

1 pability and shall establish benchmarks for meeting that
2 goal. The plan shall also include—

3 (1) an analysis of the most effective and effi-
4 cient mechanisms for ensuring broadband access by
5 all people of the United States;

6 (2) a detailed strategy for achieving afford-
7 ability of such service and maximum utilization of
8 broadband infrastructure and service by the public;
9 and

10 (3) a plan for use of broadband infrastructure
11 and services in advancing consumer welfare, civic
12 participation, public safety and homeland security,
13 community development, health care delivery, energy
14 independence and efficiency, education, worker train-
15 ing, private sector investment, entrepreneurial activ-
16 ity, job creation and economic growth, and other na-
17 tional purposes.

18 **TITLE VII—ENERGY**

19 **SEC. 7001. TECHNICAL CORRECTIONS TO THE ENERGY** 20 **INDEPENDENCE AND SECURITY ACT OF 2007.**

21 (a) Section 543(a) of the Energy Independence and
22 Security Act of 2007 (42 U.S.C. 17153(a)) is amended—

23 (1) by redesignating paragraphs (2) through
24 (4) as paragraphs (3) through (5), respectively; and

1 (2) by striking paragraph (1) and inserting the
2 following:

3 “(1) 34 percent to eligible units of local govern-
4 ment–alternative 1, in accordance with subsection
5 (b);

6 “(2) 34 percent to eligible units of local govern-
7 ment–alternative 2, in accordance with subsection
8 (b);”.

9 (b) Section 543(b) of the Energy Independence and
10 Security Act of 2007 (42 U.S.C. 17153(b)) is amended
11 by striking “subsection (a)(1)” and inserting “subsection
12 (a)(1) or (2)”.

13 (c) Section 548(a)(1) of the Energy Independence
14 and Security Act of 2007 (42 U.S.C. 17158(a)(1)) is
15 amending by striking “; provided” and all that follows
16 through “541(3)(B)”.

17 **SEC. 7002. AMENDMENTS TO TITLE XIII OF THE ENERGY**
18 **INDEPENDENCE AND SECURITY ACT OF 2007.**

19 Title XIII of the Energy Independence and Security
20 Act of 2007 (42 U.S.C. 17381 and following) is amended
21 as follows:

22 (1) By amending subparagraph (A) of section
23 1304(b)(3) to read as follows:

24 “(A) IN GENERAL.—In carrying out the
25 initiative, the Secretary shall provide financial

1 support to smart grid demonstration projects in
2 urban, suburban, and rural areas, including
3 areas where electric system assets are controlled
4 by tax-exempt entities and areas where electric
5 system assets are controlled by investor-owned
6 utilities.”.

7 (2) By amending subparagraph (C) of section
8 1304(b)(3) to read as follows:

9 “(C) FEDERAL SHARE OF COST OF TECH-
10 NOLOGY INVESTMENTS.—The Secretary shall
11 provide to an electric utility described in sub-
12 paragraph (B) or to other parties financial as-
13 sistance for use in paying an amount equal to
14 not more than 50 percent of the cost of quali-
15 fying advanced grid technology investments
16 made by the electric utility or other party to
17 carry out a demonstration project.”.

18 (3) By inserting after section 1304(b)(3)(D)
19 the following new subparagraphs:

20 “(E) AVAILABILITY OF DATA.—The Sec-
21 retary shall establish and maintain a smart grid
22 information clearinghouse in a timely manner
23 which will make data from smart grid dem-
24 onstration projects and other sources available
25 to the public. As a condition of receiving finan-

1 cial assistance under this subsection, a utility or
2 other participant in a smart grid demonstration
3 project shall provide such information as the
4 Secretary may require to become available
5 through the smart grid information clearing-
6 house in the form and within the timeframes as
7 directed by the Secretary. The Secretary shall
8 assure that business proprietary information
9 and individual customer information is not in-
10 cluded in the information made available
11 through the clearinghouse.

12 “(F) OPEN PROTOCOLS AND STAND-
13 ARDS.—The Secretary shall require as a condi-
14 tion of receiving funding under this subsection
15 that demonstration projects utilize Internet-
16 based or other open protocols and standards if
17 available and appropriate.”.

18 (4) By amending paragraph (2) of section
19 1304(e) to read as follows:

20 “(2) to carry out subsection (b), such sums as
21 may be necessary.”.

22 (5) By amending subsection (a) of section 1306
23 by striking “reimbursement of one-fifth (20 per-
24 cent)” and inserting “grants of up to one-half (50
25 percent)”.

1 (6) By striking the last sentence of subsection
2 (b)(9) of section 1306.

3 (7) By striking “are eligible for” in subsection
4 (c)(1) of section 1306 and inserting “utilize”.

5 (8) By amending subsection (e) of section 1306
6 to read as follows:

7 “(e) PROCEDURES AND RULES.—The Secretary
8 shall—

9 “(1) establish within 60 days after the enact-
10 ment of the American Recovery and Reinvestment
11 Act of 2009 procedures by which applicants can ob-
12 tain grants of not more than one-half of their docu-
13 mented costs;

14 “(2) require as a condition of receiving a grant
15 under this section that grant recipients utilize Inter-
16 net-based or other open protocols and standards if
17 available and appropriate;

18 “(3) establish procedures to ensure that there is
19 no duplication or multiple payment or recovery for
20 the same investment or costs, that the grant goes to
21 the party making the actual expenditures for quali-
22 fying smart grid investments, and that the grants
23 made have significant effect in encouraging and fa-
24 cilitating the development of a smart grid;

1 “(4) maintain public records of grants made,
2 recipients, and qualifying smart grid investments
3 which have received grants;

4 “(5) establish procedures to provide advance
5 payment of moneys up to the full amount of the
6 grant award; and

7 “(6) have and exercise the discretion to deny
8 grants for investments that do not qualify in the
9 reasonable judgment of the Secretary.”.

10 **SEC. 7003. RENEWABLE ENERGY AND ELECTRIC POWER**
11 **TRANSMISSION LOAN GUARANTEE PROGRAM.**

12 (a) AMENDMENT.—Title XVII of the Energy Policy
13 Act of 2005 (42 U.S.C. 16511 et seq.) is amended by add-
14 ing the following at the end:

15 **“SEC. 1705. TEMPORARY PROGRAM FOR RAPID DEPLOY-**
16 **MENT OF RENEWABLE ENERGY AND ELEC-**
17 **TRIC POWER TRANSMISSION PROJECTS.**

18 “(a) IN GENERAL.—Notwithstanding section 1703,
19 the Secretary may make guarantees under this section
20 only for commercial technology projects under subsection
21 (b) that will commence construction not later than Sep-
22 tember 30, 2011.

23 “(b) CATEGORIES.—Projects from only the following
24 categories shall be eligible for support under this section:

1 “(1) Renewable energy systems, including incre-
2 mental hydropower, that generate electricity.

3 “(2) Electric power transmission systems, in-
4 cluding upgrading and reconductoring projects.

5 “(3) Leading edge biofuel projects that will use
6 technologies performing at the pilot or demonstra-
7 tion scale that the Secretary determines are likely to
8 become commercial technologies and will produce
9 transportation fuels that substantially reduce life-
10 cycle greenhouse gas emissions compared to other
11 transportation fuels.

12 “(c) FACTORS RELATING TO ELECTRIC POWER
13 TRANSMISSION SYSTEMS.—In determining to make guar-
14 antees to projects described in subsection (b)(2), the Sec-
15 retary shall consider the following factors:

16 “(1) The viability of the project without guar-
17 antees.

18 “(2) The availability of other Federal and State
19 incentives.

20 “(3) The importance of the project in meeting
21 reliability needs.

22 “(4) The effect of the project in meeting a
23 State or region’s environment (including climate
24 change) and energy goals.

1 “(d) WAGE RATE REQUIREMENTS.—The Secretary
2 shall require that each recipient of support under this sec-
3 tion provide reasonable assurance that all laborers and
4 mechanics employed in the performance of the project for
5 which the assistance is provided, including those employed
6 by contractors or subcontractors, will be paid wages at
7 rates not less than those prevailing on similar work in the
8 locality as determined by the Secretary of Labor in accord-
9 ance with subchapter IV of chapter 31 of part A of subtitle
10 II of title 40, United States Code (commonly referred to
11 as the ‘Davis-Bacon Act’).

12 “(e) LIMITATION.—Funding under this section for
13 projects described in subsection (b)(3) shall not exceed
14 \$500,000,000.

15 “(f) SUNSET.—The authority to enter into guaran-
16 tees under this section shall expire on September 30,
17 2011.”.

18 (b) TABLE OF CONTENTS AMENDMENT.—The table
19 of contents for the Energy Policy Act of 2005 is amended
20 by inserting after the item relating to section 1704 the
21 following new item:

“Sec. 1705. Temporary program for rapid deployment of renewable energy and
electric power transmission projects.”.

1 **SEC. 7004. WEATHERIZATION ASSISTANCE PROGRAM**
2 **AMENDMENTS.**

3 (a) **INCOME LEVEL.**—Section 412(7) of the Energy
4 Conservation and Production Act (42 U.S.C. 6862(7)) is
5 amended by striking “150 percent” both places it appears
6 and inserting “200 percent”.

7 (b) **ASSISTANCE LEVEL PER DWELLING UNIT.**—
8 Section 415(c)(1) of the Energy Conservation and Produc-
9 tion Act (42 U.S.C. 6865(c)(1)) is amended by striking
10 “\$2,500” and inserting “\$5,000”.

11 (c) **EFFECTIVE USE OF FUNDS.**—In providing funds
12 made available by this Act for the Weatherization Assist-
13 ance Program, the Secretary may encourage States to give
14 priority to using such funds for the most cost-effective ef-
15 ficiency activities, which may include insulation of attics,
16 if, in the Secretary’s view, such use of funds would in-
17 crease the effectiveness of the program.

18 **SEC. 7005. RENEWABLE ELECTRICITY TRANSMISSION**
19 **STUDY.**

20 In completing the 2009 National Electric Trans-
21 mission Congestion Study, the Secretary of Energy shall
22 include—

23 (1) an analysis of the significant potential
24 sources of renewable energy that are constrained in
25 accessing appropriate market areas by lack of ade-
26 quate transmission capacity;

1 (2) an analysis of the reasons for failure to de-
2 velop the adequate transmission capacity;

3 (3) recommendations for achieving adequate
4 transmission capacity;

5 (4) an analysis of the extent to which legal
6 challenges filed at the State and Federal level are
7 delaying the construction of transmission necessary
8 to access renewable energy; and

9 (5) an explanation of assumptions and projec-
10 tions made in the Study, including—

11 (A) assumptions and projections relating
12 to energy efficiency improvements in each load
13 center;

14 (B) assumptions and projections regarding
15 the location and type of projected new genera-
16 tion capacity; and

17 (C) assumptions and projections regarding
18 projected deployment of distributed generation
19 infrastructure.

20 **SEC. 7006. ADDITIONAL STATE ENERGY GRANTS.**

21 (a) IN GENERAL.—Amounts appropriated in para-
22 graph (6) under the heading “Department of Energy—
23 Energy Programs—Energy Efficiency and Renewable En-
24 ergy” in title V of division A of this Act shall be available
25 to the Secretary of Energy for making additional grants

1 under part D of title III of the Energy Policy and Con-
2 servation Act (42 U.S.C. 6321 et seq.). The Secretary
3 shall make grants under this section in excess of the base
4 allocation established for a State under regulations issued
5 pursuant to the authorization provided in section 365(f)
6 of such Act only if the governor of the recipient State noti-
7 fies the Secretary of Energy that the governor will seek,
8 to the extent of his or her authority, to ensure that each
9 of the following will occur:

10 (1) The applicable State regulatory authority
11 will implement the following regulatory policies for
12 each electric and gas utility with respect to which
13 the State regulatory authority has ratemaking au-
14 thority:

15 (A) Policies that ensure that a utility's re-
16 covery of prudent fixed costs of service is timely
17 and independent of its retail sales, without in
18 the process shifting prudent costs from variable
19 to fixed charges. This cost shifting constraint
20 shall not apply to rate designs adopted prior to
21 the date of enactment of this Act.

22 (B) Cost recovery for prudent investments
23 by utilities in energy efficiency.

1 (C) An earnings opportunity for utilities
2 associated with cost-effective energy efficiency
3 savings.

4 (2) The State, or the applicable units of local
5 government that have authority to adopt building
6 codes, will implement the following:

7 (A) A building energy code (or codes) for
8 residential buildings that meets or exceeds the
9 most recently published International Energy
10 Conservation Code, or achieves equivalent or
11 greater energy savings.

12 (B) A building energy code (or codes) for
13 commercial buildings throughout the State that
14 meets or exceeds the ANSI/ASHRAE/IESNA
15 Standard 90.1–2007, or achieves equivalent or
16 greater energy savings.

17 (C) A plan for the jurisdiction achieving
18 compliance with the building energy code or
19 codes described in subparagraphs (A) and (B)
20 within 8 years of the date of enactment of this
21 Act in at least 90 percent of new and renovated
22 residential and commercial building space. Such
23 plan shall include active training and enforce-
24 ment programs and measurement of the rate of
25 compliance each year.

1 (3) The State will to the extent practicable
2 prioritize the grants toward funding energy effi-
3 ciency and renewable energy programs, including—

4 (A) the expansion of existing energy effi-
5 ciency programs approved by the State or the
6 appropriate regulatory authority, including en-
7 ergy efficiency retrofits of buildings and indus-
8 trial facilities, that are funded—

9 (i) by the State; or

10 (ii) through rates under the oversight
11 of the applicable regulatory authority, to
12 the extent applicable;

13 (B) the expansion of existing programs,
14 approved by the State or the appropriate regu-
15 latory authority, to support renewable energy
16 projects and deployment activities, including
17 programs operated by entities which have the
18 authority and capability to manage and dis-
19 tribute grants, loans, performance incentives,
20 and other forms of financial assistance; and

21 (C) cooperation and joint activities between
22 States to advance more efficient and effective
23 use of this funding to support the priorities de-
24 scribed in this paragraph.

1 (b) STATE MATCH.—The State cost share require-
2 ment under the item relating to “DEPARTMENT OF
3 ENERGY; energy conservation” in title II of the Depart-
4 ment of the Interior and Related Agencies Appropriations
5 Act, 1985 (42 U.S.C. 6323a; 98 Stat. 1861) shall not
6 apply to assistance provided under this section.

7 (c) EQUIPMENT AND MATERIALS FOR ENERGY EFFI-
8 CIENCY MEASURES.—No limitation on the percentage of
9 funding that may be used for the purchase and installation
10 of equipment and materials for energy efficiency measures
11 under grants provided under part D of title III of the En-
12 ergy Policy and Conservation Act (42 U.S.C. 6321 et seq.)
13 shall apply to assistance provided under this section.

14 **SEC. 7007. INAPPLICABILITY OF LIMITATION.**

15 The limitations in section 399A(f)(2), (3), and (4)
16 of the Energy Policy and Conservation Act (42 U.S.C.
17 6371h–1(f)(2), (3), and (4)) shall not apply to grants
18 funded with appropriations provided by this Act, except
19 that such grant funds shall be available for not more than

- 1 an amount equal to 80 percent of the costs of the project
- 2 for which the grant is provided.

Passed the House of Representatives January 28,
2009.

Attest:

Clerk.