A BILL

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

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Interregional Transmission Planning Improvement Act of 2023”.

SEC. 2. INCREASING EFFECTIVENESS OF INTERREGIONAL TRANSMISSION PLANNING.

(a) IN GENERAL.—The Federal Energy Regulatory Commission (referred to in this section as the “Commission”) shall ensure—
(1) the effectiveness of existing planning processes for identifying interregional transmission projects that provide economic, reliability, and operational benefits, taking into consideration the public interest, the integrity of markets, and the protection of consumers;

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

(A) taking into consideration—

(i) the public interest;

(ii) the integrity of markets;

(iii) the protection of consumers;

(iv) the broad range of economic, reliability, and operational benefits;

(v) the need for single projects to secure approvals based on a comprehensive assessment of the multiple benefits provided;

(vi) that projects that meet interregional benefit criteria should not be subject to subsequent reassessment by transmission planning authorities;
(vii) the importance of synchronization of planning processes in neighboring regions, such as using a joint model on a consistent timeline with a single set of needs, input assumptions, and benefit metrics;

(viii) that evaluation of long-term scenarios should align with the expected life of a transmission asset to be not less than 20 years;

(ix) that transmission planning authorities should allow for the identification and joint evaluation of alternatives proposed by stakeholders;

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

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

(B) regardless of the regulatory or business model of the entity developing the transmission project; and

(3) the use of cost allocation methodologies that—
(A) reflect the multiple benefits provided
by interregional transmission solutions, including economic, reliability, resiliency, operational
benefits; and

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

(b) Recovery of Costs.—The Commission shall
allow a transmission developer of an interregional trans-
mission project that meets the criteria described in sub-
section (a)(2)(A) to submit to the Commission a request
to recover the cost of the project if the transmission devel-
oper demonstrates to the satisfaction of the Commission
that—

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

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

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

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