7) nonprofit organizations; and
- 4 (8) the National Laboratories.

5 (c) GOALS.—The goals of the program shall be—

- 6 (1) to optimize—
 - 7 (A) future electric infrastructure, including
 - 8 generation, delivery, consumption, and control
 - 9 methods;
 - 10 (B) electric grid design solutions to ensure
 - 11 electric grid reliability and resilience; and
 - 12 (C) retail electricity pricing and wholesale
 - 13 market valuation of electric grid services, taking
 - 14 into consideration consumer protection con-
 - 15 straints;
- 16 (2) to reliably, cost-effectively, safely, and se-
- 17 curely integrate and manage variable and distributed
- 18 energy resources, including—
 - 19 (A) distributed generation;
 - 20 (B) combined heat and power;
 - 21 (C) energy storage;
 - 22 (D) electric vehicles;
 - 23 (E) energy efficiency;
 - 24 (F) demand response;

1 (G) smart technologies that can enable in-
2 tegrated systems control of distributed energy
3 resources; and

4 (H) other technologies;

5 (3) to improve the integration and interoper-
6 ability of telecommunications, information tech-
7 nology, operational technologies, or other systems
8 and technologies with the electric grid;

9 (4) to help States overcome any technological,
10 regulatory, business model, and market barriers;

11 (5) to increase electricity reliability levels from
12 levels available as of the date of enactment of this
13 Act to levels sufficient to provide critical load;

14 (6) to define the role of the electric utility of
15 the future as compared to products provided by mar-
16 ket-driven entities;

17 (7) to mitigate specific challenges that are
18 unique to the region where the project is located, in-
19 cluding reliability and resilience concerns;

20 (8) to address the problems faced by the re-
21 search community at the time of the award; and

22 (9) to achieve the goals described in paragraphs
23 (1) through (8) by 2022.

24 (d) CRITERIA.—

1 (1) AWARD CRITERIA DEVELOPMENT.—Subject
2 to paragraphs (2) and (3), not later than 180 days
3 after the date of enactment of this Act, the Sec-
4 retary shall develop simple, ambitious, quantifiable,
5 and achievable performance criteria that shall be the
6 basis on which 1 or more winners will be selected
7 and publish a notice pursuant to section 24(f) of the
8 Stevenson-Wydler Technology Innovation Act of
9 1980 (15 U.S.C. 3719(f)).

10 (2) CONSIDERATIONS.—In developing the cri-
11 teria under paragraph (1), the Secretary shall con-
12 sider criteria that achieve the goals described in sub-
13 section (c).

14 (3) CONSULTATION.—Before establishing the
15 criteria under paragraph (1), the Secretary shall
16 consult with a broad set of experts, including experts
17 from entities described in subsection (b).

18 (e) AWARDS TO STATES.—

19 (1) IN GENERAL.—Not later than 5 years after
20 the selection of States participating in the program
21 under subsection (f)(3), the Secretary shall—

22 (A) select not more than 3 States as win-
23 ners of the program; and

24 (B) provide to each winner an award of
25 not more than \$50,000,000.

1 (2) BASIS OF SELECTION.—In selecting the
2 winners of the program under paragraph (1)(A), the
3 Secretary shall use the criteria developed and pub-
4 lished under subsection (d)(1).

5 (3) NO REQUIREMENT TO RECEIVE TECHNICAL
6 OR SUPPORT GRANTS.—The receipt or lack of re-
7 ceipt of technical assistance under subsection (g)(1)
8 or a support grant under subsection (g)(2) shall not
9 affect the eligibility of a State to be selected as a
10 winner of the program under paragraph (1).

11 (f) PROGRAM ELIGIBILITY.—

12 (1) APPLICATIONS.—Not later than 1 year
13 after the date of enactment of this Act, the Sec-
14 retary shall invite States to submit applications to
15 participate in the program.

16 (2) APPLICATION PROCESS.—A State seeking to
17 participate in the program shall submit to the Sec-
18 retary an application at such time, in such manner,
19 and containing such information as the Secretary
20 may require, including evidence that the State—

21 (A) has partnered with, at a minimum—

22 (i) an electric utility;

23 (ii) a energy technology manufacturer;

24 and

1 (iii) a National Laboratory or institu-
2 tion of higher education; and

3 (B) has established a plan for appropriate
4 use of any funds made available under the pro-
5 gram.

6 (3) DETERMINATION BY SECRETARY.—

7 (A) IN GENERAL.—Not later than 90 days
8 after the date on which an application is sub-
9 mitted under paragraph (2), the Secretary shall
10 determine whether the applicant State may par-
11 ticipate in the program.

12 (B) BASIS OF DETERMINATION.—In select-
13 ing States under subparagraph (A), the Sec-
14 retary shall ensure that the application of a se-
15 lected State demonstrates an ability to achieve
16 1 or more of the goals described in subsection
17 (c).

18 (g) TECHNICAL ASSISTANCE AND GRANTS.—

19 (1) TECHNICAL ASSISTANCE.—The Secretary
20 shall provide to participant States selected under
21 subsection (f)(3) technical assistance in the form of
22 individual consultations, tools, and other resources,
23 on an as-needed basis.

24 (2) SUPPORT GRANTS.—

1 (A) IN GENERAL.—The Secretary shall
2 provide support grants to participant States se-
3 lected under subparagraph (E).

4 (B) APPLICATION PROCESS.—A participant
5 State seeking a support grant shall submit to
6 the Secretary an application at such time, in
7 such manner, and containing such information
8 as the Secretary may require, including a plan
9 describing the proposed use of funds.

10 (C) ELIGIBILITY.—In determining the eli-
11 gibility of a participant State for a support
12 grant under subparagraph (A), the Secretary
13 shall consider whether the plan of the partici-
14 pant State described in subparagraph (B) in-
15 cludes methods for achieving 1 or more of the
16 goals described in subsection (c).

17 (D) AMOUNT OF SUPPORT GRANT.—The
18 amount of a support grant awarded to a partici-
19 pant State selected under subparagraph (E)
20 shall be not less than \$500,000 and not greater
21 than \$10,000,000.

22 (E) DETERMINATION BY SECRETARY.—

23 (i) IN GENERAL.—Not later than 90
24 days after the date on which an application

1 is submitted under subparagraph (B), the
2 Secretary shall determine—

3 (I) whether the applicant State
4 shall receive a support grant; and

5 (II) if so, the amount of the sup-
6 port grant.

7 (ii) BASIS OF DETERMINATION.—In
8 making a determination under clause (i),
9 the Secretary shall ensure that the applica-
10 tion of a selected State demonstrates an
11 ability to achieve improvement in flexible
12 peak load management 1 or more of the
13 goals described in subsection (c).

14 (F) REQUIREMENT.—As a condition of re-
15 ceiving financial assistance under this sub-
16 section, a State receiving a support grant shall
17 provide to the Secretary such information, at
18 such time, and in such manner as the Secretary
19 may require, to be made publicly available by
20 the Secretary subject to applicable Federal pri-
21 vacy laws.

22 (G) REPORTING BY PARTICIPANTS.—Not
23 later than 1 year after the date on which a
24 State initially receives a support grant, and
25 each year thereafter for the duration of the

1 grant period, a State that receives a support
2 grant shall submit to the Secretary a written
3 report that—

4 (i) summarizes the benefits gained
5 throughout the duration of the program;

6 (ii) describes barriers overcome during
7 the program;

8 (iii) outlines a continuation plan in
9 the event the State is not selected as a
10 winner of the program under subsection
11 (e); and

12 (iv) provides feedback on the program,
13 including proposed modifications to the
14 program.

15 (h) REPORTS.—Not later than 3 years after the date
16 on which amounts are first distributed under this section,
17 and not later than the date that is 3 years thereafter, the
18 Secretary shall submit to Congress reports describing—

19 (1) the number, type, and details of projects
20 proposed and projects undertaken under the pro-
21 gram;

22 (2) a summary of benefits gained and barriers
23 faced by participant States in the competition;

24 (3) a summary of continuation plans collected
25 from the participant States;

1 (4) national and regional observations and rec-
2 ommendations to improve peak load management
3 and flexibility, including feedback from participant
4 States;

5 (5) the administrative costs of the program;
6 and

7 (6) the total amount of funds distributed under
8 the program, including the amount awarded to each
9 participant State.

10 (i) AUTHORIZATION OF APPROPRIATIONS.—

11 (1) IN GENERAL.—Subject to paragraph (2),
12 there is authorized to be appropriated to carry out
13 this section \$150,000,000, of which \$15,000,000 is
14 authorized for use by the Department of Energy to
15 administer the prize.

16 (2) AVAILABILITY.—The amounts authorized
17 under paragraph (1) shall remain available until ex-
18 pended.